

W.P.(MD) No.11211 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 28.07.2026

CORAM

THE HON'BLE MR.JUSTICE C.SARAVANAN

W.P.(MD) No.11211 of 2025

and

W.M.P.(MD) Nos.8355 & 8360 of 2025

The Correspondent,
P.S.Y.Matriculation Higher Secondary School,
No.19-A, Pandian Saraswathi Street,
Narayanapuram,
Madurai - 625 014.

... Petitioner

Vs.

1.The Commissioner,
Madurai Corporation,
Madurai - 625 002.

2.The Assistant Commissioner,
Division - II (North),
Madurai Corporation,
Madurai - 625 002.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari to call for the records pertaining to the impugned Demand Notice of the second respondent *vide* his Letter No.Ma2A8B8/005372/2024 dated 24.01.2025 and quash the same as illegal.

For Petitioner : Mr.J.Lawarance



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W.P.(MD) No.11211 of 2025

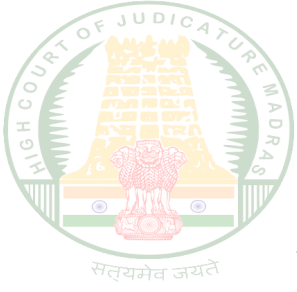
For Respondents : M/s.S.Devasena
Standing Counsel

ORDER

The petitioner is before this Court challenging the impugned Demand Notice dated 24.01.2025 issued by the second respondent bearing Reference Letter No.Ma2A8B8/005372/2024.

2. This is the second round of litigation before this Court. Earlier, the petitioner was issued with a Demand Notice dated 25.07.2024, whereby a demand was raised for the tax period from 2018-2019 to 2024-2025. The said Demand Notice was challenged by the petitioner before this Court in W.P.(MD) No.23978 of 2024, which came to be disposed of by order dated 16.10.2024 with the following directions:

“5. In view thereof, the impugned order dated 25.07.2024 is set aside. The petitioner is directed to deposit a sum of Rs.10,00,000/- (Rupees Ten Lakh only), within a period of three weeks from the date of receipt of a copy of this order. On such deposit, the respondents shall redo the assessment in terms of Section 82 of the Act, after affording reasonable opportunity of hearing to the petitioner. The payment of deposit of Rs.10,00,000/- shall be adjusted on the liability that may be determined pursuant to the above proceedings.”

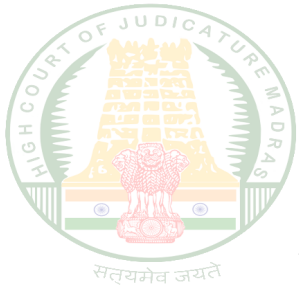


W.P.(MD) No.11211 of 2025

3. The petitioner has also complied with the above direction issued by the Writ Court on 27.02.2025. It is the case of the petitioner that *post facto*, the petitioner has paid a further sum of Rs.10,00,000/- (Rupees Ten Lakhs only) in two installments of Rs.5,00,000/- each on 05.03.2025 and 15.03.2025, respectively.

4. As per the impugned order, a joint inspection was carried out, pursuant to which the respondents have come to a conclusion that there was no difference in the built-up area. However, the tax was reduced from Rs.4,38,531/- to Rs.2,50,590/- on a half-yearly basis. Relevant portion of the impugned order reads as under:

“எனவே மேற்கண்ட தீர்ப்பாணையில் உத்தரவிடப்பட்டுள்ளவாறும், தங்களது கோரிக்கையின் அடிப்படையிலும், தங்கள் முன்னிலையில் கட்டிடம் அளவீடு செய்யப்பட்டதில், கட்டிட அளவுகளில் மாறுதல் ஏதும் இல்லாத காரணத்தால் 01.04.2022க்கு முன் நிர்ணயம் செய்யப்பட்ட கேட்புத் தொகை சென்னை உயர்நீதிமன்ற மதுரைக்கிளை தீர்ப்பினை நிறைவேற்றும் பொருட்டு பொதுவரி சீராய்வுக்கு முன் நிர்ணயம் செய்ய வேண்டிய சரியான கேட்புத் தொகைக்கு மாறுதல் செய்ய நடவடிக்கை மேற்கொள்ளப்பட்டு 01.04.2018 முதல் அரையாண்டு வரி ரூ.4,38,531/- என இருந்ததை தற்போது ரூ.2,50,590/-என நிர்ணயம் செய்தும், மேற்படி வரிவிதிப்பு எண்ணிற்கு விதிக்கப்பட்ட விதிமீறல் அபராதத் தொகை ரூ.2,38,392-யும் நீக்கம் செய்யப்பட்டுள்ளது. அதன்படி மொத்த நிலுவைத் தொகை ரூ.64,24,138/-லிருந்து தற்போது ரூ.46,86,218/- ஆக குறைக்கப்பட்டுள்ளது.”



