IN THE HIGH COURT OF MADHYA PRADESH AT INDORE

BEFORE

HON'BLE SHRI JUSTICE SANDEEP N. BHATT

ON THE 16th OF NOVEMBER, 2026

WRIT PETITION No. 38380 of 2026

CNR No.: MPHC020370212026

ANIK MILK PRODUCTS PRIVATE LIMITED THROUGH AUTHORISED REPRESENTATIVE MR. MUKUNDH SUKUMAR

Versus

NAGAR PALIKA NIGAM DEWAS AND OTHERS

Appearance:

Shri Ajay Bagadia, Senior Advocate with Shri Kushagara Sah, Advocate and Shri Prabuddha Singh, Advocate for the petitioner.

Shri Naman Jain, Advocate for the respondent/Corporation.

ORDER

1. The present petition has been filed by the petitioner under Article 226 of the Constitution of India praying for the following reliefs :-

RELIEFS PRAYED FOR:

In view of the facts and circumstances of the case the Petitioner prays for the following reliefs from this Hon'ble Court:-

a) Issue a writ of certiorari, or any other appropriate writ, order or direction, quashing and setting aside the Impugned Notices, viz. notice bearing No. 9097/Revenue/2025 dated 24 November 2025, letter dated 15 December 2025, bearing No. 9758/Revenue/2025, notice dated 13 January 2026 bearing reference number 518/Revenue/2026, notice dated 14 August 2026 bearing reference number bearing No. 6432/Revenue/2026,

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all issued by Respondent No. 4 and final notice bearing No. 7773/Revenue/2026 dared 10 September 2026, with copy bearing No. 7774/Revenue Department/2026, issued by the Respondents No. 3, as being arbitrary, illegal and contrary to the principles of natural justice,

b) Issue a writ of mandamus, or any other appropriate writ, order or direction, directing the Respondent No. 1 to undertake a fresh assessment/reassessment of the property tax liability in respect of the Subject Property, after taking into consideration the documents and material submitted by the Petitioner and strictly in accordance with law,

c) Direct the Respondent No. I to provide the Petitioner a reasonable opportunity to file its objections/representation and afford an effective opportunity of hearing before determining any property tax liability or initiating any coercive action against the Petitioner or the Subject Property, in terms of principles of natural justice,

d) Direct the Respondents to keep all coercive/recovery proceedings including attachment, sealing, seizure or auction of the Property, in abeyance until such fresh assessment/reassessment completed in accordance with law; and

e) Pass such other or further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case.

2. Heard learned counsel for the parties and so also perused the record as well as the short reply and rejoinder filed by the both the respective parties.

3. At the outset, learned Senior Advocate for the petitioner drew the attention of this Court to the provisions of Section 135 of the Madhya Pradesh Municipal Corporation Act, 1956 (hereinafter referred to as 'the

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MPMC Act'), as well as the language incorporated in Annexures P/1 and P/2 (Final Notice) dated 10.09.2026, and more particularly to Annexure P/2. It is contended that under Section 135 of the MPMC Act, no such powers are vested in the concerned authority. Furthermore, without following the due procedure prescribed under the law, the action proposed in the impugned final notice cannot be taken. Therefore, the action of the respondent authority is bad in the eye of law and is not in consonance with the provisions of Section 135 of the MPMC Act.

4. On the other hand, learned counsel for the respondent/Corporation has opposed the prayer by submitting that in Annexure-P/1, an opportunity was granted to the petitioner by indicating that if the amount is not paid within the prescribed time, further proceedings under Sections 173, 174, and 175 of the MPMC Act would be initiated. However, learned counsel for the respondent is not in a position to dispute the fact that in Annexure-P/2, which is a final notice issued under Section 135, no such provision regarding the attachment of property or sealing of the premises is provided. Therefore, it is prayed that an appropriate order may be passed.

5. I have considered the rival submission of the parties and also considered Sections 135, 173, 174 and 175 of the Madhya Pradesh Municipal Corporation Act, 1956 (MPMC Act) which is reproduced as under :-

> ***135. [Imposition of property tax. [Substituted by M.P. Act No. 18 of 1997.]***
>
> ***(1)Notwithstanding anything contained in this Act, the tax under clause (a) of sub-section (1) of Section 132 shall be charged, levied and paid, at the rate not less than six percent and not more than ten percent of the annual letting value, as may be determined by the Corporation for each financial year] :[Provided that if the Corporation fails to determine the rate of the property tax by 31st***

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March the rate as prevailing during the previous financial year shall be deemed to be the rate for current financial year.] [Inserted by M.P. Act No. 29 of 2003.]

Section 173. Presentation of bill for taxes and other demands.

