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BMC can't collect advertisement tax for hoardings on rly land: HC

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MUMBAI: The Bombay high court has directed the Indian Railways to formulate a policy for putting up hoardings on its properties that takes into consideration the safety of the public.

A division bench of Justice Bhushan Gavai and Justice [Sand eep Shinde](#) passed the orders while thwarting a bid by the BMC to collect "advertisement [tax](#)" for the hoardings that are put up on railway land but face public roads.

There are 225 such hoardings on lands owned by [Central Railways](#) and 240 on lands owned by [Western Railways](#)

that reportedly earn over Rs 60 crore revenue annually. The court held that BMC permission was not needed for the hoardings on railway land and neither could the corporation collect a "fee" from the hoarding owners. The bench, however, expressed concern over the haphazard manner in which hoardings are put up.

"We are of the considered view that erection of hoardings in haphazard manner thereby endangering the safety of citizens would not be in the larger public interest," said the division bench. It gave the railways six months to come up with a policy "for regulating the hoardings on the railway properties, after taking into consideration various statutory provisions, so as to ensure that the hoardings are not erected in haphazard manner, that there is no overcrowding of the hoardings and that the safety of citizens is not endangered." The judges said they would appreciate it if the railways involved the BMC while framing a policy for the city. **Latest Comment**

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The high court, in 2001, in a PIL about illegal hoardings, directed the municipal corporation to formulate policy guidelines for grant of permission for display of sky-signs and advertisements. Between 2008 and 2010, various directions were passed by the high court on the issue. In 2014, the commissioner asked the railways not to put up hoardings on railway properties which are visible from a public road without first obtaining permission. The BMC's demand for a fee for such hoardings was challenged by the railways as well as hoarding owners.

Additional solicitor general [Anil Singh](#), counsel for the railways, cited the provisions of the Railway Act.

[Singh](#)

said that the power to construct on its land, including putting up of structures for displaying hoarding, was exclusively with the Railways. The advocate further contended that the

Railways was not liable to pay any tax on such advertisements unless the Centre issues a notification. "Charges which are sought to be recovered by the corporation are nothing but compulsory exaction of money without rendering any services," said Singh.