

Rajendran Chingaravelu v. R. K. Mishra, Additional Commissioner of Income Tax and Others

Civil Appeal No. 7914 of 2009

[2009] 15 (Addl.) SCR 1113 | 2009-11-24

Territorial jurisdiction, passenger safeguards and departmental conduct during airport cash enquiry and Income-tax investigation

Constitution of India: Article 226(2) | Income-tax Act, 1961: sections 132 and 142(1) | CBDT circular dated 18 November 2009 on airport enquiries and searches

Two-judge bench; order delivered by R. V. Raveendran, J. | R. V. Raveendran, J. | K. S. Radhakrishnan, J.

Procedural safeguards; no final tax assessment ruling

The Court did not determine the appellant's taxable income or validity of later assessments. It upheld bona fide verification in the particular security context, criticised premature publicity and recorded a 2009 circular; current airport and search procedures must be checked separately.

01 FACTS OF THE CASE

The appellant disclosed at Hyderabad airport that he carried Rs.65 lakh and showed a bank certificate. Officials alerted Chennai, where he was questioned for about fifteen hours, the cash was seized, information reached newspapers and income-tax proceedings followed. The Andhra Pradesh High Court dismissed his writ for want of territorial jurisdiction. In the Supreme Court he sought compensation, action against officials, quashing of proceedings and system-wide passenger safeguards.

Source: [Primary judgment: facts and procedural setting](#)

02 DISCUSSION BY THE HON'BLE COURT

A fraction of the cause of action arose in Hyderabad because the alert originated there and consequential tax proceedings were initiated there, so Article 226(2) jurisdiction existed. The Court nonetheless accepted that unusually large cash could justify careful verification of both source and intended use in the security and black-money context. At the Court's request CBDT issued detailed safeguards on questioning, verification, senior approval, reasonable facilities, confidentiality and transport after search. The Court separately condemned premature media leakage that could harm individuals and investigations.

Source: [Primary judgment: reasoning](#)

03 JUDICIAL DECISION

The officials' bona fide enquiry, detention for verification and seizure did not support compensation on these facts. The media disclosure grievance was justified; the CBDT safeguards, departmental regret and assurance of lawful assessment addressed the systemic and personal concerns.

Source: [Primary judgment: holding](#)

04 OUTCOME / IN WHOSE FAVOUR

The appeal was disposed of, the episode treated as closed, and no further personal relief granted. The Court appreciated the remedial safeguards and noted that the assessments would proceed strictly according to law.

Source: [Primary judgment: operative disposition](#)

05 AKHB REVIEW POINT

AKHB analysis: keep three issues separate in airport cash cases—territorial jurisdiction, lawfulness and proportionality of verification, and confidentiality. A legitimate source does not automatically preclude enquiry into intended use, but disclosure to media before investigation ends is not a permissible substitute for careful process.

Source: [Primary judgment: review-point basis](#)

SOURCE & VERIFICATION**[Supreme Court Reports scan - public eSCR mirror](#)**

Complete 13-page SCR report read in page-preserving text and every page image inspected, from the reported opening page through the operative disposition.

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Exact catalogue SHA-256 and 13-page count verified; every page was read and visually inspected.

STATUTORY SCOPE

Historical statutory provisions are described as they appeared in the report. Verify current enactments, amendments and later judicial treatment before reliance.

LATER TREATMENT

Source checked 2026-10-12. No comprehensive later-treatment or present-law clearance is represented. The note reports the historical statutory text and result in this primary report only.

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