HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD
(Special Original Jurisdiction)

TUESDAY, THE FIRST DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HON'BLE SRI JUSTICE B.VIJAYSEN REDDY

WRIT PETITION NO : 6758 OF 2019

Between:

Smt.K.Praneetha, W/o.K.Shyam Kumar, aged about 42 years, occupation. Household, R/o. H.No. Plot No.564/A/12 Phase-III, Jubilee Hills, Road No-92, Hyderabad

...PETITIONER

AND

1. The State of Telangana, Rep. by its Principal Secretary, Municipal Administration and Urban Development Department Secretariat, Hyderabad
2. The Commissioner of GHMC, Circle No18, Jubilee Hills, Hyderabad.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ, Order or direction and more particularly one in the nature of Writ of Mandamus, declaring the action of the respondents in proposing to recover a sum of Rs.32,96,197/- as arrears of property tax under PTIN No. 1100857748 as illegal and in violation of principles of natural justice and Article 14 of the Constitution of India.

IA NO: 1 OF 2019

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to interim stay of recovery of property tax of Rs.32,96,197/- under PT1N No. 1100857748 issued by the 2nd respondent pending disposal of the writ petition in the interest of justice.

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the Respondents 2 & 3 herein to re-assess the property tax of the Petitioner as per the Orders of the Hon'ble Chief Judge, City Small Causes Court, Hyderabad in M.A. No. 110/2015, dated 30.06.2017 in respect of Petitioner premises bearing No. 8-2- 293/82/JIII/479, Jubilee Hills, Hyderabad, consequently direct the respondents to grant the benefit of waiver of interest of 90% on the arears of property tax as per the G.O. Rt. No. 485, MA & UD (GHMC-II), Dept., dated 16.07 2022 and any other subsequent order or orders in this regard, otherwise the petitioner will suffer grate hardship and irreparable loss.

Counsel for the Petitioner : SMT. P.V.V.B. RAJESHWARI
Counsel for the Respondent No. 1 : GP FOR MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT (TG)
Counsel for the Respondent No. 2 : SRI MIDDE ARUN KUMAR, SC FOR GHMC
The Court made the following : ORDER

HONOURABLE SRI JUSTICE B. VIJAYSEN REDDY

WRIT PETITION No.6758 OF 2019

ORDER :

This writ petition is filed by the petitioner seeking to declare the action of the respondents in proposing to recover a sum of Rs.32,96,197/- towards arrears of property tax under PTIN.No.1100857748, as being illegal, in violation of principles of natural justice and Article 14 of the Indian Constitution.

2.1. The case of the petitioner is that she is the owner of the property bearing Municipal No.8-2-293/82JIII/479 situated at Jubilee Hills, Hyderabad, by virtue of registered sale deed bearing document No.3081 of 2005 dated 02.08.2005. She obtained building permission and proceeded with construction. As there was interference in the construction by respondent No.2, the petitioner filed a suit in O.S. No.2473 of 2011 on the file of the learned IV Junior Civil Judge, Hyderabad, wherein ad-interim injunction order was passed against respondent No.2 restraining him from interfering with construction of the petitioner over the suit property. Respondent No.2 did not choose to file written statement in the said suit. That, without assessing the value of the property, respondent No.2 issued demand notice dated

13.01.2015 demanding the petitioner to pay property tax to the tune of Rs.9,05,693/-, which included arrears and interest till 31.03.2015.

2.2. It is submitted that the property tax was assessed treating the entire building as commercial property. The petitioner's building consists of Ground + 2 upper floors. That only ground floor is being used for commercial purpose and the other two floors are being used for residential purpose.

2.3. The petitioner filed Municipal Appeal being M.A.No.110 of 2015 before the learned Chief Judge, City Small Causes Court, Hyderabad, challenging the abnormal enhancement of property tax. In the said M.A., *vide* order dated 25.02.2015 in I.A.No.174 of 2015, interim stay of all further proceedings in pursuance of the impugned demand notice dated 13.01.2015 was granted subject to the petitioner paying a sum of Rs.1,50,000/- on or before 27.03.2015. Pursuant to the said order, the petitioner paid Rs.1,50,000/- on 16.03.2015. Eventually, the Municipal Appeal filed by the petitioner was allowed by the order dated 30.06.2017 setting aside the demand notice dated 13.01.2015 and remanding the matter to the respondent Corporation to assess the property tax of the suit property afresh in accordance with the procedure under Sections 220 to 223 of the Greater Hyderabad Municipal Act, 1955 (for short 'GHMC Act') on condition that the petitioner shall pay 40% of the amount claimed in the demand notice by giving credit to the amount paid by her as per the orders in I.A.No.174 of 2015 dated 25.02.2015.

3. Heard Ms. P.V.V.B. Rajeswari, learned counsel, representing Mr. P. Vinayaka Swamy, learned counsel for the petitioner, and Mr. Midde Arun Kumar, learned Standing Counsel for GHMC, appearing for respondent No.2.

4. Learned counsel for the petitioner submitted that in compliance of the order dated 30.06.2017 in M.A.No.110 of 2015, the petitioner remitted a sum of Rs.2,12,278/- on 25.11.2017. In total, the petitioner paid a sum of Rs.3,62,278/- out of the original demand of Rs.9,05,693/-. Learned counsel further submitted that without complying with the order dated 30.06.2017 in M.A.No.110 of 2015, surprisingly, on 27.03.2019, the Officers of respondent No.2 came to the suit property and demanded a sum of Rs.32,96,197/- towards arrears of the property tax from the year 2012-2013 to 2018-2019 and threatened to seize the suit property and also to demolish the same if their demands are not met immediately. It is contended that the action of respondent No.2 is

highhanded and contrary to the provisions of the GHMC Act and also the orders passed by the learned Chief Judge, City Small Causes Court, Hyderabad, in M.A.No.110 of 2015 dated 30.06.2017.

