

HIGH COURT FOR THE STATE OF TELANGANA

MAIN CASE No: Writ Petition No.14679 of 2026

PROCEEDINGS SHEET

Sl. No.	Date	ORDER	OFFICE NOTE
01.	04.05.2026	<u>PSK,J & NNR,J</u> Counsel for the petitioner: Mr. Gaddam Aniketh Reddy Counsel for respondent Nos.1 to 3 : Mr. Srinarayan Toshniwal, learned counsel appearing on behalf of Mr. N. Praveen Reddy, learned Senior Standing Counsel for the Income Tax Department. <u>Interlocutory Application No.1 of 2026</u> <u>in</u> <u>Writ Petition No.14679 of 2026</u> The “dispense with” petition is ordered. <u>Interlocutory Application No.2 of 2026</u> <u>in</u> <u>Writ Petition No.14679 of 2026</u> Heard both sides. This application is filed by the petitioner under Section 151 of Civil Procedure Code, 1908 praying the Court to grant stay of all further proceedings pursuant to the impugned show-cause notice bearing DIN No. ITBA/PNL/S/271D/2025-26/1082189425(1) dated 31.10.2025, and also the second impugned show-cause notice bearing DIN No.ITBA/PNL/S /271D/2025-26/1088165341(1), dated 31.03.2026,	Transferred to i/o folder, before corrections, if any.

	issued by respondents. Taking into consideration the Circular No.10/2016, vide F.No.279/Misc./M-140/2015-ITJ, dated 26.04.2016, issued by the Government of India, Ministry of Finance, Department of Revenue, Central Board of Direct Taxes, particularly Clause (3) thereof, wherein it has been very clearly envisaged that penalty proceedings flowing from an order passed under Section 271D and 271E of the Income Tax Act, 1961 could only be governed under the provisions of Section 275(1)(c) of the Act so far as limitation is concerned. Whereas, in the instant case, the first show-cause notice issued by the Assessing Authority dated 31.10.2025 (referred above) is therefore apparently contrary to the above Circular and is <i>prima facie</i> barred by limitation. Therefore, this Court is inclined to stay further proceedings flowing from the above two impugned show-cause notices (referred above) till the next date of hearing. Accordingly, there shall be <i>interim stay</i> of all further proceedings pursuant to the impugned show-cause notice bearing D.I.N.No. ITBA/PNL/S/271D/2025-26/1082189425(1), dated 31.10.2025, and also the second impugned show-cause notice bearing DIN No.ITBA/PNL/S/271D/	
--	---	--

2025-26/1088165341 (1), dated 31.03.2026, issued by the respondents, until the next date of hearing.

Writ Petition No.14679 of 2026

Rule Nisi. Call for records.

Mr. Srinarayan Toshniwal, learned counsel appearing on behalf of Mr. N. Praveen Reddy, learned Senior Standing Counsel for the Income Tax Department, accepts notice on behalf of respondents. Hence, issuance of notice to respondents is dispensed with.

List on 02.07.2026 for hearing.

PSK,J

NNR,J

ndr