IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27-01-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 2227 of 2026 & WP NO. 2231 OF 2026

AND

WMP NO. 2444 OF 2026,WMP NO. 2451 OF 2026,

WMP NO. 2446 OF 2026,WMP NO. 2449 OF 2026,

M/s.Venkateswara Blue Metals
Rep by its Proprietor - Venkatachalam Vadivel,
No.325, Deevattipatti, Omalur,
Salem 636 351

..Petitioner(s)
in both W.P.s

Vs

1. State Tax Officer
   Roving Squad- II/ Adjudication Intelligence,
   Office of The Commercial Tax Officer,
   No.3rd Floor, Commercial Taxes Office
   Building, Pitchards Road, Hasthampatty,
   Salem-7.
2. The Assistant Commissioner
   Omalur Salem 1

..Respondent(s)
in both W.P.s

PRAYER IN W.P.No. 2227 of 2026

Writ Petition filed under Art. 226 of Constitution of India seeking for issuance of Writ of Certiorari, calling for the records relating to the impugned proceedings passed by the 1st Respondent in order vide GSTIN 33ADJPV1562G1ZH / 2018-19 dated 23.09.2024 along with consequential summary of order in FORM GST DRC 07 bearing no. ZD330924148510I dated 23.09.2024 passed under section 74 of the act, along with Rectification of order in FORM GST DRC 08 bearing no. ZD331124279920G Date 28.11.2024 passed under section 161 of the act along with Order for Rejection of Application submitted under Section 128A of the CGST Act, 2017 in FORM GST SPL -07 vide ref no ZD3311252045130 Dated 12.11.2025 passed by the 2nd respondent for FY 2018-19 to quash the same.

PRAYER IN WP No. 2231 of 2026

Writ Petition filed under Art. 226 of Constitution of India seeking for issuance of Writ of Certiorari, calling for the records relating to the impugned proceedings passed by the 1st Respondent in order vide GSTIN 33ADJPV1562G17ZH / 2019-20 dated 23.09.2024 along with consequential summary of order in FORM GST DRC 07 bearing no. ZD3309241486461 dated 23.09.2024 passed under section 74 of the act, along with Rectification of order in FORM GST DRC 08 bearing no. ZD331124280288F Date 28.11.2024 passed under section 161 of the act along with Order for Rejection of Application submitted under Section 128A of the CGST Act, 2017 in FORM GST SPL -07 vide ref no ZD331125202259S Dated 12.11.2025 passed by the 2nd respondent for FY 2019-20 to quash the same.

In both WPs

For Petitioner(s): Ms. R.Hemalatha

For Respondent(s): Mr.C.Harsharaj,
Special Government Pleader

COMMON ORDER

Mr.C.Harsharaj, learned Special Government Pleader takes notice for the Respondents.

2. By this common order, both the Writ Petitions are being disposed of at the stage of admission itself with the consent of the learned counsel for the Petitioner and the learned Special Government Pleader for the Respondents.

3.These Writ Petitions have been filed by the Proprietor of the petitioner herein. In these Writ Petitions, the Petitioner has challenged the following impugned orders passed by the 1st respondent as detailed below:-

Sl.No. (1)	W.P.Nos. (2)	Tax Periods (3)	Date of Show Cause Notice (4)	Date of Impugned Order (5)
1	2227 of 2026	Apr 2018 – Mar 2019	30.05.2024	23.09.2024
2	2231 of 2026	Apr 2019 – Mar 2020	30.05.2024	23.09.2024

4. The aforesaid impugned assessment orders were preceded by the respective Show Cause Notices both dated 30.05.2024 and the respective reminders dated 10.07.2024, 17.07.2024 and 30.07.2024, wherein the petitioner was called upon to appear for personal hearing. However, the petitioner neither filed any replies nor appeared for the personal hearings fixed. Thus, the impugned orders have been passed.

5. The impugned Assessment Orders were rectified by the respective Rectification Orders both dated 28.11.2024.

6.Both the learned counsel for petitioner and learned Special Government Pleader for respondents confirmed that the issue is now subjudice before the Hon'ble Supreme Court of India on the pre-modial issue regarding levy of tax on seigniorage charges payable on the mining royalty payable to the State Government towards license under the Mines and Minerals Act.

7.The learned counsel for petitioner further submitted that the petitioner has already paid the entire disputed tax liability.

8. The learned Special Government Pleader for respondents, however, unable to confirm the same.

9. I have considered the rival submissions made by learned counsel for petitioner and learned Special Government Pleader for respondents.

10. Following the consistent view taken by this Court under similar circumstances, the impugned orders are quashed and the cases are remitted back to the 1st Respondent to pass a fresh order subject to the decision to be taken by Hon'ble Supreme Court of India on account of tax to be paid on Seigniorage fees to the mining department and re-do the exercise subject to the Petitioner depositing 10% of the disputed tax in cash or from the Petitioner's Electronic Credit Ledger within a period of thirty (30) days from the date of receipt of a copy of this order.

11. Within such time, the petitioner shall also file replies to the respective Show Cause Notices together with requisite documents to substantiate the same by treating the respective impugned orders an addendum to the respective Show Cause Notices.

12. Any amount recovered from the petitioner or any amount already paid by the petitioner towards the tax liability for the respective tax periods, the same shall be set off for the purpose of pre-deposit as ordered above.

13. In case the Petitioner complies with the above stipulations, the 1st Respondent shall proceed to pass final orders on merits and in accordance with law as expeditiously as possible, preferably, within a period of three (3) months of such reply/pre-deposit. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner shall also stand automatically vacated.

14. It is made clear that bank attachment shall be lifted subject to the deposit of aforesaid disputed tax as ordered above and the petitioner not being in arrears any other amount for any other tax period barring the amount demanded under the impugned orders.

15. In case the Petitioner fails to comply with any of the stipulations, the 1st Respondent is at liberty to proceed against the Petitioner to recover the tax in accordance with law as if these Writ Petitions were dismissed *in limine* today.

16. It is needless to state, before passing any such order, the 1st Respondent shall give due notice to the Petitioner.

17. Both the Writ Petitions stand disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

27-01-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
RPP

To

1. State Tax Officer
   Roving Squad- II/ Adjudication Intelligence,
   Office of The Commercial Tax Officer,
   No.3rd Floor, Commercial Taxes Office
   Building, Pitchards Road, Hasthampatty,
   Salem-7.

2. The Assistant Commissioner
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C.SARAVANAN J.

RPP

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