Nitin Enterprises v. Income-tax Officer, Ward-5(1), Hyderabad and others

WP No.24088 of 2026

WP No.24088 of 2026; decided 11 August 2026 | 2026-08-11

Threshold writ challenge to reassessment declined; jurisdictional objections left for statutory examination.

Income-tax Act, 1961: sections 148A(1), 148A(3), 148, 151 and 152(3); Constitution: Article 226

High Court for the State of Telangana | Division Bench | P. Sam Koshy | Narsing Rao Nandikonda

Assessment years: 2024-25

01 FACTS OF THE CASE

Nitin Enterprises, an electrical-fittings partnership, challenged the 26 March 2026 section 148A(1) notice and the 24 June 2026 section 148A(3) order and section 148 notice for AY 2024-25. The officer alleged unaccounted transactions of Rs.3,46,11,545 from information linked to the 22 December 2023 Polycab search. The firm denied transactions with Polycab and challenged the applicable reassessment regime under section 152(3) and sanction under section 151.

Source: PDF pp.2-6, paras 2-7

02 DISCUSSION BY THE HON'BLE COURT

The Court treated the challenged steps as preliminary to an unfinished reassessment. It acknowledged that the officer had not expressly addressed the section 152(3) and sanction objections, but held that they required examination by the Assessing Officer and, if necessary, appellate authorities. Paragraph 18 preserved threshold interference for total absence of jurisdiction or patent breach of a mandatory pre-condition, but found that this case required appraisal of search material and third-party statements.

Source: PDF pp.15-19, paras 14-19

03 JUDICIAL DECISION

On this record, the Court declined to entertain the challenge at the preliminary reassessment stage. It answered the framed question against the petitioner and dismissed the writ. It did not decide the applicability of section 152(3), validity of sanction or alleged escaped income on their merits.

Source: PDF pp.19-20, paras 20-21; pp.16-18, paras 16-18

04 OUTCOME / IN WHOSE FAVOUR

The writ petition was dismissed, miscellaneous petitions closed and no costs awarded. The impugned reassessment steps were not quashed. The petitioner must pursue its factual and jurisdictional objections in reassessment and the statutory appellate process; the judgment determines no final tax liability.

Source: PDF p.20, paras 20-22; pp.16-19, paras 16-19

05 EXPERT COMMENTS

AKHB Expert Comments - editorial analysis, distinct from the Court findings.

A forum ruling, not approval of the sanction: The unaddressed section 151 and section 152(3) objections survived. Dismissal does not establish that the Joint Commissioner was the correct sanctioning authority or that the later reassessment regime applied. Both require determination in the statutory process. (PDF pp.16-18, paras 16-17)

Build the factual link underlying the jurisdiction objection: Place the notice, replies, sanction and relied-upon material before the Assessing Officer and identify the disputed links between portal information, the Polycab search and third-party statements. The alleged Rs.3,46,11,545 is not a judicial finding of concealed income. (PDF pp.3-6, paras 4-6; pp.16-18, paras 16-18)

Read the exception with the operative conclusion: Paragraph 18 preserves threshold relief for wholly absent jurisdiction or patent breach of a mandatory pre-condition. The refusal here required appraisal of the record; it does not make every section 148A order immune from Article 226 review. (PDF pp.18-20, paras 18-20)

Separate cited arguments from the ratio: Bipinkumar Girdharlal Parekh, Hindustan Lever and Ananta Landmark appear in the petitioner's submissions. Their quoted relief was not granted here. The reasoning from paragraph 14 concerns the stage and forum of review, not the merits of the transitional reassessment provisions. (PDF pp.7-15, paras 9-14)

Source: PDF pp.16-18, paras 16-17

SOURCE & VERIFICATION

Complete High Court judgment - court-copy PDF recovered from LiveLaw

Complete 20-page judgment and supplied two-page proceedings sheet reviewed together. The proceedings sheet is preserved as an additional original.

All 22 physical source pages read and visually inspected on 21 October 2026.

Open cited source rendition

Docket 24088/2026, date, bench initials and dismissal match the supplied proceedings sheet. Complete judgment supplies party caption and reasons. Quoted authority on PDF page 8 contains an inconsistent end-date (2025 versus 2024 in the surrounding discussion); no statutory date rule is inferred from that quotation. The retained Drive reference identifies the supplied proceedings-sheet record, not the recovery host for the complete judgment.

STATUTORY SCOPE

The statutory discussion reflects this judgment; current law and later treatment have not been independently verified.

LATER TREATMENT

Source checked 2026-10-21. Subsequent proceedings and judicial treatment have 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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