IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 19.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.44156 of 2025
and
W.M.P.Nos.49284 and 49285 of 2025

D.Sivakumar ... Petitioner

Vs.

The Deputy State Tax Officer (Vellore Rural),
Vellore Rural Assessment Circle,
Office of the Assistant Commissioner (ST),
Fort Round Road,
Vellore – 632 001. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records relating to the impugned Notice of the Respondent dated 09.10.2025, for levying GST on the Seigniorage Fee / Royalty and DMFT paid for quarrying and transporting mineral for the Tax Period from 2019-2020 to 2023-2024, quash the same.

For Petitioner : Mr.V.Sanjeevi

For Respondent : Mrs.K.Vasanthamala
Government Advocate

ORDER

Mrs.K.Vasanthamala, learned Government Advocate takes notice for the Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner and the learned Government Advocate for the Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned

Show Cause Notice in Form GST ASMT-14 dated 09.10.2025 under Section 63 of the respective GST enactments read with Rule 100(2) of the respective GST Rules.

4. The Petitioner has neither obtained registration nor paid GST to the Government on the Seigniorage fee/Royalty for quarrying and transporting of mines and minerals under the Reverse Charge Mechanism (RCM). The Petitioner had also not made any contributions to the District Mineral Foundation Trust (DMFT).

5. Under similar circumstances, this Court has passed orders by remitting the case back subject to the outcome of the decision of the Hon'ble Supreme Court regarding the dispute relating to levy of GST on the Seigniorage fee/Royalty paid for quarrying mines and minerals. In this connection, a reference is made to the decision of this Court in **S.Pichandhi, Proprietor of Sri Murugan Ready Mix Concrete and Blue Metal**

Industries, Vellore Vs. **The Deputy State Tax Officer, Vellore Rural Assessment Circle, Vellore**, in W.P.Nos.35883 and 35889 of 2025 dated 25.09.2025. Relevant portion of the order is reproduced below:-

> ***"3. In these Writ Petitions, the Petitioner has challenged the impugned Notices in FORM GST DRC-01A dated 16.06.2025 for the Tax Period 2021-2022 and 2020-2021 respectively.***
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> ***4. The learned counsel for the Petitioner submits that the issue is now pending before the Hon'ble Supreme Court, as the dispute pertains to levy of GST on the Seigniorage fee/Royalty paid for quarrying and transporting mineral.***
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> ***5. Considering the fact that the issue is pending before the Hon'ble Supreme Court, I am inclined to dispose of these Writ Petitions at the admission stage, by directing the Respondent to keep all the proceedings in abeyance.***
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> ***6. The Respondent shall await the orders to be passed by the Hon'ble Supreme Court and thereafter proceed in accordance with law. The Petitioner shall however deposit 10% of the disputed tax as security, in line with the directions issued in the Petitioner's own case earlier."***

6. Considering the facts and circumstances of the above case in W.P.Nos.35883 and 35889 of 2025, which are almost identical to the facts of the present case, this Court is of the view that the aforesaid order will hold good in respect of the present Writ Petition also. Accordingly, this Writ Petition stands disposed of on the same terms. No costs. Connected Writ Miscellaneous Petitions are closed.

19.11.2025

Neutral Citation : Yes / No

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To:
The Deputy State Tax Officer (Vellore Rural),
Vellore Rural Assessment Circle,
Office of the Assistant Commissioner (ST),
Fort Round Road,
Vellore – 632 001.

C.SARAVANAN, J.

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