

THE HON'BLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION NO.32110 of 2015

DATED : 05.10.2015

Between :

M/s. Stan Power,

Rep., by its Managing Partner,

Timothy Prakash S/o.Mr.Dr.P.A.Paul,

Aged 46 yrs, r/o.5, Ammena Complex,

Uppal, Hyderabad.

.. Petitioner

and

Greater Warangal Municipal Corporation,

Rep., by its Commissioner, Warangal.

.. Respondent

This court made the following :

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ORDER :

The petitioner entered into an agreement with the respondent-Corporation. The purpose of the agreement is that the petitioner has to install and manage traffic signals at various points in the city of Warangal. The petitioner was granted permission for installation of advertisement hoardings on Build Operate Transfer Basis at 21 junctions in the city. The terms of the agreement required that the petitioner has to pay advertisement charges as demanded by the respondent-Corporation. Alleging that the petitioner has not paid the advertisement charges, he was issued notice and order was passed on 14.09.2015 demanding the petitioner to pay the taxes to a tune of Rs.22,09,584/-.

2. The petitioner challenges the said order on the ground that there was delay in actual implementation of the terms of the agreement and whereas the demand relates to the entire period which is unreasonable and amounts to illegal extraction of money from the petitioner for the period for which he was not responsible and advertisement hoardings were not installed.

3. Learned counsel for the petitioner submits that in terms of the agreement entered into by the petitioner, the term of agreement was initially for a period of three years, but was extendable up to 15 years. Since the petitioner has made representation seeking waiving of the amount now demanded, on account of the delay in actual implementation and various hurdles created to him in the process of implementation of the terms of the agreement and the respondent-Corporation being a facilitator, ought to have seen that demand of advertisement charges should have been deferred from the date of actual coming into effect of the advertisement hoardings. Learned counsel further submits that since the initial term of contract has come to an end, he intend to apply for renewal in terms of the original agreement and the petitioner also requested for adjustment of the amounts for the period 2012-2013. Since in terms of contract, the work could not have been executed in time and therefore for the period 2012-2013, the amount should be appropriated accordingly.

4. On instructions, learned Standing counsel, submits that so far the petitioner has not submitted any representation for appropriation/waiver or induction of taxes payable by the petitioner and also regarding renewal of contract and as and when the petitioner submits such representation, the same would be considered positively and appropriate decision would be taken.

5. Admittedly, the demand made by the respondent-Corporation is in terms of

the contract entered into between the petitioner and respondent, as well as the Provisions of the Hyderabad Municipal Corporation Act, 1955 and the orders of the Government in G.O.Ms.No.487. Thus, no exception can be taken to the said demand. If the petitioner has any grievance arising out of enforcement of the terms of the contract or delay attributable to the respondent Corporation with reference to the establishment of traffic signals and advertisement hoardings, the petitioner ought to have approached the respondent-Corporation for proper negotiations and relaxation/wavering of the required payment for any particular period. Therefore, no exception can be taken on the demand made by the respondent-Corporation.

6. However, as the learned counsel for the petitioner submits that the petitioner would be making a representation regarding renewal of contract as well as for appropriation of the amounts for the period 2012-2013, it is open to the petitioner to make such representation and as and when such representation is filed, the same shall be considered objectively by the respondent-Corporation and appropriate orders as warranted by law be passed. As stated by the learned counsel for the petitioner, the amount demanded by the respondent-Corporation vide proceedings dated 14.09.2015, shall be paid within a period of one week from today. It is open to the petitioner to make the payment by lodging a protest subject to the petitioner's claim for appropriation of amount for the period for which the terms of contract could not be enforced and the hoardings actually installed much later. Subject to payment of amount within one week from today, the respondent-Corporation shall not take any coercive steps.

With the above directions, the writ petition is disposed of. There shall be no order as to costs.

Miscellaneous petitions, if any, pending in this writ petition shall stand closed.

P.NAVEEN RAO,J

05th October, 2015.

Rds

