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

TUESDAY ,THE FIFTEENTH DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE THE ACTING CHIEF JUSTICE SUJOY PAUL
AND
THE HONOURABLE SMT JUSTICE RENUKA YARA

WRIT PETITION NO: 9268 OF 2025

Between:

KRG ISPAT, Dealers in Iron and Steel, Represented by its Proprietor Sri Prem Tejaswi S/o Yamuna Singh. Age. 45 years, Occ. Business, H.No.11-58/3B, Fatehnagar, Hyderabad - 500 018 GSTIN . 36AUFPP1647K1ZB

...PETITIONER

AND

1. The Assistant Commissioner (State Tax), Balanagar Circle, Hyderabad Rural Division, Gaganvihar, Nampally, Hyderabad
2. The State of Telangana, Represented by its Principal Secretary, Revenue (Commercial Tax Department), Secretariat, Saifabad, Hyderabad

...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 or an order or a direction, more particularly one in the nature of WRIT OF MANDAMUS, declaring the action of Respondent No.1 in issuing Proceedings under Rule 86A of the TGST Rules, 2017 vide Reference File No. ENFT/CV/09/141/2025 dated 05-02-2025 through Email dated 11-02-2025 to the petitioner and blocking its Input Tax Credit (ITC) to a tune of Rs.44,09,279/- (Rupees Forty Four Lakhs Nine Thousand Two Hundred and Seventy Nine) for the period from 2017-18 to 2024-25 by observing that it is wrongly availed by the taxpayer without there being any show cause notice as void, illegal, arbitrary and in violation of principles of natural justice and consequently direct the Respondent No.1 to revoke the Proceedings under Rule 86A of the TGST Rules, 2017 vide Reference File No. ENFT/CV/09/141/2025 dated 05-02-2025 through Email dated 11-02-2025 to the petitioner and unblock the Input Tax Credit of the Petitioner to the tune of Rs.44,09,279/-

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the writ petition, the High Court may be pleased to direct the Respondent No.1 to revoke the Proceedings under Rule 86A of the TGST Rules, 2017 vide Reference File No. ENFT/CV/09/141/2025 dated 05-02-2025 through Email dated 11-02-2025 to the petitioner and unblock the Input Tax Credit of the Petitioner to the tune of Rs.44,09,279/-, pending disposal of the main writ petition

Counsel for the Petitioner: SRI. NYSHADHAM CHANDRA SEKHAR

Counsel for the Respondents: SRI SWAROOP OORILLA Special Govt Pleader for State Tax

The Court made the following: ORDER

THE HON'BLE THE ACTING CHIEF JUSTICE SUJOY PAUL

AND

THE HON'BLE SMT. JUSTICE RENUKA YARA

WRIT PETITION No.9268 of 2025

ORDER: *(Per the Hon'ble the Acting Chief Justice Sujoy Paul)*

Sri Nyshadham Chandrasekhar, learned counsel for the petitioner and Sri Swaroop Oorilla, learned Special Government Pleader for State Tax appears for the respondents.

2. Learned counsel for the parties, during the course of hearing, fairly submit that since the Electronic Credit Ledger of the petitioner is blocked without following the principles of natural justice, the point is squarely covered by the order passed by this Court in W.P.No.10390 of 2024 and batch, decided on 26.06.2024. The petition may be disposed of in terms of the said order.

3. In view of the consensus arrived at, the action of the respondents in unilaterally blocking the Electronic Credit Ledger of the petitioner is disapproved and set aside.

4. Accordingly, the Writ Petition is disposed of, by reserving liberty to the respondents to proceed against the petitioner, in accordance with law. No costs.

Miscellaneous petitions pending, if any, shall stand closed.

SD/- L. VIJAYA LAXMI
ASSISTANT REGISTRAR

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SECTION OFFICER

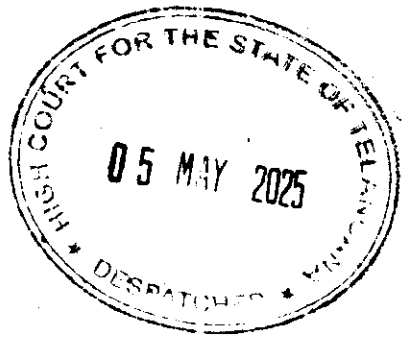
To,

1. The Assistant Commissioner (State Tax), Balanagar Circle, Hyderabad Rural Division, Gaganvihar, Nampally, Hyderabad
2. The Principal Secretary, Revenue (Commercial Tax Department), Secretariat, Saifabad, Hyderabad, State of Telangana.
3. One CC to SRI. NYSHADHAM CHANDRA SEKHAR Advocate [OPUC]
4. Two CCs to SPECIAL GP for STATE TAX, High Court for the State of Telangana at Hyderabad. [OUT]
5. Two CD Copies

KKS
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HIGH COURT

DATED:15/04/2025



ORDER

WP.No.9268 of 2025

DISPOSING THE WRIT PETITION WITHOUT COSTS

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28/4/25