Myadam Kishan Rao Charitable Trust v. Commissioner of Income Tax (Exemptions)

W.P. 24005/2023

No neutral citation stated in source | 2023-08-30

Section 12AB(4) challenge rejected in favour of statutory appeal after prima facie finding of adequate opportunity.

12AB(4)

High Court for the State of Telangana | Division Bench | P. Sam Koshy | Laxmi Narayana Alishetty

Assessment years: Not specified in source

01 FACTS OF THE CASE

Myadam Kishan Rao Charitable Trust challenged the Commissioner (Exemptions)'s order dated 30 June 2023 under section 12AB(4), principally alleging denial of natural justice and reasonable opportunity to defend. The record showed receipt of the initial and final show-cause notices and participation on merits throughout the proceedings.

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02 DISCUSSION BY THE HON'BLE COURT

The Court considered that participation from inception through the final order prima facie established a reasonable opportunity of hearing and defence. Questions about the correctness of the order could be pursued in the available statutory appeal. Harbanslal Sahnia v. Indian Oil Corporation, AIR 2003 SC 2120, relied on by the trust, was distinguished on these facts.

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03 JUDICIAL DECISION

The writ was rejected at that juncture because an alternative statutory appeal was available. The trust's right to pursue that remedy was reserved. Pending miscellaneous applications were closed, with no order as to costs.

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04 OUTCOME / IN WHOSE FAVOUR

The trust obtained no writ relief against the section 12AB(4) order, but retained its statutory appeal remedy. The Court did not determine the substantive correctness of that order.

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05 EXPERT COMMENTS

AKHB EXPERT COMMENTS — editorial analysis, distinct from the Court's findings.

The natural-justice exception required factual support — The Court tested the asserted lack of opportunity against receipt of notices and sustained participation. Its prima facie conclusion explains why the allegation did not justify bypassing the appeal here. Participation is not stated as a universal cure for every hearing defect; the finding rests on the particular sequence recorded in this order.

Forum selection is distinct from endorsement of the order — The rejection directs the dispute toward the statutory appellate route. It does not establish that the Commissioner's substantive conclusions under section 12AB(4) were correct. A citation to this case should distinguish the writ-maintainability result from the unexamined merits of the trust's challenge.

The reservation does not supply procedural concessions — The express right to appeal preserves that avenue but grants no specified extension, condonation or interim stay. Those issues require the relevant appellate record and procedure. The cover's request for a stay was a prayer, while the operative order closes the miscellaneous applications without granting that relief.

Source: PDF p.1

SOURCE & VERIFICATION

Telangana High Court original order - verified repository copy

Complete 6-page supplied source; all pages read.

All 6 original pages read and visually inspected; all five panels audited.

Open cited source rendition

All six pages, including cover and endorsement, read and visually inspected. Decision date 30 August 2023 is distinct from the October copy stamp.

STATUTORY SCOPE

Section 12AB(4) identifies the impugned order. Section 151 on the cover relates to the CPC interim application, not Income-tax Act sanction.

LATER TREATMENT

Source checked 2026-10-21. Subsequent treatment has not been 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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