



CNR: KAHC010001592025

NC: 2026:KHC:37500-DB
WA No. 12 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 21ST DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE T.M.NADAF

WRIT APPEAL NO. 12 OF 2025 (LB-RES)

BETWEEN:

1. BHEEMASAMUDRA GRAM PANCHAYATH
BHEEMASAMUDRA VILLAGE
CHITRADURGA-577025
REPRESENTED BY PRESIDENT
RADHA R W/O NAGARAJ
AGED ABOUT 33 YEARS
R/AT BHEEMASAMUDRA VILLAGE
CHITRADURGA-577025

...APPELLANT

(BY SRI M S SHYAM SUNDAR, SENIOR COUNSEL FOR
SRI SUNIL KUMAR S A/W SRI RAJATH H V, ADVOCATES)

AND:

1. THE STATE OF KARNATAKA
RURAL DEVELOPMENT AND
PANCHAYAT DEPARTMENT
REPRESENTED BY
ADDITIONAL CHIEF SECRETARY
3RD GATE, 3RD FLOOR
M S BUILDING
BENGALURU-560001
2. CHIEF EXECUTIVE OFFICER
CHITRADURGA
ZILLA PANCHAYAT

Digitally
signed by
VASANTHA
KUMAR B
K

Location:
HIGH
COURT OF
KARNATAKA



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STADIUM ROAD
CHITRADURGA-577501

3. EXECUTIVE OFFICER
TALUK PANCHAYAT
OPPOSITE KSRTC DEPO
CHITRADURGA-577501
4. MINERAL ENTERPRISES
PRIVATE LIMITED
A COMPANY REGISTERED UNDER
THE COMPANIES ACT, 1956
HAVING ITS REGISTERED OFFICE
AT NO.2, BELIE STREET
LANGFORD TOWN
SHANTHINAGARA
BANGALORE-560025
REPRESENTED BY DIRECTOR

...RESPONDENTS

(BY SRI B RAVINDRANATH, AGA FOR R-1;
SRI N PRAVEEN KUMAR, ADVOCATE FOR R-2 & R-3;
SRI ADITYA NARAYANA, ADVOCATE FOR R-4)

THIS WRIT APPEAL IS FILED U/S 4 OF THE KARNATAKA
HIGH COURT ACT, 1961, PRAYING TO SET ASIDE THE
IMPUGNED ORDER DATED 13.06.2024 PASSED BY THE
LEARNED SINGLE JUDGE IN W.P.NO.6412/2024 (LB-RES) AND
ETC.

THIS APPEAL, COMING ON FOR PRELIMINARY HEARING,
THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:



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CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE T.M.NADAF

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE D K SINGH)

1. The present intra Court appeal has been filed impugning the judgment and order dated 13.06.2024 passed by the writ Court in W.P.No.6412/2024.
2. Before the writ Court, W.P.No.18404/2023 was filed by the Mineral Enterprises Private Limited (hereinafter referred to as the 'Mineral Enterprises') who is the respondent No.4 in the present appeal and W.P.No.6412/2024 was filed by the Bheemasamudra Gram Panchayat, the appellant herein. The Mineral Enterprises has challenged the Resolution dated 12.09.2022/10.10.2022 passed by the Bheemasamudra Gram Panchayat as well as the Resolution dated 13.02.2023 passed by the said Gram Panchayat, whereas the Bheemasamudra Gram Panchayat has challenged the order dated 06.04.2022 passed by the Chief Executive Officer, Chitradurga Zilla Panchayat and the Revised Order dated 29.06.2022, whereby the tax to be paid by the Mineral Enterprises from 2008-09 to



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2014-15 was assessed at Rs.13,03,899/- and from 2015-16 to 2021-22 at Rs.45,69,319/- for laying down the Railway Line and Airport Runway. Further, it was directed to decide the penalty as per Section 200(4) of the Karnataka Panchayat Raj Act as decided in the Gram Panchayat meeting, taking into consideration the Government Circular dated 20.03.2020. It was also directed that the Panchayat Development Officer and the Executive Officer of the Taluk Panchayat shall distribute 07 khata e-properties to the Mineral Enterprises.

