CGHC010025872022 2026:CGHC:31682

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPT No. 12 of 2022

- Madhya Pradesh Jesuits Through Its Secretary/ Principal, Loyala Higher Secondary School, Rajiv Vihar, Seepat Road, Secl, Post- Bilaspur, Chhattisgarh, District : Bilaspur, Chhattisgarh

... Petitioner(s)

versus

1. State Of Chhattisgarh Through Secretary, Urban Development And Administration Department, Secretariat, Mahanadi Bhawan, Atal Nagar, Naya Raipur, Chhattisgarh, District : Raipur, Chhattisgarh

2. Commissioner, Zone No. 7, Municipal Corporation, Raj Kishore Nagar, Bilaspur, Chhattisgarh, District : Bilaspur, Chhattisgarh

... Respondent(s)

For Petitioner	:	Dr. Veena Nair, Advocate
For Respondent No. 1	:	Mr. Ajay Kumarani, P.L.
For Respondent No. 2	:	Mr. Sandeep Dubey, Advocate

Hon'ble Shri Justice Rakesh Mohan Pandey

Order On Board

24.7.2026

1) By way of this petition, the petitioner has sought following reliefs:-

> **10.1** Call for the records from the Municipal Corporation for its kind perusal.
>
> **10.2** Quash and set aside the demand notice dated 06/08/2021 & 02/09/2021 (P/1) raised by the

Respondent Municipal Corporation for payment of property tax amounting to tune of Rs. 19,75,745.

10.3. This Hon'ble may be pleased to grant cost and expenses of the present petition and any other relief that this Hon'ble Court may deem fit and proper in the interest of justice.

2) Facts of the present case are that Madhya Pradesh Jesuits is a charitable trust bearing Registration No. 77-1959-60, which established Loyola Higher Secondary School at Rajiv Vihar, Seepat Road, Bilaspur in the year 2005. It is pleaded that petitioner-institution is entitled for exemption from property tax according to the provisions of Section 136 (c) and (e) of the Chhattisgarh Municipal Corporation Act, 1961 [hereinafter to be referred as ‘Act of 1961’] and the respondent No. 2 has issued demand notice for payment of property tax to the tune of Rs.19,75,742/- for the financial year 2020-21 on 2.9.2021.

3) Learned counsel for the petitioner submits that petitioner is a charitable and minority institution registered under Section 12(A) of Income Tax Act, 1961 [hereinafter to be referred as ‘Income Tax Act’] and certificate in this regard was issued in its favor on 10.7.1974 by O/o Income Tax Commissioner, Madhya Pradesh, Bhopal. She further submits that since the petitioner-institution is in possession of the aforestated certificate which provides exemption from the payment of property tax, the impugned demand notices issued by the respondent No. 2 are bad in law. She prays to allow this writ petition.

4) On the other hand, learned counsel appearing for the respective respondents submit that the registration certificate under Section 12 (A) of Income Tax Act was issued in favor of The President, Madhya Pradesh Jesuits, Kunkuri P.O., Raigarh Distt. and no such certificate has been issued in favor of petitioner-institution situated at Rajiv Vihar, Seepat Road, Bilaspur. They further submit that since the petitioner-institution is not registered u/s 12(A) of Income Tax Act, therefore respondent No. 2 rightly issued demand notices and this petition deserves to be dismissed.

5) Heard.

6) The Sub-section (C) of Section 136 of Act of 1961 reads as under :-

> **136. Exemptions**.- The property tax levied under section 135 shall not be leviable in respect of the following properties, namely :-
>
> (a) ****
>
> (I) ***
>
> (ii) ***
>
> (iii) ***
>
> (b) ****
>
> (c) educational institution of Government of India, State Government, Municipal Corporations, registered Charitable Trusts, educational institutions registered under Section 12A of the Income Tax Act, 1961, shall be wholly exempted and other educational institutions may be given a rebate of upto fifty percent of the property tax as assessed by the Corporation in accordance with norms that may be prescribed by the State Government;

Bare reading of the above-quoted provision would makes it clear that exemption of property tax can be extended to an educational institution having registration u/s 12(A) of Income Tax Act and in absence of the same, the institution may be given a rebate of up to 50% of property tax.

7) In the present case, respondent No. 2 issued demand notice against the petitioner-institution situated at Rajiv Vihar, Seepat Road, Bilaspur to the tune of Rs.19,75,745/- and despite repeated reminders, petitioner failed to submit registration certificate u/s 12(A) of Income Tax Act. Although, petitioner has annexed a certificate along with rejoinder but it appears that same is a registration certificate issued in favor of "The President, Madhya Pradesh Jesuits, Kunkuri P.O., Raigarh Distt." dated 10.7.1974.

8) In view of the discussion made herein-above, in my opinion, the two institutions are not one and the same and the petitioner-institution situated at Seepat Road, Bilaspur cannot take benefit of registration certificate annexed along with the rejoinder. Therefore, the demand notice appears to be reasonable and no case is made out for interference.

9) Consequently, this writ petition fails and is hereby **dismissed**.

Sd/-
(Rakesh Mohan Pandey)
JUDGE

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Digitally signed by AJINKYA PANSARE
Date: 2026.07.25 10:49:55 +0530