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

MONDAY, THE THIRTIETH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX

PRESENT

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

WRIT PETITION NO: 9356 OF 2026

Between:

1. M/s. Sri Jayanth Engineering Company, Having its Ofice situated at H.No.1-5-598/25/404, Vaishnavi Moukhila Apartments, Road No.6, Near Community Hall,New Maruthi Nagar, Kothapet, Hyderabad - 500 035., Represented by its Managing Partner, Sri.A.Chandra Sekhar, S/o Late.Bagath Singh, Aged about 54 Years.
2. Sri.A.Chandra Sekhar, S/o Late. Bagath Singh, Aged about 54 Years, Occupation Business, R/o H.N3.1-5-598/25/404, Vaishnavi Moukhila Apartments, Roaa No.6, Near Community Hall,New Maruthi Nagar, Kothapet, Hyderabad - 500 035
3. Smt.A.Sravanthi, W/o Sri.A.Chandra Sekhar, Aged about 45 Years, Occupation Business, R/o H.No.1-5-598/25/404, Vaishnavi Moukhila Apartments, Road No.6, Near Community Hall,New Maruthi Nagar, Kothapet, Hyderabad - 500 035

...PETITIONERS

AND

1. The Union of India, Ministry of Finance, Rep. by its under secretary.
2. Principal Commissioner of Central Tax, Ranga Reddy CGST Commissionerate, Madhapur, Hyderabad.
3. The Assistant Director, DGGI, Hyderabad Zonal Unit, H.No.1-63/2/212, Flat No.211 and 212, Block-B, Kavuri Hills, Guttala Begumpet, Madhapur, Hyderabad -033.
4. The Assistant Commissioner, Saroornagar GST Division, 3rd Floor, Sal Balaji Arcade, 2-3-908, Plot No.183 and 184, Sy.No 92, Co-Operative Bank Cololny, Nagole Village, Uppal (Mandal), Ranga Reddy District, Hyderabad - 500 068.
5. Superintendent of Central Tax, Kothapet CGST Range, Nagole, Hyderabad - 068

...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 Writ Or order or Orders more particularly in the nature of MANDAMUS declaring that the Best Judgment Assessment Order in Original No. 38/2024- Adjn (GST) AC, Passed by yespondent No.4, dated 13/11/2024 has resulted (1) In violation to the Circular No.185/17/2022-GST / F.No.CBIC 20001/2/2022-GST, issued by the Government OF India, Ministry Of Finance, Department of Revenue, Central Board Of Indirect Taxes and Customs GST Policy Wing, Dated 27/12/2022 on clarification with regard to applicability of provisions of Section 75 (2) of the CGST Act, 2017 and its effect on limitation. (ii) In absence of notice from proper officer under Section 73 and 74 of the Central Goods and Services Tax Act, 2017 and rules made there under, in violation of Circular No.31/05/2018 GST / F.No.349/75/2017 GST, issued by the Government OF India, Ministry Of Finance, Department of Revenue, Central Board Of Indirect Taxes and Customs GST Policy Wing, Dated 09/02/2018. (iv) In absence of service of personal notices to the petitioners for availing opportunity of hearing to the petitioners has resulted in violation of Section 75 (4) and (5) of the CGST / TSGST Act, (vi) Consequent proceedings of recovery by Respondent No.4 under Section 79 of CGST / TSGST Act, 2017 has resulted in violation of Article 265 of the Constitution of India, abuse of process c,- law, raising interference to prevent illegal levy of tax and for its refund in application of DOCTRINE OF UNJUST ENRICHMENT.

IA NO: 1 OF 2026

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 STAY ALL further actions of the Respondent No. 1 in rN Irsuance to the Best Judgment Assessment Order in Original No. 38/2024- Adjn. (GST) AC, dated 13.11.2024 including recovery proceedings under Section 79 of the of CGST ACT, 2017.

IA NO: 2 OF 2026

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 be pleased pending disposal of the above writ petition and to Direct the Respondent

No.4 to recall the Notice to Third person Under Section 79(1)(c) CGST ACT, 2017 issued in Form GST DRC i3, dated 13.03.2026 vide C.No V/04/DRC/01/2025 PF.

Counsel for the Petitioner : SRI ARUN KUMAR SATYAVOLU

Counsel for the Respondent No.1,2&5 : SRI N.BHUJANGA RAO,
. Dy.Solicitor General Of India

Counsel for the Respondent No.3&4: Ms.PRAVALIKA,
. for SRI DOMINIC FERNANDES, Sr.SC FOR CBIC

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No. 9356 of 2026

DATED : 30.03.2026

Between:

M/s. Sri Jayanth Engineering Company and others

... Petitioners

AND

The Union of India and four others

... Respondents

ORDER:

Mr. Arun Kumar Satyavolu, learned counsel appears for petitioners.

