APHC010230202026

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3529]
(Special Original Jurisdiction)

WEDNESDAY, THE TWENTY NINETH DAY OF APRIL
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE R RAGHUNANDAN RAO

THE HONOURABLE SRI JUSTICE T.C.D.SEKHAR

<u>WRIT PETITION NO: 12020/2026</u>

Between:

1. M/S. N K S LUNGI COMPANY,, 249/13 AND 14, M.G. ROAD, EKAMBARAKUPPANI, CHITTOOR DISTRICT, ANDHRA PRADESH - 517592, REP. BY ITS MANAGING PARTNER, NANIKAN KANIUAPPAN NARASIMHAN.

...PETITIONER

AND

1. THE ASSISTANT COMMISSIONER ST, CHITTOOR-II CIRCLE, CHITTOOR DIVISION, NEXT TO DEVI THEATRE, KATTAMANCHI, TIRUPATI ROAD, CHITTOOR, CHITTOOR DISTRICT, ANDHRA PRADESH -517001.
2. THE STATE OF ANDHRA PRADESH, , REP. BY THE PRINCIPAL SECRETARY TO THE GOVERNMENT, REVENUE (CT) DEPARTMENT, A.P. SECRETARIAT, VELAGAPUDI, GUNTUR DISTRICT, ANDHRA PRADESH.
3. THE UNION OF INDIA, , REP. BY THE SECRETARY (FINANCE), MINISTRY OF FINANCE, NORTH BLOCK, NEW DELHI- 110 001.

...RESPONDENT(S):

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 tobe pleased to issue an appropriate Writ, Order or Direction, more particularly in the nature of MANDAMUS declaring that the impugned Order of Tax, Interest and Penalty under Section 74 in Form GST DRC 07 vide DIN3719082460084, dated 22-07-2024, for the F.Y.s r 2017-18, 2018-19, 2019-20 and 2020-21 read with Summary of Orders, dated 19-08-2024 and 20-08-2024, passed by the First Respondent which is a single composite order passed for four Assessment Years, which was passed without considering the detailed reply along with documents filed by the Petitioner, which was passed without furnishing copy of the material which is the basis for passing the impugned order to the Petitioner and without giving any opportunity to rebut the same, as without jurisdiction, without authority, contrary to law, violative of the principles of natural justice, unjustified, baseless and illegal and consequently set aside the same and further holding that the First Respondent is not justified in not disposing of the Rectification Application filed by the Petitioner on 22-06-2025 vide ARN AD370625009168Y, and pass such

<u>IA NO: 1 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 be pleased to grant stay of all further proceedings, including recovery of tax, interest and penalty,', pursuant to the impugned Order of Tax, Interest and Penalty', under Section 74 in Form GST DRC 07 vide D1N3719082460084, dated 22-07-2024, for the F.Y.s 2017-18, 2018-19, 2019-20 and 2020-21 read with Summary of Orders, dated 19-08-2024 & 20-08-2024, and pass such

Counsel for the Petitioner:

1. G NARENDRA CHETTY

Counsel for the Respondent(S):

1. GP FOR COMMERCIAL TAX

The Court made the following Order:

(per Hon'ble Sri Justice R. Raghunandan Rao)

Heard Sri G. Narendra Chetty, learned counsel for the petitioner and the learned Government Pleader for Commercial Taxes appearing for the respondents.

2. The petitioner is a registered Company, which has been served with a summary of the order of assessment, dated 22.07.2024 passed by the 1st respondent. This summary of the order of assessment covers the period from 2017-18 to 2020-21.

3. The petitioner, after having raised various grounds of challenge, has pressed the ground that, a single order of assessment, issued for more than one financial year, would be violative of the provisions of Section 73 and Section 74 of the GST Act, 2017, and consequently, set aside the impugned order of assessment.

4. A Division Bench of this Court, in W.P.No.11028 of 2025 & batch, after considering the said question, had held that, a single show-cause notice or a single composite assessment order, cannot be passed, in relation to more than one tax period of either a month if the assessment is taken up before the due date for filing of the annual return or for more than one year if the due date for filing of annual return has been reached.

5. The petitioner has raised various grounds of challenge. However, the petitioner is pressing the primary ground of the summary of the order of

assessment being a composite summary of order of assessment. In that view of the matter, the present Writ Petition is being disposed of, on this ground of challenge, leaving open the other grounds of challenge.

6. Accordingly, this Writ Petition is disposed of, setting aside the impugned summary of the order of assessment, dated 22.07.2024 and remand back to the respondents, leaving it open to the respondents to initiate fresh proceedings, for each assessment year separately. This order is subject to the condition of the petitioner depositing 20% of the disputed tax, within a period of six (06) weeks. Any payment made or any amount recovered from the petitioner, after the passing of the impugned orders, shall be adjusted against the aforesaid 20%.

7. Needless to say, the period from the date of issuance of the impugned order of assessment till the date of receipt of this order shall be excluded for the purposes of limitation. There shall be no order as to costs.

As a sequel, pending miscellaneous applications, if any, shall stand closed.

R. RAGHUNANDAN RAO, J

T.C.D. SEKHAR, J

Date:29.04.2026

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THE HONOURABLE SRI JUSTICE R RAGHUNANDAN RAO

THE HONOURABLE SRI JUSTICE T.C.D.SEKHAR

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(per Hon'ble Sri Justice R. Raghunandan Rao)

Date:29.04.2026
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