

(2014) 07 JH CK 0078

In the Jharkhand High Court

Case No : Writ Petition (Civil) No. 4493 of 2012

Steel Authority of India Limited

APPELLANT

Vs

Ranchi Municipal Corporation

RESPONDENT

Date of Decision : 18-07-2014

Acts Referred:

Constitution of India, 1950 — Article 227

Citation : (2015) 1 JLJR 151 : (2014) 4 AJR 74

Hon'ble Judges : R. Banumathi, C.J.; P.P. Bhatt, J

Bench : Division Bench

Advocate : Indrajit Sinha and Krishanu Ray, Advocate for the Appellant; Anil Kumar Sinha, Senior Advocate and Ray Rajat Nath, Advocate for the Respondent

Judgement

R. Banumathi, C.J.—Payment of Annual Municipal Holding Tax consolidated at Rs. 19 lakhs for three Holdings of Steel Authority of India Ltd. (Administrative Block, Satellite Township and Delhi Public School) to Ranchi Municipal Corporation is the subject matter of dispute in this writ petition. The dispute had a chequered career for two decades. The history of various rounds of litigation at the instance of Steel Authority of India Ltd. (SAIL) has been elaborately discussed in the impugned judgment of the Additional Judicial Commissioner, Ranchi/Appellate Authority.

2. Brief Facts:

The Petitioner-SAIL is a Government Company and having its own Unit namely Research and Development Centre for iron and steel at Ranchi within the jurisdiction of the Ranchi Municipal Corporation, Ranchi. Petitioner's Predecessor-Company was Hindustan Steel Authority of India Ltd., who had acquired 25 acres of land at Ranchi on which Administrative Building, Laboratory and MTI buildings were constructed, for which after negotiation between the petitioner and the Ranchi Municipal Corporation (RMC), consolidated tax was fixed on mutual understanding at Rs. 3 lakhs per annum, vide order dated 31.7.1986 passed by the RMC and the same was paid from 1.4.1985. In the year 1987, the petitioner

took on lease 65 acres of land from the Heavy Engineering Corporation (HEC) and constructed its own township Satellite Township including Delhi Public School within the said township. After assessing annual rental value of the Administrative Block, Satellite Township and Delhi Public School, vide Annexure - 3, 3/1 and 3/2 (all dated 26.6.1992), Annual Municipal Tax of Rs. 23,42,571.12 was levied. Against the said levy, the Petitioner neither filed any appeal, nor paid the tax. One Sri R.C. Nangia, Dy.CFM, representative of the petitioner, attended RMC office on 23.2.1993 and objected the enhancement of tax as without basis. However, after negotiation, tax was compounded at Rs. 19 lakhs and to that effect ordersheet dated 23.2.1993 (Annexure - 7) was drawn and the representative of the petitioner also signed on the same. After fixation of tax at Rs. 19 lakhs by mutual understanding, certain payments were made by the petitioner under protest towards payment of Municipal Holding Tax. The letter dated 24.2.1995 (Annexure - 9) was sent to the petitioner by RMC calling upon the petitioner to pay Municipal Holding Tax which was fixed at Rs. 19 lakhs on mutual understanding. Vide Annexure - 10 and 11, SAIL raised objection by its letters dated 23.3.1995 and 17.5.1995. The petitioner had not filed any appeal as stipulated under the Patna Municipal Corporation Act. The petitioner challenged the levy of Annual Municipal Holding Tax by filing CWJC No. 3546/1996(R), which was dismissed.

3. Challenging the order of dismissal of CWJC No. 3546/1996(R), SAIL unsuccessfully agitated the matter upto the level of Supreme Court. In the light of the order of Hon"ble Supreme Court, Civil Review No. 98/1997(R) was filed in the High Court and the same was disposed of on 18.7.2000, giving liberty to the petitioner to file an appeal before the Appellate Authority in terms of the Patna Municipal Corporation Act. However, while disposing the Civil Review petition, it was observed that no coercive steps be taken against the petitioner for realization of the assessed tax till the disposal of the appeal. Thereafter SAIL filed appeal being MJC (Misc. Appeal) No. 64/2000, before the Additional Judicial Commissioner, Ranchi, who, by elaborate judgment dated 28.4.2012, dismissed the appeal filed by the SAIL, which is the subject-matter of challenge in this writ petition.

