IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD
(Special Original Jurisdiction)

MONDAY, THE TWENTY EIGHTH DAY OF JUNE
TWO THOUSAND AND FOUR

PRESENT
THE HON'BLE MR JUSTICE BILAL NAZKI
and
THE HON'BLE MR JUSTICE P.S.NARAYANA

WRIT PETITION NO : 18355 of 2003

Between:
1 Shri Raviteja Restaurants & Resorts (P) Ltd., rep., by its Managing Director Sri S.Subhash, H.No.8-2-602/E, Charan Pahadi, Road No.10, Banjara Hills, Hyderabad.
2 S. Subash, s/o S. Chinnaiah, r/o H.No.8-2-686/8/2, Road No.12, Banjara Hills, Hyderabad.

.....
PETITIONER(S)

AND

The Chief Commissioner of Income-tax-III(i/c) Aayakar Bhavan, Hyderabad.

.....RESPONDENT

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court will be pleased to to issue a writ order or direction, more particularly, one in the nature of writ of mandamus, declaring the proceedings F.No.CCIT-III/TECH/XII/JURIS/1/03-04 dt.23.7.2003 passed by the respondent, as arbitrary, illegal and violative of Article 14 of the Constitution and grant such other relief or reliefs as deemed fit and appropriate in the circumstances of the case and in the interest of justice

For the Petitioners : MR.K.RAGHAVA CHARYULU, Advocate.

For the Respondent : Mr.S.R.Ashok, Sr.Standing Counsel for Income Tax.

The Court at the admission stage, made the Following :

ORDER : (Per Sri Bilal Nazki, J).

Heard learned Counsel for the parties. This Writ Petition is disposed of at this stage with the consent of the learned Counsel for the parties.

An order dated 23.7.2003, passed by the respondent is challenged in this Writ Petition, by which two matters have been transferred from Additional Commissioner of Income Tax (Addl.CIT), Range-3, Hyderabad to Deputy Commissioner of Income Tax (DCIT), Central Circle-2(1), Bangalore. The grievance of the petitioner is that it will prejudice him to have the assessment at Bangalore and there are no reasons given in the impugned order for exercising the power under Section 127 of the Income Tax Act, by the Chief Commissioner of Income Tax.

We have perused the order. The order merely states that the matters are being transferred for administrative convenience and coordinated investigation. We do not find that this is a sufficient reason for transfer of the matters from Hyderabad to Bangalore.

A similar case was considered by this Court earlier in *Saptagiri Enterprises Vs. Commissioner of Income Tax and others*[1] and the Court came to the conclusion that the words, "*Coordinated investigation*, without anything more, does not convey any intelligible reason from the assessee's point of view".

Following the same judgment, we hold that the order impugned is bad, as it does not give any reasons for transfer of matters and allow the Writ Petition and quash the impugned order. However, the authority concerned shall be at liberty, if he chooses, to pass appropriate orders, after hearing to the petitioner and giving reasons for reaching to the conclusion he arrives at.

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(BILAL NAZKI, J)

28th June, 2004.

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(P.S.NARAYANA,J)

ajr.

To

1. The Chief Commissioner of Income-tax-III(i/c) Aayakar Bhavan, Hyderabad.
2 Two C.D. copies.

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[1] 189 ITR 705.