BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.09.2025

CORAM

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.23842 of 2025
and
W.M.P.(MD)Nos.18727 and 18728 of 2025

Tvl.Tamaraparani Enterprises and
Reality Private Limited,
Represented by its Director,
Kathir Kamaraj,
S.F.No.119, Srimulakkarai Village,
Srivaikundam Taluk,
Tuticorin - 628620. ... Petitioner

Vs.

1.The State Tax Officer,
Tamil Nadu Commercial Tax Department,
Tuticorin III Circle, 282-North Beach Road,
Tuticorin-628001.

2.The Deputy Commissioner (Appeal),
Camp at Tirunelveli, Ground Floor,
Commercial Tax Building,
A.R.Line Road,
Tirunelveli - 627002. ... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, calling for the records in respect of impugned Orders under Section 73 of the TNGST Act, 2017 under Reference No.ZD3302251957654 dated 20-02-2025 and Form GST DRC-07 Summary of the Order dated 20-02-2025 along with Order No.33AACCT9358F2Z6/2020-21 dated 20-02-2025 passed by the First Respondent and Quash the same as it is illegal and in gross violation of principles of natural justice and further direct the First Respondent to pass orders afresh after providing opportunity of personal hearing as per provisions of the GST Act, 2017.

For Petitioner : Mr.S.Renganathan

For Respondents : Mr.R.Sureshkumar,
Addl. Government Pleader.

ORDER

Heard both sides.

2.The petitioner is a quarry operator. The petitioner accepts that they have to pay tax on royalty charges remitted by them. However, by the impugned assessment order, the first respondent has levied interest and penalty also. It is an *ex parte* order. Challenging the same, this writ petition has been filed.

3.The case on hand pertains to the assessment year 2020 – 2021. The learned counsel for the petitioner draws my attention to the decision of the Hon'ble Supreme Court reported in ***2024 (8) TMI 956 Supreme Court (LB)*** (***Mineral Area Development Authority Etc vs M/s.Steel Authority of India***). The Hon'ble Supreme Court in the said decision had held as follows:-

> "*25. Bearing in mind the consequences that would emanate from the past period, the following conditionalities are directed to prevail:*
>
> *a. While the States may levy or renew demands of tax, if any, pertaining to Entries 49 and 50 of List II of the Seventh Schedule in terms of the law laid down in the decision in MADA (supra) the demand of tax shall not operate on transactions made prior to 1 April 2005;*
>
> *b. The time for payment of the demand of tax shall be staggered in instalments over a period of twelve years commencing from 1 April 2026;*
>
> *c. The levy of interest and penalty on demands made for the period before 25 July 2024 shall stand waived for all the assesses.*"

4.*Prima facie*, it appears that the petitioner's case attracts clauses B and C. Since the learned Additional Government Pleader does not have instruction, I deem it fit and appropriate to quash the impugned order and remand the matter to the file of the first respondent for fresh adjudication as per the law laid down by the Hon'ble Supreme Court in the aforesaid decision.

5.This writ petition is allowed accordingly. No costs. Consequently, connected miscellaneous petitions are closed.

03.09.2025

NCC : Yes/No
Index : Yes / No
Internet : Yes/ No
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To:-

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G.R.SWAMINATHAN, J.

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