IN THE HIGH COURT OF JHARKHAND AT RANCHI

W.P. (T) No. 2394 of 2025

M/s Jugsalai Nagar Parishad, through its Executive Officer, Sandip Paswan, S/o Jagarnath Paswan, Station Road, Jugsalai, P.O. & P.S.-Jamshedpur, District-East Singhbhum

….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi
3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Joint Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

With

W.P. (T) No. 2493 of 2025

M/s Chakardharpur Nagar Parishad, through its Executive Officer, Rahul Yadav, S/o Basudeo Gope, Station Road, Jugsalai, P.O. & P.S.-Chakardharpur, District-East Singhbhum

….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi
3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Assistant Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

With

W.P. (T) No. 2495 of 2025

M/s Chaibasa Nagar Parishad, through its Executive Officer, Santoshni Murmu, W/o Sujit Tudu, R/o Amla Tola, near BSNL Exchange office, P.O. & P.S.-Chaibasa, District-Chaibasa

….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi
3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Assistant Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

With

W.P. (T) No. 4093 of 2025

M/s Adityapur Municipal Corporation, through its Additional Municipal Commissioner, Ravi Prakash, S/o Birendra Prasad Singh, Office at Kalpanapuri near S-Type Chowk, Adityapur, P.O. & P.S.-Adityapur Seraikella-Kharsawan

….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi

3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Joint Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

With

W.P. (T) No. 4240 of 2025

Jamshedpur Notified Area Committee, through its Special Officer, Arvind Tirkey, S/o Lazrus Tirkey, Office at New Kalimati Road, Sakchi, P.O.-Sakchi, P.S.-Sakchi Town, Jamshedpur, District-East Singhbhum ….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi
3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Joint Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

With

W.P. (T) No. 5140 of 2025

M/s Mango Municipal Corporation, through its Assistant Municipal Commissioner, Aquib Javed, S/o Md. Athar, Gandhi Maidan, in front of Hanuman Mandir, New Purulia Road, Mango, P.O. & P.S.-Ulidih, Jamshedpur, District-East Singhbhum ….. Petitioner

Versus

1. Union of India
2. The Secretary Department of Revenue, Ministry of Finance, Government of India, New Delhi
3. The Chief Commissioner, Central Goods and Services Tax & C Ex., Ranchi Zone, Patna (Bihar)
4. The Joint Commissioner, Central Goods and Services Tax & C Ex., Jamshedpur ….. Respondents

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CORAM

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE RAJESH SHANKAR

For the Petitioners: Mr. Krishna Kumar, Advocate

For the Respondents: Mr. P.A.S. Pati, Advocate

05/07.04.2026

1. Heard learned counsel for the parties.

2. In all these writ petitions, the challenge is to the orders passed by the adjudicating authorities, against which, the petitioners have alternative and efficacious remedy of preferring appeals under Section 107 of the CGST Act, 2017.

3. The impugned orders, in turn, inform the petitioners that they have right to appeal and even give the details of the appellate authority. Despite all these, the petitioners, based on a bald statement in these writ petitions that they have got no other alternative and/or equally efficacious, speedy and economical remedy, have instituted these writ petitions.

4. Learned counsel for the petitioners argues that the demand of GST upon the petitioners, which are Municipal Corporations or Nagar Parishads, is patently illegal and therefore without jurisdiction. Learned counsel relies on the judgments rendered by the Hon'ble Supreme Court in the cases of ***Godrej Sara Lee Ltd. v. Excise and Taxation Officer-cum-Assessing Authority and Others*** reported in ***2023 SCC OnLine SC 95*** and ***Whirlpool Corporation v. Registrar of Trade Marks, Mumbai and Others*** reported in ***(1998) 8 SCC 1*** to submit that where an order is wholly without jurisdiction, the plea of alternative remedy cannot be a bar to the entertainability of the writ petition.

5. Learned counsel for the petitioners also relies upon a decision rendered by the learned Single Judge of Madras High Court in the case of ***Cuddalore Municipality v. Joint Commissioner of GST and Central Excise, Tiruchirappalli*** reported in ***(2021) 93 GSTR 287*** to submit that this decision supports a blanket proposition that under no circumstances, GST can be demanded from Municipal Corporations or local self-government authorities like the Municipal Corporation, Nagar Panchayat etc.

6. Learned counsel for the petitioners also relies upon the provisions under Article 243W & 243X together with Entry-V in List-2 of Schedule-VII of the Constitution to make good his submission that

local self-government authorities like Municipal Corporation etc. are immune from taxation under the CGST Act, 2017.

