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

MONDAY, THE SIXTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

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

WRIT PETITION NO: 29376 OF 2025

Between:

M/s. A.S.Met Corp Private Limited, rep. by its Authorised Signatory, Mr. Piyush Mehta, Flat no 502, Vishal Srinivasa Krupa Apartments, RTC Colony, Hasmathpet Secunderabad 500009.

...PETITIONER

AND

1. Deputy Commissioner (ST) (FAC), STU-II, Begumpet Division, Hyderabad.
2. Assistant Commissioner (ST)(STU-2), Begumpet Division, Hyderabad.
3. State of Telangana, rep. by its Chief Secretary and Special Chief Secretary to Government (FAC), State Tax Department, Secretariat, Hyderabad.
4. Union of India, rep. by its Secretary, Ministry of Finance, Government of India, 3rd Floor, Jeevan Deep Building, Sansad Marg, New Delhi-110 001.
5. Mr. Korra Ramulu, Assistant Commissioner (ST), Bowenpally-1 Circle, Begumpet Division.
6. Mrs. Gundapally Madhavi, Assistant Commissioner (ST)(STU-2), Begumpet Division, 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 of Mandamus or any other appropriate writ or order or direction. (a)setting aside the adjudication order dated 2.7.2025 and Form GST DRC-07 dated 2.7.2025 passed under Section 74 of the CGST and SGST Act by the 1st Respondent for the tax period 2021-22 as being biased, in gross violation of principles of natural justice and Section 75 of the GST Act and (b)declaring that the action of the 5th Respondent in visiting the office of the Petitioner's office

premises on 16.12.2023 without furnishing copy of authorization in Form INS-01 with verifiable DIN and seizing voluminous documents without issuing the mandatory acknowledgement in Form INS-02 as being illegal, high-handed, arbitrary, in contravention of Articles 14,19 and 21 of the Constitution of India and appoint an Advocate Commissioner to quantify, identify and oversee the return of the documents seized to the Petitioner, more particularly, the documents identified in Ex.P-25 prior to re-doing the adjudication in accordance with law and (c)award costs of the writ petition to the Petitioner.

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 grant stay of all further proceedings pursuant to the impugned proceedings in Form GST DRC-07 dated 2.7.2025 passed by the 1St Respondent for the tax period 2021-22, pending disposal of the Writ Petition as otherwise the Petitioner will be put to severe loss and hardship.

Counsel for the Petitioner : SRI KARTHIK RAMANA PUTTAMREDDY

Counsel for the Respondents No.1to3 : SRI SWAROOP OORILLA, Spl.GP FOR STATE TAX

Counsel for the Respondents No.4 : SRI K.SANJEEV, SC FOR CENTRAL GOVT.

Counsel for the Respondents No.5&6 : --

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.29376 of 2025

ORDER:

Learned counsel Sri Karthik Ramana Puttamreddy appears for the petitioner.

Sri Swaroop Oorilla, learned Special Government Pleader for State Tax, appears for respondent Nos.1 to 3.

Sri K.Sanjeev, learned Standing Counsel for Central Government, appears for Union of India.

2. Heard the learned counsel for the parties.

3. The impugned order-in-original dated 02.07.2025 passed under Section 74 of the Telangana Goods and Services Tax Act, 2017 (hereinafter referred to as, "the TGST Act"), relates to the financial year 2021-2022. The petitioner, being aggrieved, has preferred the writ petition, *inter alia*, taking the ground that the relied upon documents seized during inspection were not supplied by the adjudicating officer before arriving at a decision. The

petitioner was denied proper opportunity of hearing. When the petitioner made a request for an adjournment, the request was not heeded to and instead, the order-in-original was passed.

4. In support of the aforesaid submission, learned counsel for the petitioner relied upon a decision of the Division Bench of the erstwhile High Court of Andhra Pradesh in W.P.No.24954 of 2015, dated 11.08.2015, relating to a penalty order passed under the Andhra Pradesh Value Added Tax Act, 2005. He submits that on the very date on which the request for adjournment was made, the adjudicating officer ought not to have passed the final order, without giving an adequate opportunity of hearing in the teeth of the provisions of Section 75(5) of the TGST Act.

5. Learned counsel for the petitioner further submits that the seized documents were not duly provided to the petitioner in Form INS-02. Apart from the above, learned counsel for the petitioner has taken a number of other grounds assailing that the impugned proceedings are

motivated and without proper application of mind, a huge liability has been imposed upon the petitioner.

