

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

**TUESDAY, THE TWENTY FIFTH DAY OF AUGUST
TWO THOUSAND AND TWENTY SIX**

PRESENT

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

WP.No.17216 OF 2026

Between:

M/s. Azmir Builders Private Limited, Rep by its Authorized Signatory
Chiranjeevi Akula, aged 40 Years, Ground Floor, 10-11-175/13, Valmiki
Nagar, Fathenagar, Balanagar, Hyderabad, Telangana, 500018.

...PETITIONER

AND

1. The State of Telangana, Represented by its Principal Secretary, Commercial Taxes, Secretariat, Hyderabad.
2. The Commissioner of the Commercial Taxes Department,, Telangana State, Commercial Taxes Complex, Nampally, Hyderabad-500 001
3. The Assistant Commissioner, TG031, Admn.State.

...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 direction or Orders, more particularly in the nature of a writ of Mandamus or any other appropriate Writ, declaring that blocking of Input Tax Credit of the Petitioner to the tune of Rs. 14,04,05,616/- showing in electronic credit ledger of the Petitioner at GSTN portal as void ab-initio, without jurisdiction, illegal, arbitrary, violation of principles of natural justice and principle of audi alteram partem, and violation of Article 19(1)(g) and 300A of the Petitioner.

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 grant stay

by lifting the blockage of ITC to allow the operation of Electronic Credit Ledger and stay the action of Respondent pending disposal of this writ petition.

Counsel for the Petitioner: MR. S.V. PRANAV RAM

**Counsel for the Respondents: MR. SWAROOP OORILLA, SPECIAL GP FOR
STATE TAX**

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.17216 of 2026

DATED: 25.08.2026

Between:

M/s. Azmir Builders Private Limited

... Petitioner

AND

The State of Telangana,
Represented by its Principal Secretary,
Commercial Taxes. Secretariat,
Hyderabad & 2 others

... Respondents

ORDER:

Mr. S.V.Pranav Ram, learned counsel appears for the petitioner.

Mr. Swaroop Oorilla, learned Special Government Pleader for State Tax,
appears for the respondents.

2. This writ petition preferred in the year 2026 assailed the blocking of ITC of Rs.14,04,05,616/- since 17.03.2025 invoking Rule 86A of the Central Goods and Services Tax Rules, 2017 (hereinafter referred to as 'the CGST Rules') allegedly without any show cause notice or reasons.

3. The Central Tax authority was not impleaded as a party in the writ petition. Let it be impleaded through the Superintendent, CGST, Jubilee Hills-I. Mr. Dominic

Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) has accepted notice on behalf of the newly added respondent. Such correction be carried by learned counsel for the petitioner during the course of the day.

4. Learned Special Government Pleader for State Tax, on written instructions furnished by Assistant Commissioner (ST), Fatehnagar Circle, Malkajgiri Division, has submitted that on verification, it came to light that the petitioner is registered under Central jurisdiction. It has declared a tax liability of Rs.7,02,04,914/- and an equivalent amount covering CGST and SGST for the tax period February, 2025 in its GSTR returns, but it was found that there are no inward transactions as per the e-Way Bill portal for the month of February, 2025. Therefore, the Electronic Credit Ledger was blocked under Rule 86A of the CGST Rules and was informed to the Central authority to take necessary action. Subsequently, the tax payer's GST registration has been cancelled with effect from 24.10.2021 by the Proper Officer, Central jurisdiction, by order in Form GST REG-19 dated 12.11.2025, *inter alia* on grounds that petitioner does not conduct any business from declared place of business or place of business not found after verification by the Anti-Evasion, Hyderabad GST Commissionerate. Learned Special Government Pleader for State Tax submits that once the GST registration is cancelled, the question of unblocking of the Electronic Credit Ledger does not arise. The fact relating to cancellation of GST registration was not brought to the notice of the Court in the present writ petition.

5. Learned counsel for the petitioner, upon being asked, does not dispute that the proper course now for the petitioner is to seek revocation of the cancellation of GST

registration before the competent authority. He seeks some time to file application as the period prescribed under Rule 23 of the CGST Rules to prefer such an application may have expired by now.

6. Be that as it may, since the GST registration of the petitioner stands cancelled by the Central Tax authorities, the grievance relating to the blocking of the Electronic Credit Ledger by the State Tax authorities under Rule 86A of the CGST Rules cannot be interfered with.

7. At this stage, petitioner is granted liberty to prefer an application for revocation of cancellation of GST Registration Certificate, in physical form, before the competent authority in terms of Rule 23 of the CGST Rules. If such an application is made within a period of two weeks, the competent authority would consider it, in accordance with law, within a period of three weeks thereafter. It would be open for the petitioner to seek unblocking of the Electronic Credit Ledger depending upon the outcome of the revocation application.

8. The instant Writ Petition is disposed of in the aforesaid manner. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

//TRUE COPY//

**SD/- U.SUDHA
ASSISTANT REGISTRAR**

SECTION OFFICER

To,

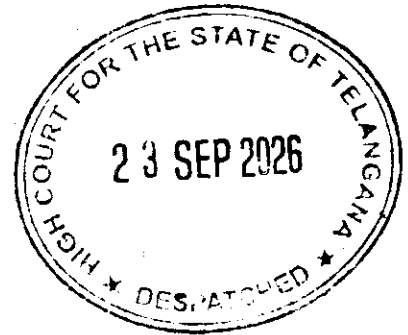
1. The Principal Secretary, Commercial Taxes, Secretariat, State of Telangana, Hyderabad.
2. The Commissioner of the Commercial Taxes Department,, Telangana State, Commercial Taxes Complex, Nampally, Hyderabad-500 001
3. The Assistant Commissioner, TG031, Admn.State.
4. One CC to MR. S.V. PRANAV RAM Advocate [OPUC]
5. Two CCs to SRI SWAROOP OORILLA, SPECIAL GP FOR STATE TAX, High Court of Telangana at Hyderabad [OUT]
6. Two CD Copies

HIGH COURT

DATED: 25/08/2026

ORDER

WP.No.17216 OF 2026



**DISPOSING OF THE WRIT PETITION
WITHOUT COSTS**

9 MT
9/9/26