(1)When any amount declared by or under the provisions of this Act to be recoverable in the manner provided in this chapter, or payable on account of any tax imposed within the limits of the city shall have become due, the Commissioner shall with the least practicable delay cause to be presented to any person liable for the payment thereof a bill for the sum claimed as due.

(2)Contents of hill. - Every such bill shall specify-

(a)the period for which; and

(b)the property, occupation or thing in respect of which the sum is claimed,

and shall also give notice of-

(i)the liability incurred in default of payment; and

Section 174. If bill not paid within 15 days notice of demand to issue.

(1)If the sum, for which a bill is presented as aforesaid, is not paid and no objection has been preferred within 15 days from the presentation of the bill, the Commissioner may serve upon the person to whom such bill has been presented a notice of demand in the [form prescribed by bye-laws] [Substituted by M.P. Act No. 13 of 1961.].

(2)For every notice of demand a fee shall be charged at the rate specified in the bye-laws and shall be payable by the said person, and the fee shall be included in the costs of recovery.

Section 175. In what case warrant may issue.

(1)If the person on whom a notice of demand is served under sub-section (1) of Section 174 does not, within thirty days of the service of such notice-

(a)pay the sum demanded in the notice; or

(b)show-cause to the satisfaction of the Commissioner why he should not pay the same; or

(c)prefer an appeal in accordance with the provisions of Section 184 against the demand,

such sum with all costs of recovery may be recovered under a warrant in the [form prescribed by bye-laws] [Substituted by M.P. Act No. 13 of 1961.] signed by the Commissioner-

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(i)by distress and sale of the movable property belonging to such person;

(ii)by attachment and sale of the immovable property belonging to him :

Provided that, where any precautionary or other measures in respect of any such property have been taken by the Government for the recovery of any sum claimed by it, no proceedings shall be taken or continued under this chapter in respect of such property until the Government's claim has been paid off.

(2)Where the property is within the limits of the city, the warrant shall be addressed to an officer of the Corporation and where the property is outside the limits, to the Collector of the district concerned :Provided that the officer to whom the warrant is addressed may endorse such warrant to a subordinate officer.

(3)For every warrant issued under this section, fee shall be charged at the rates specified in the bye-laws and the said fee shall be included in the costs of recovery.

6. Considered the submissions made at the bar and so also the relevant language of part of Annexure-P/2 dated 10.09.2026 which reads as under :-

"विषय-नगर पालिक निगम अधिनियम 1956 की पारा 135 के अंतर्गत सम्पत्तिकर अधिरोपण कर बकाया राशि वसूली के संबंध में।

संदर्भ-आपका पत्र दिनांक 19.08.2026.

उपरोक्त विषयांतर्गत लेख है कि आपके द्वारा प्रस्तुत पत्र अनुसार आपके प्रतिष्ठान पर निर्धारण किये गये सम्पत्तिकर के संबंध में बिन्दुवार जानकारी चाही गई है।

जिसके कम में लेख है कि आपको कार्यालयीन पत्र कमांक 518/राजरत्र/2020 देवास दिनांक 13.01.2026 के माध्यम से आपके फर्म पर निर्मित क्षेत्रफल अनुसार सम्पत्तिकर की राशि की गणना कर अवगत कराते हुऐ पूर्व में कई बार पत्र प्रेषित किये जा चुके है, तथा आपके द्वारा समय समय पर में ली गई आपत्तियों का निराकरण समक्ष / पत्र के माध्यम से भी किया गया है।

अत आपके प्रतिष्ठान पर किये गये कर निर्धारण की राशि हेतु आपको अंतिम रूप से सूचित किया जाता है कि आप 24 घंटे में वर्ष 2026-27 तक की समुचित सम्पत्तिकर राशि जमा कराना सुनिश्चित करें, अन्यथा की स्थिति आपके प्रतिष्ठान पर सम्पति कुकी/तालाबंदी/जप्ती की कार्यवाही की जायेगी। सुचित हो।

7. Considering the nature of the provisions and the language of Section 135 of the Madhya Pradesh Municipal Corporation Act, 1956 (MPMC Act), as well as the language of the impugned final notice (Annexure-P/2), it clearly transpires

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that the respondent authority has exceeded its jurisdiction by exercising powers not in accordance with Section 135 of the MPMC Act. Therefore, such communication is bad in the eye of the law, cannot be considered legally valid, and is arbitrary in nature. Consequently, this matter requires interference by exercising powers under Article 226 of the Constitution of India. Accordingly, the impugned communication/final notice dated 10.09.2026 (Annexure-P/2) is hereby quashed.

8. However, it is clarified that the respondent authority is at liberty to proceed against the petitioner in accordance with the law, if the law so provides under the facts and circumstances of the case.

9. With the aforesaid directions/observations, the petition is disposed of.

(SANDEEP N. BHATT)
JUDGE

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