Shri Raviteja Restaurants & Resorts (P) Ltd. & S. Subash v. Chief Commissioner of Income Tax-III

Writ Petition 18355/2003

W.P. No. 18355/2003 (Andhra Pradesh High Court, 2004-06-28) | 2004-06-28

Section 127 transfer quashed for insufficient reasons

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Andhra Pradesh High Court | Division Bench at Hyderabad | Bilal Nazki | P.S. Narayana

Assessment years:

01 FACTS OF THE CASE

Shri Raviteja Restaurants & Resorts and S. Subash challenged the order of 23 July 2003 transferring two matters from Additional Commissioner, Range-3, Hyderabad to Deputy Commissioner, Central Circle-2(1), Bangalore. They complained of prejudice and absence of adequate reasons.

Source: PDF pp.2–4

02 DISCUSSION BY THE HON'BLE COURT

The transfer order stated only administrative convenience and coordinated investigation. Following Saptagiri Enterprises v. CIT, 189 ITR 705, the Court held that the bare reference to coordinated investigation conveyed no intelligible reason from the assessee's perspective and was insufficient for this transfer.

Source: PDF pp.2–4

03 JUDICIAL DECISION

The writ was allowed and the transfer order quashed. The authority retained liberty to pass an appropriate fresh order after hearing the petitioner and giving reasons for its conclusion.

Source: PDF pp.2–4

04 OUTCOME / IN WHOSE FAVOUR

The taxpayers succeeded against the existing transfer order. The judgment did not permanently prohibit transfer to Bangalore or decide their assessments.

Source: PDF pp.2–4

05 EXPERT COMMENTS

Reasons must explain this transfer, not merely name an objective — The defect lay in formulaic administrative convenience and coordination language without an intelligible explanation. The Court applied the cited precedent to the actual order before it; it did not rule that coordinated investigation can never justify transfer when supported by reasons.

Quashing preserved a lawful fresh decision — The express liberty to reconsider after hearing and recording reasons limits the practical victory. A later transfer could not be assumed either valid or invalid without examining that later order. The judgment itself neither selects a permanent assessing location nor cancels tax proceedings.

Keep the two petitioners and the order date distinct — The company and individual jointly challenged transfer of two matters. The challenged administrative order is dated July 2003, while the judicial decision is June 2004. Neither docket year nor transfer date supplies an assessment year, and no tax amount is decided in the source.

Source: Editorial analysis; source references in the structured comments

SOURCE & VERIFICATION

Andhra Pradesh High Court order; verified source copy

Complete 4-page supplied source; all pages read.

All 4 original pages read and visually inspected; source hash verified. AI-assisted substantive correction.

Open cited source rendition

Source bytes and identity checked; see panel-specific references and disclosed source anomalies.

STATUTORY SCOPE

Only source-supported provisions are indexed; no Income-tax Act, 2025 equivalence is asserted.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment not independently verified.

AI DISCLOSURE

AI-assisted research checked against the identified source. Extraction, interpretation or omission errors remain possible. Source review does not mean independent approval by a practising professional. Verify every material statement against the complete original judgment.

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