IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.12174 of 2024

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Patna Smart City Limited a company incorporated under the Companies Act, 2013 having its Head Office at C/o Patna Municipal Corporation, Floor 2, Block - C, Maurya Lok Complex, Dakbunglow Road, Patna - 800001 through its Chief Finance Officer Shri Pravind Kumar Singh (Male) (aged about 49 years) Son of Shri Ram Pravesh Singh resident of Leela Kunj, Budh Vihar Colony, Bhoothnath Road, Bahadurpur Housing Colony, Patna, Bihar-800026.

... ... Petitioner/s

Versus

Assessment Unit, Income Tax Department Cannaught Circus, Mayur Bhawan, Cannaught Lane, Barakhamba, New Delhi, Delhi - 110001.

... ... Respondent/s

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Appearance :
For the Petitioner/s : Mr. D.V.Pathy, Advocate
For the Respondent/s : Mrs. Archana Sinha, Sr. SC, Income Tax

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CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE PARTHA SARTHY
ORAL JUDGMENT
(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 03-09-2024

The petitioner, a government company is before this Court, challenging Annexure-P/7 series of assessment orders; when there is statutory appellate remedy provided under the Income Tax Act, 1961. The contention raised by the petitioner is that no scrutiny could have been carried out, as per the guidelines issued by the Central Board of Direct Taxes, as produced at Annexure-P/9 dated 10.06.2021. It is also submitted that the petitioner is a completely owned government company depending only on the government funds to carry out the development activities with its seat at Patna; totally funded by the Government.

2. The guidelines, as placed at Annexure-P/9 is one for compulsory selection for returns of complete scrutiny during the financial year 2021-22 and the conduct of the assessment proceedings in such cases. The learned Counsel for the petitioner asserted that the petitioner does not come under any of the categories prescribed. However, we are of the opinion that the guidelines are only for compulsory selection of returns for scrutiny and it does not preclude random selection for scrutiny by the Assessing Officers. The categories coming under the guidelines are those which are to be taken up mandatorily for scrutiny and this does not create any restriction of any other category being taken up for scrutiny.

3. The next contention is one of violation of principles of natural justice, insofar as no hearing having been granted to the assessee. Admittedly, the petitioner while uploading the application did not seek for an opportunity for personal hearing. The petitioner’s contention is that the reply filed specifically sought for such personal hearing. As per the system generated notices and uploading of on-line replies in specified forms; there is a specific column provided for requesting personal hearing. Unless the personal hearing is sought for, there would be no requirement to issue such personal hearing. Admittedly, in the present case, the column for personal hearing was not ticked as ‘Yes’. The reply was filed and it was duly considered in the order passed. We find absolutely no reason to interfere with the order also on the ground of violation of principles of natural justice.

4. On the above reasoning, we find absolutely no reason to invoke the extra ordinary remedy under Article 226. We dismiss the writ petition, however, leaving the petitioner to file an appeal, if so desired, subject to just exceptions; including that of limitation.

(K. Vinod Chandran, CJ)

(Partha Sarthy, J)

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