4. FINDINGS OF THE APPELLATE AUTHORITY

In its judgment, the Appellate Authority/Additional Judicial Commissioner, Ranchi, elaborately dealt with the various contentious issues and answered the issues by recording the following findings:-

? The Municipal Holding Tax, which was assessed to the tune of Rs. 23,42,571.12, which was compounded to the tune of Rs. 19 lakhs by the impugned order dated 23.2.1993 (Annexure - 7) was made in the presence of the SAIL's representative who put his signature on the margin of the ordersheet and the petitioner remained silent for more than two years and also made payment towards monthly tax and for the first time objection was raised only in 1995.

? The order of assessment dated 23.2.1993 (Annexure - 7) was passed in consonance of the provisions of the Patna Municipal Corporation Act (PMC Act) and the impugned order is not illegal, arbitrary or discriminatory in nature.

? Since the petitioner is not a party in the judgment passed in CWJC No. 1594/1987(R), on the basis of the said order, SAIL cannot claim exemption from payment of tax imposed on it by the Municipal Authority as per letter dated 16.7.1991 written by the HEC authorities to the Executive Officer, RMC and the petitioner, who is the lessee under the HEC, is liable to pay the assessed Municipal Tax.

? The contention of the petitioner that since the amenities and services like supply of water and sewage are not provided by RMC to the petitioner, water tax and service tax cannot be levied, is not acceptable in view of the judgment rendered in Nirmal Kumar Kedia and Others Vs. State of Bihar and Others, and Rai Vimal Krishna and Others Vs. State of Bihar and Others, .

5. CONTENTION

Contending that the Annual Municipal Holding Tax levied on the petitioner, Mr. Indrajit Sinha, learned counsel for the petitioner, inter alia, made the following submissions:-

(i) The provisions of Section 134, 136 of the PMC Act were not complied with. In terms of Section 136, no meeting was held and without affording any opportunity to the petitioner, RMC arbitrarily fixed the Annual Rental Value and the holding tax for three holdings at Rs. 23,42,571.12.

(ii) The petitioner itself has made arrangement for supply of water through Drinking and Sanitation Department on payment of amount. The petitioner is having its own arrangement for garbage and waste disposal and the same is directly done through Contractors and sewage water is treated by its own STP. Since RMC is not providing any service in terms of Section 125 and 126, RMC cannot levy water and latrine tax.

(iii) The Holding Tax imposed on the buildings of the petitioner is very much higher as compared to that of other Public Sector Undertakings in Ranchi Town.

(iv) Sri R.C. Nangia, Dy. CFM, who is said to have signed Annexure - 7 compounding the tax, was not authorized to consent for compounding at Rs. 19 lakhs and in any event such consent order will not confer jurisdiction to pass a void/illegal order.

6. Learned Senior Counsel, Mr. Anil Kumar Sinha, appearing for RMC submitted that the provisions of Section 134, 135 and 136 were duly complied with and the notices were issued in the daily newspapers calling upon the owners/occupiers to submit the details and thereafter Annual Rental Value was fixed and only that after annual holding tax was assessed and the petitioner cannot complain of non-compliance of the provisions. In so far as levy of water and latrine tax, it was

submitted that it was not necessary that the person, who pays the tax, must receive some special benefit. Learned Senior Counsel submitted that taking advantage of the pendency of the litigation, SAIL has not paid the Holding Tax for nearly two decades and more than Rs. 3 crores is due and payable by SAIL. It was submitted that based on the materials on record, the Additional Judicial Commissioner/Appellate Authority has recorded findings of fact and those findings of fact do not suffer from any error or perversity warranting interference.