W.P.(MD) No.11211 of 2025

5. The learned counsel for the petitioner would submit that the determination of tax in the impugned order is contrary to Sections 82 and 83 of the Tamil Nadu Urban Local Bodies Act, 1998. That apart, it is submitted that the petitioner had submitted all the relevant particulars. However, without determining the Zone and the rate of tax payable by the petitioner, the impugned demand has been raised. That apart, it is submitted that according to the petitioner, the total built-up area is only 21,163 sq.ft., as against which the respondents have determined the tax liability by taking the built-up area as 34,055 sq.ft.

6. However, the records do not reveal that the determination has been made on the basis of the aforesaid calculation of the built-up area pursuant to the joint inspection carried out in terms of the order of this Court dated 16.10.2024 passed in W.P.(MD) No.23978 of 2024.

7. Suffice it to state that this is a case where the petitioner had claimed exemption from payment of tax under Section 122(c) of the Madurai City Municipal Corporation Act, 1971. The said exemption was withdrawn with effect from 2013 and therefore, the petitioner became liable to pay tax. The petitioner was required to comply with the



W.P.(MD) No.11211 of 2025

requirements of Rule 258 of the Tamil Nadu Urban Local Bodies Rules, 2023, followed by the procedure prescribed under Rule 259 of the Tamil Nadu Urban Local Bodies Rules, 2023, which is intended to complement Sections 82 and 83 of the Tamil Nadu Urban Local Bodies Act, 1998.

8. A reading of the impugned order indicates that there is no clear indication as to how the half-yearly tax liability of Rs.2,50,590/- has been arrived at. However, the fact remains that the petitioner is indeed liable to pay tax. The amount paid pursuant to the order of this Court and the amount stated to have been paid by the petitioner subsequently may not be sufficient to discharge the petitioner's tax liability.

9. The learned counsel for the petitioner would therefore submit that the petitioner will deposit a further sum of Rs.5,00,000/- within a period of one week from today. The statement made by the learned counsel for the petitioner stands recorded.

10. Hence, the impugned order is quashed and the case is remitted back to the respondents for redoing the exercise of determining the actual tax liability of the petitioner by furnishing the particulars of the zone area



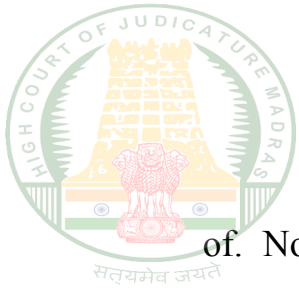
W.P.(MD) No.11211 of 2025

and the rate of tax at which the petitioner is liable to pay tax. Needless to state, the fresh assessment order shall clearly specify the zone area, the total built-up area, and the rate of tax at which the petitioner is liable to be taxed.

11. Since these particulars are not available in the impugned order, I direct the respondents to issue a Show Cause Notice furnishing the particulars of the built-up area determined during the joint inspection carried out pursuant to the order of this Court dated 16.10.2024 passed in W.P.(MD) No.23978 of 2024. The petitioner shall thereafter submit his response, and the respondents shall determine the tax liability in accordance with law.

12. In case the amount already paid by the petitioner pursuant to the orders of this Court and voluntarily is in excess of the tax so determined, the excess amount shall be adjusted towards the ensuing assessment period. In case there is a deficit, the respondents are at liberty to levy surcharge on the delayed payment of tax, in accordance with law.

13. With the above observations, this Writ Petition stands disposed



W.P.(MD) No.11211 of 2025

of. No cots. Consequently, the connected Miscellaneous Petitions are

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28.07.2026

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NCC : Yes / No

Index : Yes / No

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W.P.(MD) No.11211 of 2025

C.SARAVANAN, J.

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W.P.(MD) No.11211 of 2025

28.07.2026