

**Court No. - 3**

**Case :-** WRIT - C No. - 22611 of 2024

**Petitioner :-** The Indian Institute Of Technology

**Respondent :-** State of U.P. and Another

**Counsel for Petitioner :-** Rohan Gupta

**Counsel for Respondent :-** C.S.C.,Jai Bahadur Singh

**Hon'ble Anjani Kumar Mishra,J.**

**Hon'ble Jayant Banerji,J.**

1. Heard Shri Rohan Gupta, for the petitioner and Mr. Jai Bahadur Singh, learned counsel for the Municipal Corporation, Saharanpur.
2. Challenge in the writ petition is to a demand notice dated 10.05.2024, issued by the second respondent, calling upon the petitioner to deposit a sum of Rs. 47,06,67,775/- as service charges, out of which Rs. 3,26,43,795/- are the current dues payable, while the remaining 43,80,23,980/- is the balance of earlier arrears along with interest payable thereon.
3. Learned counsel for the petitioner has submitted that the demand has been raised on the basis of an office memorandum dated 29.03.1967 issued by the Government of India, Ministry of Finance, Department of Coordination.
4. It is sought to be contended that a Division Bench of this Court in ***Banaras Hindu University v. State of U.P. and others 2010 (10) ADJ 231*** has held a similar office memorandum dated 26.04.1994 stating that though buildings of the Union are exempted from Municipal taxes, they are, however, liable to pay service charges as contemplated therein.
5. It has been held in this judgment that the statutory corporations as well as the societies are not of the Union Government even if they are established by the Union Government and therefore, they are not covered by the office memorandum.
6. The contention, therefore, is that the main demand is covered by the ratio of the decision of this Court is Banaras Hindu University (supra).

7. It is also stated in the writ petition that education institutions are not liable to be taxed by the municipal corporations nor any services of the municipal corporation are being availed by the petitioner-Institute and therefore, also the demand is unwarranted.

8. Learned counsel appearing for the respondents has produced a letter of the Head of the Department, Institute of Paper Technology, IIT Roorkee, dated 23.11.2001, which admits that the entire property of the Indian Institute of Paper Technology, both movable and immovable property, is property of Central Government.

9. A prayer has been made in this letter to furnish corrected and revised bills from the period 01.04.2001 to 20.09.2001 demanding only house tax.

10. On the strength of the above, it is contended that the petitioner is estopped from claiming to the contrary to what is admitted in the letter aforesaid.

11. Matter requires consideration.

12. Learned counsel appearing for the respondents may file a detailed counter-affidavit within two weeks. Petitioner will have a week's time thereafter, to file rejoinder-affidavit.

13. List thereafter.

14. In the meantime, no recovery shall be made from the petitioner consequent to the impugned demand notice.

**Order Date :- 1.8.2024**

Aditya Tripathi