7. DISCUSSION

Challenging the judgment passed by the Appellate Authority, the petitioner has filed this writ petition, invoking the supervisory jurisdiction of the High Court. It is well settled law that power of judicial superintendence under Article 227 must be exercised sparingly and only to keep the subordinate courts and tribunals within the bounds of their authorities and not to correct mere errors. In the case of M/s. Estralla Rubber Vs. Dass Estate (Pvt.) Ltd., , Hon''ble Supreme Court held as under:-

"The scope and ambit of exercise of power and jurisdiction by a High Court under Article 227 of the Constitution of India is examined and explained in a number of decisions of this Court. The exercise of power under this article involves a duty on the High Court to keep inferior courts and tribunals within the bounds of their authority and to see that they do the duty expected or required of them in a legal manner. The High Court is not vested with any unlimited prerogative to correct all kinds of hardship or wrong decisions made within the limits of the jurisdiction of the subordinate courts or tribunals. Exercise of this power and interfering with the orders of the courts or tribunals is restricted to cases of serious dereliction of duty and flagrant violation of fundamental principles of law or justice, where if the High Court does not interfere, a grave injustice remains uncorrected. It is also well settled that the High Court while acting under this article cannot exercise its power as an appellate court or substitute its own Judgment in place of that of the subordinate court to correct an error, which is not apparent on the face of the record. The High Court can set aside or ignore the findings of facts of an inferior court or tribunal, if there is no evidence at all to Justify or the finding is so perverse, that no reasonable person can possibly come to such a conclusion, which the court or tribunal has come to."

8. In the light of the above settled principles, let us consider whether the findings of fact recorded by the Appellate Authority declining to set aside Annexure - 7 (23.2.1993), consolidating Municipal Holding Tax as Rs. 19 lakhs, suffers from perversity or an error apparent on the face of the record.

9. As per Annexure - 3, 3/1 and 3/2 (all dated 26.6.1992), the Annual Tax for three holdings, SAIL Research & Development, was determined as Rs. 23,42,571.12. The details of tax for each holding is as under:-

Accordingly, notices, Annexure - 3, 3/1 and 3/2 (all dated 26.6.1992), were issued. Against the said notices, the petitioner filed objection on 24.7.1992 and

30.7.1992 (Annexure - 5 and 6) stating that the rate of taxation is on the higher side. Sri R.C. Nangia, Dy. CFM, attended RMC's office on 23.2.1993 and objected to the enhancement. After negotiation, the tax was compounded to the tune of Rs. 19 lakhs as under:-

To that effect, ordersheet dated 23.2.1993 (Annexure - 7) was drawn in which the representative of the petitioner also put his signature. After negotiation, having agreed to pay the consolidated tax of Rs. 19 lakhs per annum, the petitioner is not justified in resiling from the same.

10. A feeble attempt was made by contending that Sri R.C. Nangia, Dy. CFM, has not accepted the arbitrarily fixed rate of annual municipal holding tax and Sri R.C. Nangia, Dy. CFM, had only signed "as seen the order of assessment" and that the said Sri R.C. Nangia, Dy. CFM, was not authorized to compound the tax at Rs. 19 lakhs and therefore, Annexure - 7 dated 23.2.1993 is not binding on the petitioner. As pointed out by the Appellate Authority, the stand of the petitioner is not convincing. At this juncture, two aspects are relevant to be noted. After the matter was compounded and the Annual Municipal Holding Tax consolidated at Rs. 19 lakhs, the petitioner did not challenge the said order dated 23.2.1993 by filing any appeal although the order was appealable before the District Judge under the provisions of the PMC Act, rather the petitioner made payment of the Municipal Tax under protest, starting from 1st quarter of 1993-94 (vide cheque dated 17.5.1993) and continued payment till 2nd Quarter of 1998-99. The petitioner did not raise any objection for more than two years. Only after issuance of notice by RMC on 24.2.1995 (Annexure - 9), the petitioner raised objection contending that enhancement of Annual Municipal Holding Tax is highly excessive and arbitrary. Nearly three years after compounding of annual municipal tax by Annexure - 7, the petitioner challenged the same by filing writ petition, CWJC No. 3546/1996(R), alleging that compounding of annual municipal holding tax after negotiation is arbitrary and excessive. From the pleadings and also from the judgment of the Appellate Authority, it emerges that earlier in respect of Administrative Building, on mutual understanding in the meeting dated 4.7.1986 convened between the representatives of both the parties, consolidated tax of Rs. 3 lakhs per annum was fixed instead of Rs. 4,46,485.43 per annum. The findings recorded by the Appellate Authority on the conduct of the petitioner that Annexure - 7 dated 23.2.1993 fixing the consolidated municipal holding tax at Rs. 19 lakhs was passed with mutual understanding and with the consent of both the parties, which is well within the knowledge of the petitioner from the first day of the order, is based on the materials on record.

