IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)

THURSDAY, THE TWELFTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT PETITION NO: 35872 OF 2025

Between:

M/s. Open Text Technologies Pvt. Ltd., (Formerly Known as M/s. Vignette Software Development India Pvt. Ltd.), Unit No. 304, Building No. 14, 3rd Floor Mindspace, IT Park, Madhapur, Hyderabad, Telangana - 500081 Represented by its Authorized Signatory Mr. Amit Mangal

...PETITIONER

AND

1. The Commissioner, Office of the Commissioner of Customs and GST, Hyderabad Audit-I Commissionerate, H.No.3-4-118/1 NR, 1st Floor, Elegant Maharaja, Ramanthapur, Hyderabad - 500013 Email. cgst.hydauditl@gov.in, .
2. The Commissioner, Office of the Commissioner of Central Tax Rangareddy GST Commissionerate Posnett Bhavan, Tilak Road Ramkote, Hyderabad - 500001.
3. The Superintendent, Office of the Superintendent of Central Tax Madhapur GST Range, H No. 10-3-301 to 303, 4th Floor, Serene Heights, Humayun Nagar, Masab Tank, Hyderabad - 500028.
4. The Superintendent, Office of the Superintendent of Central Tax, Kondapur GST Range, H.No.10-3-301 to 303, 4th Floor, Serene Heights, Humayun Nagar, Masab Tank, Hyderabad - 500028.
5. Deputy Commissioner, Gachibowli GST Division, 4th Floor, H No. 10-3-301 to 303, Serene Heights, Masab Tank, Hyderabad - 500028.
6. Development Commissioner, Madhapur SEZ, 6Q3, Cyber Towers, Hitec City, Madhapur, Hyderabad.
7. The Union of India, Ministry of Finance, North Block, New Delhi - 110 001, Rep. by its Secretary

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue a Writ, Order or Direction, more particularly in the nature of a Writ of Certiorari quashing the order passed by Respondent No.1 bearing Ref No. OR. No.123/2021 ADJN(Commr) ST and DIN- 20250856YR000000DODE dated 21/08/2025 under section 73 of the Finance Act, 1994 for the tax period 2016- 17 and 2017-18 (upto June 2017) passed in the case of the Petitioner (Exhibit - PI) and also the Show Cause Notice "(SCN)" issued by the Respondent No.1 bear, Or. No. 123/2021 - ADJN (COMMR) ST, DIN. 20211056YQ000082348C dated 22/10/2021 (Exhibit - P3) under section 73 of the Finance Act, 1994 for the tax period 2016-17 and 2017-18 (upto June 2017).

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to dispense with the requirement of filing certified copies of the order passed by Respondent No 1 bearing Ref. No. OR. No.123/2021 ADJN(Commr) ST and DIN-20250856YR000000DODE dated 21/08/2025 under section 73 of the Finance Act, 1994 for the tax period 2016- 17 and 2017-18 upto June 2017) passed in the case of the Petitioner (Exhibit - P1) and also the Show Cause Notice ("SCN") issued by the Respondent No.1 bearing Or. No. 123/2021 - ADJN (COMMR) ST, DIN. 20211056YQ000082348C dated 22/10/2021 (Exhibit - P3) under section 73 of the Finance Act, 1994 for the tax period 2016-17 and 2017-18 (upto June 2017).

IA NO: 2 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay all further proceeding, Including penalty and recovery proceedings, arising out of and being consequential to order passed by the Respondent No.1 bearing Ref No. OR. N0.123/2021 ADJ (Commr) ST and DIN- 20250856YR000000DODE dated 21/08/2025 under section 73 of the Finance Act, 1994 for the tax Period 2016-17 and 2017-18 (upto June 2017).

**Counsel for the Petitioner: Ms. LAKSHMI MENON FOR
SRI KAILASH NATH P.S.S**
Counsel for the Respondent Nos.1 TO 5: SRI DOMINIC FERNANDES, senior standing counsel for CBIC
Counsel for the Respondent No.7: SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA
Counsel for the Respondent No.6: --

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No. 35872 of 2025

DATED : 12.03.2026

Between:

M/s. Open Text Technologies Pvt., Ltd.
Rep., by its Authorized Siognatory Mr. Amit Mangal,
Hyderabad.

... Petitioner

AND

The Commissioner,
Office of the Commissioner of Customs and GST,
Hyderabad and 6 others.

... Respondents

ORDER:

Ms. Lakshmi Menon, learned counsel represents Mr. Kailash Nath P.S.S., learned counsel for the petitioner.

Mr. Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs (CBIC) appears for respondent Nos.1 to 5.

2. The petitioner was previously known as M/s. Vignette Software Development India Private Limited. The change of name in the office of Registrar of Companies took place vide Certificate dated 22.04.2010. The petitioner preferred writ petition against order-in-original No.6/2022-23,

dated 24.03.2023 relating to the period 2016-17 and 2017-18 (up to June, 2017) *inter alia* taking a number of grounds including that the petitioner company was earlier known as M/s. Vignette Software Development India Private Limited and the show cause notice issued to the said company cannot not be pressed into service in the present company. Petitioner also took a ground that it falls within the special economic zone.

3. The Coordinate Bench of this Court upon hearing the parties was pleased to set aside the order-in-original dated 24.03.2023 and remit the matter to the same authority with liberty to the petitioner to file its additional reply within 15 days and produce true copy/certified copy of the certificate issued by the Registrar of Companies regarding the change of name before such authority. The competent authority was directed to grant personal hearing before passing fresh order-in-original in accordance with law.

