

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No. 8888 of 2021

21 Vivek Kumar, Male, Aged about 25 years, S/o Shree Gore Lal Paswan, Having his office at Road no. 13B, Rajendra Nagar, P.S. – Kadamkuan, District – Patna, Resident of Kurji Balupar, P.S. – Digha, District – Patna.

.....Petitioner

Versus

1. The State of Bihar, through the Joint Commissioner of State Tax, Kadamkuan Circle, Patna.
2. Joint Commissioner of State Tax, Kadamkuan Circle, Patna.
3. Assistant Commissioner of State Tax, Kadamkuan Circle, Patna
4. State Bank of India, B.S.E.B Branch, Frazer Road, Patna through its Branch manager.
5. The Branch Manager, State Bank of India, B.S.E.B Branch, Frazer Road, Patna

.....Respondents

Appearance :

For the Petitioner/s	:	Mr. Alok Kumar @ Alok Kr Shahi, Advocate Mr. Arvind Kumar, Advocate
For the Respondent/s	:	Mr. Vikash Kumar, S.C. 11 Mr. Apurv Harsh, Advocate (SBI)
For the Union of India	:	Dr. K.N.Singh, A.S.G. Mr. Anshuman Singh, Sr. S.C., CGST & CX

CORAM: HONOURABLE THE CHIEF JUSTICE

and

HONOURABLE MR. JUSTICE S. KUMAR

ORAL JUDGMENT

(Per: HONOURABLE THE CHIEF JUSTICE)

(The proceedings of the Court are being conducted by Hon'ble the Chief Justice/ Hon'ble Judges through Video Conferencing from their residential offices/residences. Also, the Advocates and the Staffs joined the proceedings through Video Conferencing from their residences/offices.)

Date : 01-07-2021



Our attention is invited to the Circular dated 11th of August, 2020, issued by the Government of India, Ministry of Finance, Department of Revenue (State Taxes-I Section), and Circular dated 27th of October, 2020, issued by the Government of India, Ministry of Finance, Department of Revenue (Central Board of Indirect taxes & Customs) Legal Cell, copy whereof is taken on record.

In view of the same, Union of India be impleaded as Party Respondent No. 6.

Registry to make necessary correction, both on the digital as also the hard file.

Dr. K.N. Singh, learned Additional Solicitor General and Shri Anshuman Singh, Sr. S.C., CGST & CX enter appearance on behalf of the newly added respondents.

Petitioner has prayed for the following relief(s):

- (i) Issuance of writ of certiorari for quashing the notice dated 05.03.2020 (Annexure-2) for the financial year 2018 - 2019 by which the petitioner has been advised to pay Rs.2,21,376 as tax, interest and penalty.
- (ii) Issuance of writ in the nature of certiorari for quashing of notice dated 11.01.2021 (Annexure-3) issued under section 79 of the Act to the State Bank of India for attaching the account of the petitioner for payment of Rs. 2,02,052/-.
- (iii) For any other consequential relief/reliefs for which the petitioner is entitle by this Hon'ble Court in the facts and circumstances of the present case.



Petitioner has prayed for quashing of the impugned order dated 5th of March, 2020 passed by the Respondent No. 3 namely Assistant Commissioner of State Tax, Kadamkuan Circle, Patna in Reference No. ZA1003200048880 as also notice to third person under Section 79(1)(c) dated 3rd of May, 2020, issued vide Memo No. 174 dated 11th of January, 2021 by the Respondent No. 2 namely Joint Commissioner of State Tax, Kadamkuan Circle, Patna. The order appears to be *ex parte* in nature.

Learned counsel for the Revenue, states that he has no objection if the matter is remanded to the Assessing Authority for deciding the case afresh. Also, the case shall be decided on merits. Also, during pendency of the case, no coercive steps shall be taken against the petitioner.

Statement accepted and taken on record.

However, having heard learned counsel for the parties as also perused the record made available, we are of the considered view that this Court, notwithstanding the statutory remedy, is not precluded from interfering where, *ex facie*, we form an opinion that the order is bad in law. This we say so, for two reasons- (a) violation of principles of natural justice,



i.e. Fair opportunity of hearing. No sufficient time was afforded to the petitioner to represent his case; (b) order passed *ex parte* in nature, does not assign any sufficient reasons even decipherable from the record, as to how the officer could determine the amount due and payable by the assessee. The order, *ex parte* in nature, passed in violation of the principles of natural justice, entails civil consequences. As such, on this short ground alone, we dispose of the present writ petition in the following mutually agreeable terms:

(a) We quash and set aside the impugned order dated 5th of March, 2020 passed by the Respondent No. 3 namely Assistant Commissioner of State Tax, Kadamkuan Circle, Patna in Reference No. ZA1003200048880 as also notice to third person under Section 79(1)(c) dated 3rd of May, 2020, issued vide Memo No. 174 dated 11th of January, 2021 by the Respondent No. 2 namely Joint Commissioner of State Tax, Kadamkuan Circle, Patna;

(b) We accept the statement of the petitioner that ten per cent of the total amount, being condition prerequisite for hearing of the appeal, already stands deposited. If that were so, well and good. However, if the amount is not deposited for whatever reason(s), same shall



be done before the next date;

(c) Further the petitioner undertakes to additionally deposit ten per cent of the amount of the demand raised before the Assessing Officer. This shall be done within four weeks.

(d) This deposit shall be without prejudice to the respective rights and contention of the parties and subject to the order passed by the Assessing Officer. However, if it is ultimately found that the petitioner's deposit is in excess, the same shall be refunded within two months from the date of passing of the order;

(e) We also direct for de-freezing/de-attaching of the bank account(s) of the writ-petitioner, if attached in reference to the proceedings, subject matter of present petition. This shall be done immediately.

(f) Petitioner undertakes to appear before the Assessing Authority on 9th of August, 2021 at 10:30 A.M., if possible through digital mode;

(g) The Assessing Authority shall decide the case on merits after complying with the principles of natural justice;



(h) Opportunity of hearing shall be afforded to the parties to place on record all essential documents and materials, if so required and desired;

(i) During pendency of the case, no coercive steps shall be taken against the petitioner.

(j) The Assessing Authority shall pass a fresh order only after affording adequate opportunity to all concerned, including the writ petitioner;

(k) Petitioner through learned counsel undertakes to fully cooperate in such proceedings and not take unnecessary adjournment;

(l) The Assessing Authority shall decide the case on merits expeditiously, preferably within a period of two months from the date of appearance of the petitioner;

(m) Liberty reserved to the petitioner to challenge the order, if required and desired;

(n) Equally, liberty reserved to the parties to take recourse to such other remedies as are otherwise available in accordance with law;

(o) We are hopeful that as and when petitioner takes recourse to such remedies, before the appropriate forum, the same shall be dealt with, in accordance with



law, with a reasonable dispatch;

(p) We have not expressed any opinion on merits
and all issues are left open;

(q) If possible, proceedings during the time of
current Pandemic [Covid-19] be conducted through
digital mode;

The instant petition stands disposed of in the
aforesaid terms.

Interlocutory Application(s), if any, also stands
disposed of.

Learned counsel for the respondents undertakes
to communicate the order to the appropriate authority
through electronic mode.

(Sanjay Karol, CJ)

(S. Kumar, J)

Sujit/PKP-

AFR/NAFR	
CAV DATE	
Uploading Date	06.07.2021
Transmission Date	