7. Mr. P.A.S. Pati, learned counsel for the respondents, at the outset, submits that the blanket proposition advanced on behalf of the petitioners is quite misconceived. He submits that this contention was duly considered by the adjudicating authority, who while referring to several factual aspects, concluded that only core activities of a Corporation or a local self-government body might be able to claim some exemption. He submits that in these cases, GST was imposed on routine sale of goods or services transactions and there was no Constitutional or statutory bar to such imposition.

8. In any event, learned counsel for the respondents submits that these are the matters, which the petitioners may appropriately raise before the appellant authority and no case is made out for entertaining these writ petitions.

9. We have considered the rival contentions, and we are satisfied that these are not fit cases to be entertained by exercising our extraordinary jurisdiction under Article 226 of the Constitution when the Petitioners have an alternate and efficacious remedy available to them.

10. At least prima facie, based on the arguments presented earlier and the decision issued by the learned Single Judge of the Madras High Court, we do not believe that Municipal Corporations or other local self-government authorities are exempt or immune from taxation under the CGST Act, 2017, regarding all the transactions or activities they carry out.

11. Therefore, it is difficult to accept that the impugned orders now passed by the adjudicating authorities are "wholly without

jurisdiction" which is really the test propounded in ***Whirlpool Corporation (supra)*** and ***Godrej Sara Lee Ltd. (supra).***

12. In these cases, even for deciding the jurisdictional issue, reference will essentially have to be made to the factual aspects of the transactions, upon which taxes are sought to be levied. The adjudicating authority has undertaken this exercise and only thereafter has confirmed the demand.

13. At this stage, it would not be appropriate for us to hold that the determination of the adjudicating authority is either right or wrong because such a holding might prejudice the petitioners, in case, they decide to avail the alternative remedy of preferring appeals. However, we must say that the above issues, which shall involve a factual determination regards the transactions, which are sought to be taxed, cannot or at least need not be adjudicated by us exercising our extraordinary and summary jurisdiction because the legislature has provided the petitioners with an alternative/efficacious/ statutory remedy of preferring appeals where such questions can be suitably addressed.

14. In the case of ***Oberoi Constructions Limited vs. The Union of India & Others*** reported in ***(2025) 137 GSTR 601,*** the Division Bench of the Bombay High Court has considered the circumstances in which a statutory and alternative remedy may be bye-passed and a writ petition may directly be entertained. In the said decision, the Bombay High Court has referred to and relied upon several decisions of the Hon'ble Supreme Court explaining the circumstances in which the alternative remedy may be bye-passed.

15. The decision rendered in the case of ***Oberoi Constructions Limited (supra)*** and several precedents referred to therein, holds that only under exceptional circumstances, the extraordinary

jurisdiction under Article 226 of the Constitution may be exercised when the legislature has provided the petitioner with alternative and efficacious remedy of preferring an appeal.

16. In these cases, as noted earlier, the test prescribed in ***Whirlpool Corporation (supra)*** and ***Godrej Sara Lee Ltd. (supra)*** cannot be said to have been fulfilled. The adjudication of the issues now raised in these writ petitions would involve a serious factual element, which may not be appropriately undertaken in exercise of extraordinary and summary jurisdiction under Article 226 of the Constitution. No exceptional case has been made out.

17. If the levy of GST is indeed contrary to law or contrary to the Constitutional provisions as the petitioners seek to interpret them, such issues can always be raised before the appellate authority just as they were raised before the adjudicating authority at the first instance. These are not the cases where the provisions of any statute have been questioned on the ground of unconstitutionality or the principle of ultra vires.

18. For all the above reasons, we decline to entertain these writ petitions, but leave it open to the petitioners to avail the alternative/efficacious/statutory remedy of preferring appeals as may be available to them under the CGST Act, 2017.

19. However, we take cognizance of the fact that the petitioners have been Bonafide pursuing these writ petitions before this Court. Therefore, if they institute appeals within four weeks from the date of uploading of this order after complying with all the prescribed statutory formalities, the appellate authority is directed to hear such appeals on their own merits and in accordance with law without adverting to the issue of limitation.

20. All contentions of the parties are explicitly left open. Even the observations made in this order are for the limited purpose of determining whether the petitioners should be relegated to the alternate statutory remedies. Therefore, even such observations need not influence the appellate authority in deciding the appeals, if instituted in terms of the liberty now granted.

21. The present writ petitions are accordingly disposed of with the liberty in the above terms.

22. No costs.

(M. S. SONAK, C.J.)

(RAJESH SHANKAR, J.)

07.04.2026
Satish/Vikas/
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