

The State of Goa v. Summit Online Trade Solutions (P) Ltd. & Ors.; connected Future Gaming and Pan India Network appeals

Case number: Civil Appeal Nos. 1700, 1701 and 1702 of 2023, arising out of SLP (C) Nos. 29890, 29891 and 29892 of 2018

Citation: 2023 INSC 229

Decision date: 2023-03-14

Territorial jurisdiction under article 226(2) in a challenge to Goa's GST lottery notification

Court: Supreme Court

Bench: S. Ravindra Bhat and Dipankar Datta, JJ.

Decision stage: Final judgment on appeals concerning territorial writ jurisdiction and deletion of Goa as a respondent

01 Facts

Three lottery distributors challenged central GST, integrated GST and several State rate notifications before the Sikkim High Court. Among them was Goa's notification dated 30 June 2017, described in the judgment as imposing the 14% State-tax component on lotteries authorised by State Governments. The petitions contested the then differential overall rates, sought a refund of the difference between 28% and 12%, and disputed valuation without deducting prize money. Goa applied to be deleted as a respondent, arguing that no relevant cause of action arose in Sikkim in relation to its notification; a separate challenge was also pending before the High Court of Bombay at Goa. The Sikkim High Court dismissed Goa's applications on 6 June 2018. The Supreme Court examined the territorial-jurisdiction pleading in W.P.(C) No. 38 of 2017, which asserted in two sentences that the cause arose in Sikkim and the parties were located there. The company carried on lottery business in several States and had an office in Gangtok. The question in the appeals was whether the Sikkim High Court could retain Goa as a respondent to adjudicate this Goa-notification challenge.

Pinpoint: Paragraphs 2-6 and 9-13; official PDF pages 2-8. Historical underlying prayers: paragraph 10, page 6.

02 Court Discussion

Territorial jurisdiction must be tested on the petition's pleaded facts, taken as true for that purpose. Article 226(2) requires that at least part of the cause of action arise within the High Court's territory. The relevant facts must be material, essential or integral to the relief claimed and must connect to the subject matter of the challenge; merely incidental or irrelevant circumstances do not confer jurisdiction. In this case the liability to Goa arose from lottery-ticket business carried on in Goa. Having the company's office in Gangtok did not itself form an integral part of the cause of action, and the petition did not plead an adverse legal consequence within Sikkim arising from the Goa levy. The Court expressly left the differential-rate issue to the merits of the litigation. It also gave an alternative reason: even if a slender part of the cause arose in Sikkim, the High Court should have considered forum conveniens. A small territorial connection does not compel a High Court to exercise its discretionary writ jurisdiction. The reasoning is consequently tied to the

pleaded cause of action and proper forum, rather than an absolute rule that a State notification can never be challenged outside that State.

Pinpoint: Paragraphs 14-18; official PDF pages 8-12. Plead-fact test: paragraphs 14-15; application and express merits reservation: paragraphs 16-17; forum conveniens: paragraph 18.

03 Decision

The Supreme Court allowed all three civil appeals without costs and set aside the Sikkim High Court's common judgment and order dated 6 June 2018. Goa was deleted from the array of respondents in W.P.(C) Nos. 36, 38 and 59 of 2017. The interim stay of proceedings before the High Court was vacated, permitting those writ petitions to continue against the other respondents according to law. The respective petitioners were left free to approach the appropriate court to challenge Goa's notification dated 30 June 2017. The Supreme Court neither upheld nor invalidated that levy, decided the lottery valuation or differential-rate questions, nor ordered the claimed refund.

Pinpoint: Paragraphs 19-22; official PDF pages 12-13. Express exclusion of rate merits: paragraph 16, page 11.

04 In Favour Of

State of Goa on territorial jurisdiction and deletion only; GST merits and appropriate-forum challenge left open

In favour of the State of Goa on its jurisdictional objection and request for deletion. This was final disposal of the jurisdiction appeals, with substantive GST questions left undecided and the underlying petitions permitted to continue against other respondents. It was not a Revenue victory on the validity of the lottery rates or a dismissal of every petitioner's substantive challenge.

Pinpoint: Paragraphs 16 and 19-22; official PDF pages 10-13.

05 AKHB REVIEW POINT

AKHB REVIEW POINT: Before filing a multi-State GST writ challenge, map each impugned notification or action to the facts needed for the relief against that respondent. Plead where the relevant taxable business, liability and alleged legal injury arise, and explain the nexus to the chosen High Court. An office address or the joinder of central and other State authorities will not by itself establish the necessary territorial connection for every challenged State measure. Address forum conveniens even where some material facts support jurisdiction, and disclose related proceedings where relevant. This decision should be used for forum selection and jurisdictional pleadings. Do not cite it as approving the historic 12%/28% lottery distinction, as determining taxable value, or as establishing a present lottery GST rate. The permission to approach an appropriate court was according to law and was not an express blanket extension of limitation or waiver of procedural requirements.

Pinpoint: AKHB analysis based on paragraphs 2, 12-18 and 19-22; official PDF pages 2-3 and 7-13.

Sources and limitations

Relevant provisions

Constitution of India: article 226, especially clause (2)

Goa Goods and Services Tax Act, 2017 and notification stated in the judgment as No. 01/2017 dated 30 June 2017 (historical lottery-rate challenge)

Central Goods and Services Tax Act, 2017 and Integrated Goods and Services Tax Act, 2017: related 2017 notifications challenged in the underlying writ petitions

Constitution of India: articles 14, 19(1)(g), 301 and 304 (grounds pleaded in the underlying petitions, not decided in these appeals)

Statutory note

Historical-rate qualification: the rates and notification descriptions in this note identify the 2017 challenge recounted by the Court; they are not a statement of the GST rate presently payable on lotteries. This judgment did not determine the validity of the underlying notification, the claimed differential-duty refund, or lottery valuation. No comprehensive later statutory or case-treatment check has been completed.

Treatment note

Primary judgment verified on 12 October 2026. No comprehensive search for subsequent judgments, review proceedings, overruling, legislative amendments or present case status has been completed; current precedential treatment is not certified. This is an AI-assisted source-based AKBH research note, not evidence of human legal review or a substitute for professional advice on the reader's facts.

Scope of source review

Complete 13-page common official judgment, paragraphs 1-22, including all three appeal captions, read in full. Signed bench and date verified on page 13; case numbers and connected parties verified on pages 1-2. Neutral citation 2023 INSC 229 is corroborated by the official Supreme Court eSCR entry; it is not printed on this signed rendition. The judgment records the original notification number and enabling provision as part of the pleaded dispute; no independent verification of the underlying notification's issuance particulars is represented.

Primary source

Source description: Supreme Court of India official signed judgment dated 2023-03-14

Official source: [Open source document](#)

AKHB source PDF: [Open source document](#)

Judges: S. Ravindra Bhat; Dipankar Datta

Outcome kind: procedural

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