4. The present writ petition seeks to challenge the fresh order-in-original dated 21.08.2025 issued under Section 73 of the Central Goods and Services Tax Act, 2017 for the tax period 2016-17 and 2017-18 (up to June, 2017) and also the show cause notice dated 22.10.2021 which was the subject matter of the earlier proceedings as well. On this aspect, the petitioner contends that despite submission of a detailed representation to respondent No.1 authority, including proof of change of name, respondent No.1 has made certain observations to the effect that despite the name change, it was the obligation of the petitioner to bring to the attention of the service tax authorities the

details of the name change under the registration number ending 002. Respondent No.1 passed the impugned order levying service tax coupled with interest and penalty on the petitioner company once again.

5. It is the case of the petitioner that since it is engaged in export of service and not liable to pay service tax on such services, respondent No.1 ought not to have levied service tax on them. Petitioner has referred to the Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006 framed thereunder demarcating the area of land to be designated as a Special Economic Zone. The objects of Special Economic Zone (SEZ) includes promotion of goods and services leading to enhanced economic activities, investment promotion, development of infrastructure, creation of employment opportunities etc., and the thumb rule in respect of taxation of exports as always been "to export goods, not taxes". Petitioner has also taken the plea that the intention of creating such SEZ is to give exemption from levy of all duties and taxes. The department ought not to have confirmed the demand against the petitioner on account of mere technical aspect such as change of name. It is further submitted that Form ST-03 returns filed by the Company clearly shows the gross amounts charged towards the export of the Information Technology Services. The reconciliation of the income declared in Form ST-03 return, vis-à-vis financial statements submitted to respondent No.2 vide response letter dated 28.04.2021 also makes it clear that petitioner has no other business income and all the income contained therein only

pertain to export of services which are exempted from service tax. Petitioner was not allowed to rely upon ST-03 returns during the proceedings because returns were filed in the name of Open Text Technologies India Private Limited, whereas the proceedings were initiated in the name of Vignette Software Development India Private Limited. Such an approach of the Commissioner was therefore bereft of any logic and cannot be sustained in the eye of law. Petitioner has contended that since the demand of tax is without jurisdiction, the writ petition is maintainable. Respondents have identified the service tax registration number incorrectly and consequently subjected the petitioner to service tax obligations twice. Petitioner has been registered under the Service Tax vide registration No.AABCV9961DST001 and has been regular in filing returns and payment of taxes since inception through this number only.

6. Learned counsel for the petitioner submits that the adjudicating authority has not applied its mind independently which renders the impugned order unsustainable in law. It is further argued that service tax demand cannot be solely based on income tax returns. The demand has been raised beyond the time stipulated.

7. On the part of the respondent department, learned Senior Standing Counsel for CBIC submits that the petitioner having obtained the second service tax registration for a different premises bearing No. AADCV9961GST002 failed to amend or update its second registration

after the name change resulting in inconsistencies in statutory filings and departmental records. Based on the petitioner's income tax returns, financial statements and third party information, the respondents detected undeclared taxable income relatable to the second registration for which no service tax returns were filed. Therefore, a detailed show cause notice was issued and personal hearing was granted before passing a reasoned order-in-original confirming the tax interest and penalty. Respondents contend that the SEZ exemption is conditional, and non-filing of returns amounted to wilful suppression which is the basis for invocation of the extended period of limitation. Respondents have also taken a plea that petitioner had statutory appellate remedy under the Finance Act, 1994. The proceedings have been conducted after multiple personal hearings.

8. Learned Senior Standing Counsel for CBIC submits that exemptions claimed by the petitioner have to be proved on the basis of documents strictly as per the exemption notifications. He, however, submits that if the matter is remanded to the adjudicating authority proceedings would be conducted by the Assessing Officer as relatable to the transactions conducted under the first registration claimed by the petitioner, however, subject to the petitioner cancelling his second registration in accordance with the relevant provisions of the Act and the Rules. It seems that the claim of the petitioner also relates to the transactions conducted in SEZ concerning exports under the first registration obtained by it. In that event, the imposition of liability as against

the petitioner under the second registration would not stand in the eye of law. The impugned order is therefore set aside. However, it is for the petitioner to place relevant materials once again before the Assessing Officer to justify its claim of Nil liability in lieu of exports made within the SEZ under the first registration. In order to do so, the petitioner should also take steps for cancellation of the second registration, otherwise, the same result would probably once again entail.

9. The writ petition is therefore disposed of by setting aside the impugned order with a remand to the adjudicating authority to pass a fresh order after considering the materials placed by the petitioner in that regard as observed hereinabove and also on cancellation of the second registration. Petitioner should take steps for cancellation of its second registration bearing No.AADCV9961DST002 within a strict time frame of four weeks from today so that the adjudication proceedings can be concluded within a reasonable time preferably within eight weeks thereafter. No order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

SD/-M. OSMAN ALI BAIG
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To

1. The Commissioner, Office of the Commissioner of Customs and GST, Hyderabad Audit-I Commissionerate, H. No. 3-4-118/1 NR, 1st Floor, Elegant Maharaja, Ramanthapur, Hyderabad - 500013 Email. cgst.hydauditl@gov.in, .
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6. Development Commissioner, Madhapur SEZ, 6Q3, Cyber Towers, Hitec City, Madhapur, Hyderabad.
7. The Secretary, Union of India, Ministry of Finance, North Block, New Delhi - 110 001,
8. One CC to SRI KAILASH NATH P.S.S, Advocate [OPUC]
9. One CC to SRI DOMINIC FERNANDES, senior standing counsel for CBIC [OPUC]
10. One CC to SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA [OPUC]
11. Two CD Copies

PSK.

BS

YK

HIGH COURT

DATED:12/03/2026

ORDER

WP.No.35872 of 2025

HIGH COURT FOR THE STATE OF TELANGANA
09 APR 2026
★ DESPATCHED ★

DISPOSING OF THE WRIT PETITION
WITHOUT COSTS

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