BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **14.10.2025**

CORAM:

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

W.P.(MD)Nos.8209, 8210, 8217 & 8218 of 2019
and
W.M.P(MD)Nos.6446, 6447, 6454 & 6455 of 2019

1.W.P(MD)No.8209 of 2019:

M/s.Tamil Nadu News Print and Papers Limited,
Represented by its General Manager (Finance),
M.S.Sridhar. ... Petitioner

Vs.

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

2.The Joint/Additional Commissioner of CGST and Central Excise,
Office of the Commissioner of CGST and Central Excise,
No.1, Willams Road, Cantonment,
Tiruchirappalli -620 001.

3.The Joint Commissioner (Audit),
Office of the Commissioner of CGST & Central Excise,
Coimbatore Audit Commissionerate,
No.6/7, A.T.D Street, Race Course Road,
Coimbatore – 641 018. ... 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.III / 10 / 38 / 2018 - Audit in SCN.SI.No.02/2019 - ST - JC - Trichy dated /01/2019 on the file of the third respondent and quash the same.

2.W.P(MD)No.8210 of 2019:

M/s.Tamil Nadu News Print and Papers Limited,
Represented by its General Manager (Finance),
M.S.Sridhar. ... Petitioner

Vs.

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

2.The Joint/Additional Commissioner of CGST and Central Excise,
Office of the Commissioner of CGST and Central Excise,
No.1, Willams Road, Cantonment,
Tiruchirappalli -620 001.

3.The Joint Commissioner (Audit),
Office of the Commissioner of CGST & Central Excise,
Coimbatore Audit Commissionerate,
No.6/7, A.T.D Street, Race Course Road,
Coimbatore – 641 018. ... 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 to declare Sl.No.10 of Notification 10/2017-IGST dated 28.06.2017 and Serial No.9(ii) of Notification No.8/2017-Integrated Tax (Rate) dated 28.06.2017 issued by the 1st respondent in the Post-GST regime as ultra vires to Section 1, Section 7(4) and Section 5(3) of the Integrated Goods and Services Tax Act, 2017 and thereby offending Articles 14, 19(1)(g), 245 and 269A of the Constitution of India.

3.W.P(MD)No.8217 of 2019:

M/s.Tamil Nadu News Print and Papers Limited,
Represented by its General Manager (Finance),
M.S.Sridhar. ... Petitioner

Vs.

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

2.The Joint/Additional Commissioner of CGST and Central Excise,
Office of the Commissioner of CGST and Central Excise,
No.1, Willams Road, Cantonment,
Tiruchirappalli -620 001.

3.The Joint Commissioner (Audit),
Office of the Commissioner of CGST & Central Excise,
Coimbatore Audit Commissionerate,
No.6/7, A.T.D Street, Race Course Road,
Coimbatore – 641 018. ... 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.III / 10 / 33 / 2018 - Audit in SCN.SI.No.19/2018 - ST - JC - TRY dated ....10.2018 on the file of the third respondent and quash the same.

4.W.P(MD)No.8218 of 2019:

M/s.Tamil Nadu News Print and Papers Limited,
Represented by its General Manager (Finance),
M.S.Sridhar. ... Petitioner

Vs.

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

2.The Joint/Additional Commissioner of CGST and Central Excise,
Office of the Commissioner of CGST and Central Excise,
No.1, Willams Road, Cantonment,
Tiruchirappalli -620 001.

3.The Joint Commissioner (Audit),
Office of the Commissioner of CGST & Central Excise,
Coimbatore Audit Commissionerate,
No.6/7, A.T.D Street, Race Course Road,
Coimbatore – 641 018. ... 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 to declare Sl.No.10 of Notification 10/2017-IGST dated 28.06.2017 and Serial No.9(ii) of Notification No.8/2017-Integrated Tax (Rate) dated 28.06.2017 issued by the 1st respondent in the Post-GST regime as ultra vires to Section 1, Section 7(4) and Section 5(3) of the Integrated Goods and Services Tax Act, 2017 and thereby offending Articles 14, 19(1)(g), 245 and 269A of the Constitution of India.

In all W.Ps:

For Petitioner : Mr.S.Muthuvenkataraman

For Respondents : Mr.P.Subbiah (for R1)
Standing Counsel

: Mr.N.Dilip Kumar (for R2)

: No appearance

COMMON ORDER

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

In W.P(MD)Nos.8210 and 8218 of 2019, 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.8209 and 8217 of 2019 seek a writ of Certiorari, challenging show cause notices dated Nil.01.2019 and Nil.10.2018 respectively.

3.We have heard Mr.S.Muthuvenkataraman, learned counsel for petitioners, Mr.P.Subbiah, learned standing counsel for R1 and Mr.N.Dilip Kumar, learned counsel for R2.

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.,]
14.10.2025

NCC :Yes/No
Index :Yes/No
Internet :Yes
ps

To

1.Union of India,
Represented by its Secretary,
Ministry of Finance, Department of Revenue,
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2.The Joint/Additional Commissioner of CGST and Central Excise,
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DR.ANITA SUMANTH, J.
AND
C.KUMARAPPAN, J.

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W.P.(MD)Nos.8209, 8210, 8217 & 8218 of 2019

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