6. Learned Special Government Pleader for State Tax has strongly countered the submissions of the learned counsel for the petitioner. He has submitted that the claim of non-supply of the relevant documents is untenable on facts, as a mere perusal of the impugned order would indicate that the documents which the petitioner alleges to have not been supplied relate to the invoices for the financial year 2017-2018, whereas the present proceedings relate to the financial year 2021-2022. He has also referred to the previous two rounds of litigation on the same subject period.

7. Our attention has been drawn to the findings recorded by the adjudicating officer at page Nos.120 to 125 of the material papers annexed to the writ petition. According to the learned Special Government Pleader for State Tax, they demonstrate that the petitioner in the first round of litigation approached this Court on the plea that the orders and show cause notices were unsigned. The

matter was remitted to the adjudicating officer. Thereafter, the petitioner once again laid challenge to the impugned proceedings on the ground that the relied upon documents were not supplied. It is submitted that after the order dated 05.03.2025 passed in W.P.Nos.17938, 17941 & 18148 of 2024 and 1005 & 1130 of 2025, the adjudicating officer has supplied the scanned copies of several such documents for the financial year 2020-2021 i.e., 1810 scanned copies through e-mail dated 15.04.2025 at the time of issuance of DRC-01A dated 11.04.2025 and also made attempts to provide the hard copies, which were denied. The scanned copies were again sent through e-mail while DRC-01 was issued on 29.04.2025. The assessee was asked to depute a person to collect the supporting material and also get soft copies of the scanned documents. The taxpayer, however, did not file any submissions in Part-B of the DRC-01A. A revised show cause notice was thereafter issued under Section 74 of the TGST Act/Central Goods and Services Tax Act, 2017 read with Section 20 of the Integrated Goods and Services Tax Act, 2017, in Form DRC-01 on 29.04.2025 without

prejudice to any other action that may be initiated under the TGST Act. It is submitted that the petitioner through its Advocate attended personal hearing before the adjudicating officer on 26.05.2025 and requested to provide the certified copies with serial numbers. Hence, 2434 photocopies of seized documents and 363 Radio-Frequency Identification (RFID) data tracking were provided by the department along with the soft copy in a pen drive and covering letter handed over on 29.05.2025 duly acknowledged by the petitioner's representative. Even then, the petitioner kept on persisting that the documents were not clear or legible. The assessee, however, neither clearly specified the documents which were missing nor specified the documents which were illegible. The petitioner was granted multiple opportunities to visit the office on scheduled dates i.e., 12.06.2025, 16.06.2025, 18.06.2025 and 20.06.2025 at 11.30 am to collect the required documents, but it failed to visit. The adjudicating officer issued three reminders on 02.06.2025, 21.06.2025 and 25.06.2025 to avail the personal hearing and to file reply. Even after receipt of 2434 documents along with DRC-01A

and the revised show cause notice in addition to providing the photocopies of all the documents on 29.05.2025, the petitioner did not file any reply to the revised show cause notice and did not respond till date. Then on 02.07.2025, the date of personal hearing, it made a request at 1.12 pm to consider the adjournment of 15 days for the scheduled personal hearing and also for submission of the objections to the revised show cause notice. The assessee also claimed that 60 days time has to be granted from the date of supply of all the documents relied upon to furnish reply to the show cause notice. However, the adjudicating officer was of the opinion that sufficient time and opportunities have been provided to the taxpayer who has failed to submit its reply. Therefore, after examining the correspondence and the period already consumed, the adjudicating officer came to the conclusion that the assessee is not interested in submitting the reply, despite huge number of opportunities. It is submitted that the assessee has claimed Input Tax Credit (ITC) without physical inward supply tax invoices, registers, using of irrelevant vehicles as per e-way bills, non-submission of information/

documents in spite of multiple notices. Therefore, the ITC was proposed to be disallowed to a tune of Rs.50,69,735/- of CGST, a similar amount of TGST and IGST of Rs.1,40,31,290/-.

8. Learned Special Government Pleader for State Tax has referred to the other findings of the adjudicating officer which according to him demonstrate fraudulent availment of ITC without making supplies. He submits that the petitioner has an alternative remedy of appeal under Section 107 of the TGST Act. He relies upon the decision of the Apex Court in Civil Appeal No.7170 of 2022 dated 14.10.2022 (**State of Madhya Pradesh v. M/s. Commercial Engineers and Body Building Company Limited**).

9. Based on the aforesaid submissions, learned Special Government Pleader for State Tax has prayed that the writ petition may be dismissed and the petitioner may be relegated to avail the alternative remedy of appeal.

