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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of Decision: 01st August, 2025**+ W.P.(C) 11411/2025 & CM APPL. 46721/2025, CM APPL.
46722/2025

GAURAV PUNJ

.....Petitioner

Through: Mr. Raman Gandhi, Advocate
Mob: 9891561631
Email: raman7806yahoo.com

versus

THE NEW DELHI MUNICIPAL COUNCILRespondent

Through: Mr. Sanjay Sharma, SC with Mr.
Vishvander Singh, Advocate
Mob: 9810798828
Email:
sharmasanjaylegalpoint@gmail.com**CORAM:****HON'BLE MS. JUSTICE MINI PUSHKARNA****MINI PUSHKARNA, J (ORAL):**

1. The present writ petition has been filed seeking directions to quash the Assessment Order dated 16th January, 2025 and consequent demand of property tax arrears of ₹ 85,38,980/-, as per the Property Tax Bill bearing no. 346646 dated 28th May, 2025.
2. There is further prayer for direction to the respondent to carry out a fresh property tax assessment of the portions of property owned by the petitioner.
3. Learned counsel appearing for the petitioner submits that Assessment



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Order dated 16th January, 2025, has been passed without issuance of any form of prior notice to the petitioner and no hearing has been granted to the petitioner before passing of the impugned Assessment Order.

4. It is submitted that the petitioner had not even been served the copy of the Assessment Order and that the petitioner became aware of the passing of the said Assessment Order only recently, when an illegible copy of the same was found lying at the property of the petitioner.

5. It is further submitted that when the petitioner had approached the respondent on his own for deposit of property tax for the year 2025-2026, the afore-noted Property Tax Bill dated 28th May, 2025, was issued by the respondent, showing outstanding arrears of Rs. 85,38,980/- and the demand of the property tax for the current year i.e. 2025-26 of Rs. 27,15,090/-.

6. Learned counsel for the petitioner submits that the petitioner has already deposited the demand of property tax for the current year, i.e., 2025-26, by virtue of a cheque dated 28th June, 2025.

7. Thus, it is submitted that the respondent neither gave a hearing to the petitioner before passing of the Assessment Order, nor did it serve the copy of the Assessment Order on the petitioner. Further, no notice of demand of arrears of property tax consequent to the passing of the Assessment Order dated 16th January, 2025, has been issued.

8. It is further submitted that the respondent has acted in a completely arbitrary manner, since even though the mandatory prior notice was not issued by the respondent, yet, on the other hand, the Assessment Order dated 16th January, 2025, was passed, in which, Rateable Value (“RV”) was increased by 5% from the prior value *suo moto*, ignoring the quantum of actual rent for third floor and fourth floor of the property.



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9. Thus, it is submitted that the Assessment Order dated 16th January, 2025 is liable to be quashed, as the same was passed without any prior Show Cause Notice, and that the petitioner was not given any hearing prior to the passing of the same.

10. Learned counsel appearing for the petitioner submits that serious prejudice has been caused to the rights of the petitioner as the actual rent, as per the registered lease deeds for the third floor and fourth floor of the property, has not been taken into account and the RV has been fixed in an arbitrary manner.

11. It is further submitted that the petitioner has also been denied the benefit of remission of property tax as per Section 110 of the New Delhi Municipal Council Act, 1994 (“NDMC Act”), when the relevant portions of the property remained vacant, as the earlier tenant had vacated.

12. Further, learned counsel submits that the petitioner has also been denied post-decisional hearing, since the respondent has not replied to the representation dated 28th April, 2025, submitted by the petitioner.

13. Issue notice. Notice is accepted by learned counsel appearing for respondent-New Delhi Municipal Council (“NDMC”).

14. Learned counsel appearing for the respondent-NDMC draws the attention of this Court to the Assessment Order dated 16th January, 2025 and submits that in the present case, a representation dated 19th March, 2024 was received from Shri Ravinder Prakash Punj, late father of the petitioner, wherein, he had requested the NDMC to assess the property with effect from 1st May, 2019.

15. Learned counsel appearing for the respondent submits that a fresh assessment has been done, on the basis of the representation of the father of



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the petitioner, and on the basis of the documents filed by him. Thus, he submits that there was no need for issuing any notice. He further submits that as on today, total arrears of Rs. 88,19,489/- are pending against the petitioner towards the payment of property tax.

16. Further, learned counsel for the respondent draws the attention of this Court to Para 15 of the present petition and submits that the petitioner has no grievance against the re-assessment order of the RV for the third and fourth floors of the property, because of change in occupation of the said portions. However, the only grievance of the petitioner is that the RV has not been correctly assessed by the respondent.

17. Further, the petitioner has only made his submission in regard to the actual rent for the basement area of the property not being taken into account by the respondent. Thus, it is submitted that the petitioner, as such, is not challenging the re-assessment.

18. In response, learned counsel appearing for the petitioner relies upon the judgment in the case of *Jayshree Kumar Versus New Delhi Municipal Council, 2003 SCC Online Del 688*, and particularly upon Paras 24 and 26 of the said judgment. He further relies upon the judgment in the case of *New Delhi Municipal Council Versus Anil Kumar Khanna, 2007 SCC Online Del 576*, to submit that issuance of notice is a requirement under Section 72 of the NDMC Act, which could not have been ignored by the respondent.

19. He, thus, submits that there is fundamental error in the re-assessment of the property by the respondent.

20. Having heard learned counsels appearing for the parties, it is to be noted that though a representation may have been given by the assessee for re-assessment of the property, however, respondent-NDMC was required to



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follow the procedure, as envisaged under the NDMC Act.

21. Apparently, no notice has been issued to the petitioner and the petitioner has also not been called for any hearing, before passing the impugned Assessment Order dated 16th January, 2025.

22. This Court also takes note of the Property Tax Bill for the year 2025-2026, which shows the arrears as Rs. 85,38,980/-, as on 1st April, 2025.

23. This Court further takes note of the submission of learned counsel appearing for the respondent that the previous demand, as such, has not been challenged by the petitioner.

24. Considering the facts and circumstances of the present case, this Court is of the considered view that the petitioner ought to be granted hearing, before any re-assessment is done by the respondent-NDMC.

25. Even though a representation in that regard may have been given by the petitioner, however, the statutory procedure ought to have been followed by the respondent-NDMC at the time of re-assessment, by issuance of a notice in that regard. The petitioner was required to be granted an opportunity to respond before finalisation of the Assessment Order.

26. This Court also takes note of the submission made by learned counsel appearing for the petitioner that though re-assessment was required to be done, however, the RV, as taken by the respondent-NDMC, is not correct and is not as per the documents submitted by the petitioner.

27. Accordingly, considering the aforesaid detailed discussion, it is directed that the petitioner shall pay a sum of Rs. 40,00,000/- (Rupees Forty Lakhs), within a period of four weeks, without prejudice to his rights and contentions.

28. The respondent-NDMC is directed to give a hearing to the



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petitioner/his authorised representative and to consider all the documents as submitted by the petitioner.

29. It is directed that the Principles of Natural Justice shall be duly followed. Further, in case any further documents are required to be submitted, the petitioner shall have the liberty to submit such documents at the time of hearing.

30. Upon hearing the petitioner and after taking into account all the concerned documents, as produced by the petitioner, necessary rectification in the Assessment Order dated 16th January, 2025, shall be duly carried out by the respondent-NDMC, on the basis of the submissions of the petitioner.

31. With the aforesaid directions, the present petition, along with the pending applications, is accordingly disposed of.

MINI PUSHKARNA, J

AUGUST 1, 2025

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