

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

**THURSDAY, THE THIRTIETH DAY OF JULY
TWO THOUSAND AND TWENTY SIX**

PRESENT

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

WP.Nos.12047, 12052, 12127, 12128, 12130, 12132, 12133 AND 12134 OF 2026

WP NO: 12047 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081.
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation. Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

AND

...PETITIONERS

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad -500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi - 110001

6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12047 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the payment of interest to the Petitioner vide Deficiency Memo No. ZD361125038663F dated 12th November 2025 as illegal, arbitrary, perverse, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 2,13,76,711 calculated from 60 days of the date of the filing of the First Refund Application dated 14th July 2021 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Hon'ble High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12052 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081.
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation. Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST), STU-1, Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi – 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12052 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the payment of interest to the Petitioner vide Deficiency Memo No. ZD361125038651K dated 12th November 2025 as illegal, arbitrary, perverse, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 41,04,049 calculated from 60 days of the date of the filing of the First Refund Application dated 9th July 2021 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Honourable High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12127 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation- Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally.
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi – 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12127 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the interest of the Petitioner vide Deficiency Memo No. ZD3611250385992 dated 12th November 2025 as illegal, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 91,51,147 calculated from 60 days of the date of the filing of the First Refund Application dated 31 March 2020 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's

orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Honorable High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12128 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation: Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi – 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12128 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the interest of the Petitioner vide Deficiency Memo No. ZD361125038563H dated 12th November 2025 as illegal, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 30,31,728 calculated from 60 days of the date of the filing of the First Refund Application dated 31st December 2019 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Hon'ble High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12130 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd, Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081.
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation. Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST) STU-1, Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.

4. State of Telangana, Represented by the Principal Secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi -110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12130 of 26)

...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, particularly one in the nature of a Writ of Mandamus declaring the action of the Respondent No.1 in rejecting the application for the payment of interest to the Petitioner vide Deficiency Memo No. ZD3611250384994 dated 12th November 2025 as illegal, arbitrary, perverse, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 1,07,02,997 calculated from 60 days of the date of the filing of the First Refund Application dated 26th April 2019 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Honble High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12132 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 and 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad, Rangareddy, Telangana 500081.

2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation. Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001.
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi - 110001.
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12132 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the interest of the Petitioner vide Deficiency Memo No. ZD361125038522N dated 12th November 2025 as illegal, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 31,90,646 calculated from 60 days of the date of the filing of the First Refund Application dated 31st December 2019 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Honourable High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12133 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd, Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081.
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad 500 004.
4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad 500004
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad - 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12133 of 26)

...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, particularly one in the nature of a Writ of Mandamus, declaring the action of the Respondent No.1 in rejecting the application for the interest of the Petitioner vide Deficiency Memo No. ZD361125038616E dated 12th November 2025 as illegal, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 40,53,892 calculated from 60 days of the date of the filing of the First Refund Application dated 27th March 2021 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Honourable High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

WP NO: 12134 OF 2026

Between:

1. M/s Synchrony International Services Pvt. Ltd., Represented by its Director, Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, having its registered office at Plot No. 2, Phase No. 1, Survey No. 83/1, 2nd to 4th Floor, Unit 2 & 3, Orwell Building, Parcel 3, Knowledge City Road, Hyderabad Rangareddy, Telangana 500081.
2. Mr. Chintan Chawla, S/o Mr. Suresh Chander Chawla, Aged about 52 years, Occupation. Director at M/s Synchrony International Services Pvt. Ltd. residing at Villa No. 51, Ramky Tranquillas, Abhyudaya Nagar, HMBS Colony, Kismatpur, Hyderabad, Telangana-500030.

...PETITIONERS

AND

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001
3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.

