

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.9807 of 2020

1. Shakti Kumar Prabhakar, Male, aged about 59 years, S/o Late Ram Bilash Singh Resident of Rukmini Smriti, Kharsariya House, Maurya Bihar, Kumhrar, Patna-800026
2. Sita Ram Kumar, Male, aged about 57 years, Son of Ramnaresh Prasad Singh Village Chondi, Near Hospital, Via Barh, District Patna
3. Kaushal Kishore Dixit, Male, aged about 61 years, Son of Late Kameshwar Prasad Dixit. Resident of Madho Bihari Lane, Mohalla Salempur. P.O. and P.S. Chapra, District-Chapra.
4. Rajesh Kumar, Male, aged about 58 years, Son of Sri Anil Kumar Singh Resident of 47 Kalyanpur Kothi, Munger Road, P.O. Jamalpur, Jamalpur City, District-Munger.
5. Arvind Kumar, Male, aged about 56 years, S/o Late J.B. Ray, Resident of House No. 44, Hanuman Nagar, P.O. Shashtri Nagar, New Punaichak, Phulwari, Patna.-800023
6. Manoj Kumar, Male, aged about 56 years, S/o Late Indra Prasad Sinha, Resident of Usha Mohan Nilay, Adarsh Colony, West Patel Nagar, Patna-23.
7. Ram Kumar Singh, Male, aged about 61 years, C/o Sri Randhir Singh Resident of Moti Bhawan, Rajpur, Patna.
8. Kumar Dinesh, Male, aged about 58 years, S/o Late Shivjee Roy Resident of C/o Dr. L.P. Roy Near DAV School, Rajwanshi Nagar (mani Raj House), Patna.
9. Abhay Kumar Dutt Verma, Male, aged about 59 years, Son of Late Anirudh Kuamr Dutt Verma, Resident of Ashok Nagar, Road No. 1/D, P.S. Kankarabgh, Patna 800020.
10. Shashi Bhusan Prasad Yadav, Male, aged about 57 years, S/o Late Bhairav Roy, Resident of Punjab Colony, Gali No.3, District Samastipur-848101, Bihar.
11. Sanjay Kumar, Male, aged about 54 years, S/o Late Amrendra Kumar Verma. Resident of Delha Pariya Road, Near Ramchandra Roice Mill, District-Gaya.
12. Chandrachur Mani Upadhyay, Male, aged about 59 years, S/o Shri Amareshwar Upadhyaya, Resident of Professors Colony, West Patel Nagar, Patna-23.
13. Shyama Kant Lall, Male, aged about 74 years, S/o Late Ramavatar Narayan, Resident of Chandmari Road, No.4, Kankarabagh, Patna.
14. Ram Balak Prasad, Male, aged about 69 years, Son of Late Baiju Mahto Resident of Flat No. 203, Kanti Palace Apartment, Lal Bahadur Shastrinagar, Patna-800023
15. Vijay Kumar Singh, Male, aged about 50 years, S/o Late Ram Briksh Singh Resident of Gouse No.15, Manju Bhawan, Durga Ashram Gali, Sheikhpura, P.O. B.V. College, P.S. Shastrinagar, Patna-800014.
16. Sanjay Kumar, Male, aged about 55 years, S/o Late Shiv Prasad Resident of



Mohalla Ashopur, Shiv Sadan, Opposite Tribhuwan School, Vijay Singh Yadav Marg, Khagaul, Danapur, Patna-801105, Bihar.

17. Sanjay Kumar Raut, Male, aged about 55 years, S/o Satya Narayan Raut, Resident of Flat No. 203, Baleshwar Residency, Bramhasthan Road, Near CBSE office and Satyam Hospital, B.V. College, P.O. Sheikhpura, P.S. Rukanpura, Danapur, Bihar 800014.
18. Anchalesh Nandan, Male, aged about 51 years, S/o Gajanan Prasad Resident of Auto Stand, 35/C LIG, P.O. Lohiyanagar, P.S. Kankarbagh, Patna-800020.
19. Suresh Mohan Jha, Male, aged about 64 years, S/o Ram Narayan Jha Resident of 86 Meer Tola, Bangaon Road, Ward No.7, P.O. Kahara, P.S. Saharsa, Bihar-852201
20. Arun Kumar Singh, Male, aged about 58 years, S/o Late Suraj Dayal Singh Near Magadh Public School, Club Road, P.O. and P.S. Aurangabad. Bihar.
21. Upendra Kishore, Male, aged about 57 years, S/o Kaushal Kishore Resident of MVJ Shashik, New Rajdhani Apartment, P.O. and P.S. Mahesh Nagar, Keshari Nagar, Patna-8000024.
22. Shyam Sunder Bhartiya, Male, aged about 58 years, S/o Govind Prasad Bhartiya, B-3C, Alakhraj Apartment, East Boring Canal Road, Near Panchmukhi Mandir, Patna. P.O. and P.S. Buddha Colony, Patna-800001.
23. Ajay Kuamr Mishra, Male, aged about 53 years, S/o Parashuram Mishra, Near LNB High School, Ice-cream Fxtory Lane, P.O. and P.S. Mohan Nagar, Chapra, Saran.
24. Shankar Prasad Singh, Male, aged about 57 years, S/o Raghunath Singh Resident of Suryanchal Singh Niketan, P.O. and P.S. Williams Town, Near Hadhadiya Pool, deoghar, Jharkhand -814112

