IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

WEDNESDAY, THE TWENTY FIRST DAY OF JANUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE SUDDALA CHALAPATHI RAO

TREVC NO: 123 OF 2010

Petition Under Section 22(1) READ WITH RULE 10 OF APGST RULES U/S. APGST ACT to revise the order dated 20-11-2008 in T.A. No. 773 of 2006 on the file of the Sales Tax Appellate Tribunal, Hyderabad preferred against the order of the Appellate Deputy Commissioner (CT) Warangal in Appeal No. B/26/2002-03 dated 24-10-2002 preferred against the order of the Assistant Commissioner (CT) LTU, Warangal Division, Warangal Dated 07-10-2006 in Asst. No. 19630/1999-2000 (Penalty)

Between:

The State of Andhra Pradesh, rep. by the State Representative before STAT O/o.D.No.5-4-404 to 408, Nampally, Andhra Pradesh, Hyderabad.

...PETITIONER

AND

M/s. Suguna Motors Private Limited, Hanumakonda, Warangal.

...RESPONDENT

Counsel for the Petitioner: SRI T. CHAITANYA KIRAN, ASST. GOVT. PLEADER REPRESENTING SRI SWAROOP OORILILLA SPECIAL GOVT. PLEADER FOR THE STATE TAX

Counsel for the Respondent: --

The Court made the following ORDER :

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HONOURABLE SRI JUSTICE P.SAM KOSHY
AND
THE HONOURABLE SRI JUSTICE
SUDDALA CHALAPATHI RAO

TREVC No.123 OF 2010

21.01.2026

Between:

The State of Andhra Pradesh,
Rep. by the State Representative before STAT
D.No.5-4-404 to 408, Nampally,
Andhra Pradesh, Hyderabad.

...Petitioner

A N D

M/s Suguna Motors Private Limited,
Hanumakonda, Warangal.

..Respondent

JUDGMENT: *(per Hon'ble Sri Justice P.Sam Koshy)*

Heard Mr. T. Chaitanya Kiran, learned Assistant Government Pleader representing Mr. Swaroop Oo ililla, learned Special Government Pleader for the State Tax for the appellant and perused the record.

2. The instant is a tax revision case preferred by the State under Section 22(1) of the Andhra Pradesh General Sale Tax Act, 1957.

3. The challenge is to the order passed by the Sales Tax Appellate Tribunal, Hyderabad (for short 'the Tribunal') in T.A.No.773 of 2006, decided on 20.11.2008.

4. Vide the said order, the Tribunal had reversed the order passed by the Revisional Authority, who in turn had set aside the order passed by the Appellate Deputy Commissioner.

5. The Tribunal, in the course of scrutinizing the documents, pleadings and submissions put-forth by the parties, found that, in fact, there was no material submission of suppression of the actual turn over by the respondent. The Tribunal found that the Revisional Authority had reached to the conclusion of suppression of actual turnover only on the basis of considering the contents of A2 returns filed, without processing and scrutinizing the actual book of accounts reflecting the actual turnovers which included the so called turn over which was not reflected in the A2 returns. The Tribunal found that once when in the actual book of accounts

the turn over which was missing in the A2 returns also was reflected, the authorities ought to have properly scrutinized the actual book of accounts and had that occurred, the initiation of penalty proceedings would not have been required and, therefore, while allowing the appeal reversed the order of the Revisional Authority.

6. Today, when the matter is taken up for hearing, upon a specific query being put to the learned counsel appearing for the appellant/State as to whether it is correct or not so far as the finding of the Tribunal on the book of accounts pertaining to the respondent/assessee reflecting the actual turnovers including the turnovers which were not part of the A2 returns, the learned counsel fairly conceded that there is no material available to hold the said finding of the Tribunal to be either incorrect or false. Once when the categorical finding of fact is that in the actual book of accounts the actual turnovers were already reported, then under no circumstances can it be said to be suppression of taxable turnover.

7. In the given factual matrix of the case, we do not find any strong case made out by the appellant/State to hold the finding of the Tribunal to be either erroneous or contrary to law.

8. The tax revision case thus fails and is rejected answering the question of law holding that the Tribunal was, in fact, justified in allowing the appeal by setting aside the order of the Appellate Deputy Commissioner and the penalty proceedings initiated by the respondent and imposition of penalty was, in fact, unsustainable. There shall be no order as to costs.

Consequently, miscellaneous petitions pending, if any, shall stand closed.

SD/- N. SRIHARI
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Sales Tax Appellate Tribunal, Andhra Pradesh, Hyderabad.
2. The Appellate Deputy Commissioner (CT), Warangal.
3. The Assistant Commissioner (CT) LTU, Warangal Division, Warangal
4. Sri SWAROOP OORILILLA, Special Govt. Pleader for the State Tax, High Court for the State of Telangana at Hyderabad.
5. Two CD Copies

KUL/PSL

HIGH COURT

DATED: 21/01/2026

JUDGMENT

TREVC.No.123 of 2010

REJECTING THE TREVC

WITHOUT COSTS

5/2/26