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

THURSDAY, THE EIGHTEENTH DAY OF JUNE
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: 17751 OF 2026

Between:

Asianet Digital Network Private Limited, Floor, H No. 1-98/5/4/G/20, Divya Sai, Road No. 3, Patrika Nagar, Madhapur, Hyderabad, Telangana - 500 081 GSTIN. 36AAOCA2898P1ZO Represented by its Deputy Vice President Mr. U.V Satyanarayana Araja

...PETITIONER

AND

1. THE UNION OF INDIA, Through its Revenue Secretary, Department of Revenue, Ministry of Finance, 128-A/North Block, New Delhi
2. THE COMMISSIONER OF CENTRAL TAX, Ranga Reddy GST Commissionerate, GST Bhavan, 7th Floor, L.B. Stadium Road, Basheerbagh, Hyderabad - 500004
3. THE ASSISTANT COMMISSIONER OF CENTRAL TAX, Madhapur CGST Division, Ranga Reddy CGST Commissionerate, 10-3-301-303, 4th Floor, Serene Heights, Humayun Nagar, Masab Tank, Hyderabad - 500 028
4. THE SUPERINTENDENT OF CENTRAL TAX, Kondapur-I CGST Range, Madhapur GST Division, Ranga Reddy CGST Commissionerate, Hyderabad, Telangana - 500 028

...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 of Certiorari or any other appropriate writ, order or direction quashing and setting aside the Impugned Notice dated 22.05.2026, issued by Respondent No. 3 (the Assistant Commissioner of Central Tax, Madhapur CGST Division, Ranga

Reddy CGST Commissionerate) to the Branch Manager, Federal Bank, Thiruvananthapuram, enclosed as Annexure P-1 as being without jurisdiction, passed in contradiction to the principles of natural justice and procedure established by law.

<u>I.A. NO: 2 OF 2026</u>

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 For the reasons stated in the accompanying Writ Affidavit. pending disposal of the Writ Petition, it is prayed that this Hon'ble Court may be pleased to grant stay on the recovery proceedings vide the Impugned Notice dated 22.05.2026 issued by the Respondent No. 3 (the Assistant Commissioner of Central Tax, Madhapur COST Division, Ranga Reddy COST Commissionerate) to the Branch Manager, Federal Bank, Thiruvananthapuram, enclosed as Annexure P-1.

Counsel for the Petitioner: SRI ZUBIN J.F POOVATHINKAL

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

**Counsel for the Respondent Nos.2 to 4: SRI DOMINIC FERNANDES,
SENIOR SC FOR CBIC**

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

<u>THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH</u>
<u>AND</u>
<u>THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN</u>

<u>WRIT PETITION No.17751 OF 2026</u>

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

<u>ORDER:</u>

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;

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.

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.

SD/-V. HARI PRASAD
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Revenue Secretary, Union Of India, Department of Revenue, Ministry of Finance, 128-A/North Block, New Delhi
2. The Commissioner Of Central Tax, Ranga Reddy GST Commissionerate, GST Bhavan, 7th Floor, L.B. Stadium Road, Basheerbagh, Hyderabad - 500004
3. The Assistant Commissioner Of Central Tax, Madhapur CGST Division, Ranga Reddy CGST Commissionerate, 10-3-301-303, 4th Floor, Serene Heights, Humayun Nagar, Masab Tank, Hyderabad - 500 028
4. The Superintendent Of Central Tax, Kondapur-I CGST Range, Madhapur GST Division, Ranga Reddy CGST Commissionerate, Hyderabad, Telangana - 500 028
5. One CC to SRI ZUBIN J.F POOVATHINKAL, Advocate [OPUC]
6. One CC to SRI DOMINIC FERNANDES, SC FOR CBIC [OPUC]
7. One CC to SRI N.BHUJANGA RAO, Deputy Solicitor General of India [OPUC]
8. Two CD Copies

PMK
BS

HIGH COURT

DATED: 18/06/2026

ORDER

WP.No.17751 of 2026

HIGH COURT FOR THE STATE OF TELANGANA
16 JUL 2026
★ DESPATCHED ★

DISPOSING OF THE WRIT PETITION

WITHOUT COSTS

10 RIT
30/6/26