CGHC010370322023 2026:CGHC:44094

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HIGH COURT OF CHHATTISGARH AT BILASPUR

WPT No. 256 of 2023

- Chhattisgarh State Electricity Regulatory Commission Represented By The Economic Advisor, Irrigation Colony, Shanti Nagar, Raipur, Chhattisgarh 492001

... Petitioner

versus

1. Union Of India Through Ministry Of Finance, Represented By The Secretary To The Ministry Of Finance, Government Of India, New Delhi.
2. Deputy Director Directorate General Of GST Intelligence, Raipur Zonal Unit, 4th Floor, Rio Complex, Near Fruit Market Lalpur, Dhamtari Road, Chhattisgarh 492001.

... Respondent(s)

For Petitioner	:	Mr. Saurabh Sinha, Advocate
For Respondent No. 2	:	Mr. Maneesh Sharma, Advocate

(Hon'ble Shri Justice Narendra Kumar Vyas)

Order on Board

12.10.2026

1. The petitioner has filed this writ petition under Article 226 of the Constitution of India and has sought following reliefs:-

> "10.1 To issue an appropriate Writ, Order or Direction of the nature of Certiorari or such othe Writ, Order of direction as may be cosnidered apporpriate to quash and set aside the impunged Notice 233/RZU/ADD/GST/2023-24 (Annexure P-1) dated 27.09.2023 issued by Respondent No. 2; and/or
>
> 10.2 Any other relief which this Hon'ble Court deems fit and proper may also kindly be granted to the Petitioner, in the

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interest of justice."

2. Brief facts, as reflected from the record are that the GST Authority has issued a show cause notice to the petitioner on 27.09.2023 proposing demand of Rs. 8,52,00,183/- as 18% GST under the category of 'Support service to Electricity and Commission' from 01.07.2017 to 25.07.2023.

3. This Court while admitting the petition, has granted interim relief on 12.12.2023 and passed the following order as under:-

> "Learned counsel for the petitioner would draw attention of this Court towards Schedule III of the GST Act, 2017 wherein as per Schedule -III, the activities or transactions which shall be treated neither as supply of goods nor supply of services. He would further submit that as per item No. 2 i.e. service by any Court or Tribunal established under any law for the time being in force will nor fall within the ambit of service, therefore, the petitioner is not liable to pay GST.
>
> Learned counsel for the petitioner would further submit that the Regulatory Commission has been constituted in pursuance of provision of Electricity Act, 2003, as such, it cannot be said that function discharged by the Regulatory Commission can be treated as service or supply of service, therefore, the notice issued by the respondent is without jurisdiction. He would further submit that the effect and operation of the notice may be stayed.
>
> On the other hand, learned counsel for the respondent No. 1 and 2 would submit that they may be given time to file reply.
>
> Mr. Vinay Kumar Jain would submit that the authorities are proceeding in the matter and before 30.12.2023 they may pass the order assessing the GST dues against the petitioner.
>
> Considering this aspect of the matter, let the proceeding of assessment may go on but no final order shall be passed till the next date of hearing.
>
> Meanwhile, learned counsel for the respondents shall file their reply positively."

4. Mr. Sharma, learned counsel for respondent No. 2 would submit that in pursuance of interim order passed by this Court, respondents have already participated wherein no final order has been passed, thus, he would pray for dismissal of the writ petition.

5. Considering the submission of the counsel for respondent No. 2. and the fact that interim order has been passed by this Court, it is directed that the petitioner shall appear before the GST Authority where the proceeding is going on and if the arguments have already been concluded, one more opportunity is granted to the petitioner to raise the issue of jurisdiction of the GST Authority to issue show cause notice to the petitioner and in turn the respondent shall decide the in accordance with law giving the opportunity of hearing to the petitioner.

6. With aforesaid observation and direction, this petition stands disposed of.

7. It is made clear that this Court has not examined the merit of the contentions raised by either of the parties, therefore, the GST Authority shall decide the case in accordance with law without being prejudice to the fact that this Court has disposed of the writ petition.

Sd/-
(Narendra Kumar Vyas)
Judge

Manish