11. The contention of the petitioner is that the Satellite Township and the Delhi Public School are constructed in the leased land of Heavy Engineering Corporation (HEC) and HEC had never given written consent for assessing tax in respect of the leased land of HEC. According to the petitioner, vide Annexure - 27 and 27/1 (dated 24.8.1995 and 30.3.2000), HEC informed the petitioner that no tax in respect of the lands of HEC area is payable to RMC in view of the judgment

passed in CWJC No. 1594/1987(R) and HEC further informed the petitioner that HEC is already paying the tax in respect of HEC land and therefore, no tax is leviable in respect of Satellite Township and the Delhi Public School, i.e. Rs. 8.70 lakhs plus Rs. 1.30 lakhs, totalling Rs. 10 lakhs per annum. The petitioner raises objection to the levy of municipal holding tax on Satellite Township and Delhi Public School relying upon the judgment passed in CWJC No. 1594/1987(R).

12. In a similar case, same contention was raised by the DAV Public School, Dhurwa, wherein it was contended that in view of the agreement already entered into between RMC and HEC, the school, which is situated on the land of HEC, is not liable to pay Municipal Holding Tax and the Judicial Commissioner/Appellate Authority in Misc. Appeal No. 8/1994 accepted the said contention by the judgment dated 1.12.2001. RMC challenged the same in W.P(C) No. 6899/2002. By the judgment dated 22.3.2012, the Division Bench had set aside the order of the appellate authority passed in Misc. Appeal No. 8/1994. In W.P.(C) No. 6899/2002, referring to Section 143 of the PMC Act, the Division Bench held as under:-

"...Section 143 of the Act of 1951 answers the issue of the case, where land belongs to one party and house is constructed by other party then the Chief Executive Officer may value such house and land together and may impose thereon one consolidated tax. Therefore, the situation which has been shown to us, is considered under sub-section (1) of Section 143 of the Act of 1951, subject to proving the fact that the building on the of the HEC was constructed by the respondent.

5. Therefore, in a case where land belongs to one and building is constructed by another and said person is paying rent to the owner of the land then in that situation right has been given to the occupier of the building to deduct the amount of tax from the rent payable to the landlord."

Referring to Section 143 of the PMC Act, the Division Bench set aside the order of the Additional Judicial Commissioner in Misc. Appeal No. 8/1994; however, in the light of the contention advanced by DAV School that is run by Charitable Institution and that it is entitled to exemption from tax, the Division Bench remitted the matter back to the Additional Judicial Commissioner/Appellate Authority. In view of the findings by the Division Bench in the said writ petition, the petitioner cannot rely upon the judgment of the learned Single Judge in WP (C) No. 1594/1987(R).

13. Furthermore, the clause in Lease Deed dated 13.8.1987 between the petitioner and HEC also makes it clear that the lessee under HEC/petitioner has to pay all taxes and levies relating to the leasehold land as required by the Ranchi Municipal Corporation. The following clause in the Lease Deed, which was referred to by the Appellate Authority, being relevant, is reproduced below:-

"That all taxes and levies relating to the leasehold land as required by the State/ Central Government and local bodies for example, Ranchi Municipal Corporation

as may be demanded by their, under this agreement shall be paid by the lessee. Lesser will not bear any responsibility as consequence of non-payment."

The above terms and conditions of lease makes it clear that the petitioner has agreed with HEC to pay all the taxes demanded by the RMC and other Government or Local Bodies and HEC will not be liable to pay the same.

