



IN THE HIGH COURT OF DELHI AT NEW DELHI



LPA 414/2004

US (SD) Section
Diary No. 626
Date..... 13/2

Date of Decision : December 19, 2005

NEW DELHI MUNICIPAL COUNCIL

....APPELLANT

Through Mr. P.C. Sen, Adv.

VERSUS

Indira Gandhi National Centre for Arts

....RESPONDENTS

Through Mr. Anil Gupta with
Mr. Bijendra Singh, Adv.



CORAM:

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE MADAN B. LOKUR

1. Whether the reporters of local papers may be allowed to see the judgment? Yes
2. To be referred to the Reporter or not? You
3. Whether the judgment should be reported in the Digest? Yes

MARKANDEYA KATJU, C.J.

1. This appeal has been filed against the impugned judgment of the learned Single Judge dated 10.02.2004.
2. Heard counsel for the parties and perused the record.

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The respondent – Indira Gandhi National Centre for Arts (hereinafter referred to as "IGNCA") is a premier National Institution engaged in the pursuit of knowledge of Arts and Culture lauched in 1985 in the memory of late Smt. Indira Gandhi; it was formally established as an Autonomous Trust in March 1987. It has several activities, such as, research, publication, training, documentation, dissemination and networking and has grown as the largest repository of information pertaining to the Arts in India. Its object is to preserve and promote Indian arts, humanities and cultural heritage as per the Constitutional mandate and to analyze and to disseminate data and information thereof to scholars, academics, students, institutions, policy-makers in the Central and State Governments.

4. Respondent was earlier granted exemption from property tax for three years from 1992 to 1995, vide New Delhi Municipal Council letter dated 17.03.1993. Thereafter, the matter relating to grant of permanent exemption from property tax has been under correspondence with the appellant. The Ministry of Culture has also written to the Ministry of Urban Development, in support of the IGNCA's claim for exemption. The Ministry of Urban Development acknowledged the letter of the IGNCA, stating that there is an obvious justification for IGNCA seeking exemption. However, by the time, the issue regarding exemption could be sorted out,

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the Asstt. Secretary of the appellant passed an Order, vide letter dated 16.11.2000 the respondent challenged the said Order through a writ petition challenging, inter-alia on the grounds as under:-

- (i) Letter from Prime Minister's Office, stating that IGNCA falls within the Educational Institution Category.
- (ii) The Delhi University has recognized IGNCA as a Research Institute for the Ph.D students.
- (iii) IGNCA is a non-profit Public Charitable Trust.
- (iv) The Ministry of Urban Development, while acknowledging the receipt of the letter of the President of IGNCA, stated that: **"here is obvious justification for granting the exemption asked for."**
- (v) IGNCA has already been granted exemption for the period 1992 to 1994 and is fully eligible for exemption from the payment of property tax, as **an Educational Institution under Clause 62 (1) (a) of NDMC Act, and it is supported by the**



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corpus Grants by the Government of India and by voluntary contribution.

5. The learned Single Judge disposed of the writ petition without going into the merits on the short ground that "The determination as to whether the IGNSA was entitled to exemption from payment of property tax under Section 62 must be taken by the Council in view of Section 124 of NDMC Act, which states as under:-

"124. General Power of Exemption:

The Council may, by resolution passed in this behalf, exempt either whole or any part from the appellant of any tax levied, under this act, any class of persons or any class of property or goods."

6. By means of Section 124 of NDMC Act, the Council has power to exempt either wholly or in part from the payment of any tax levied under the Act, any class of persons or any class of property or goods.
7. It is well settled that even a single person can constitute a class of persons vide Ram Krishna Dalmia v. Justice Tendulkar AIR 1958 S.C. 538. Hence, we see no reason to interfere with the direction of the learned Single Judge

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that the petitioner's case will be considered by the Council for exemption under Section 124 of the NDMC Act.

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8. With this observation, appeal is disposed of.

Chief Justice

Madan B. Lokur, J

December 19, 2005
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Executive Judicial Department
High Court of Delhi
Appointed Under Section
124 of NDMC Act

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