BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **13.10.2025**

CORAM:

THE HONOURABLE **DR.JUSTICE ANITA SUMANTH**
AND
THE HONOURABLE **MR.JUSTICE C.KUMARAPPAN**

W.P.(MD)Nos.1139 & 1143 of 2021 & 14856 & 14857 of 2022
and
W.M.P(MD)Nos.994 & 997 of 2021, 8408 & 8390 of 2025
and 10618 & 10621 of 2022

1.W.P(MD)No.1139 of 2021:

M/s.TVS Srichakra Limited,
Represented by its Authorised Signatory,
B.Rajagopalan ... Petitioner

Vs.

1.Union of India,
Represented by its Secretary,
Ministry of Finance, Department of Revenue,
North Block,
New Delhi 110 001.

2.The Additional/Joint Commissioner of CGST and CE,
Madurai Commissionerate,
No.4, Lal Bahadur Sashtri Road,
Revenue Buildings,
B.B. Kulam,
Madurai 625 002.

3.The Additional Director,
Directorate General of GST Intelligence,
Coimbatore Zonal Unit,
No.155-1, Lakshmanan Street,
Behind Ukkadam Bus Stand,
Ukkadam, Coimbatore – 641 001. ... Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Declaration, declaring Notifications No.14/2017, 15/2017 and 16/2017 dated 13.04.2017 issued by the first respondent as ultra vires as the said notifications traverse beyond the scope of Section 68(2) of the Finance Act, 1994 and thereby offending Articles 14, 19(1)(g), 245 and 269A of the Constitution of India.

2.W.P(MD)No.1143 of 2021:

M/s.TVS Srichakra Limited,
Represented by its Authorised Signatory,
B.Rajagopalan. ... Petitioner

Vs.

1.Union of India,
Represented by its Secretary,
Ministry of Finance,
Department of Revenue,
North Block,
New Delhi - 110 001.

2.The Additional/Joint Commissioner of CGST and CE,
Madurai Commissionerate,
No.4, Lal Bahadur Sashtri Road,
Revenue Buildings,
B.B. Kulam, Madurai - 625 002.

3.The Additional Director,
Directorate General of GST Intelligence,
Coimbatore Zonal Unit,
No.155-1, Lakshmanan Street,
Behind Ukkadam Bus Stand,
Ukkadam, Coimbatore – 641 001. ... Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, calling for the records in show cause notice SL.No.29/2020-ST dated 10.12.2020 on the file of the third respondent and quash the same.

3.W.P(MD)No.14856 of 2022:

M/s.Hitech Arai Private Limited,
Represented by its Authorised Signatory,
T.Raathakrishna. ... Petitioner

Vs.

1.Union of India,
Represented by its Secretary,
Ministry of Finance,
Department of Revenue,
North Block,
New Delhi - 110 001.

2.The Commissioner of CGST & Central Excise,
Madurai Commissionerate,
Madurai – 625 002.

3.The Assistant Commissioner of CGST & Central Excise,
Office of the Commissioner of CGST & Central Excise,
Madurai GST Audit Circle,
Bibikulam,
Madurai – 625 002. ... Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Declaration, declaring Notifications No.14/2017, 15/2017 and 16/2017 dated 13.04.2017 issued by the 1st respondent under the Pre - GST regime as ultra vires as the said notifications traverse beyond the scope of Section 68(2) of the Finance Act, 1994 and thereby offending Articles 14, 19(1)(g), 245 and 269A of the Constitution of India.

4.W.P(MD)No.14857 of 2022:

M/s.Hitech Arai Private Limited,
Represented by its Authorised Signatory,
T.Raathakrishna. ... Petitioner

Vs.

1.Union of India,
Represented by its Secretary,
Ministry of Finance,
Department of Revenue,
North Block, New Delhi - 110 001.

2.The Commissioner of CGST & Central Excise,
Madurai Commissionerate,
Madurai – 625 002.

3.The Assistant Commissioner of CGST & Central Excise,
Office of the Commissioner of CGST & Central Excise,
Madurai GST Audit Circle,
Bibikulam,
Madurai – 625 002. ... Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorari, calling for the records in File No.C.No.II/10/95/2020AC in the impugned show cause notice No. 05/2022 dated 26.04.2022 on the file of the third respondent and quash the same.

