



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 1ST DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE T.M.NADAF

WRIT APPEAL NO. 1518 OF 2026 (LB-BMP)

BETWEEN:

1. SRI M R KODANDARAM
AGED ABOUT 64 YEARS
S/O LATE M S RAMAIAH
RESIDING AT GOKULA HOUSE
M S RAMAIAH ROAD,
GOKULA EXTENSION
BANGALORE 560054

...APPELLANT

(BY SRI. S.R.KAMALA CHARAN, ADVOCATE FOR
SRI. PRADEEP S SAWKAR, ADVOCATE)

AND:

1. STATE OF KARNATAKA
DEPARTMENT OF URBAN DEVELOPMENT
VIKSA SOUDHA
BANGALORE 560001
REPRESENTED BY ITS
PRINCIPAL SECRETARY
2. THE COMMISSIONER
BHRUHUT BANGALORE MAHANAGARA PALIKE
NEAR HUDSON CIRCLE,
BANGALORE 560002
3. ASSISTANT REVENUE OFFICER
YESHWANTHPUR SUB ZONE
YESHWANTHAPUR





BANGALORE 560022

...RESPONDENTS

(BY SRI. S.H.PRASHANTH., ADVOCATE FOR C/R2;
SRI. B.RAVINDRANATH, AGA FOR R1)

THIS WRIT APPEAL IS FILED U/S 4 OF THE KARNATAKA HIGH COURT ACT PRAYING TO SET ASIDE THE ORDER DATED 26.03.2026 PASSED BY THE LEARNED SINGLE JUDGE IN W.P NO.6466/2015 BY ALLOWING THIS APPEAL AND CONSEQUENTLY ALLOWING THE WRIT PETITION IN W.P. NO.6466/2015 AS PRAYED FOR IN THE INTEREST OF JUSTICE AND EQUITY.

THIS APPEAL, COMING ON FOR PRELIMINARY HEARING, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE T.M.NADAF

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE D K SINGH)

1. The present intra Court appeal has been filed impugning the judgment and order dated 26.03.2026 passed by the writ Court in W.P.No.6466/2015 filed by the appellant/petitioner, who is the owner of 'Gokula Grand Hotel & Spa', a Five-Star Hotel situated at Gokula Extension, HMT Road (Near BEL Circle), Bengaluru.

2. The parties are referred to as per their ranking before the writ Court, for the sake of convenience.



3. The petitioner filed the aforesaid writ petition seeking the following prayers:

"(a) to quash Circular bearing No.UA(Com)PR:208:2012-13 dated 07.03.2013 (Annexure-A) issued by the 2nd Respondent;

(b) to quash Notice bearing No.ARO YPR-GLPR-287/14-15 dated 08.08.2014 (Annexure-B) issued by the 3rd Respondent;

(c) holding that Rule 3(v) of the Bruhat Bengaluru Mahanagara Palike Property Tax Rules, 2009 is ultra vires the KMC Act and unconstitutional and accordingly quash the said Rule;

(d) holding that entry 14A of Form V of the Bruhat Bengaluru Mahanagara Palike Property Tax Rules, 2009 is ultra vires the KMC Act and unconstitutional and accordingly quash the said entry;

(e) for costs of these proceedings."

4. The contention of the petitioner before the writ Court was that uniform tax on Five-Star Hotels irrespective of their location cannot be imposed. Even in respect of Five-Star Hotels, the tax has to be imposed considering the location of the hotel.



5. The learned Single Judge has rejected the said contention of the petitioner in view of the judgment of this Court in ***SEETHA KALYANA MANDIRAM vs. STATE OF KARNATAKA AND OTHERS [2014(1) Kar.L.J 496]*** and the judgments of the Supreme Court in ***V. VENUGOPALA RAVI VARMA RAJAH vs. UNION OF INDIA AND ANOTHER [1969 AIR 1094]*** as well as in ***FEDERATION OF HOTELS AND RESTAURANTS ASSOCIATION OF INDIA vs. UNION OF INDIA [1989 (3) SCC 634]***. The learned Single Judge has further placed reliance on the judgment in the case of ***KERALA HOTEL AND RESTAURANT ASSOCIATION AND OTHERS vs. STATE OF KERALA AND OTHERS [(1990) 2 SCC 502]***.

6. Five-Star Hotels constitute distinct and uniform class and therefore, imposing uniform tax on Five-Star hotels irrespective of their location does not violate any of the provisions of the Karnataka Municipal Corporation Act, 1976 or Bruhat Bengaluru Mahanagara Palike Property Tax Rules, 2009. The classification of persons for the purpose of imposing the tax can be done and be tested on the anvil of Article 14 of the Constitution of India and if no intelligible differentia is



discernible in the classification, the classification would be against Article 14 of the Constitution of India.

7. We are of the view that as Five-Star Hotels constitute a separate uniform and distinct class, irrespective of their location, applying uniform slab/tax on such hotels would not be in violation of Article 14 of the Constitution of India. We, therefore, find no merit in this appeal.

8. So far as the question of penalty is concerned, Sections 112A (5), (6) and (7) of the Karnataka Municipal Corporation Act, 1976 provide for an opportunity for the assessee to make a representation to the Commissioner within a period of 30 days. Since the petitioner was before the writ Court and he was enjoying the interim order, the period of 30 days have to be extended for three weeks from today enabling the petitioner to make a representation against imposition of penalty. The Commissioner shall decide the representation regarding the penalty in accordance with the law after taking into consideration all the facts and circumstances of the case as well as after giving an opportunity of hearing to the petitioner.



9. Until the Commissioner decides the representation regarding the penalty, no coercive steps shall be taken against the petitioner for recovery of the penalty amount.

10. It is needless to state that the petitioner shall deposit the tax amount as well as interest levied thereon within a period of three weeks. The BBMP to give an opportunity for reconciliation of the demand and after the reconciliation, the BBMP should issue a fresh demand regarding the tax, interest and penalty.

11. After the fresh demand notice is issued, the petitioner should deposit the tax and interest within a period of three weeks thereafter. However, in respect of the penalty, the petitioner should make a representation before the Commissioner as provided under sub-section (5) of Section 112(A) of the Karnataka Municipal Corporations Act, 1976.



12. With the aforesaid direction and liberty, we dismiss the appeal.

**Sd/-
(D K SINGH)
JUDGE**

**Sd/-
(T.M.NADAF)
JUDGE**

RKA
List No.: 2 Sl No.: 3