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

MONDAY, THE TWENTY THIRD DAY OF MARCH
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: 36611 OF 2025

Between:

M/s Navya Nuchu, H.No.1-1-19, Brindavan Colony, Near bank of India, Malkajgiri, Hyderabad - 500 047 Rep. by its Proprietor Ms. Navya Nuchu

...PETITIONER

AND

1. The State Of Telangana, Rep by Its Principal Secretary Scheduled Caste Development Department Secreteriat Hyderabad - 500 028
2. The Commissioner, Scheduled Caste Development Department, 3rd Floor, DSS Bhavan, Masab Tank, Hyderabad - 500 028
3. The Deputy Director, Scheduled Caste Development Department, 3rd Floor, DSS Bhavan, Masab Tank, Hyderabad - 500 028
4. The District Collector, Hyderabad District 6-2-10, Lakdikapul, Hyderabad - 500 004
5. The Commissioner Of Commercial Taxes, Hyderabad, C.T. Complex, Nampally, Hyderabad - 500 001
6. The Authority For Advance Ruling, C.T. Complex, M.J. Road, Nampally, Hyderabad - 500 001
7. The Appellate Authority For Advance Ruling C.T. Complex, M.J. Road, Nampally, Hyderabad - 500 001
8. The Principal Commissioner Of Central Tax, 3rd Floor, Medchal GST Bhavan, 11-4-649/B, Lakdikapul, Hyderabad - 500 004
9. The Joint Commissioner Of Commercial Taxes, Malkajgiri Division, Malkajgiri N 1 Circle, 3rd Floor, C.T. Complex, Nampally, Hyderabad - 500 001

...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 in the nature of writ of Mandamus directing the Respondent Nos. 1 to 3 to pay/sanction/reimburse the rent along with GST at 18percent on such rent, in a time bound manner in accordance to the order passed by the Respondent No. 7 bearing Order-In-Appeal No. AAAR/09/2025 dated 11.09.2025.

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 direct the Respondents not to take any coercive action(s), including but not limited to, recovery proceedings and all further proceedings pursuant to the order passed by the Respondent No. dated 11.09.2025 bearing Order-in-Appeal No. AAAR/09/2025 till the disposal of this Writ Petition.

Counsel for the Petitioner: Ms. LOCHANA S. BABU FOR Ms. KRUTHI KALAGA
Counsel for the Respondent Nos.1 TO 5: SRI ANANTHULA RAVINDER, GP FOR SOCIAL WELFARE
Counsel for the Respondent Nos.6 TO 9: SRI DOMINIC FERNANDES, SENIOR SC FOR 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. 36611 of 2025

DATED : 23.03.2026

Between:

M/s Navya Nuchu

... Petitioner

AND

The State of Telangana
Rep. by its Principal Secretary,
Scheduled Caste Development Department,
Secretariat, Hyderabad and eight others

... Respondents

ORDER:

Ms. Lochana S Babu, learned counsel appears for Ms. Kruthi Kalaga, learned counsel for petitioner.

Mr. Ananthula Ravinder, learned Government Pleader for Social Welfare appears for respondent Nos.1 to 5.

Mr. Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) appears for respondent No.9.

2. The petitioner, a proprietorship firm registered under the provisions of the Central Goods and Services Tax Act, 2017,

