<u>**The Hon'ble Sri Justice C.V.Nagarjuna Reddy**</u>

<u>**and**</u>

<u>**The Hon'ble Sri Justice T.Amarnath Goud**</u>

<u>**WP.Nos.44679, 44715, 44919 & 44936 of 2017**</u>

<u>**Dt: 04-01-2018**</u>

<u>**WP.No.44679/2017**</u>

**Between:**

M/s.Stone Plus, Proprietary firm represented by
Suryadevara Jogendra Dev

**....Petitioner**

**and**

The Union of India
Ministry of Finance
Department of Revenue
New Delhi, rep. by its
Dy. Secretary/Under Secretary and 2 others

**....Respondents**

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| **Counsel for the Petitioner:** | **Mr.S.Ravi, Sr.Counsel for Mr.N.Vijay** |
| **Counsel for respondent No.1:** | **Mr.K.Lakshman, Asst.Solicitor General** |
| **Counsel for respondent Nos.2 & 3:** | **Mr.B.Narasimha Sarma, Sr.SC for Customs, Central Excise and Service Tax** |

**The Court made the following:**

**Common Order:** **(per Hon'ble Sri Justice C.V.Nagarjuna Reddy)**

In these Writ Petitions, Proceedings bearing different dates but with identical contents have been questioned. Under these Proceedings, service tax on Dead Rent/Royalty/Seigniorage fees paid by the petitioners towards right to exploit mineral is challenged.

After taking notice on behalf of the respondents, Mr.B.Narasimha Sarma, learned Senior Standing Counsel for Customs, Central Excise and Service Tax, candidly submitted that though initially impugned Proceedings were issued, subsequently, notices were issued to the petitioners calling for details regarding the mineral extracted by them for the purpose of passing assessment orders. He, therefore, submitted that in view of the subsequent notices, the respondents are not proposing to enforce the impugned Proceedings. He has further submitted that a Division Bench of this Court has disposed of WP.No.41626 of 2016, raising similar issue relating to liability of the petitioners therein for payment of service tax on the license fees paid by the liquor agencies to the State Government, with a direction to the respondents not to take coercive action against the petitioners therein for their not fixing their liability themselves under the Finance Act till an order is passed in accordance with law and for a period of three weeks after the assessment order is communicated to them.

Mr.S.Ravi, learned Senior Counsel appearing for Mr.N.Vijay, learned Counsel for the petitioners, has tried to persuade us to admit the Writ Petition and adjudicate the same on merits. However, we do not feel persuaded to accept this request in view of the stand taken by the respondents that they will not enforce the impugned orders and instead, they will pass the assessment orders after considering the detailed objections that may be filed by the petitioners against the proposed levy of service tax.

Accordingly, without expressing any opinion on the Notification, dated 20-06-2012, issued by the Government of India based on which the respondents are seeking to fasten the liability of payment of service tax on them, the Writ Petitions are disposed of, by permitting the petitioners to file their detailed objections against the proposed levy within two weeks from the date of receipt of this order. On receipt of such objections, respondent No.3 shall give an opportunity of personal hearing to the petitioners and thereafter, take appropriate decision. In the event, respondent No.3 proposes to pass the assessment orders, he shall call for the details from the petitioners, pass the assessment orders and communicate the same to them. For a period of three weeks from the date of service of the assessment orders, respondent No.3 shall not take coercive steps. It is needless to observe that if the petitioners feel aggrieved by the assessment orders that may be passed by respondent No.3, they shall be free to avail appropriate remedies in accordance with law.

As a sequel to disposal of the Writ Petitions, Miscellaneous Petitions, pending if any, stand disposed of as infructuous.

**(C.V.Nagarjuna Reddy, J)**

**(T.Amarnath Goud, J)**

**Date: 04-01-2018**
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