IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.11.2025

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.45382 of 2025
and
W.M.P.Nos.50558 and 50560 of 2025

Tvl.Sundaramoorthy Bluemetals,
Represented by its Proprietor
S.Sundaramoorthy ... Petitioner

Vs.

1.The State Tax Officer,
Office of the Joint Commissioner (ST),
Intelligence - II,
No.1, PAPJM Buildings,
Room No.104, Chennai - 600 006.

2.The Superintendent,
Office of the Superintendent of
GST & Central Excise,
Kancheepuram Range,
No.27/10 E, Nagareeswarar Koil Street,
Knachipuram - 631 501. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorari, to call for the records of the impugned Demand Notice issued by the 2nd Respondent bearing OC No.150 of 2024 dated 12.08.2025 for the Assessment Years 2020-2021, 2021-2022 & 2022-2023 and quash the same.

For Petitioner	:	Mrs.Rukmani Venugopalan
For Respondents	:	
For R1	:	Mr.V.Prashanth Kiran Government Advocate
For R2	:	Mrs.Revathi Manivannan Senior Standing Counsel

ORDER

Mr.V.Prashanth Kiran, learned Government Advocate takes notice for the 1st Respondent and Mrs.Revathi Manivannan, learned Senior Standing Counsel takes notice for the 2nd Respondent.

2. This Writ Petition is being disposed of at the time of admission with the consent of the learned counsel for the Petitioner, learned Government Advocate for the 1st Respondent and the learned Senior Standing Counsel for the 2nd Respondent.

3. In this Writ Petition, the Petitioner has challenged the impugned Demand Notice bearing OC No.150 of 2024 dated 12.08.2025 issued by the 2nd Respondent for levying GST on the seigniorage fee / royalty paid for quarrying and transporting of mines and minerals for the Assessment Years 2020-2021, 2021-2022 and 2022-2023.

4. It is informed by the learned counsel for the Petitioner that the Petitioner has already paid a sum of Rs.2,05,926/- to the Government as against the alleged sum of Rs.24,71,094/- 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.***
>
> ***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.

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.

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.

7. Accordingly, this Writ Petition stands disposed of on the same

terms. In any event, subject to verification, the Petitioner shall pay the difference of the amount as mentioned in Paragraph No.4 of this order, within a period of 30 days from the date of receipt of a copy of this order. No costs. Connected Writ Miscellaneous Petitions are closed.

20.11.2025

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To:

1.The State Tax Officer,
Office of the Joint Commissioner (ST),
Intelligence - II,
No.1, PAPJM Buildings,
Room No.104, Chennai - 600 006.

2.The Superintendent,
Office of the Superintendent of
GST & Central Excise,
Kancheepuram Range,
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C.SARAVANAN, J.

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