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

WEDNESDAY, THE FIFTH DAY OF AUGUST
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: 24178 OF 2026

Between:

1. M/s VSC Tudi Joint Venture, Registered Office at 1-90/B/C/4, Passions Hostel, Vittal Rao Nagar Road, MM Kirana and General Store, Madhapur, Hyderabad, Telangana - 500 081 Represented by its Authorised Reprsentative Mr. Sreenivas Reddy Tudi son of Mr. T Sai Reddy and aged about 45 years.
2. Tudi Infrastructure, Registered Office at H.No. 8-7-92/A/22/23, Represented by its Director Flat No. 303, Maitri JSM Residency, Hastinapuram, Hyderabad, Telangana - 500 079 Represented by its Authorised Representative Mr. Sreenivas Reddy Tudi son of Mr. T Sai Reddy and aged about 45 years.
3. Srinivasa Reddy Tudi, Son of T. Sai Reddy aged about 45 Years Residing at Flat No. 10804, Tower 10, Vasavi Sri Nilayam, Chintalakunta Check Post, Vasavi Nilayam, LB Nagar, Saroornagar, KV Rangareddy, Telangana, 500 074

...PETITIONERS

AND

1. Union of India, Represented by its Secretary, Ministry of Finance, Department of Revenue, North Block, New Delhi - 110 001.
2. Assistant Commissioner, Central Tax (GST), Banjara Hills Division, 3rd Floor, Amiso Plaza, Near Century Hospital, Road No. 12, Banjara Hills Hyderabad - 500 034.
3. The Superintendent of Central Tax, Jubilee Hills - III Range, Banjara Hills Division, Hyderabad GST Commissionarate.
4. Federal Bank Ltd, Bank Manager, LB Nagar Plot No. 142/A, SBH Colony, Venture 2 Near LB Nagar Ring Road, LB Nagar, Hyderabad Telangana - 500 074
5. The State of Telangana, Represented by its Principal Secretary, Irrigation and CAD Department, Telangana Secretariat, Hyderabad, Telangana
6. The Executive Engineer, Irrigation Division No. 7, 32-5, Pangal Road, Wanaparty District, Telangana - 509 103.

...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 an appropriate writ, order or direction, more particularly one in the nature of Writ of mandamus. a) declaring the proceedings of the 2nd Respondent in FORM GST DRC-13 vide F.No. IV/16/ 36/ DRC-13/ 2021-22-PF-I (RFN. MA360726061197L) dated 07.07.2026 issued to the 4th Respondent-Bank under Section 79(1)(c) of the CGST Act, 2017 demanding Rs. 1,77,55,278/-, as illegal, arbitrary, without jurisdiction and without authority of law, being far in excess of the demand adjudicated vide Order-in-Original No. 90/2025-26(GST)/BHD dated. 22.12.2025 read with FORM GST DRC-07 dated 24.12.2025, and consequently set aside the same, b) declaring the communication of the 2nd Respondent vide Letter F.No. IV/16/36/DRC-13/2021-22-PF-I dated 21.07.2026 addressed to the 4th Respondent-Bank directing identification and attachment/freezing of all bank accounts of partners of the Joint Venture and remittance of amounts lying therein, invoking Section 79(1)(c) read with Section 90 of the CGST Act, 2017, as illegal, arbitrary, wholly without jurisdiction, violative of the principles of natural justice and of Articles 14, 19(1)(g), 21, 265 and 300-A of the Constitution of India, and consequently set aside the same, c) consequently, directing Respondents 2 to 4 to forthwith lift/ withdraw any attachment, freeze, hold or debit-restriction placed on any bank account of the Petitioners pursuant to the impugned proceedings, and to re-credit/refund any amount remitted or appropriated thereunder, d) direct the Respondents No. 5 and 6 to forthwith release and pay to the Petitioner No.1 the differential GST component @ 6 % on Tax Invoices Nos. KLIS/RAB/02 dated 28.09.2022 and KLIS/RAB/ 03 dated 19.10.2022, aggregating to Rs. 96,50,036/-, together with any other tax component withheld from the Petitioner No.1's bills