4. State of Telangana, Represented by the Principal secretary, Revenue Department (State Tax) Secretariat, Hyderabad - 500004.
5. Union of India, Represented by its Secretary, Ministry of Finance, North Block, New Delhi – 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad – 500001

(Respondent No.6 is impleaded as per Court order Dt.30.07.26 vide I.A. No.1 of 2026 in W.P. No.12134 of 26)

...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, particularly one in the nature of a Writ of Mandamus declaring the action of the Respondent No.1 in rejecting the application for the interest of the Petitioner vide Deficiency Memo No. ZD361125038583F dated 12th November 2025 as illegal, violative of principles of natural justice and without jurisdiction, as it is passed without the authority of law, and directions to the Respondents to forthwith grant and sanction interest on delayed refund amounting to a total of INR 85,51,212 calculated from 60 days of the date of the filing of the First Refund Application dated 20th March 2020 till the date of final payment of the refund (at the rate of 6% towards the amounts refunded towards original application of refund, and 9% towards amounts refunded pursuant to the Appellate Authority's orders), as per the provisions of Section 56 of the CGST Act, or to issue any other appropriate Writ or order as this Hon'ble High Court may deem fit and proper to the facts and in the circumstances of the case.

Counsel for the Petitioner: SRI KARAN TALWAR

**Counsel for the Respondent No.1 to 4 & 6: SRI SWAROOP OORILLA,
SPL. GP FOR STATE TAX**

**Counsel for the Respondent No.5: SRI N. BHUJANGA RAO,
Deputy Solicitor General of India**

The Court made the following: COMMON 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 Nos.12047, 12052, 12127, 12128, 12130, 12132, 12133 and 12134 of 2026

DATED :30.07.2026

Between:

M/s. Synchrony International Service Private limited and another

... Petitioners

AND

Assistant Commissioner (ST), STU-1,
Abids Circle, Hyderabad and four others

... Respondents

COMMON ORDER:

Mr. Karan Talwar, learned counsel appears for the petitioners.

Mr. Swaroop Oorilla, learned Special Government Pleader for State
Tax appears for respondent Department.

2. All these writ petitions relate to the same petitioners covering the period July, 2018 to March, 2021 with regard to the claim of interest over the amount already refunded. In respect of some tax period, the refund was made by the Refund Sanctioning Authority and in some cases, after the order of the appellate authority. Since the refunds were delayed, the petitioner company claimed interest in terms of Section 56 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as 'the CGST Act'). Such claims for interest have been pending before the Proper Officer since 03.06.2025. On its refund application, Deficiency Memos have been raised. The petitioner company has been compelled to approach

this Court on issuance of the third Deficiency Memo which did not contain any particulars.

3. Learned counsel for the petitioners submits that once refund has been sanctioned, interest would be automatic for the period of delay beyond 60 days from the date of first application. Insistence upon furnishing of particulars which are not relevant or germane to the issue is only causing further interest to accrue upon the revenue.

4. Learned counsel for the petitioners submits that neither the provision under Section 16(2)(c) of the CGST Act would apply after the refund has already been sanctioned and paid nor there would arise a case of passing of the refund claim to any other person as it is only interest on the refund already sanctioned. It is submitted that the Proper Officer without appreciating the legal position by delaying the refund of the interest is acting contrary to the interest of the Department.

5. Pursuant to the order passed by this Court on 14.07.2026, Mr. S. Ravi Chandra, Deputy Commissioner (ST) STU-1, Abids Circle Office, Hyderabad, appeared today.

6. Learned Special Government Pleader for State Tax, on instructions, has referred to circular No.125/44/2019-GST dated 18.11.2019 issued by the Central Board of Indirect Taxes and Customs on the subject of electronic refund process. The said circular stands adopted by the State

Tax Department. As per the said circular, the refund application has to conform to certain requirements. The refund application was made on 'any other ground' as per Deficiency Memo in FORM-GST-RFD-03. He has also drawn the attention of this Court to Annexure-A to Circular No.125/44/2019-GST, which prescribes the list of all statements/declarations/undertakings/certificates and other supporting documents to be provided along with the refund application. Under Serial No.11, if the refund is claimed on account of 'any other ground', an undertaking in relation to Section 16(2)(c) and Section 42(2) of the CGST Act has to be given with supporting documents. Further, a self declaration under Rule 89(2)(l) of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as 'the CGST Rules') if the amount claimed does not exceed Rs.2,00,000/-, otherwise, certification under Rule 89(2)(m) of the CGST Rules has to be given. The deficiencies pointed out to the refund application have only enumerated these documents to be supplied. Since the petitioner company has not supplied those documents, the refund claim could not be processed.

7. Learned counsel for the petitioner company has pointed out that in the case of refund of interest over the principal amount like this, certification under Rule 89(2)(m) of the CGST Rules would not be applicable.

