

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

**MONDAY, THE EIGHTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE**

PRESENT

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

WRIT PETITION NO: 35637 OF 2025

Between:

1. M/s. S.K. Car Lounge, A Proprietary Concern, Rep, by its proprietor Sri. Basarath Khan Situated at Plot No.273, Opposite Cyberabad Police Commissionerate, Gachibowli, Hyderabad-500032
2. Basarath Khan, Son of late Sri. Basheer Ahmed Khan, aged 45 years, Proprietor M/s. S.K. Car Lounge, Situated at Plot No.273, Opposite Cyberabad Police Commissionerate, Gachibowli, Hyderabad-500032.

...PETITIONERS

AND

1. Union of India, Rep. by its Secretary, Department of Revenue, Ministry of Finance, Govt. of India, Central Board of Indirect Taxes and Customs, 7floor, D Block, IP Bhawan, IP Estate, New Delhi.
2. The Principal Director General, Directorate General of GST Intelligence (DGGI), Headquarters Office, West Block VIII, R.K. Puram, New Delhi 110066.
3. The Additional Director General, Directorate General of GST Intelligence (DGGI), Hyderabad Zonal Unit, Hyderabad 500095, Telangana
4. The Senior Intelligence Officer, Directorate General of GST Intelligence (DGGI), Hyderabad Zonal Unit, Hyderabad 500095, Telangana.
5. The Directorate of Revenue Intelligence (Headquarters), Rep. by Principal Director General, Plot No. 11-B, Institutional Area Vasant Kunj, New Delhi - 110070
6. The Directorate of Revenue Intelligence, Ahmedabad Zonal Unit, Rep. by its Additional Director General DRI, 15, Magnet Corporate Park, Off S.G. Highway, Near Sola Over Bridge, Thaltej, Ahmedabad 380054
7. The Directorate of Revenue Intelligence, Hyderabad Zonal Unit, Rep. by its Additional Director General DRI, H.No.10-02-289/57/1 and 57/2, Suryavanshi Residency, lind Cross Road, Shantinagar, Masab Tank, Hyderabad 50028

8. The Assistant Director, Directorate of Revenue Intelligence DRI Ahmedabad Zonal Unit 15, Magnet Corporate Park, Off S.G. Highway, Near Sola Over Bridge, Thaltej, Ahmedabad-380054
9. The Senior Intelligence Officer, Directorate of Revenue Intelligence DRI Ahmedabad Zonal Unit 15, Magnet Corporate Park, Off S.G. Highway, Near Sola Over Bridge, Thaltej, Ahmedabad-380054
10. The Senior Intelligence Officer, Directorate of Revenue Intelligence Hyderabad Zonal Unit, H. No. 10-02-289/57/1 and 57/2, Suryavanshi Residency, Lind Cross Road, Shantinagar, Masab Tank, Hyderabad- 500028
11. The Principal Commissioner of Customs, Hyderabad Customs Commissioner, Room No. 808, 7 Floor, Hyderabad GST Bhavan, Lal Bahadur Stadium Road, Basheerbagh, Hyderabad-50004.

...OFFICIAL RESPONDENT/UN-OFFICIAL 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 Mandamus, declaring the initiation of proceedings by the Official Respondents Nos. 3 and 4 under the Central Goods and Services Tax Act, 2017 vide Impugned Summons dt.24.10.2025 under Section 70 of the CGST Act, without forming any independent 'reason to believe' under the CGST Act, without specifically alleging any default under the CGST Act and being derivative of, and founded upon the unadjudicated estimation of alleged undervaluation made, and all further steps taken or sought to be taken pursuant thereto, as illegal, arbitrary, without jurisdiction, violative of Articles 14, 19(1)(g) and 21 of the Constitution of India, and CGST Act, 2017 and Consequently set-aside impugned Summons dated 24.10.2025 and its related proceedings issued and undertaken by the Official Respondents No. 3 and 4

IA NO: 1 OF 2025

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 Summons dated 24.10.2025 issued by the Official Respondent No. 4 and its related investigation proceedings, pending disposal of the present Writ Petition

IA NO: 2 OF 2025

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 Official Respondents No. 3 & 4, restraining them from continuing a parallel, repetitive, and overlapping proceedings under GST Statutes on the basis of the unadjudicated and disputed allegations made by the DRI and further suspend the operation of the impugned Summons dated 24.10.2025 issued by the Respondent No. 4, pending disposal of the present Writ Petition

IA NO: 3 OF 2025

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 Official Respondent Nos. 3 & 4, and all officers acting under them, to not to take any coercive steps against the Petitioners with respect to the said impugned GST investigation vide Summons Dt. 24.10.2025, including summons, search, seizure, arrest, or demand of documents, pending disposal of the present Writ Petition

Counsel for the Petitioners: SRI ASAD HUSSAIN

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

**Counsel for the Respondent No.5: SRI KALVALA SANJEEV
(SC FOR CENTRAL GOVT)**

**Counsel for the Respondent Nos.3,4,7,10 and 11: SRI DOMINIC FERNANDES,
SC FOR CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS(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. 35637 of 2025

DATED : 08.12.2025

Between:

M/s. S.K. Car Lounge and another

... Petitioners

AND

Union of India and ten others

... Respondents

ORDER:

Sri Asad Hussain, learned counsel appears for petitioners.

Sri Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC), appears for respondent Nos.3, 4, 7, 10 and 11.

2. This Writ Petition is filed with the following prayer:

“For the reasons stated in the accompanying affidavit, it is hereby prayed that this Hon’ble Court may be pleased to issue a Writ, Order or Direction more particularly one in the nature of *Writ of Mandamus*, declaring the initiation of proceedings by the Official Respondents Nos.3 & 4 under the Central Goods and Services Tax Act, 2017 vide Impugned Summons dt. 24.10.2025 under Section 70 of the CGST Act, without forming any independent ‘reason to believe’ under the CGST Act, without specifically alleging

any default under the CGST Act and being derivative of, and founded upon the unadjudicated estimation of alleged undervaluation made, and all further steps taken or sought to be taken pursuant thereto, as illegal, arbitrary, without jurisdiction, violative of Articles 14, 19(1)(g) and 21 of the Constitution of India, and CGST Act, 2017; and Consequently set-aside impugned Summons dated 24.10.2025 and its related proceedings issued and undertaken by the Official Respondents No.3 and 4.”

3. Learned counsel for the petitioners seeks permission of this Court to withdraw the instant Writ Petition with liberty to the petitioners to file a fresh Writ Petition.

4. Learned counsel appearing for respondent Nos.3, 4, 7, 10 and 11 reports no objection.

5. Accordingly, without making any comment on the merits of the case of the petitioners, the instant Writ Petition is dismissed as withdrawn with liberty to the petitioners to file a fresh Writ Petition. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/-A. JAYASREE
ASSISTANT REGISTRAR

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//TRUE COPY//

SECTION OFFICER

To,

1. One CC to Sri Asad Hussain, Advocate [OPUC]
2. One CC to Sri Kalvala Sanjeev (SC for Central Govt.) [OPUC]
3. One CC Sri Dominic Fernandes, SC for Central Board of Indirect Taxes and Customs(CBIC)
4. One CC to N. Bhujanga Rao, Deputy Solicitor General of India[OPUC]
5. Two CD Copies

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HIGH COURT

DATED:08/12/2025

ORDER

WP.No.35637 of 2025



DISMISSING THE WRIT PETITION AS WITHDRAWN
WITHOUT COSTS

(7)

lpl
17/12/25