IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-06-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 23197 of 2026
and W.M.P.No.25151 of 2026

R.Vijayakumar, S/o.Ramanathan,
No.3/116, South Street, Kannaiyar Village,
Ulundurpet Taluk-606 107, Kallakurichi District.

..Petitioner(s)

Vs

The Superintendent, office of the Superintendent of GST and Central Excise, Commissionerate of Kallakurichi Range, Villupuram Division, Chennai Outer, Old Telephone Exchange Building, BSNL Campus, Hospital Road, Villupuram-605 602

..Respondent(s)

PRAYER: Writ Petition filed under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorari, calling for the records relating to the impugned order bearing OC.No.306/2025 dated 15.10.2025, issued to the Petitioner by the Respondent herein for Assessment, Levy and collection of GST and quash the same, in so far as the demand of GST on the Seigniorage fee/royalty paid by the Petitioner to the Geology and Mining Department under RCM for mining operations.

For Petitioner(s): Mr.T.R.Sathiyamohan

For Respondent(s): Mr.Rajendran Raghavan, Sr. SC

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ORDER

In this writ petition, an order imposing GST on seigniorage / royalty are challenged on the ground of breach of principles of natural justice.

2. Learned counsel for the petitioner relies on an earlier order of this Court dated 17.04.2026 in W.P.No.15121 of 2026.

3. Mr.Rajendran Raghavan, learned Government Counsel, accepts notice for the respondent.

4. In similar cases, wherever an assessment order has been issued, such order has been set aside subject to the condition that the petitioner remits 10% of the tax demanded under the impugned order. On instructions, learned counsel for the petitioner agrees to remit 10% of the tax demand under the order impugned herein. He has made an endorsement to that effect on the bundle.

5. Since the legal issue as to whether GST may be imposed on seigniorage is pending consideration before the Hon'ble Supreme Court, any order passed pursuant to this remand shall be subject to the outcome of proceedings before the Supreme Court. Therefore, such order shall not be implemented until the decision of the Supreme Court is received.

6. With these observations, the order impugned herein is set aside and the matter is remanded for re-consideration, subject to the condition that the petitioner remits 10% of the tax demand within ***thirty days*** from the date of receipt of a copy of this order. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued within ***three months*** from the date of remittance of 10% of the tax demand by the petitioner.

7. This writ petition is disposed of on the above terms. There shall be no order as to costs. Consequently, the connected writ miscellaneous petitions are closed.

30-06-2026

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

To

The Superintendent, office of the Superintendent of
GST and Central Excise, Commissionerate of
Kallakurichi Range, Villupuram Division, Chennai
Outer, Old Telephone Exchange Building,
BSNL Campus, Hospital Road,
Villupuram-605 602

SENTHILKUMAR RAMAMOORTHY, J.

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