IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-06-2026

CORAM

THE HON'BLE MR JUSTICE SENTHILKUMAR RAMAMOORTHY

WP No. 21581 of 2026
and W.M.P.Nos.23368 & 23373 of 2026

Shri A Sivanandhan
Mettu Street,Vada Nergunam Village,
Marakkanam Taluk, Villupuram 604 301

..Petitioner(s)

Vs

The State Tax Officer
Tindivanam assessment circle, 2nd Floor, 136,
nehru street, commercial tax office,
Tindivanam - 604305.

..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 records pertaining to the issue of the impugned demand order in the form ASMT-15 bearing no.TEMP 332500004412TMP dated 23.02.2026 passed by the respondent and quash the same as the same being arbitrary, contrary to the provisions of Section 63/74 of the CGST Act, passed in violation of the principles of natural justice in as much as the reply filed by the petitioner was not at all taken into account without authority of law and also in contravention articles 14, 19(1)(g) and 265 of the Constitution.

For Petitioner(s): Mr.G Natarajan

For Respondent(s): Ms.Amirta Poonkodi Dinakaran, Government Counsel (Tax)

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ORDER

An order dated 23.02.2026 imposing seigniorage / royalty and tax on alleged value of material despatched for the year 2023-24 is challenged.

2. Learned counsel for the petitioner submits that the petitioner's lease was from August 2009 to August 2019 and that the tax officer proceeded to impose seigniorage and tax in spite of producing the lease deed along with reply dated 09.02.2026. He also refers to letter dated 11.03.2026, which was obtained subsequently from the Assistant Director, Mines Department.

3. Ms.Amirta Poonkodi Dinakaran, learned Government Counsel (Tax), accepts notice for the respondent. She submits that the petitioner contested the proceeding, but failed to produce letter dated 11.03.2026 at that time.

4. The petitioner's reply dated 09.02.2026 is on record. Along with such reply, the petitioner enclosed lease agreement dated 24.08.2009. Such lease agreement discloses that the lease period was from 24.08.2009 to 23.08.2019.

Thus, there was evidence that the lease period expired much before the relevant assessment period. The petitioner has also obtained a letter dated 11.03.2026 from the Assistant Director, Mines Department, Villupuram supporting the contention.

5. In the facts and circumstances outlined above, the impugned order cannot be sustained and is hereby set aside. As a corollary, the matter is remanded for re-consideration. After providing a reasonable opportunity to the petitioner, including a personal hearing, a fresh order shall be issued within ***three months*** from the date of receipt of a copy of this order.

6. 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.

16-06-2026

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

To

The State Tax Officer
Tindivanam assessment circle, 2nd Floor, 136,
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SENTHILKUMAR RAMAMOORTHY, J.

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