10. We have given considerable hearing to the learned counsel for the parties and perused the relevant documents placed from record.

11. The previous history of the litigation has been referred to in the foregoing paragraphs. It appears that after the matter was remitted vide order dated 05.03.2025 passed in W.P.Nos.17938, 17941 & 18148 of 2024 and 1005 & 1130 of 2025, the department has provided scanned copies of several documents which relate to the financial year 2021-2022, which were acknowledged by the petitioner However, it kept on persisting that the documents were either illegible or were missing without specifying as to which documents were missing. It further appears that multiple reminders were issued for personal hearing, such as on 02.06.2025, 21.06.2025 and 25.06.2025, whereafter the matter was fixed on 02.07.2025 when the petitioner made a prayer for 15 days adjournment for personal hearing and also for submission of its objections to the revised show cause notice. This,

however, was declined since according to the adjudicating officer, sufficient opportunities have already been granted.

12. The conspectus of facts and the chronology of events, which have been noted above, show that the petitioner has been granted three opportunities of personal hearing as required under the provisions of Section 75(5) of the TGST Act. It, however, neither availed the notice of personal hearing nor filed its reply to the revised show cause notice despite service of hundreds of documents relating to the financial year 2021-2022. The petitioner, in the writ petition, prays that this Court should examine as to whether the supply of documents numbering in hundreds cover the subject period 2021-2022 and whether some of the documents on the basis of which the findings of the adjudicating officer are based, were not served upon it. This, in our opinion, at best could be a facet of principles of natural justice which ground is open for the petitioner to take before the appellate authority as per the provisions of Section 107 of the TGST Act. The petitioner has also alleged that the opportunity of personal hearing was not

granted. However, it appears that despite issuance of three personal hearing notices, the petitioner has failed to avail the same and then on the date on which the order-in-original was passed, it has made a belated request to seek adjournment and file reply.

13. We have taken note of the decision of the Division Bench of the erstwhile High Court of Andhra Pradesh in W.P.No.24954 of 2015, dated 11.08.2015. A perusal of the said order shows that it relates to the Andhra Pradesh Value Added Tax Act, 2005, in which only one opportunity of hearing was granted to the petitioner therein. The petitioner therein had time to file the objections up to 05.07.2015, but the order impugned therein was passed on 02.07.2015 itself. In those circumstances, the order of penalty impugned therein was set aside. The aforesaid decision is therefore distinguishable on facts.

14. Having taken note of the aforesaid facts and circumstances, we are unable to accede to the submission of the learned counsel for the petitioner that the adjudicating officer has, without granting adequate

opportunity of personal hearing to the petitioner and without supplying the relevant relied upon documents, passed the impugned order-in-original. Needless to say that the writ proceedings are entertainable on grounds of error of jurisdiction or violation of principles of natural justice or if there is a violation of fundamental rights. In such financial matters, it is the consistent view of the Apex Court, as also held in Civil Appeal No.7170 of 2022, dated 14.10.2022 (**State of Madhya Pradesh v. M/s. Commercial Engineers and Body Building Company Limited**), relied upon by the learned Special Government Pleader for State Tax that when the taxing statute provides for an alternative remedy for resolution of dispute, the writ court would be loath to enter into such disputed questions of fact which can adequately be raised before the appellate authority. In such circumstances, we are not inclined to interfere with the matter.

15. The petitioner is at liberty to approach the appellate authority with statutory pre-deposit as per the provisions of Section 107(1) read with sub-section (4) of the TGST Act.

16. Let it be made clear that the observations made hereinabove are limited to examine whether the petitioner has been denied principles of natural justice or the adjudicating officer has failed to follow the procedure prescribed under the Act while passing the impugned order-in-original. We have not entered into the merits of the case of the parties. The appellate authority would be free to consider the grounds raised in appeal in accordance with law.

17. The writ petition is accordingly dismissed. However, there shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- L. VIJAYA LAXMI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI KARTHIK RAMANA PUTTAMREDDY, Advocate. [OPUC]
2. One CC to SRI SWAROOP OORILLA, SPL.G.P for State Tax. [OPUC]
3. One CC to SRI K.SANJEEV, SC FOR CENTRAL GOVERNMENT. [OPUC]
4. Two CD Copies.

BSK

LS

HIGH COURT

SDATED:06/10/2025



ORDER

WP.No.29376 of 2025

DISMISSING THE WRIT PETITION
WITHOUT COSTS

29/10/25