3. The respondent No.4-Mineral Enterprises got the mining permission in the year 2008 for a period of four years. It entered into a lease-cum-sale agreement with the Karnataka Industrial Areas Development Board (KIADB) for forming private railway track to transport the iron-ore in the jurisdiction of the Panchayat. The respondent No.4 applied for e-khata on 19.11.2020 and the e-khata was issued to the respondent No.4 in respect of the land which it got under the lease-cum-sale agreement with the KIADB.

4. Under the agreement with the KIADB, the Mineral Enterprises became the owner of the property measuring 59



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acres 7 guntas and got the e-khata registered in the office of the Grama Panchayat. The Grama Panchayat made a claim for recovery of property tax and demanded a sum of Rs.2,60,13,718/- from the Mineral Enterprises. When the said amount was not paid by the Mineral Enterprises, the Gram Panchayat suspended/cancelled the e-khata.

5. The Mineral Enterprises filed an appeal before the Chief Executive Officer of the Zilla Panchayat under Section 201 of the Karnataka Gram Swaraj and Panchayat Raj Act, 1993.

6. The Chief Executive Officer, after hearing the Mineral Enterprises and the Gram Panchayat, proceeded to pass an order dated 06.04.2022 determining the property tax at Rs.13,03,899/- for the period 2008-09 to 2014-15 and Rs.45,69,319/- for the period 2015-16 to 2021-22. Directions were also issued by the Chief Executive Officer to the Gram Panchayat to restore the e-khata. As the said order was not implemented by the Gram Panchayat, the Mineral Enterprises filed W.P.No.18404/2023 before this Court.



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7. The learned Single Judge disposed of both the writ petitions by a common judgment and order with a direction to the Mineral Enterprises to pay the property tax for the subsequent period i.e., 2022-23 onwards in accordance with the law and as per the assessment already made by the Chief Executive Officer of the Zilla Panchayat; and the Gram Panchayat was permitted to raise the demand accordingly. Further direction has been issued to the Gram Panchayat to restore the e-khata in favour of the Mineral Enterprises. The order/Official Memorandum dated 19.04.2021 issued by the Executive Officer of the Taluk Panchayat to the Sub-Registrar, Chitradurga which came to be quashed and set aside by the Chief Executive Officer, was directed to be taken note of by the Sub-Registrar, Chitradurga.

8. Mr. M.S. Shyam Sundar, the learned Senior Counsel appearing for the appellant has submitted that the value of the railway track is more than Rs.100 crores, however, the Mineral Enterprises had assessed the value only at Rs.18 crores and without there being a valid assessment by the Railway Department, the property tax could not be assessed. In sum



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and substance, the submission is that the valuation of the railway track should be done and then the Panchayat should be permitted to collect the property tax accordingly.

9. We find no substance in the submission advanced on behalf of the appellant. The Chief Executive Officer of the Zilla Panchayat has taken note of the relevant facts such as, the total extent of land in occupation of the Mineral Enterprises for which the property tax was required to be assessed was 2,39,473 sq.mts. out of which, the constructed portion was only 674 sq.mts. and the railway line which was laid by the Mineral Enterprises is about 22,513 sq.mts. The Chief Executive Officer has taken note of such provisions and has assessed the extent of railway line at the rate of 0.10%.

10. The learned Single Judge has considered the order passed by the Chief Executive Officer, which is quite in detail and has levied taxes for different components. In the modified order, the Chief Executive Officer has clarified the extent of land on which the railway track has been constructed. There is no provision for getting assessment of valuation of the railway track for levy of property tax by the Railway Department as



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contended by the learned Senior Counsel for the appellant. We, therefore, find no substance in this writ appeal, which is hereby dismissed.

In view of dismissal of the writ appeal, pending IAs, if any, do not survive for consideration and accordingly, they stand disposed of.

**Sd/-
(D K SINGH)
JUDGE**

**Sd/-
(T.M.NADAF)
JUDGE**

BKV
CT:SN
List No.: 1 Sl No.: 18