THE HON'BLE SRI JUSTICE M.S. RAMACHANDRA RAO

CIVIL REVISION PETITION No.263 of 2020

ORDER:

Heard both sides.

2. This revision is filed challenging the order dated 02.12.2019 passed in IA.No.451 of 2019 in OS.No.230 of 2019 of the IX Additional Chief Judge, City Civil Court, Hyderabad, to the extent it went against the petitioners.

3. It is not in dispute that in para 5 of the said order, the Court below had also mentioned that the petitioners are entitled to rents for the month of November 2018. But in the last part of the said order, by oversight the Court below appears to have omitted to mention the said fact and only directed the respondents to pay rents from December 2018.

4. This being patent error on the part of the Court below in not including the rent for the month of November 2018 also in the order which is passed under Order 15A of the Civil Procedure Code, it has to be held that petitioners are also entitled to the rent for the said month of November 2018 as well.

5. This apart, according to the petitioners, there is liability to pay Goods and Services Tax on the rents payable to the petitioners by the respondents and that the said liability should also be discharged by the respondents. But the Court below did not advert to this fact when it passed the impugned order.

6. The liability of the tenants to pay GST when the rents exceed Rs.20 Lakhs per annum is settled law and it cannot be disputed that when the admitted monthly rent is Rs.3,50,462/-, the total annual rent

would exceed the said figure of Rs.20 Lakhs and that the said liability is fastened by the provisions of the GST Act, 2017 on the tenant only.

7. Therefore, there shall be a direction to the respondents/tenants to pay every month to the Competent Authority under the GST Act, 2017, tax @ 18% on the rent of Rs.3,50,462/- payable every month to petitioners. The arrears of GST on the rent for the period from November 2018 till date shall be deposited to the credit of OS.No.230 of 2019 by the respondents within four (4) weeks from the date of receipt of a copy of this order along with the rent for the month of November 2018. In default of payment of the same, the defence of the respondents is liable to be struck off. It is needless to state that the petitioners shall issue an invoice mentioning the rents and the GST thereon to the respondents for the arrears which the respondent would have to pay and in future also petitioners should continue to do so. The amounts deposited towards rent for the month of November 2018 and the amounts deposited towards GST by the respondents are permitted to be withdrawn by the petitioners, who shall transmit the same to the competent authority under the GST Act, 2017.

Accordingly, the Civil Revision Petition is allowed.

As a sequel, the miscellaneous petitions, pending if any, shall stand closed. There shall be no order as to costs.

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M.S. RAMACHANDRA RAO, J

March 12, 2020
DSK