

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

**TUESDAY, THE TWENTY THIRD DAY OF JUNE
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: 19108 OF 2026

Between:

M/s. S.Shivraj Reddy Constructions, 3-6-69/B/13, Sri Giri Nilayam,
Avanthinagar Colony, Basheerbagh, Hyderabad - 500029, represented by its
Managing Partner, Sri S.Giriprasad Reddy.

...PETITIONER

AND

1. Assistant Commissioner (ST), Hyderguda - Ashoknagar Circle, Abids Division, Hyderabad.
2. The Director, Mines and Geology Department, Government of Telangana, Telangana Secretariat, Hyderabad.
3. The Assistant Director, Mines and Geology, Department of Mines and Geology Mahabubnagar.
4. Union of India, represented by its Secretary, Department of Revenue, Ministry of Finance, North Block, New Delhi.
5. The State of Telangana, represented by its Principal Secretary, Revenue Department (Commercial Taxes), Telangana Secretariat. Hyderabad.

...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 or order or direction particularly one in the nature of Writ of Mandamus setting aside impugned show cause notice in Form GST DRC - 01, dated 24.01.2025, in ARN No.AD360125011405M, passed by the first respondent for the tax period 2021 - 22, in seeking to levy GST under the provisions of the Central

Goods and Services Tax Act, 2017, and Telangana Goods and Services Tax Act, 2017, on the payment of Royalty and other ancillary amounts in terms of Section 9 of the Mines and Mineral (Development and Regulation) Act, 1957, as illegal, arbitrary, without authority of law in the light of binding precedent of Seven Judges Bench of the Hon'ble Supreme Court in the case of India Cements Vs. State of Tamilnadu (1990) 1 SCC 12.

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 stay of all further proceedings arising in pursuance of the impugned show cause notice in Form GST DRC 01, dated 24.01.2025, in ARN No.AD360125011405M, passed by the first respondent for the tax period 2021-22, pending disposal of the writ petition.

Counsel for the Petitioner: SRI S.SURI BABU

**Counsel for the Respondent No.1 & 5: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.2 & 3: SRI K.SHANTAN RAO,
AGP FOR MINES & GEOLOGY**

**Counsel for the Respondent No.4: 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.19108 of 2026

Dated:23.06.2026

Between:

M/s. S.Shivraj Reddy Constructions

...Petitioner

and

Assistant Commissioner (ST).
Hyderguda – Ashoknagar Circle,
Abids Division,
Hyderabad,
and 4 others.

...Respondents

ORDER:

Learned counsel Sri S.Suri Babu appears for the petitioner.

Sri Swaroop Oorilla, learned Special Government Pleader for
State Tax, appears for respondents No.1 and 5.

Sri K.Shantan Rao, learned Assistant Government Pleader for
Mines and Geology, appears for respondents No.2 and 3.

2. The petitioner is a firm engaged in the business of extracting minor and major minerals. It entered into a Memorandum of Understanding-cum-Agreement with M/s. Reya Minerals on 23.10.2020 for working in the quarry and to handle all the raising, crushing and marketing operations of the quarry on royalty payment basis. Petitioner states that on the information furnished by the Senior Audit Officer, Audit Management Group-3, Office of the Accountant General, Hyderabad. Form GST DRC-01 dated 24.01.2025 in ARN No.AD360125011405M was issued by respondent No.1 for the tax period 2021-22. wherein it was stated that certain discrepancies were identified and the petitioner was asked to pay the tax along with interest on the net tax payable in Form GST DRC-03. If the petitioner is not agreeing with the proposals in the said show cause notice, it may file its objections in Form GST DRC-06 within 15 days from the date of receipt of the said show cause notice. Aggrieved by the said show cause notice, the petitioner filed the instant writ petition.

3. After arguing the matter for some time, learned counsel for the petitioner restricts his prayer only to the extent of levying tax on royalty and the other issues may go on.

4. Learned Special Government Pleader for State Tax submits that the show cause notice cannot be stalled on only this particular issue since the same contains other discrepancies also.

5. Having regard to the facts and circumstances, the petitioner is directed to participate in the proceedings by filing objections to the impugned show cause notice. If the petitioner is aggrieved by the adjudication order, it is at liberty to assail both levy of GST on royalty and other discrepancies in an appropriate proceeding.

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

Miscellaneous applications pending, if any, shall stand closed.

//TRUE COPY//

SD/- N.SRIHARI
DEPUTY REGISTRAR
SECTION OFFICER

To,

1. The Assistant Commissioner (ST), Hyderguda - Ashoknagar Circle, Abids Division, Hyderabad.
2. The Director, Mines and Geology Department, Government of Telangana, Telangana Secretariat, Hyderabad.
3. The Assistant Director, Mines and Geology, Department of Mines and Geology Mahabubnagar.
4. The Secretary, Department of Revenue. Ministry of Finance, North Block, New Delhi, Union of India.
5. The Principal Secretary, Revenue Department (Commercial Taxes), Telangana Secretariat, Hyderabad, State of Telangana.
6. One CC to SRI S.SURI BABU, Advocate [OPUC]
7. One CC to SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA, High Court for the State of Telangana at Hyderabad [OPUC]
8. Two CCs to SPL. GP FOR STATE TAX, High Court for the State of Telangana at Hyderabad [OUT]
9. Two CCs to GP FOR MINES & GEOLOGY, High Court for the State of Telangana at Hyderabad [OUT]
10. Two CD Copies

HIGH COURT

DATED: 23/06/2026

ORDER

WP.No.19108 of 2026



**DISPOSING OF THE WRIT PETITION,
WITHOUT COSTS**

(16)
01/07/26
R.K.