[3488]

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD
(Special Original Jurisdiction)

WEDNESDAY, THE NINETEENTH 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: 25667 OF 2026

Between:

Shobha Rani Aedma,, W/o. A. Vijaya Rao, Aged about 61 years, Occ Business, R/o 2-1-240/204, Nallakuntla, Musheerabad, Hyderabad, Telangana- 500044

...PETITIONER

AND

1. The Assistant Commissioner for State Tax,, Vidyanagar Circle, Secunderabad Division, 9th Floor, Mayur Kushal Complex,. Near Gunfoundry, Abids, Hyderabad- 500 001.
2. The State of Telangana,, Represented by its Secretary, Revenue (Commercial Taxes) Department, Secretariat, Hyderabad.
3. The State Bank of India,, Nallakunta Branch, H.No. 2,1,518, Hyderabad-500044 Represented Bank Manager

...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 order or direction more particularly one in the nature of Writ of a writ of Mandamus to declare that The Entry No. 17(viii) (SAC - 9973) of Notification No. 11/2017 - Central Tax (Rate) dated 28.06.2017 and corresponding State tax Notification in GO Ms No. 110 dated 29.06.2017 to the extent it seeks to levy GST on the amounts deducted towards royalty/seigniorage, DMF and SMET are unconstitutional, without authority of law apart from being violative of Articles 14, 19(1)(g) and 265 of the Constitution of India, and to consequently set aside the same

and/or pass such further or other order(s) as this Honble Court may deem fit and proper in the circumstances of the case. ii. The Impugned Show Cause Notice in Form GST DRC-01 bearing Ref. No. ZD3607250198063 dated 15.07.2025 along with attachment and the consequential impugned Order .iiLt Form GST DRC-07 bearing Ref. No. ZD360925013326D dated 09.09.2025 along with attachment, passed by Respondent No.1 under the provisions of the CGST/TGST Act, 2017, are void, arbitrary, illegal, without jurisdiction, without authority of law, apart from being violative of Articles 14, 19(1)(g) and 265 of the Constitution of India, and to consequently set aside the same and/or pass such further or other order(s) as this Honourable Court may deem fit and proper in the circumstances of the case iii. The impugned recovery notice in Form GST DRC-13 bearing Ref. No. AC/VNDR/MIN/2026 dated 19.05.2626 issued by Respondent No.1 to Respondent No.3 is void, arbitrary, illegal, without jurisdiction, without authority of law, apart from being violative of Articles 14, 19(1)(g) and 265 of the Constitution of India, and to consequently set aside the same.

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 impugned recovery notice in Form GST DRC-13 bearing Ref.No. AC/VNDR/MIN/2026 dated19.05.2026 issued by Respondent No.1 to Respondent No.3.

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 stay operation of the impugned Order in Form GST DRC-07 bearing Ref. No. ZD360925013326D dated 09.09.2025 issued by Respondent No.1.

Counsel for the Petitioner: M/S P .VENKATA PRASAD REPRESENTING SRI P.V. PRASAD ASSOCIATES

Counsel for the Respondents No 1 & 2: SRI K. SAI AKARSH, AGP FOR STATE TAX

Counsel for the Respondent No.3: SRI N. BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA

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.25667 OF 2026

Dated: 19.08.2026

Between:

Shobha Rani Aedma,
W/o. A. Vijaya Rao

...Petitioner

and

The Assistant Commissioner for State Tax,
Vidyanagar Circle, Secunderabad Division,
9th Floor, Mayur Kushal Complex, Near Gunfoundry,
Abids, Hyderabad – 500 001 and 2 others

...Respondents

ORDER:

Heard Mr. P. Venkata Prasad, learned counsel representing P.V. Prasad Associates, for the petitioner and Mr. K. Sai Akarsh, learned Assistant Government Pleader appearing for State Tax.

2. The petitioner has assailed the show-cause notice in Form GST DRC-01 dated 15.07.2025 and the order dated 09.09.2025 along with summary of the order in Form GST DRC-07 dated 09.09.2025 on number of grounds, including that the impugned show-cause notice and the orders are barred by limitation. The petitioner has also assailed Entry No.17(viii) (SAC-

9973) of Notification No.11/2017-Central Tax (Rate), dated 28.06.2017, and the corresponding State Tax Notification in G.O.Ms.No.110, dated 29.06.2017, to the extent it levies GST on the amounts deducted towards royalty/Seigniorage, DMF and SMET, as unconstitutional.

3. Learned counsel for the petitioner submits that the impugned orders pertaining to the financial year 2020-21 have been passed on 09.09.2025, though the cut-off date for passing the same was 28.02.2025. It is further submitted that the show-cause notice pertaining to the financial year 2020-21 was also issued after the cut-off date.

4. Learned Assistant Government Pleader for State Tax, on written instructions, submits that the Assistant Commissioner (State Tax), Amberpet Circle, after verifying the records, has confirmed that the impugned show-cause notice was issued contrary to Section 73(2) of the Telangana Goods and Services Tax Act, 2017. He further submits that the impugned orders have also been passed on 09.09.2025 i.e., after the cut-off date for passing the assessment order, which is 28.02.2025.

5. Having regard to the submissions made by the learned counsel for the parties, it appears that the impugned show-cause notice dated 15.07.2025 and the impugned orders dated 09.09.2025 suffer from jurisdictional error, as they have been passed beyond the cut-off date for passing the assessment order in

respect of the financial year 2020-21. Therefore, the impugned show-cause notice dated 15.07.2025 and impugned orders dated 09.09.2025 are set aside. Consequently, the impugned recovery notice dated 19.05.2026 in Form GST DRC-13 is also set aside.

6. Accordingly, the Writ Petition is disposed of. There shall be no order as to costs.

Miscellaneous applications pending, if any, shall stand closed.

SD/- B.REKHA RANI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Assistant Commissioner for State Tax, Vidyanagar Circle, Secunderabad Division, 9th Floor, Mayur Kushal Complex, Near Gunfoundry, Abids, Hyderabad- 500 001.
2. The Secretary, Revenue (Commercial Taxes) Department, State of Telangana, Secretariat, Hyderabad.
3. The Bank Manager, State Bank of India,, Nallakunta Branch, H.No. 2,1,518, Hyderabad- 500044.
4. One CC to SRI. M/S P V PRASAD ASSOCIATES, Advocate [OPUC]
5. One CC to SRI N. BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA [OPUC]
6. Two CCs to GP FOR STATE TAX, High Court for the State of Telangana, at Hyderabad [OUT]
7. Two CD Copies

DAN

TKS

HIGH COURT

DATED: 19/08/2026

ORDER

WP.No.25667 of 2026



DISPOSING OF THE WRIT PETITION

WITHOUT COSTS

(10)
NT
2/9/26