HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD
(Special Original Jurisdiction)

TUESDAY, THE TWENTY SIXTH DAY OF AUGUST
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE THE CHIEF JUSTICE APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT PETITION NO: 10200 OF 2025

Between:

1. NSL Mining Resources India Pvt Ltd, Having its registered office at Regus Business Centre, Level 1, Mid Town Building, Road No 1, Banjara Hills, Hyderabad. Represented by its Director Monish Bhalla
2. Monish Bhalla, H3 Block, Vikas Puri New Delhi
3. Monish Bhalla, S/o Om Parkash Bhalla, Aged about 50 yrs, Occ. Business, R/o 158, Keshav Kunj, NDMC Society H3 Block, Vikas Puri - New Delhi - 110018

...PETITIONERS

AND

1. Union of India, Represented by its Principal Secretary, Ministry Of Finance
2. The Principal Commissioner of Income Tax 1, Income Tax Towers, A C Guards, Masab Tank Hyderabad 500 004 Telangana.
3. The Deputy Commissioner of Income Tax, Circle 11 Hyderabad, Income Tax Towers, A C Guards Masab Tank, Hyderabad 500 004 Telangana
4. Assessment Unit, Income Tax Department National, e-Assessment Center New Delhi, Room No 401, 2nd Floor, ERamp Jawaharlal Nehru Stadium, New Delhi 110 003

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a writ/order or direction more particularly one in the nature of Writ of Certiorari thereby calling for the record and proceedings culminating into the Impugned Assessment Order dated 20th March 2025 and the impugned demand notice dated 20th March 2025 and pleased to quash and set aside the same.

IA NO: 2 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to direct the Respondents/ Income Tax Department to forthwith rectify the Assessments for AY 2019-2020 and further restrain the Respondents/ Income Tax Department from making any other any demands or assessments with respect to the Petitioner No. 1 for any period prior to 01.02.2024.

IA NO: 3 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to Issue interim orders staying the effect, operation and implementation of the Impugned Assessment Order dated 20th March 2025 and the impugned demand notice dated 20th March 2025 pending disposal of the writ petition.

Counsel for the Petitioner : SRI R.SUSHANTH REDDY

Counsel for the Respondent No.1: SRI K.V.RAMA RAO (Sr SC FOR CENTRAL GOVT)

Counsel for the Respondents No.2to4 : SRI K.SUDHAKAR REDDY, Sr.SC FOR IT

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH

AND

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No.10200 of 2025

ORDER:

Mr. R.Sushanth Reddy, learned counsel for the petitioners.

Mr. K.V.Rama Rao, learned Senior Standing Counsel for Central Government appears for respondent No.1.

Mr. K.Sudhakar Reddy, learned Senior Standing Counsel for Income Tax Department appears for respondent Nos.2 to 4.

2. Heard learned counsel for the parties.

3. Petitioners are aggrieved by the demand notice dated 20.03.2025 passed for Rs.1,43,97,93,840/- for the assessment year 2019-20 in a faceless assessment conducted under Section 147 read with Section 144B of the Income Tax Act, 1961 (hereinafter referred to as 'the Act').

4. Learned counsel for the petitioners submits that the Resolution Plan submitted by the Committee of Creditors was approved by the National Company Law Tribunal, Hyderabad Bench-II (hereinafter referred to as 'the Tribunal') on 01.02.2024. Upon approval of the Resolution Plan, all dues under the Income Tax Act, 1961 got extinguished whether admitted or not, due or contingent, asserted or not, crystallized or not from the effective date pursuant to the Resolution Plan. However, in view of the issuance of the demand notice for the assessment year 2019-20 even after approval of the Resolution Plan whereby the Income tax dues got extinguished, petitioner was compelled to approach this Court in the present writ petition.

5. On 19.08.2025 when the matter was taken up, learned Senior Standing Counsel for Income Tax Department, on instructions, submitted that the Assessing Officer is in the process of issuing a fresh order under Section 156A of the Act after taking note of the Resolution Plan approved by the Tribunal. The matter was adjourned on his request.

6. Section 156A of the Act reads as under:

> "156A. (1) Where any tax, interest, penalty, fine or any other sum in respect of which a notice of demand has been issued under section 156, is reduced as a result of an order of the Adjudicating Authority as defined in clause (1) of section 593 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Assessing Officer shall modify the demand pavable in conformity with such order and shall thereafter serve on the assessee a notice of demand specifying the sum payable, if any, and such notice of demand shall be deemed to be a notice under section 156 and the provisions of this Act shall accordingly, apply in relation to such notice.
>
> (2) Where the order referred to in sub-section (1) is modified by the National Company Law Appellate Tribunal or the Supreme Court, as the case may be, the modified notice of demand as referred to in sub-section (1), issued by the Assessing Officer shall be revised accordingly."

7. Today when the matter has been taken up, learned Senior Standing Counsel for Income Tax Department submits that the writ petition may be disposed of with a direction upon the Assessing Officer to pass a fresh order under Section 156A of the Act after taking note of the Resolution Plan approved by the Tribunal.

8. Learned counsel for the petitioners prays that the Assessing Officer may be directed to pass an order under Section 156A of the Act within a time frame.

9. Having regard to the aforesaid submissions made by learned counsel for the parties and the provisions quoted above, the Writ Petition is disposed of with a direction to the Assessing Officer to pass an order in view of the approval of the Resolution Plan by the learned Tribunal under Section 156A of the Act, in accordance with law, within a reasonable time, preferably eight weeks from the date of receipt of a copy of the order. Let it be made clear that we have not gone into the merits of the case of the parties. However, there shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- K.BHAVANI SWAMY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Secretary, Ministry Of Finance. Union of India
2. The Principal Commissioner of Income Tax 1, Income Tax Towers, A C Guards, Masab Tank Hyderabad 500 004 Telangana.
3. The Deputy Commissioner of Income Tax, Circle 11 Hyderabad, Income Tax Towers, A C Guards Masab Tank, Hyderabad 500 004 Telangana
4. The Assessment Unit, Income Tax Department National, e-Assessment Center New Delhi, Room No 401, 2nd Floor, ERamp Jawaharlal Nehru Stadium, New Delhi 110 003
5. One CC to SRI R.SUSHANTH REDDY, Advocate. [OPUC]
6. One CC to SRI K.SUDHAKAR REDDY, SR.SC FOR IT DEPT. [OPUC]
7. One CC to SRI K.V.RAMA RAO, (Sr SC FOR CENTRAL GOVT). [OPUC]
8. Two CD Copies.

BSK
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HIGH COURT

DATED:26/08/2025



ORDER

WP.No.10200 of 2025

DISPOSING OF THE WRIT PETITION WITHOUT COSTS

PA
8/10/25

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