[3488]

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

MONDAY, THE FIFTH DAY OF JANUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE THE CHIEF JUSTICE APARESH KUMAR SINGH
AND

THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT PETITION NO: 40599 OF 2025

Between:

Shree Gajanan Industries, 6-26-285/1, Gurabadi Road, Nizamabad, State of Telangana, Rep. by its Managing Partner, Sri Pradip Bhimani.

.....PETITIONER

AND

1. The Assistant Commissioner, (Central Tax), Nizamabad Division, Medchal-Commissionerate, KNAR Estate, 3rd Floor, Nizamabad.
2. The Telangana State Civil Supplies Corporation Ltd, Rep. by its Managing Director, O/o Civil Supplies Bhawan, Punjagutta Road, Somajiguda, Hyderabad.
3. The District Manager, Telangana State Civil Supplies Corporation, Nizamabad District.
4. The Union of India, Rep. by its Secretary (Finance), Ministry of Finance, North Block, Central Secretariat, New Delhi-110001.

.....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 Assessment Order passed by the 1st respondent dated 08.12.2025 for the period 2021- 2022 under the Goods and Service Act-2017 on the value of broken rice, bran and husk obtained by the petitioner on milling of the paddy of the 3rd respondent is contrary to law, illegal, arbitrary, unconstitutional and in violation of Articles 14 and 19 (1) (g) of the Constitution of India and set aside the same.

I.A.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 grant stay of all further proceedings pursuant to the Assessment Order passed by the 1st respondent dated 08.12.2025 for the period 2021- 2022 under the Goods and Service Act- 2017 pending disposal of the above writ petition.

Counsel for the Petitioner : SRI V.V.N.NARAYANA RAO

Counsel for the Respondent No.1 : M/s DOMINIC FERNANDES (senior standing counsel for CBIC)

Counsel for the Respondent Nos.2 & 3 : SRI K.DEVENDER

Counsel for the Respondent No.4 : SRI. B. MUKHERJEE LEARNED COUNSEL APPEARS FOR 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. 40599 of 2025

DATED : 05.01.2026

Between:

Shree Gajanan Industries

... Petitioner

AND

The Assistant Commissioner (Central Tax),
Nizamabad Division, Nizamabad and three others

... Respondents

ORDER:

Sri V.V.N. Narayana Rao, learned counsel appears for petitioner.

Sri Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) appears for respondent No.1.

Sri B. Mukherjee, learned counsel appears for Sri N. Bhujanga Rao, learned Deputy Solicitor General of India, for respondent No.4.

2. The Order-in-Original dated 08.12.2025 for the period 2021-2022 under Section 74 of the Central Goods and Services Tax Act, 2017, has levied tax, interest and penalty on

the value of broken rice, bran and husk obtained by the petitioner after milling of the paddy which is under challenge in the present Writ Petition.

3. Learned counsel for the petitioner submits that the Assessing Officer despite taking note of the judgment rendered by Andhra Pradesh High Court in **Shiridi Sainath Industries v. Deputy Commissioner of Services Tax (International Taxation)**[1] has failed to apply the ratio therein to the case at hand only on an excuse that the Special Leave Petition filed by the Revenue is pending though there is no interim order. However, after some arguments, learned counsel for the petitioner seeks liberty to the petitioner to approach the appellate authority with all grounds in law and on facts as are available to it. He submits that Assessing Officer is proceeding for recovery of the demand though the appeal period has not expired. Learned counsel for the Revenue has doubted this contention that any recovery notice would have been issued when the period for filing of appeal has not been exhausted.

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[1] 2021(1) TMI 175

4. Having regard to the facts and circumstances noted above, since the petitioner is inclined to avail the remedy of appeal, this Writ Petition is disposed of without going into the merits of the case. The petitioner may file appeal with statutory deposit within the period of limitation prescribed under Section 107(4) of the Act. Needless to say, the petitioner would be at liberty to raise all grounds in law and on facts in the appeal which shall be considered in accordance with law. If the appeal is filed within the prescribed period with statutory deposit, the Assessing Officer would not take any steps for recovery of the demand. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/-T. SRIDEVI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. The Assistant Commissioner, (Central Tax), Nizamabad Division, Medchal-Commissionerate, KNAR Estate, 3rd Floor, Nizamabad.
2. The Managing Director, Telangana State Civil Supplies Corporation Ltd, O/o Civil Supplies Bhawan, Punjagutta Road, Somajiguda, Hyderabad.
3. The District Manager, Telangana State Civil Supplies Corporation, Nizamabad District.
4. The Secretary (Finance), Union of India, Ministry of Finance, North Block, Central Secretariat, New Delhi-110001.
5. One CC to SRI V.V.N.NARAYANA RAO, Advocate [OPUC]
6. One CC to M/s DOMINIC FERNANDES (senior standing counsel for CBIC) Advocate [OPUC]
7. One CC to SRI K.DEVENDER, Advocate (OPUC)
8. One CC to SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA, Advocate (OPUC)
9. Two CD Copies

SA
BS SF

HIGH COURT

DATED:05/01/2026

ORDER

WP.No.40599 of 2025

HIGH COURT FOR THE STATE OF TELANGANA
0 4 FEB 2026
★ DESPATCHED ★

DISPOSING OF THE W.P

WITHOUT COSTS.

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SK
23-01-26.