IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24-02-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 7459 of 2026
AND
WMP NO. 8033 OF 2026,WMP NO. 8035 OF 2026,WMP NO. 8036 OF 2026,WMP NO. 8034 OF 2026,WMP NO. 8037 OF 2026,WMP NO. 8038 OF 2026,WP NO. 7460 OF 2026,WP NO. 7461 OF 2026

P Dineshkumar
S/o.late Mr.Panneerselvam, Proprietor of Tvl. Sri Karpaga Vinayagar Mines), No.89 Vanniya Mettu Street, Arpakkam Post Arpakaam Kancheepuram, Tamil Nadu 631603.

..Petitioner(s)

Vs

The Assistant Commissioner (ST) FAC
Kancheepuram Rural Assessment Circle,Kancheepuram, Tamil Nadu.

..Respondent(s)

WP No. 7460 of 2026

P Dineshkumar
S/o.late Mr.Panneerselvam, Proprietor of Tvl. Sri Karpaga Vinayagar Mines), No.89 Vanniya Mettu Street, Arpakkam Post Arpakaam Kancheepuram, Tamil Nadu 631603.

..Petitioner(s)

Vs

The Assistant Commissioner (ST) FAC

..Respondent(s)

WP No. 7461 of 2026

P Dineshkumar
S/o.late Mr.Panneerselvam, Proprietor of Tvl. Sri Karpaga Vinayagar Mines), No.89 Vanniya Mettu Street, Arpakkam Post Arpakaam Kancheepuram, Tamil Nadu 631603.

..Petitioner(s)

Vs

The Assistant Commissioner (ST) FAC

..Respondent(s)

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorari calling for the records on the files of the Respondent herein in order Ref No GSTIN 33BJLPP4085M1ZM 2021 22 dated 31st December 2025 issued along with the summary of the order in GST DRC 07 no ZD331225466178A dated 31st December 2025 for the assessment year between April 2021 to March 2022 and quash the same.

WP No. 7460 of 2026

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorari calling for the records on the files of the Respondent herein in SCN in GSTIN. 33BJLPP4085M1ZM 2020 -2021 dated 18th August, 2025 issued along with the summary of the order in GST DRC 07 no ZD3308251761293 dated 18th August 2025 for the period between April 2020 to March 2021 and quash the same.

WP No. 7461 of 2026

Writ Petition is filed under Article 226 of the Constitution of India praying for issuance of a writ of certiorari calling for the records on the files of the Respondent herein in SCN Ref No GSTIN 33BJLPP4085M1ZM 2022 23 dated 18th August 2025 issued along with the summary of the SCN in GST DRC 07 no ZD330825176222F dated 18th August 2025 for the period between April 2022 to March 2023 and quash the same.

In all petitions:

For Petitioner(s): Ms.S. Vishnupriya

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

COMMON ORDER

Heard Ms.S.Vishnupriya, the learned counsel for the petitioner and Mr.C.Harsharaj, the learned Special Government Pleader for the respondents.

2. By this common order all these three petitions are disposed at the time of admission after hearing the learned counsel for the petitioner and the learned counsel for the respondents.

3. In W.P.Nos.7460 & 7461 of 2026, the petitioner has challenged the respective Show Cause Notices in DRC – 01 both dated 18.08.2025 issued by the respective respondent for the tax period 2020-2021, 2022-2023.

4. In W.P.No.7459/2026, the petitioner has challenged the impugned Assessment Order dated 31.12.2025 for the Tax Period 2021-2022. By the impugned Show Cause Notice, the petitioner has been called upon to explain as to why he should not be asked to pay tax on reverse charge basis under Section 9 of the respective GST Enactments on the seigniorage fee payable to the State Government.

5. The case of the petitioner is that the petitioner is the son of the deceased assessee late Mr.Paneerselvam, Proprietor of Tvl. SRI KARPAGA VINAYAGAR MINES whose GST registration was cancelled on 19.11.2020, after the death of Mr.Paneerselvam.

6. It is submitted that neither mining activity was carried on nor any seigniorage fee was paid to the State Government for mining. However, it is noted that the Show Cause Notice itself records that from the data recovered, amount was paid towards seigniorage fee to the Government.

7. The learned counsel for the petitioner, at this stage, consents that the petitioner is willing to pre-deposit 10% of the disputed tax confirmed vide Assessment Order dated 31.12.2025 impugned in W.P.No.7459/2026 and 10% of the disputed tax proposed in Show Cause Notices in DRC – 01 both dated 18.08.2025 impugned in W.P.Nos.7460 & 7461 of 2026 without prejudice to

the rights of the petitioner as a condition for *de novo* adjudication.

8. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the Respondent to pass a fresh order after the Hon'ble Supreme Court gives its verdict on the tax liability on the seigniorage fee on reverse charge mechanism, subject to the Petitioner depositing 10% of the disputed tax confirmed vide Assessment Order dated 31.12.2025 impugned in W.P.No.7459/2026 and 10% of the disputed tax proposed in Show Cause Notices in DRC – 01 both dated 18.08.2025 impugned in W.P.Nos.7460 & 7461 of 2026 in cash or from the Petitioner's Electronic Cash Register within a period of thirty (30) days from the date of receipt of a copy of this order.

9. Recovery of balance tax shall be however subject to orders of the Hon'ble Supreme Court on payment of Seigniorage fee or Royalty fee for quarrying. In case decision of the Hon'ble Supreme Court is in favour of the Petitioner, the tax amount now directed to be pre-deposit shall be refunded back or re-credited in the Petitioner's Electronic Cash Register. In case, the Hon'ble Supreme Court decides the case against the Petitioner, the Petitioner shall pay the tax amount subject to such amount as may be ordered to be paid.

10. Therefore, the Petitioner shall also file a reply to the Show Cause Notice dated 24.07.2025 in GST DRC-01 together with requisite documents to substantiate the defence within a period of thirty (30) days from the date of receipt of a copy of this order.

11. In case the Petitioner complies with the above stipulations, the Respondent shall proceed to pass a final order in line with the order of the Hon’ble Supreme Court on the Seigniorage fee or Royalty payable for quarrying. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner if any, shall also stand automatically vacated.

12. It is made clear that bank attachment, if any, shall be lifted subject to the Petitioner depositing 25% of the disputed tax as ordered above and the Petitioner not being in arrears of any other amount for any other tax period barring the amount demanded under the impugned Order.

13. In case the Petitioner fails to comply with any of the stipulations, the Respondent is at liberty to proceed against the Petitioner to recover the tax in accordance with law as if this Writ Petition was dismissed *in limine* today.

14. Needless to state, before passing any such order, the Respondent shall give due notice to the Petitioner.

15. These Writ Petitions stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

24-02-2026

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

BKN

To:

The Assistant Commissioner (ST) FAC
Kancheepuram Rural Assessment Circle,Kancheepuram, Tamil Nadu.

C.SARAVANAN J.

BKN

WP No. 7459 of 2026
AND
WMP NO. 8033 OF 2026,WMP NO. 8035 OF 2026,WMP NO. 8036 OF 2026,WMP NO. 8034 OF 2026,WMP NO. 8037 OF 2026,WMP NO. 8038 OF 2026,WP NO. 7460 OF 2026,WP NO. 7461 OF 2026

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