... .. Petitioner/s

Versus

1. The Union of India through the Secretary, Ministry of Corporate Affairs, Government of India.
2. The Secretary, Ministry of Corporate Affairs, Government of India, New Delhi.
3. The Insolvency and Bankruptcy Board of India through its Chairperson, 7th Floor, Mayur Bhawan, Shankar Market, Connaught Circus, New Delhi-110001.
4. The Chairperson, Insolvency and Bankruptcy Board of India, 7th Floor, Mayur Bhawan, Shankar Market, Connaught Circus, new Delhi-110001.
5. The India Banks Association thorough its Chairman, World Trade Centre, 6th Floor, centre 1 Building, World Trade Centre Complex, Cuffe Parade, Mumbai-400005.
6. The Chairman, Indian Banks Association, World Trade Centre, 6th Floor, Centre 1 Building, World Trade Centre Complex, Cuffe Parade, Mumbai-400005.
7. The Punjab National Bank through its Chairman Cum Managing Director, PNB Corporate Office, Plot No.4, Sector-10, Dwarka, New Delhi-110075.



8. The Chairman Cum Managing Director, Punjab National Bank, Corporate Office, Plot No. 4, Sector-10, Dwarka, New Delhi-110075.
9. The Chief Manager, Punjab National Bank, Patna Regional Office, Patna.
10. The Small Industries Development Bank of India through its Chairman Cum Managing Director, Head Office, SIDBI Tower, 15, Ashok Marg, Lucknow.
11. The Chairman Cum Managing Director, Small Industries Development Bank of India, Head Office, SIDBI Tower, 15 Ashok Marg, Lucknow-226001.

... .. Respondent/s

Appearance :

For the Petitioner/s	:	Mr. Siddhartha Prasad, Advocate
For the Respondent/s	:	Mr. Suresh Prasad Singh No. 1, Advocate
		Mr. Radhika Raman, CGC
		Mr. Jai Prakash Singh, Advocate
		Mr. Anil Kumar, Advocate

CORAM: HONOURABLE MR. JUSTICE RAJAN GUPTA
and
HONOURABLE MR. JUSTICE MOHIT KUMAR SHAH

ORAL ORDER

(Per: HONOURABLE MR. JUSTICE RAJAN GUPTA)

5 21-04-2022 Heard learned counsel for the parties.

The grievance of the petitioners is that the valuers under the Wealth Tax Act, 1957 have been asked by the Punjab National Bank and SIDBI to get themselves registered with the Insolvency and Bankruptcy Board of India if they want to continue as the empanelled valuer of the said Banks.

Learned counsel for the petitioners submits that such a condition is wholly arbitrary and is not supported by any statutory rule. A counter affidavit has been filed by the Union of India, Paragraph nos. 12 and 17 whereof reads as under:



“12. In accordance with section 247 of the Act, valuation under the said Act has to be carried out by persons registered as valuer, under Valuation Rules. Further, in accordance with regulations 27 read with regulation 2(1)(m) of Insolvency and Bankruptcy Board of India (Insolvency Resolution process For Corporate Persons) Regulations, 2016 (CIRP Regulations) and IBBI Circular dated 17th October 2018, the valuation under the Code has to be conducted by registered valuers under the Valuation Rules. The impugned Valuation Rules do not interfere with the practice of valuers operating outside the Companies Act, 2013 and the Code.

17. With reference to Para 24, it is submitted that the Wealth Tax Act is not set at naught. The Valuation Rules are not extended or made applicable to the conduct of valuation by any person under any other law, which has been clarified in the Explanation to rule 1 of the Valuation Rules. It is not the intention of the MCA to apply the Valuation Rules for carrying out valuation by any person under any other law inclining under the Wealth-tax Act, 1957 of the Income-tax Act, 1961. The impugned rules are not comparable with any other rules applicable in other fields. Persons already registered under any other law are free to conduct valuation under the provisions of those other laws. If a Valuer purposes to conduct valuation under the Valuation Rules, he has to comply with the requirements laid down under the same. The impugned rules do not interfere with the practice of Valuers registered under any other Act.”

Having examined the stand taken by the Union of India before this Court, we feel that no further direction needs to be issued by this Court. The petitioners would be at liberty to bring this fact to the notice of the concerned Banks. They shall also be at liberty to refer to the judgment of the High Court of



Kerela at Ernakulam in WP(C) No. 37770 of 2018.

The writ petition stands disposed off.

(Rajan Gupta, J)

(Mohit Kumar Shah, J)

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