and the corresponding State Goods and Services Tax Act, 2017 (for short 'the GST Act'), is engaged in the business of providing services by way of renting of immovable property. Its premises bearing House Nos.4-193, 1-193/2 and 4-193/3, Survey No.906, Main Road, Near Anutex, Malkajgiri, Hyderabad, is on lease to respondent No.1 from 01.07.2019 for the purposes of Government's Social Welfare College Boys Hostel. Respondent No.4, District Collector, Hyderabad, is the competent authority to approve rental expenses on behalf of respondent No.1. It was approved and sanctioned @ Rs.3,36,710/- along with applicable GST per month. Respondent No.1 paid GST @ 18% on the rentals for a period of six months i.e., July, 2019, to December, 2019, which was remitted by the Department to the petitioner. During COVID-2019, this was discontinued. However, the petitioner continued to remit GST component at its own expense amounting to Rs.16,56,613/-. It submitted a representation dated 11.03.2022 to respondent No.4 stating that GST remained unpaid owing to lack of sanction since January, 2020. It also made a representation on 08.06.2022 to respondent No.2 for release of outstanding GST @ 18% from January, 2020, to May, 2022, and November, 2021, to May, 2022. *Vide* letter dated 20.06.2022, respondent No.2 informed the same to respondent No.3 and that the penalty was being imposed upon the petitioner as it has the obligation to remit GST to the Government. It made another representation on 05.08.2022 to respondent No.2. *Vide* letter dated 19.11.2022, respondent No.2 sought clarification from respondent No.5 as to whether the liability to bear and remit GST on the rent payable for the subject premises rests with the owner or the tenant. However, no response was received. Respondent No.4 revised the rent in respect of the subject property leased out to respondent No.1, on 17.01.2023. Owing to the uncertainty regarding applicability of GST on rental transaction, the petitioner approached the Authority for Advance Ruling (for short 'the AAR') under Section 97(1) of GST Act, read with Rule 104(1) of the Central Goods and Services Tax Rules, 2017 (for short 'the Rules'). *Vide* order No.05/2024 dated 09.02.2024, the AAR held that no direct or immediate nexus exists between the services provided by the petitioner and the functions entrusted to the municipality under the Twelfth Schedule read with Article 243W of the Constitution of India. It concluded that the petitioner's services of letting out the immovable property do not qualify for exemption under Notification No.12/2017 - Central Tax (Rate), dated 28.06.2017 and that the rent paid by respondent No.1 does not qualify for exemption and is therefore liable to GST. Aggrieved by the same, the petitioner preferred an appeal on 04.04 2024 under Section 100 of the GST Act read with Rule 106(1) of the Rules. However, the appellate authority rejected the said appeal on 20.02.2025. The petitioner stated that the rent up to June, 2023, and GST up to December, 2019, had only been released as per letter dated 13.03.2025 sent to respondent No.2. It filed a Writ Petition No.11954 of 2025 before this Court for quashing of the said order dated 20.02.2025. Thereupon, *vide* order dated 28.04.2025, the Coordinate Bench of this Court while setting aside the order dated 20.02.2025, directed the appellate authority to decide the appeal on merits. Pursuant to the said order of this Court, the appellate authority passed order on 11.09.2025 holding that the services provided by the petitioner do not qualify for exemption under Notification No.12 of 2017 dated 28.06.2017. Since the outstanding GST dues were not being paid by the Department, the petitioner has approached this Court for a direction upon respondent Nos.1 to 3 to sanction/reimburse the rent along with GST @18% on such rent in a time-bound manner in accordance with the order dated 11.09.2025 passed by the appellate authority.

3. However, upon hearing the learned counsel for the petitioner and the State, it appears that the representations made by the petitioner at Annexures P.5 and P.30 for exemption under notification No.12 of 2017 - Central Tax (Rate) dated 28.06.2017 are cryptic and do not contain details or supporting documents.

4. In view of the above, we are inclined to dispose of the instant Writ Petition with liberty to the petitioner to file a detailed representation before respondent No.1 with adequate details, facts and supporting documents in respect of its aforesaid claim. Needless to say that upon receipt of such

representation, respondent No.1 would consider it in accordance with law within a reasonable time preferably within twelve (12) weeks from the date of receipt of copy of this order. It is made clear that we have not made any comment on the merits of the matter.

The instant Writ Petition is accordingly disposed of. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/- MOHD. ISMAIL
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. The Principal Secretary Scheduled Caste Development Department Secreteriat Hyderabad, State Of Telangana - 500 028
2. The Commissioner, Scheduled Caste Development Department, 3rd Floor, DSS Bhavan, Masab Tank, Hyderabad - 500 028
3. The Deputy Director, Scheduled Caste Development Department, 3rd Floor, DSS Bhavan, Masab Tank, Hyderabad - 500 028
4. The District Collector, Hyderabad District 6-2-10, Lakdikapul, Hyderabad - 500 004
5. The Commissioner Of Commercial Taxes, Hyderabad, C.T. Complex, Nampally, Hyderabad - 500 001
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8. The Principal Commissioner Of Central Tax, 3rd Floor, Medchal GST Bhavan, 11-4-649/B, Lakdikapul, Hyderabad - 500 004
9. The Joint Commissioner Of Commercial Taxes, Malkajgiri Division, Malkajgiri N 1 Circle, 3rd Floor, C.T. Complex, Nampally, Hyderabad - 500 001
10. One CC to Ms. KRUTHI KALAGA, Advocate [OPUC]
11. Two CCs to GP FOR SOCIAL WELFARE, High Court for the State of Telangana, at Hyderabad. [OUT]
12. One CC to SRI DOMINIC FERNANDES, SENIOR SC FOR CBIC [OPUC]
13. Two CD Copies

PSK.
TKS

HIGH COURT

DATED:23/03/2026

ORDER

WP.No.36611 of 2025

DISPOSING OF THE WRIT PETITION
WITHOUT COSTS

16 — JKS
4/4/26