14. HEC had also written a letter dated 16.7.1991 informing RMC that HEC has got no liability of Municipal Tax with respect to the buildings leased out to various organizations. The relevant portion of the said letter dated 16.7.1991 is reproduced below:-

"Please refer to your letter No. 133 dated 6.____.91 (month illegible) in the above subject connection. We have to say that we have leased out lands to Organizations like MDET, NIFFT, Modern Fond Industries, private educational institutions, Bihar State Dairy Corporation etc. They have constructed their own buildings on the leased land. H.E.C. has got no liability of Municipal Tax for those buildings."

15. In view of the above mentioned clause in the Lease Deed between the petitioner and HEC and also the above said letter of HEC, the petitioner cannot take advantage of the judgment passed in CWJC No. 1594/1987(R). The Appellate Authority rightly rejected the contention of the petitioner that it is not liable to pay Municipal Holding Tax for the Satellite Township and Delhi Public School.

16. In so far as the contention of the petitioner of non-compliance of the provisions of the PMC Act is concerned, the provision of Section 134 and 136 were not complied with and no meeting was held before enhancement of the rate of tax and RMC cannot arbitrarily assess the annual rental value and fix the holding tax. Section 136 stipulates that a meeting to be held before the close of the year next preceding the year to which any tax which is assessed on the annual value of holding will apply. In terms of Section 134, the Chief Executive Officer, in order to prepare the valuation list, may, whenever he thinks fit, by notice require the owners or occupiers or both of all holdings to furnish him with returns of the rent or annual value thereof. Section 136 reads as under:-

"136. Determination of the rate of tax on holding. - Subject to the provisions of section 124, the Corporation at a meeting to be held before the close of the year next preceding the year to which any tax which is assessed on the annual value of holding will apply, shall, after calling for a report from the Chief Executive Officer and the Standing Committee and considering the same determine the percentage on the valuation of holding at which the tax shall be levied, and the percentage so fixed shall remain in force until the order of the Corporation determining such percentage shall be rescinded, and until the Corporation at a meeting shall, after calling for a report from the Chief Executive Officer and the Standing Committee and considering the same, determine some other percentage on the valuation of holding at which the tax shall be levied either

from the beginning of the next year or from the beginning of the quarter next after that in which the percentage has been determined by the Corporation, as aforesaid:

Provided that the Corporation shall not, without previous sanction of the State Government, decrease the rate of any tax for the time being levied by it."

17. Per contra, in the counter affidavit filed by Ranchi Municipal Corporation on 10.9.2013, it is stated that on 22.1.1992 notices were issued in the daily newspapers requiring the occupiers of the holdings situated within the RMC to submit returns furnishing material details of the holdings as provided under Section 134 of the PMC Act for assessment of the Municipal tax. RMC devised the Scheme by which annual rental valuation would be determined and the Municipal Holding Tax will be recoverable on the said basis with effect from 1.4.1992 and the said notices were again published on 15.2.1993. Counter affidavit filed by RMC on 10.9.2013 elaborates upon the Scheme so devised. The aforesaid Scheme as devised by RMC was challenged in CWJC No. 2704/1995(R) and CWJC No. 586/1996(R) and both the writ petitions were dismissed by terms of judgment dated 26.6.1997 (vide the decision rendered in the case of Social Action for Relief To The Consumer and Another Vs. Ranchi Municipal Corporation and Another, . It is stated that the said order was also affirmed by the Hon"ble Supreme Court. Before fixing the annual rental value and before enhancing the levy, notices were duly published calling for details and holding tax was fixed as per the Scheme devised and Sections 134 and 136 and other provisions of the PMC Act were duly complied with.

18. In so far as the petitioner, in terms of Annexure - 3/1 and 3/2 (dated 26.6.1992), the petitioner company was served with notices under Section 149(i) (ii) of the PMC Act, whereby the taxes were assessed fixing annual rental value and the tax for Satellite Township, Administrative Block, MTI and DPS at Rs. 2,62,872.25, Rs. 2,80,045.92 and Rs. 42,724.61 per quarter respectively. There is no merit in the contention of the petitioner that the provisions of Section 136 and other provisions of the PMC Act were not duly followed.

