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IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 05-03-2026**

CORAM

**THE HON'BLE MR JUSTICE C. SARAVANAN**

**WP No. 8867 of 2026**
**and**
**W.M.P.Nos.9553 and 9556 of 2026**

A Perumal

..Petitioner(s)

Vs

The Deputy State Tax Officer – 2,
O/o The Assistant Commissioner (ST),
Krishnagiri - 2 Assessment Circle,
Hosur Division,
Krishnagiri.

..Respondent(s)

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 respondent in his proceeding in GSTIN:33BGEPP4955L1ZZ (A.Y.2019-20) and quash the proceeding dated 29.09.2025 passed therein.

For Petitioner(s): Mr.Raveendran B

For Respondent(s): Ms.Amirtha Poonkodi Dinakaran
Government Advocate

**ORDER**

Ms.Amirtha Poonkodi Dinakaran, learned Government Advocate takes notice for the Respondent.



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2. This Writ Petition is being disposed of at the stage of admission itself 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 DRC – 01 dated 29.09.2025 passed by the Respondent, wherein the Petitioner was proposed to pay the tax for the Tax Period 2019 – 2020, on account of the Hon'ble Supreme Court on payment of Seigniorage fee or Royalty fee for quarrying.

4. The learned counsel for the Petitioner submits that the challenge to the impugned Show Cause Notice is that the decision is pending before the Hon'ble Supreme Court on the tax payable on reversed charge mechanism on account of the Hon'ble Supreme Court on payment of Seigniorage fee or Royalty fee for quarrying.

5. It is submitted that the other issue is concerned, the Respondent shall pass a separate order on merits.

6. Under similar circumstances, cases have been remitted back to the Respondent to pass a order(s) on terms subject to such Assessee depositing 10%



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to 100% of the disputed tax depending upon the length of delay in approaching the Court. I do not find any reason to take a different view in this case.

7. Therefore, the case is remitted back to the Respondent to pass an order subject to the Petitioner depositing 10% of the disputed tax in cash 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.

8. 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.

9. Therefore, the Petitioner shall file a reply to the Show Cause Notice dated 29.09.2025 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.



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10. 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 payment of Seigniorage fee or Royalty fee for quarrying. Subject to the Petitioner complying with the above stipulations, the attachment of the bank account of the Petitioner shall also stand automatically vacated.

11. It is made clear that attachment of Petitioner's bank account shall be lifted subject to Petitioner depositing 10% of the disputed tax as ordered above and subject to Petitioner is not being in arrears of any other amount barring the amount demanded under the impugned Show Cause Notice.

12. 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.

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



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14. This Writ Petition stands disposed of with the above observations. No costs. Connected Writ Miscellaneous Petitions are closed.

**05-03-2026**

Neutral Citation: Yes/No
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To

The Deputy State Tax Officer 2
O/o The Assistant Commissioner (ST)
Krishnagiri 2 Assessment Circle,
Hosur Division
Krishnagiri.



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**C.SARAVANAN, J.**

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