5. Learned Standing Counsel appearing for respondent No.2 submitted that the suit property comprises Ground + 3 upper floors and it is being used for commercial purpose. The 4^{th} floor constructed by the petitioner is unauthorised. In the ground floor, there are three shops and the entire remaining building is used for commercial purpose. The total built up area of the petitioner's building is 16359 square feet. The property was assessed as per Area Based Unit Rates (ABUR Gazette Rates) notified by the Government of Telangana. The petitioner did not comply with the interim order dated 29.03.2019 passed by this Court in I.A.No.1 of 2019 and she has only cleared part payment instead of paying the property tax dues containing arrears and current tax (without interest). Respondent No.2 assessed the total property tax of the suit property at the rate of Rs.2,59,090/- per annum. The petitioner is not paying the property tax even though she is getting handsome rents from her commercial property. As per the records of the GHMC, the arrears of property tax is

Rs.21,91,027/-, interest on arrears of tax is Rs.22,56,092/-, current property tax due is Rs.2,59,090/- and interest on current property tax due is Rs.12,955/-, and thus, in total the petitioner is due to pay a sum of Rs.47,19,164/- towards property tax as on date. The petitioner is trying to mislead this Court by suppressing the facts and to avoid payment of the property tax.

6. M.A.No.110 of 2015 filed by the petitioner before the Chief Judge, City Small Causes Court, Hyderabad, was allowed by the order dated 30.06.2017 setting aside the demand notice dated 13.01.2015 and the matter was remitted to the respondent Corporation to assess the property tax of the petitioner's property afresh in accordance with the procedure under Sections 220 to 223 of GHMC Act on condition of petitioner paying 40% of the demanded amount by giving credit to the amount paid by her as per the orders in I.A.No.174 of 2015 dated 25.02.2015.

7. Counter affidavit of respondent No.2 is silent regarding the assessment made by the GHMC pursuant to the orders passed in M.A.No.110 of 2015. It appears, without reassessing the property tax as directed by the learned Chief Judge, City Small Causes Court, in M.A.No.110 of 2015, the impugned demand notice *vide* property tax history under PTIN

No.1100857748 was issued for Rs.32,96,197/-, which includes Rs.15,54,540/- towards arrears of tax, Rs.14,51,475/- towards interest on arrears of tax, Rs.2,59,090/- towards current tax and Rs.31,092/- towards interest on current tax.

8. As seen from the impugned demand notice, the arrears of tax are shown from the year 2012-2013 till 2017-18 and current tax due is shown for the year 2018-2019. In the opinion of this Court, the impugned demand notice cannot be sustained as the previous demand notice dated 13.01.2015, which was the subject matter of M.A.No.110 of 2015, was set aside and a direction was given to re-assess the property tax of the petitioner's property. Instead of complying with the said order, respondent No.2 is insisting the petitioner to pay a sum of Rs.32,96,197/-.

9. Once the demand notice dated 13.01.2015 was set aside and the matter was remitted for fresh assessment of the property tax of the petitioner's property in accordance with the procedure under Sections 220 to 223 of the GHMC Act, by the order dated 30.06.2017 in M.A.No.110 of 2015, the question of again including the demand of tax for the years 2012-2015 showing the principal component and interest component is highly objectionable and unsustainable. The order dated 30.06.2017

passed in M.A.No.110 of 2015 has attained finality and thus any tax assessment has to be in accordance with the said order.

10. Accordingly, the writ petition is allowed and the impugned demand notice *vide* property tax history under PTIN No.1100857748 is set aside. However, considering that the petitioner has not paid property tax from the year 2019 till 2025, the petitioner is directed to pay Rs.12,00,000/- (Rupees Twelve Lakhs only) as tentative property tax within a period of ten (10) days from the date of receipt of a copy of this order. Respondent No.2 is directed to re-assess the property tax as directed by the learned Chief Judge, City Small Causes Court, Hyderabad, by the order dated 30.06.2017 in M.A.No.110 of 2015. The amount of Rs.12,00,000/- to be paid and amounts paid pursuant to the interim order dated 29.03.2019 shall be adjusted towards newly assessed property tax. This exercise shall be completed within a period of four (04) weeks from the date of receipt of a copy of this order. No order as to costs.

As a sequel thereto, miscellaneous petitions, if any, pending in this writ petition stand closed.

SD/- A. JAYASREE
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. The Principal Secretary, Municipal Administration and Urban Development Department, State of Telangana, Secretariat, Hyderabad.
2. The Commissioner of GHMC, Circle No18, Jubilee hills Hyderabad.
3. One CC to SRI P.V.V.B. RAJESHWARI, Advocate. [OPUC]
4. Two CCs to GP FOR MUNICIPAL ADMINISTRATION AND URBAN DEVELOPMENT, High Court for the State of Telangana at Hyderabad. [OUT]
5. Two CD Copies.
6. One Spare Copy.

HIGH COURT

DATED : 01/04/2025

ORDER

WP.No. 6758 of 2019

ALLOWING OF THE WRIT PETITION
WITHOUT COSTS

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28/6/25