19. On behalf of the petitioner, it was then contended that the petitioner is not availing any benefit from any Scheme sanctioned by the State Government for supply of water, rather it is taking water facilities at its Office Complex as well as in the Township directly from the Drinking Water and Sanitation Department, for which the petitioner is also paying the charges of Rs. 2 lakhs per quarter for water charges. The contention of the petitioner is that under Section 125(1)(a) of the PMC Act, the RMC cannot levy tax unless supply of water has been provided to the petitioner. Section 125(1)(a)(c) and (e) reads as under:-

"125. Restrictions on the imposition of water and lighting taxes. - (1) The imposition of a water tax or of a lighting tax shall be subject to the following restrictions namely:

(a) that the tax shall be imposed only on holdings within an area for the supply

of water to which, or for the lighting of which, as the case may be, a scheme has been sanctioned by the State Government;

(b) that the tax shall not be imposed on land used exclusively for purposes of agriculture, or on any holding consisting only of tanks, or in the case of the water tax, on any holding no part of which is within such radius from the nearest stand pipe or other supply of water available to the public as may be prescribed by the State Government;

(c) that the rate on the annual value of holdings, at which the tax may be imposed shall not be more than twelve and a half per centum in the case of the water tax, or three per centum in the case of the lighting tax;

(d)

(e) that the tax shall not be leviable unless a supply of water has been provided in the area to be supplied, or until the lamps in the area to be lighted have been lighted, as the case may be in the execution of a scheme adopted under Chapter XX or Chapter XXI, (sic)n or shall the tax be leviable for any quarter or portion of a quarter antecedent to the provision of such water-supply or lighting."

20. There is no merit in the contention that since there is no supply of water to the petitioner by RMC, no water tax could be levied. Section 125(1)(a) makes it clear that water tax is imposed on the annual value of the holdings. Water tax levied under the PMC Act is relating to tax on holdings. The fact that water tax is levied on the holdings is also clear from Section 125(1)(b), which provides that the water tax shall not be imposed on land used exclusively for purposes of agriculture. If the water tax leviable is not on the land or building, it was not necessary to provide for exemption of agricultural land from the tax. If a person does not have holding, he need not pay tax though he might consume water. Section 125(1)(a) and (e) are to be read together and not in isolation. The petitioner has to pay water tax even though they may not utilize the services of supply of water and the element of quid pro quo is absent from the levy.

21. On behalf of the petitioner, it was contended that sewage generated from the toilets in the Office Buildings of the petitioner is taken to Sewage Treatment Plant (STP) operated by MECON. According to the petitioner, sewage generated from the latrines/Toilets/Bathroom and Kitchens of the Satellite Township are treated by the activated Sludge Treatment Process in the STP operated by the petitioner and the recycling facilities has been installed by the petitioner in STP and the operation and maintenance of those facilities are being carried out by the petitioner at its own cost. According to the petitioner, DPS is also having its facility for treatment and disposal of garbage. The contention of the petitioner is that since the petitioner has its own STP operated either by the MECON or by the petitioner and RMC is not providing any municipal services to the petitioner, in terms of Section 126(d), RMC cannot levy latrine taxes. Section 126 deals with the restrictions on the imposition of latrine tax. Section 126(a) and (d) reads as under:-

"126. Restrictions on the imposition of the latrine tax.- The imposition of the latrine tax shall be subject to the following restrictions, namely:-

(a) that the tax shall be imposed only on holding containing dwelling houses, latrines, urinals or cesspools, and on holdings containing shops or places of business in which, in the opinion of the Corporation, a latrine, urinal or cesspool is required;

(b)

(c)

(d) that the tax shall not be leviable in any area until the Corporation has made provision for the cleansing of private latrines, urinals and cesspools within such area, nor shall the tax be leviable for any quarter or portion of a quarter antecedent of the making of such provision;"

As discussed earlier for water tax, here again latrine tax is on the holdings.

