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

FRIDAY, THE SECOND DAY OF MAY
TWO THOUSAND AND TWENTY FIVE

PRESENT

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

WRIT PETITION NO: 12541 OF 2025

Between:

M/s.AL AFI Industries Private Limited, Rep. by its Authorized Signatory Sri Sabghatullah Khan, 20-4-62/0, Punch Mohalla, Hussaini Alam, Hyderabad-500001, Telangana.

...PETITIONER

AND

1. The State of Telangana, Rep. by the Principal Secretary, Revenue (CT) Department, Secretariat, Hyderabad, Telangana.
2. The Assistant Commissioner (ST), Charminar Circle, Charminar Division, Hyderabad, Telangana.

...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 Order or Direction particularly one in the nature of Writ of Mandamus declaring the action of the 2nd respondent in passing the impugned proceedings dated 21/09/2024 vide Ref.No.CHMR/Fake/ITC/1/2024-25 under Rule 86-A of the CGST Rules, 2017 blocking the petitioner's Electronic Credit Ledger for an amount of Rs.3,02,77,783/- without issuing any show cause notice as illegal, perverse, unsustainable in law and contrary to the judgment of this Hon'ble Court in M/s.Bhavani Oxides and Others Vs. State of Telangana and Others in WP.Nos.10390/2024 and batch dated 26/06/2024 and is in violation of the principles of natural justice, consequently set as aside the said proceedings dated 21/09/2024 vide Ref.No.CHMR/Fake/ITC/1/2024-25 under Rule 86-A of the CGST Rules, 2017.

IA NO: 1 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 direct the 2nd respondent to unblock the Electronic Credit Ledger of the petitioner which is blocked pursuant to the proceedings dated 21/09/2024 vide Ref.No.CHMR/Fake/ITC/1/2024-25 under Rule 86-A of the CGST Rules, 2017 for an amount of Rs 3,02,77,783/- immediately.

Counsel for the Petitioner: SRI B. KRISHNA REDDY

Counsel for the Respondents: SRI T. CHAITANYA KIRAN, AGP REPRESENTING FOR 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.12541 of 2025

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

Sri B.Krishna Reddy, learned counsel for the petitioner and Sri T. Chaitanya Kiran, learned Assistant Government Pleader representing Sri Swaroop Oorilla, learned Special Government Pleader for State Tax, 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/-V. HARI PRASAD
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

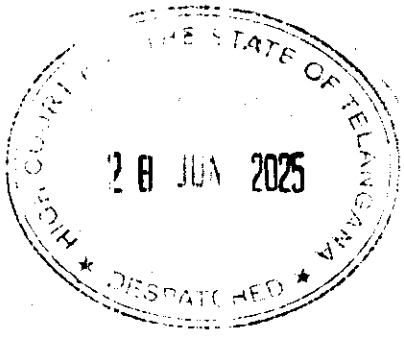
To,

1. The Principal Secretary, Revenue (CT) Department, Secretariat, Hyderabad, The State of Telangana, Telangana.
2. The Assistant Commissioner (ST), Charminar Circle, Charminar Division, Hyderabad Telangana.
3. One CC to Sri B. Krishna Reddy, Advocate [OPUC]
4. Two CC to The Special GP for State Tax, High Court for the State of Telangana, at Hyderabad[OUT]
5. Two CD Copies

T J
LSC e

HIGH COURT

DATED:02/05/2025



ORDER

WP.No.12541 of 2025

DISPOSING OF THE WRIT PETITION

WITHOUT COSTS

(8)
21/05/25