BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 03.03.2025

CORAM:

THE HONOURABLE MR.JUSTICE VIVEK KUMAR SINGH

W.P.(MD)No.5563 of 2025
and WM (MD) Nos.4057 , 4059 & 4060 of 2025

A.Uthayakumar : Petitioner

Vs.

1. The Principal Commissioner of Income Tax (PCIT),
O/o. the Principal Commissioner of Income Tax Office,
Viswanathapuram, Madurai.

2. The Deputy Commissioner of Income Tax (DCIT),
O/o the Deputy Commissioner of Income Tax Office,
Central Circle-2, Kochi.

3. The Income Tax Officer,
Ward-1 Theni,
The Income Tax Department,
Theni District. : Respondents

PRAYER: Writ Petitions filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, calling for the records pertaining to the impugned order passed by the 1st respondent vide ORDER NO.73/2024-25 dated 05.02.2025 and quash the same and consequently directing the respondents to conduct the coordinated investigation at the 1st respondents office.

For Petitioner : Mr. Ramsundar Vijayraj

For Respondents : Mr.N.Dilip Kumar

ORDER

This writ petition has been filed challenging the imupgned order dated 05.02.2025, transferring the case of the petitioner from the Income Tax Officer, Theni to the Deputy Commissioner of the Income Tax, Central Circle, Kochi, for the purpose of coordinated investigation.

2. The petitioner, in this writ petition, challenges the order passed by the first respondent under Section 127 of the Income Tax Act, 1961, on the ground that the order impugned was issued without assigning any reasons for transferring the assessment from the Income Tax Officer, Theni, to the Deputy Commissioner of the Income Tax, Central Circle, Kochi. The learned counsel for the petitioner submitted that the failure to provide reasons in the impugned order renders it arbitrary and in violation of the principles of natural justice. He further submitted that in the absence of any justifiable reasoning and considering that the assessment process is now "faceless," the case could be assessed at Theni itself without the need for transferring it to Kochi.

3. Per contra, the learned counsel appearing for the respondents submitted that a search was conducted on the petitioner's property located in the State of Kerala, during which Rs. 50 lakhs were seized from the petitioner and subsequently handed over to the Income Tax authorities. The learned counsel further drew the Court’s attention to the CBDT Guidelines under F.No. 286/88/2008-IT (Investigation II), dated 17.09.2008, which mandates that any search conducted under Section 132/132A of the Income Tax Act must be assessed in the Central Circle. Accordingly, in this case, since a search action under Section 132/132A was carried out and for the purpose of the coordinated investigation, after providing sufficient opportunity to the petitioner, it was proposed to transfer the case to Central Circle – 2, Kochi. The learned counsel also noted that, as admitted by the petitioner’s counsel, since the order is "faceless," the petitioner may appear at any location.

4. Heard the learned counsel for the parties and perused the materials available on record.

5. After considering the submissions made by both parties, this Court finds that there are no sufficient grounds to interfere with the

impugned order. The petitioner has not demonstrated any compelling reason for the Court to set aside the transfer of the case, particularly in the light of the search conducted under Section 132/132A of the Act and as per the relevant CBDT guidelines, which necessitated the transfer to Central Circle – 2, Kochi, for the purpose of the coordinated investigation.

6. In view of the above, this Court is of the opinion that the impugned order does not warrant interference. Accordingly, the writ petition is dismissed. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

03.03.2025

Index : Yes / No
Internet : Yes / No

PKN

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VIVEK KUMAR SINGH, J.

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W.P.(MD) No.5563 of 2025

03.03.2025