Ms. Pravalika, learned counsel appears for Mr. Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs appears for respondent Nos.3 and 4.

2. The petitioners have invoked the writ jurisdiction of this Court against the Order-in-Original dated 13.11.2024 *inter alia* on the ground that show cause notice was not served upon them. They have also taken a plea that the proceedings

for the Assessment Year 2017-18 are barred by limitation. Apart from that, the petitioners have also taken a plea that the business of the petitioner firm suffered due to reasons beyond their control during COVID-2019 period. They have approached this Court only after garnishee notice issued in FORM-GST-DRC-13 dated 13.03.2026.

3. Learned counsel for respondent Nos.3 and 4 submits that the impugned proceedings have been initiated under Section 74 of the Central Goods and Services Tax Act, 2017 (for short 'the Act'), as the petitioners despite being fully aware of the provisions of the Goods and Services Tax laws and the applicability of the correct rate of tax, willingly raised invoices at lesser taxes. Besides that, they received consideration from the customers before issuance of the invoices and not declared any such receipts thereby discharging the tax liability within the prescribed period. It is therefore submitted that as per the period prescribed under Section 74(9) of the Act, the notices have been issued within five years from the last date of filing annual returns for 2017-18. It is further submitted that by

virtue of notification No.6/2020 dated 03.02.2020, the time limit for furnishing annual returns for Financial Year 2017-18 has been extended up to 07.02.2020. Therefore, the time limit for passing of assessment order in respect of the assessment year 2017-18 is up to 07.02.2025. The impugned Order-in-Original has been passed on 13.11.2024 i.e., much before that date. It is also submitted that petitioner No.2 himself has stated in the body of the Writ Petition that when the petitioners enquired with the Consultant, the show cause notice dated 28.01.2022 was shown in the official portal of respondent No.4 department and has been annexed for perusal of the Court. Therefore, the plea of non-service of notice is also not tenable in view of proper service in terms of Section 169(1)(d) of the Act. The petitioners had approached this Court after huge delay. Therefore, the instant Writ Petition is not maintainable in view of the ratio rendered by the Apex Court in **Assistant Commissioner (CT) LTU, Kakinada v. Glaxo Smith Kline Consumer Health Care Limited**[1].

[1] (2020) 19 SCC 681

4. In reply, learned counsel for the petitioners submits that the respondent Department has not properly taken into account the taxes already paid by the petitioners and proceeded for passing the best judgment assessment order. It is also reiterated that the proceedings are barred by limitation.

5. Having heard the learned counsel for the parties and taken note of the pleadings on record, both the contentions of the petitioners that the proceedings were undertaken without proper service of show cause notice and that they were barred by limitation are not tenable on facts. Petitioner No.1 has himself admitted that the show cause notice was available on the portal when being enquired with the Tax Consultant after the garnishee notice was issued. The petitioners had failed to respond to the show cause notice. As a result, the proper officer has passed an order of best judgment assessment. The plea of limitation is also not tenable as the petitioner firm was found to have paid lesser taxes by being aware of the rate of tax and thereby committed suppression which permits invocation of the extended period of limitation under Section

74(1) of the Act. The impugned Order-in-Original has been passed before the cutoff date in view of the notification dated 03.02.2020 whereby the last date for passing of the assessment order in the cases of annual returns filed for the relevant tax period is up to 07.02.2025. Therefore, none of the grounds for interfering with the Order-in-Original is sustainable after consideration of the submissions of the parties, the pleadings in the record and the relevant provisions of the Act. Therefore, this Court is not inclined to interfere in the impugned Order-in-Original.

Accordingly, the instant Writ Petition is dismissed. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/- AHMED ABDULLA KHAN
ASSISTANT REGISTRAR

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SECTION OFFICER

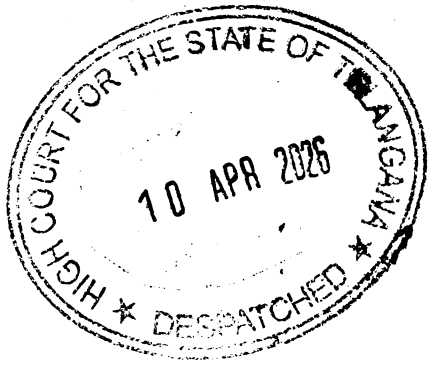
To,

1. One CC to SRI ARUN KUMAR SATYAVOLU, Advocate. [OPUC]
2. One CC to SRI N.BHUJANGA RAO, Deputy Solicitor General of India, High Court for the State of Telangana at Hyderabad. [OPUC]
3. One CC to SRI DOMINIC FERNANDES, Senior Standing Counsel for CBIC. [OPUC]
4. Two CD Copies.

BSK
TKS

HIGH COURT

DATED:30/03/2026



ORDER

WP.No.9356 of 2026

DISMISSING THE WRIT PETITION WITHOUT COSTS

(6) NT
8/4/26.