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

THURSDAY, THE FOURTEENTH 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: 19362 OF 2025

Between:

M/s Bhavani Oxides, Rep by its Proprietor Basanthlal Sah, Survey No 63/AA, 64/LUU, Chinna Shivanoor, Chegunta, Chinna Shivanoor, Medak, Telangana, 502255

...PETITIONER

AND

1. The State of Telangana, Represented by its Principal Secretary, Commercial Taxes, Secretariat, Hyderabad.
2. The Commissioner of the Commercial Taxes Department, Telangana State, C.T Complex, Nampally, Hyderabad-500 001.
3. The Assistant Commissioner of State Tax, Medak Circle, Nizamabad Division,Office of the CCT, Nampally, Hyderabad.
4. The Joint Commissioner of Central Tax (AE), Medchal GST Commissionerate, Medchal GST Bhavan, 11-4-649/B, Lak di-ka-pool, Hyderabad-500004

...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 direction or order or writ, more particularly in the nature of a writ of Mandamus or any other appropriate Writ, declaring that impugned Order vide Ref No. ZD360225095230M dated 28/02/2025 along with the attachment passed by Respondent No.3 and the show cause notice issued vide DRC-01 Ref No. ZD361124035367I dated 27/11/2024 uploaded in the GST portal without physical signature or digital signature, which is contrary to the provisions of CGST Act and Rules, 2017 and the law laid down by the judicial pronouncement of this Honourable Court having been issued in violation of Section 6(2) of the CGST/TGST Act, 2017 and in violation of principles of natural justice as void, illegal, arbitrary, violative of principles of natural justice and violative of Article 19(1)(g) and 300A of the Constitution of India.

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 grant stay by restraining the Respondents from initiating any action recover the demands confirmed under the impugned order vide DRC-07 Reference No. ZD360225095230M dated 28/02/2025, pending disposal of this writ petition.

Counsel for the Petitioner: SRI S.V.PRANAV RAM
Counsel for the Respondents: SRI SWAROOP OORILLA, Special Govt Pleader for State Tax

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.19362 of 2025

ORDER:

Mr. S.V.Pranav Ram, learned counsel for the petitioner.

Mr. Swaroop Oorilla, learned Special Government Pleader for State Tax appears for the respondents.

2. Heard learned counsel for the parties.

3. Petitioner came being aggrieved by the order-in-original dated 28.02.2025 at Page No.23 whereby tax under IGST, CGST and SGST along with penalty have been imposed for the period 2020-21 on the basis of a show cause notice dated 23.11.2024 based on the audit report for the year 2020-21 under Section 73 of the Telangana Goods and Services Tax Act, 2017 (hereinafter referred to as 'the Act'). Petitioner has been proceeded against for the period July, 2017 to September, 2020 on the basis of a show cause notice dated 29.07.2022 at Page No.56 under Section 74 of

the Act by the Central Tax authorities. The proceedings issued by the CGST authorities for the said period are pending. Amongst other grounds, petitioner has taken a plea that parallel proceedings overlapping the same tax period cannot be conducted by both the CGST and the SGST authorities. Therefore, petitioner has assailed it. Petitioner has not submitted any reply nor availed the opportunity of personal hearing.

4. Learned Special Government Pleader for State Tax has sought to explain on instructions that the tax liability is only for the period October, 2020 to March, 2021 though the audit report was for the year 2020-21. In such way, the proceedings initiated by the SGST authorities do not overlap with that of the CGST authorities. However, on being specifically pointed out, learned Special Government Pleader for State Tax has not been able to show from the order-in-original dated 28.02.2025 that the imposition of tax liability with penalty is confined to the period October, 2020 to March, 2021 as he has tried to make out.

5. A perusal of the impugned order does not reflect that the assessment proceedings are confined to the period October, 2020 to March, 2021 only. In such a case, an inference can definitely be drawn that the SGST authorities have initiated parallel proceedings for at least the tax period April, 2020 to September, 2020, in respect of which the petitioner is facing proceedings under Section 74 of the Act by the Central Tax authorities. The impugned order erroneously records that the petitioner has not submitted any reply, whereas such a reply was submitted on 27.02.2025 at Page No.31, Annexure P4. That makes the impugned order all the more vulnerable on account of non-application of mind and failing to take into account the reply to the show cause furnished by the assessee. Therefore, the impugned order is set aside. The matter is remanded to the respondent No.3 to take a fresh decision in accordance with law after due consideration of the reply furnished by the petitioner and accord him an opportunity of personal hearing. In order to facilitate an expeditious disposal of the proceedings, the petitioner should

appear before the respondent No.3 on 25.08.2025 at 10.30 A.M.

6. Learned Special Government Pleader for State Tax has submitted that the proceedings would not be barred by time for passing an order in terms of Notification No.40/2021-Central Tax dated 29.12.2021 and moreover, since the matter is being remanded for passing a fresh order in view of Section 75(3) of the Act.

7. The Writ Petition is, accordingly, allowed. Let it be made clear that we have not expressed any opinion on 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/-M. JAWAHAR REDDY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. The Principal Secretary, Commercial Taxes, Secretariat, Hyderabad, State of Telangana.
2. The Commissioner of the Commercial Taxes Department, Telangana State, C.T Complex, Nampally, Hyderabad-500 001.
3. The Assistant Commissioner of State Tax, Medak Circle, Nizamabad Division,Office of the CCT, Nampally, Hyderabad.
4. The Joint Commissioner of Central Tax (AE), Medchal GST Commissionerate, Medchal GST Bhavan, 11-4-649/B, Lak di-ka-pool, Hyderabad-500004
5. One CC to SRI S.V.PRANAV RAM, Advocate [OPUC]
6. One CC to SRI SWAROOP OORILLA, Special Govt Pleader for State Tax [OPUC]
7. Two CD Copies

PSK.
LS

HIGH COURT

DATED:14/08/2025

ORDER

WP.No.19362 of 2025



ALLOWING THE WRIT PETITION
WITHOUT COSTS

(9)

kpa
9/9/25