IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.10.2022

CORAM

THE HON'BLE **MR.JUSTICE M. DHANDAPANI**

W.P.No. 28069 of 2021
and
WMP.No. 29637 of 2021

M/s. Good leather Shoes Private Limited
Represented by its Managing Director
Mr.K.R.Vijayan ..Petitioner

Versus

1. The District Collector,
   Master Plan Complex
   NH-205, Tiruvallur District
   Tamil Nadu - 602 001.

2. The Assistant Director
   Panchayats
   Tiruvallur District-602 001.

3. The President/Executive Officer
   Thodukadu Panchayat
   No.136, Namachivayapuram Village
   Thodukadu Post
   Tiruvallur - 602 105. .. Respondents

Writ Petition is filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, calling for the records of the 3rd respondent in final notice dated 30.09.2021 along with the notice of demand for house tax dated 01.10.2021 and quash the same, and consequently to direct the respondents to follow the procedure contemplated under Rules 4 and 7(4) of the Tamil Nadu Village Panchayat (Assessment and Collection of Taxes) Rules 1999 before revising the house tax for the petitioner.

For Petitioner	: Mr.G.Baskar
For RR 1 & 2	: Mr.U. Baranidharan, Addl.G.P.
For R3	: Ms.Sridevi For Mr.V.Raghupathi

ORDER

This writ petition has been filed challenging the impugned final notice, dated 30.09.2021 along with the notice of demand for property tax, dated 01.10.2021, quash the same and for consequential direction to the respondents to follow the procedures contemplated under Rules 4 and 7(4) of the Tamil Nadu Village Panchayat (Assessment and Collection of Taxes) Rules, 1999, before revising the property tax of the petitioner-Company.

2. The case of the petitioner is that the petitioner-company is a manufacturing unit of shoe components comprised in S.No.41/3, Vayalur Road at Thodukadu Village in Thiruvallur District. The petitioner-company has been paying a sum of Rs.14,850/- as property tax to the 3rd respondent regularly without any default. The total built up area of the petitioner's premises is 22,000 sqft., and power capacity used in the petitioner's premises is 250 HP. The third respondent issued a letter dated 30.09.2021, wherein it was stated the property tax of the petitioner has to be computed based on the measurements in the building plan of the petitioner's premises and that the property tax has not been revised for the last 20 years. The third respondent called upon the petitioner to pay a sum of Rs.15,20,000/- for the period from 01.04.2020 to 31.03.2022 towards property tax in order to prevent auction of the petitioner premises due to non-payment of the said tax. The 3rd respondent had demanded the tax at Rs.4.80 per sq.ft., and had erroneously mentioned that the built up area of the petitioner is

1,00,000 sqft. and the total electricity capacity has been sanctioned with 1,000 Hp, whereas the built-up area of the petitioner-company is actually only 22,000 sqft. and power capacity is only 250 Hp. Further, the third respondent had arbitrarily increased the tax from Rs.1.60 per sqft. to Rs.4.80 per sqft. on the ground that revision for the same has not taken place for the past 20 years. However, the third respondent has not followed the procedures as mentioned as per Rule 7(4) of the Tamil Nadu Village Panchayat Rules, 1999, before the revision of the said tax. Furthermore, the 3rd respondent has erroneously mentioned that the built-up area of the petitioner's premises is 1,00,000/- sqft., whereas the built-up area of the petitioner is only 22,000/- sqft., Challenging the impugned notices, the petitioner has filed the present writ petition.

3. The learned counsel appearing for the 3rd respondent submitted that though sufficient opportunities were granted to the petitioner to pay property tax, but the petitioner has not co-operated with the third respondent for assessing the property tax.

4. Taking into consideration the facts and circumstances of the case

and the submissions made by the learned counsels on either side, this Court is inclined to grant one more opportunity to the petitioner to pay property tax before assessing the property tax in a proper manner.

5. Therefore, in view of the above submissions of the learned counsel for the third respondent, without prejudice to the right of the petitioner-Company, the petitioner is directed to deposit a sum of Rs.2,00,000/- (Rupees Two Lakhs Only) within a period of two weeks from the date of receipt of a copy of this order. After receiving the same, the concerned Block Development Officer is directed to inspect and measure the property of the petitioner in question, namely, M/s.Good Shoe Components Private Limited, after providing an opportunity of hearing to the petitioner-Company and to assess the property tax afresh within a period of six weeks from the date of above payment to be made.

6. Accordingly, the impugned orders dated 30.09.2021 and 01.10.2021 are hereby set aside and the writ petition is allowed and the matter is remanded to the competent authority, subject to payment of Rs.2,00,000/- [Rupees Two Lakhs Only). There shall be no order as to

costs. Consequently, connected Miscellaneous Petition is closed.

11.10.2022

msm

speaking order/non speaking order

To

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   Tamil Nadu - 602 001.

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M. DHANDAPANI, J.

msm

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