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.17751 OF 2026

DATED: 18.06.2026

Between:

Asianet Digital Network Private Limited,
Rep., by its Deputy Vice President, Mr U.V. Satyanarayana Araja,
Madhapur Hyderabad, Telangana.

… Petitioner

AND

The Union of India,
Through its Revenue Secretary, Department of Revenue,
Ministry of Finance, New Delhi and 3 others.

… Respondents

ORDER:

Mr. Zubin J F Poovathinkal, learned counsel for the petitioner.

Mr. Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) appears for respondent Nos.2 to 4.

2. The grievance of the petitioner is that the impugned Form GST DRC-13 notice dated 22.05.2026 demanding Rs.27,26,235/- towards interest and penalty is without jurisdiction and contrary to the order-in-original dated 01.12.2025 and summary of the order in Form GST DRC-07 dated 01.12.2025 which quantified only Rs.50,840/- as tax and nil interest and penalty. The recovery proceedings are, therefore, violative of Sections 78 and 79 of the Central Goods and Services Tax Act, 2017, as petitioner has already discharged the entire tax payment of

Rs.50,840/- and interest of Rs.73,210/- on 20.05.2026 prior to issuance of the impugned notice.

3. There is an apparent discrepancy in the order-in-original and the summary of the order in Form GST DRC-07 which petitioner accepted and made the deposit without availing the remedy of appeal, as there was no demand of tax shown in the summary of the order in Form GST DRC-07.

4. The matter was adjourned on the previous date to enable the learned Senior Standing Counsel for CBIC to obtain instructions. Learned Senior Standing Counsel for CBIC has pointed out to the operative part of the adjudication order dated 01.12.2025, which is in following terms:

"**ORDER**

> i. I confirm an IGST Tax amount of Rs.14,45,363/- (Rupees Fourteen Lakhs, Forty Five Thousand Three Hundred and Sixty Three only) as demanded in the Show Cause Notice issued under Section 74(9) of the Central Goods and Services Tax Act, 2017 and corresponding provisions of the Telangana Goods and Services Tax Act, 2017 read with Section 20 of the Integrated Goods and Services Tax Act, 2017. The tax amount of Rs.12,23,448/- for FY 2018-19 and Rs.1,71,075/- for FY 2019-20, is appropriated against the demand above and a balance IGST liability of Rs.50,840/-for FY 2018-19 remains outstanding and is liable for recovery as discussed in para 12.1 above;
>
> ii. I confirm the levy of interest at the applicable rate on the amounts demanded at (i), above under Section 50(3) of the Central Goods and Services Tax Act, 2017 and the corresponding provisions of Telangana Goods and Services Tax Act, 2017, read with Section 20 of the Integrated Goods and Services Tax Act, 2017;
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> iii. I confirm the levy of penalty under Section 74(9) read with clause (b) of Section 122(2) of the Central Goods and Services Tax Act, 2017 and the corresponding provisions of the Telangana Goods and Services Tax Act, 2017 read along with Section 20 of the Integrated Goods and Services Tax Act, 2017, in respect of the demand confirmed at (i) above.
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> The Show Cause Notice No.15/2025-26 dated 23-06-2025 issued by Superintendent, SAG-11, Audit-1 Commissionerate Hyderabad to M/s Asianet Digital Network Private Limited, stands disposed of in the manner stated above.

Digitally signed by
Gugulothu Swami Dinesh Naik
Date: 01-12-2025 17:22:08
(G S Dinesh Naik)
Superintendent
Kondapur-1 Range"

5. Form GST DRC-07 – Summary of the order, however, shows only the tax of Rs.50,840/- which the petitioner had deposited apart from the interest of Rs.73,210/-.

6. Learned Senior Standing Counsel for CBIC submits that a rectified demand in Form GST DRC-07 would be issued reflecting the correct amount on the balance interest and penalty.

7. Learned counsel for the petitioner submits that in the absence of any demand on penalty, the impugned garnishee notice was not proper. He submits that if any demand of interest and penalty is raised in the rectified summary of the order, the petitioner would prefer an appeal, if so advised. However, for the present, the recovery notice in Form GST DRC-13 should not be allowed to stand.

8. We have taken note of the discrepancy in the order-in-original and the summary of the order in respect of the proceedings for financial year 2018-19 initiated under Section 74 of the Central Goods and Services Tax Act, 2017 against the petitioner. Since the summary of the order in Form GST DRC-07 does not reflect the interest and penalty as per the order-in-original, the respondents are at liberty to rectify the Form GST DRC-07. It will be open for

the petitioner to take recourse to lawful remedy thereafter. However, the present garnishee notice in Form GST DRC-13, dated 22.05.2026 raising a demand of Rs.27,26,235/- towards interest and penalty cannot be sustained and is accordingly set aside.

9. The writ petition is disposed of with the aforesaid observations. No order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

APARESH KUMAR SINGH, CJ

G.M.MOHIUDDIN, J

Date: 18.06.2026
MD