I.A. 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 suspend the operation of the impugned notice in FORM GST DRC-13 dated 07.07.2026 and the impugned letter dated 21.07.2026

I.A. 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 to direct the Respondents No. 5 and 6 to consider and process the release of the differential tax component on Tax Invoices Nos. KLIS/RAB/02 and KLIS/ RAB/ 03 to the Petitioner No.1

I.A. NO: 3 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 direct the 4th Respondent-Bank to permit the Petitioners to operate their respective bank accounts, in the interest of justice

I.A. NO: 4 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 direct the Respondents not to take any coercive steps for recovery pursuant thereto

Counsel for the Petitioner: SRI AVINASH DESAI SENIOR COUNSEL REP SRI. M PRANAV

Counsel for the Respondent No. 1: SRI. N BHUJANGA RAO DEPUTY SOLICITOR GENERAL OF INDIA

Counsel for the Respondent Nos. 2&3: SRI D. RAGHAVENDRA RAO, SENIOR SC FOR CBIC

Counsel for the Respondent Nos. 5&6: Ms. S. SWATHI, AGP FOR IRRIGATION AND COMMAND AREA DEVELOPMENT

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.24178 OF 2026

Dated: 05.08.2026

Between:

M/s. VSC Tudi Joint Venture,
Vittal Rao Nagar Road, MM Kirana and General Store,
Madhapur, Hyderabad, Telangana,
Represented by its Authorised Representative,
Mr. Sreenivas Reddy Tudi,
S/o.Mr. T. Sai Reddy and 2 others

...Petitioners

and

Union of India,
Represented by its Secretary, Ministry of Finance,
Department of Revenue, North Block,
New Delhi-110 001 and 5 others

...Respondents

ORDER:

Heard Mr. Avinash Desai, learned Senior Counsel appearing for Mr. M. Pranav, learned counsel for the petitioners; Mr. D. Raghavendra Rao, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC), appearing for respondent Nos.2 and 3; and Ms. S. Swathi, learned Assistant Government Pleader for Irrigation and Command Area Development Department, appearing for respondent Nos.5 and 6.

2. This writ petition is filed for the following relief:

> "...to issue an appropriate writ, order or direction, more particularly one in the nature of Writ of mandamus:
> a) declaring the proceedings of the 2nd Respondent in FORM GST DRC-13 vide F.No.IV/16/36/DRC-13/2021-22-PF-I (RFN: MA360726061197L) dated 07.07.2026 issued to the 4th Respondent-Bank under Section 79(1)(c) of the CGST Act, 2017 demanding Rs.1,77,55,278/-, as illegal, arbitrary, without jurisdiction and without authority of law, being far in excess of the demand adjudicated vide Order-in-Original No.90/2025-26(GST)/BHD dated 22.12.2025 read with FORM GST DRC-07 dated 24.12.2025, and consequently set aside the same;
> b) declaring the communication of the 2nd Respondent vide Letter F.No. IV/16/36/DRC-13/2021-22-PF-I dated 21.07.2026 addressed to the 4th Respondent-Bank directing identification and attachment/freezing of all bank accounts of partners of the Joint Venture and remittance of amounts lying therein, invoking Section 79(1)(c) read with Section 90 of the CGST Act, 2017, as illegal, arbitrary, wholly without jurisdiction, violative of the principles of natural justice and of Articles 14, 19(1)(g), 21, 265 and 300-A of the Constitution of India, and consequently set aside the same;
> c) consequently, directing Respondents 2 to 4 to forthwith lift/ withdraw any attachment, freeze, hold or debit-restriction placed on any bank account of the Petitioners pursuant to the impugned proceedings, and to re-credit/refund any amount remitted or appropriated thereunder;
> d) direct the Respondents No.5 and 6 to forthwith release and pay to the Petitioner No.1 the differential GST component @ 6% on Tax Invoices Nos.KLIS/RAB/02 dated 28.09.2022 and KLIS/RAB/03 dated 19.10.2022, aggregating to Rs.96,50,036/-, together with any other tax component withheld from the Petitioner No.1's bills
> e) and pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case, including costs."

