



JUDGEMENT

Separate DRC-07 Must Be Issued For Company & Managing Director To Enable Independent Appeals

In Case Of
Bharat Kumar Agarwal

Issued By
High Court of Telangana

Order Date
08th April 2026

Order No
Writ Petition Nos. 9166 and 9354 of 2026

OBSERVATIONS

- The GST department issued a common Show Cause Notice and subsequently passed a composite Order-in-Original against both M/s Suguna Metals Limited and its Managing Director. **A single Form GST DRC-07 was also issued imposing tax, interest and penalties on both persons together.**
- **Since the Managing Director was not a registered person under GST, he was unable to independently challenge the demand** through the statutory appellate mechanism.
- **He approached the High Court contending that a composite DRC-07** prevented him from filing a separate appeal and that no distinct allegations had been made against him in the Show Cause Notice.
- **The petitioners therefore sought issuance of separate DRC-07 forms** and commencement of the appeal limitation period only after such fresh orders were issued.

JUDGEMENT

- The **Telangana High Court** directed the department to grant a temporary **GST identification number** to the **Managing Director** under **Rule 16A** and thereafter **issue two separate Form GST DRC-07s**—one for the company and another for the Managing Director.
- The **Court held that the Managing Director would be entitled to file an independent statutory appeal after issuance of the fresh DRC-07**, and the limitation period for filing such appeal would commence only from the date of the revised form.
- The **Court clarified that it was not examining the merits of the tax demand** and confined its directions solely to ensuring an effective appellate remedy.
- **The writ petitions were accordingly disposed of.**



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