22. Reliance was placed on Nirmal Kumar Kedia and Others Vs. State of Bihar and Others, , in which it was held that it is not necessary that the person paying the tax must have directly received the benefit, the Division Bench held as under:-

"It is also not disputed that the respondent-Municipality has been maintaining a market complex and the roads and drains. Therefore, it is not necessary that each individual person should get the services from the Municipality in order to satisfy the requirement of quid pro quo. This question was raised in a similar circumstance and the Apex Court in the Case of City Corporation of Calicut Vs. Thachambalath Sadasivan and Others, has held:

"It is not necessary to establish that those who pay the fee must receive direct benefit of the services rendered for which the fee is being paid. If one who is liable to pay receives general benefit from the authority levying the fee the element of service required for collecting fee is satisfied. It is not necessary that the person liable to pay must receive some special benefit or advantage for payment of the fee".

23. The grievance of the petitioner is that the Municipal Holding Tax of the petitioner is higher at Ranchi than that of the other Public Sector Undertakings, i.e. HEC, MEGON and CCL, though their areas of holdings are much higher than that of the petitioner. In this regard, the petitioner relies upon the information obtained by the petitioner under RTI Act, vide Annexure - 26, which shows assessment of tax of some of the Public Sector Undertakings at Ranchi. The annual municipal tax is assessed on the basis of the annual rental value of holdings. The annual rental value of the buildings and assessment of Municipal Holding Tax will depend upon various factors, like location, number of residential units and the extent of usage and other civil amenities. Therefore, the petitioner cannot make comparison and complain of discrimination. More so, when the

petitioner has compounded the tax levied at Rs. 19 lakhs and thereafter made payments of tax also.

24. Urban areas, in particular, State Capitals like Ranchi, are witnessing a rapid growth and massive scale of urbanization. Urban life has increased complexities of urban problems and effective measures must be taken to meet the demand. With the rapid growing demand of vast changes in the urban life, the Municipalities/Corporations will have to discharge their civic responsibilities like, (i) maintenance of road; (ii) collection and disposal of garbage and solid waste management; (iii) maintenance of sewerage to different drainage pumping station; (iv) removal of water logging and cleaning of the choked sewerage pipes. The Municipalities/Corporations/Panchayats do not have their own revenue. The revenue will have to be generated only by imposing tax on holdings, professional tax levied on markets etc.

25. As pointed out, SAIL has produced the details of the Municipal tax paid by it, from which it is seen that the SAIL has paid holding tax only upto the second quarter of 1998-1999 and the relevant portion of which is reproduced below:-

26. Even though from 1993-1994 upto 1998-1999, the total tax paid by SAIL is stated to be Rs. 1,03,20,000/-, according to the RMC, the huge amount of taxes are due by the petitioner. RMC has filed details of the total dues of Municipal Tax for the Administrative Building of the petitioner company from the 1st quarter 1995-96 till the financial year ending 2014-15 as Rs. 1.80 crores, for the Satellite Township of the petitioner company from the 1st quarter 1995-96 till the financial year ending 2014-15 as Rs. 1.74 crores and for Delhi Public School from the 1st quarter 1995-96 till the financial year ending 2014-15 as Rs. 26 lakhs.

27. It is to be pointed out that taking the advantage of the observation made by this Court in Civil Review No. 98/1997(R) (dated 18.7.2000) that no coercive steps be taken against the SAIL, the petitioner has not even paid the minimum holding tax from 1999-2000. It is very unfortunate that a Public Sector Undertaking like SAIL has entangled Ranchi Municipal Corporation in several rounds of litigation and taking the shelter under the orders of the Court, SAIL has not paid holding tax from 1999-2000. The total amount of holding tax due to be paid by the petitioner is Rupees 3.80 crores.

28. The supervisory jurisdiction under Article 227 is to be exercised more sparingly and it cannot be exercised to upset the conclusion of facts, when the Appellate Court has recorded findings of fact and the same cannot be reversed unless it is shown to be perverse or erroneous. The findings of fact recorded by the Appellate Court are based on materials on record and they do not suffer from any perversity warranting interference exercising supervisory jurisdiction under Article 227 of the Constitution. This writ petition is, thus, liable to be dismissed.

29. In the result, this writ petition is dismissed. The petitioner-SAIL is directed to pay the arrears of holding tax with statutory interest, if any payable, within in a period of one month from today to RMC. On its failure to pay, the is at liberty to

proceed against the SAIL for recovery of the holding tax in accordance with law.