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ITEM NO.104 COURT NO. 2 SECTION XIIA

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Civil Appeal No.4525/1998@@
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Rashtriya Ispat Nigam Ltd. Appellant (s)

VERSUS

State of A.P. & Ors. Respondent (s)

With C.A.No.4526/1998

(With Office Report)

Date : 16/11/2000 These appeals were called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE S.P. BHARUCHA
HON'BLE MR. JUSTICE D.P. MOHAPATRA
HON'BLE MR. JUSTICE S.N. PHUKAN

For Appellant (s) Mr. V.R. Reddy, Sr. Adv.
Mr. P.S. Narasimha, Adv.
Mr. P. Sridhar, Adv.
Mr. V.G. Pragasam, Adv.

For Respondent (s) Mr. T. Anil Kumar, Adv.
Mr. P. Venkat Reddy, Adv.

UPON hearing counsel the Court made the following
O R D E R

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The civil appeals are dismissed.

No order as to costs.

(T.I. Rajput)
Court Master

(S.Sen Gupta)
Court Master

(Signed order is placed on the file)

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IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

Civil Appeal No.4525 of 1998@@
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With
Civil Appeal No.4526 of 1998@@
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Rashtriya Ispat Nigam Ltd. ...Appellant (s)

Versus~

State of Andhra Pradesh & Ors.Respondent (s)

O R D E R@@
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The appellant questions the correctness of the judgment of a Division Bench of the High Court at Hyderabad. The High Court thereby dismissed the writ petition filed by the appellant.

The Jayantipuram Gram Panchayat sought to levy house tax on the appellant. The appellant filed a writ petition to challenge the demand contending that Article 285(1) of the constitution precluded the Gram Panchayat from levying house tax on its buildings. The High Court held that the contention was unjustified. The High Court was right. The view taken by it has been upheld by the Constitution Bench of this Court in2/-

Electronics Corporation of India Ltd. & Ors. vs. Secretary,@@
CC
Revenue Department, Government of Andhra Pradesh & Ors. (1999@@
CC
(4) SCC 458).

It was also contended by the appellant before the High Court that, assuming that the land upon which the buildings stood belonged to the Union of India, it did not follow therefrom that the structures constructed thereon would also become the property of the Union of India. The High Court found no material before it which established that the appellant had acted for the Union of India in constructing the buildings and that it treated the buildings as belonging to the Union of India.

We have before us the power of attorney dated 26th October, 1983. The power of attorney is executed on behalf of the Union of India in favour of the appellant in respect of the land. Its recitals state that the power of attorney was being given, inter alia, "for setting up of the steel plant and in utilisation of the acquired land for the project". The substantive portion of the power of attorney also states that it is given so that the appellant may "utilise the acquired lands for the project and related purposes incidental thereto". It is clear, therefore, that it is the appellant

who has utilised the land for the purposes of the project and to that end has constructed buildings thereon. The buildings thereon are, therefore, of the ownership of the appellant and liable to the house tax.

The civil appeals are dismissed.

No order as to costs.

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.....J.
(S.P. Bharucha)

.....J.
(D.P. Mohapatra)

.....J.
(S.N. Phukan)

New Delhi,
November 16, 2000.