8. Rule 89 (2)(m) of the CGST Rules reads as under:

“89. (2) The application under sub-rule (1) shall be accompanied by any of the following documentary evidences in Annexure 1 in **FORM GST RFD-01**, as applicable, to establish that a refund is due to the applicant, namely:-

(m) a Certificate in Annexure 2 of **FORM GST RFD-01** issued by a chartered accountant or a cost accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person, in a case where the amount of refund claimed exceeds two lakh rupees:”

9. It requires the certificate in Annexure 2 of FORM GST RFD-01 by a Chartered Accountant or a Cost Accountant to the effect that the incidence of tax, interest or any other amount claimed as refund has not been passed on to any other person in a case where the amount of refund claimed exceeds two lakh rupees.

10. It is the case of the petitioner company that the entire refund amount has been disbursed for the relevant periods pursuant to the order-in-original and the order-in-appeal passed for the respective years as per the summary sheet furnished by the learned counsel for the petitioners. He submits that the interest in such a case after sanction of refund could not have been passed on to any end consumer. The refund sanctioned should have computed the interest component till the date of disbursement in terms of Section 56 of the CGST Act. Therefore, insistence upon Rule 89(2)(m) of the CGST Rules is unnecessary.

11. However upon consideration of the rival submissions, in the facts and circumstances and the relevant provision of the Act and Rules referred

to above, we are of the view that the summary sheet containing the details of the refund claims allowed as per the order-in-original/order-in-appeal for relevant tax periods covered in the respective writ petitions and the claim for refund of interest thereupon furnished by the learned counsel for the petitioners be produced before the Proper Officer for scrutiny and sanction of the interest over the refund of principal amount claimed by the petitioners. The petitioner company or its authorized representative shall appear before the Proper Officer to facilitate this exercise on 06.08.2026 along with relevant details. The Proper Officer shall, after scrutiny of the claim without insisting upon certification as required under Rule 89(2)(m) of the CGST Rules as the claim relates only to the interest component over the refund already sanctioned in its favour, take a decision in accordance with law within a period of two weeks thereafter.

12. All these Writ Petitions are disposed of in the aforesaid manner. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/- M.OSMAN ALI BAIG
ASSISTANT REGISTRAR

//TRUE COPY//



SECTION OFFICER

To,

1. Assistant Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004
2. Appellate Joint Commissioner of State Tax, Secunderabad Division, V Floor, C.T. Complex, Nampally, Hyderabad - 500 001

3. Deputy Commissioner (ST), STU-1 Abids Circle Office, Rooms No. 104, 1st floor, Hermitage Office Complex, Hill Fort Road, Adarsh Nagar, Hyderabad - 500 004.
4. The Principal secretary, Revenue Department (State Tax) State of Telangana, Secretariat, Hyderabad - 500004.
5. The Secretary, Ministry of Finance, Union of India, North Block, New Delhi - 110001
6. Deputy Commissioner, LTU 4, 4th Floor, "a" Wing O/o. The Commissioner of State Tax, C.T. Complex, Nampally, Hyderabad - 500001
7. One CC to SRI KARAN TALWAR, Advocate [OPUC]
8. Two CCs to SRI SWAROOP OORILLA, SPL. GP FOR STATE TAX, High Court for the State of Telangana. [OUT]
9. One CC to SRI N. BHUJANGA RAO, Deputy Solicitor General of India [OPUC]
10. Two CD Copies
BN

PSK

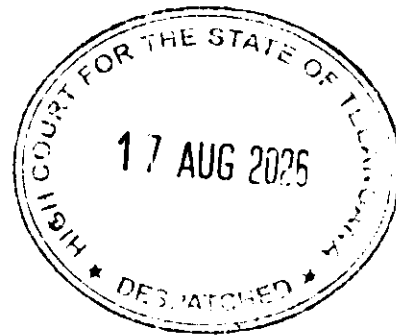


HIGH COURT

DATED: 30/07/2026

COMMON ORDER

**WP.Nos.12047, 12052, 12127,
12128, 12130, 12132, 12133 &
12134 OF 2026**



**DISPOSING OF ALL THE WRIT PETITIONS
WITHOUT COSTS**

(13)
MT
14/8/26