3. The Order-in-Original dated 22.12.2025 has not been challenged. However, learned Senior Standing Counsel for CBIC has taken an objection, as the foundational basis for issuance of the impugned garnishee notice dated 07.07.2026 has not been the subject matter of challenge in the instant Writ Petition.

4. Learned Senior Counsel for the petitioners submits that the amount proposed to be attached under the impugned garnishee notice is far in excess of the demand raised in the Order-in-Original dated 22.12.2025 and Form GST DRC-07 dated 24.12.2025.

5. However, after some arguments, learned Senior Counsel for the petitioners seeks liberty to the petitioners to prefer an appeal against the Order-in-Original dated 22.12.2025. He submits that some delay might have been occurred in preferring the appeal and therefore, the same may be directed to be considered sympathetically.

6. Learned Senior Standing Counsel for CBIC submits that the petitioners were at liberty to prefer an appeal against the Order-in-Original dated 22.12.2025, taking all the grounds as are available to them in law and on facts.

7. However, upon hearing the learned counsel for the parties, since the petitioners seek liberty to prefer an appeal, we do not wish to comment on the merits of the contentions raised by the parties.

8. Accordingly, we grant liberty to the petitioners to prefer an appeal within a period of two weeks with statutory pre-deposit and a delay condonation application. The petitioners may take all such grounds in law and on facts in the memo of appeal as are available to them. Needless to say, the appellate authority would consider the question of delay taking into account the facts and circumstances of the case and if it is satisfied on the point of delay, proceed to decide the appeal on merits in accordance with law. During the period of two weeks within which the petitioners have to file an appeal, no coercive steps be taken against the petitioners pursuant to the impugned garnishee notice.

9. The Writ Petition is, accordingly, disposed of with the aforesaid liberty. There shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- T.SREENIVASA REDDY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Secretary, Union of India, Ministry of Finance, Department of Revenue, North Block, New Delhi - 110 001.
2. The Assistant Commissioner, Central Tax (GST), Banjara Hills Division, 3rd Floor, Amiso Plaza, Near Century Hospital, Road No. 12, Banjara Hills Hyderabad - 500 034.
3. The Superintendent of Central Tax, Jubilee Hills - III Range, Banjara Hills Division, Hyderabad GST Commissionarate.

4. The Federal Bank Ltd. Bank Manager, LB Nagar Plot No. 142/A, SBH Colony, Venture 2 Near LB Nagar Ring Road, LB Nagar, Hyderabad Telangana - 500 074
5. The Principal Secretary, Irrigation and CAD Department, Telangana Secretariat, Hyderabad, Telangana
6. The Executive Engineer, Irrigation Division No. 7, 32-5, Pangal Road, Wanaparty District, Telangana - 509 103.
7. One CC to SRI. M. PRANAV, Advocate [OPUC]
8. One CC to SRI. N. BHUJANGA RAO, Deputy Solicitor General of India [OPUC]
9. One CC to SRI. D. RAGHAVENDRA RAO, SENIOR SC FOR CBIC [OPUC]
10. Two CCs to GP FOR IRRIGATION AND COMMAND AREA DEVELOPMENT, High Court for the State of Telangana, at Hyderabad [OUT]
11. Two CD Copies

Bm
TKS

HIGH COURT

DATED: 05/08/2026

ORDER

WP.No.24178 of 2026



DISPOSING OF THE WRIT PETITION
WITHOUT COSTS

(141) NT
18/8/26