In all W.Ps:

For Petitioner	: Mr.S.Muthuvenkataraman
For Respondents	: Mr.C.Nandagopal (for R1) CGSPC
	: Mr.N.Dilip Kumar (for R2 & R3)

COMMON ORDER

(Order of the Court was made by **DR.ANITA SUMANTH, J.)**

In W.P(MD)Nos.1139 of 2021 and 14856 of 2022, the prayer is for a writ of Declaration, declaring Notification Nos.14/2017, 15/2017 and 16/2017 dated 13.04.2017 issued by the Secretary, Ministry of Finance as ultra vires, as the said notifications traverse beyond the scope of Section 68(2) of the Finance Act, 1994 and thereby offending Articles 14, 19(1)(g), 245 and 269A of the Constitution of India.

2.Consequently, W.P(MD)Nos.1143 of 2021 and 14857 of 2022 seek a writ of Certiorari, challenging show cause notices dated 10.12.2020 and 26.04.2022 respectively, pertaining to the period from April 2017 to June 2017.

3.We have heard Mr.S.Muthuvenkataraman, learned counsel for petitioners, Mr.C.Nandagopal, learned CGSPC for R1 and Mr.N.Dilip Kumar, learned counsel for R2 & R3.

4.All learned counsels are ad idem on the position that the relief sought for is liable to be granted as the same has been decided in favour of the assessee by the Madras, the Gujarat and Bombay High Courts in the following decisions:

> (i) *M/s.Eastman Spinning Mills (P) Limited Vs. the Secretary, Union of India in W.P(MD)Nos.5582 of 2019 and 15744 of 2019 dated 09.04.2025.*
> (ii) *Sal Steels Limited Vs. Union of India [2020 (37) GSTL 3 (Gujarat)].*
> (iii) *Santhan Textile Private Limited Vs. Union of India [(2024) 25 Centax 225 (Bombay)].*

5.The operative portion of the order in *Sal Steels (supra)*, the ratio of which has been followed by this Court reads thus:

> *"58.In view of the aforesaid discussion, the writ application succeeds and is hereby allowed. The Notification Nos.15/2017-ST : MANU/DSTX/0016/2017 and 16/2017-ST MANU/DSTX/0017/2017 making Rule 2(1)(d)(EEC) and Rule 6(7CA) of the Service Tax Rules and inserting Explanation-V to reserve charge Notification No.30/2012-ST : MANU/DSTX/0070/2012 is struck down as ultra vires Sections 64, 66B, 67 and 94 of the Finance Act, 1994; and consequently the proceedings initiated against the writ applicants by way of show cause notice and enquiries for collecting service tax them as importers on sea transportation service in CIF contracts are hereby quashed and set aside with all consequential reliefs and benefits."*

6.This Court in *Chennai and Ennore Ports Streamer Agents Association Vs. Union of India [(2023) 7 Centax 63 (Madras, dated 28.03.2023]* dealt with an identical challenge, and adopted a slightly different approach, although arriving at the same conclusion as in the above matters.

7.The Bench held that there was no proper machinery provided under the impugned notifications issued under Section 68(2) of the Finance Act, 1994, to shift the burden to pay service tax on the petitioners, as they are not recipients of the taxable service by way of transportation of goods by a vessel from a place outside India up to the customs stations of clearance in India, and hence they are not liable to tax. The Bench, however, did not find it necessary to declare the impugned notifications as ultra vires.

8.In light of the categoric pronouncements of the Gujarat and Bombay High Courts, followed by this Court in *Eastman Spinning Mills (P) Limited (supra)*, the impugned notifications are quashed. As a result, the show cause notices are also quashed. The Writ Petitions are allowed. No costs. Consequently, connected Miscellaneous Petitions are closed.

[A.S.M.J.,] & [C.K.J.,]
13.10.2025

NCC :Yes/No
Index :Yes/No
Internet :Yes
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To

1.Union of India,
Represented by its Secretary,
Ministry of Finance, Department of Revenue,
North Block,
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2.The Additional/Joint Commissioner of CGST and CE,
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No.155-1, Lakshmanan Street,
Behind Ukkadam Bus Stand,
Ukkadam, Coimbatore – 641 001.

DR.ANITA SUMANTH, J.
AND
C.KUMARAPPAN, J.

ps

W.P.(MD)Nos.1139 & 1143 of 2021 & 14856 & 14857 of 2022

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