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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.02.2026

CORAM :

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.No.3410 of 2026
and
W.M.P.Nos.3839 and 3841 of 2026

Manavalan Govindanaidu ... Petitioner

Vs.

The Assistant Commissioner (ST) (FAC) / Commercial Tax Officer
Kancheepuram (Rural) Asessment Circle
1st Floor Commercial Tax Office,
Collectorate Campus,
Kanchipuram 631 501. ... Respondent

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 impugned Order issued by the Respondent in GST/33EGDPM5605Q1Z1/2022-23 dated 18.08.2025 along with impugned Order and Summary of Order in Form GST DRC-01 bearing Reference No.ZD330825176011M dated 18.08.2025 and quash the same.

For Petitioner : M/s.Rukmani Venugopalan

For Respondent : Mrs.P.Selvi,
Government Advocate

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ORDER

Mrs.P.Selvi, learned Governmnet Advocate takes notice for the Respondent.

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 dated 18.08.2025, wherein the tax liability on account of RCM on Seignorage fee, mismatch in outward supply (Form GSTR-3B) and Non-raising of e-way bill for outward supply has been prposed against the petitioner.

4. It is noticed that the Petitioner had failed to file a reply to the aforesaid Show Cause Notice.

5. At this stage, the learned counsel for the Petitioner submits that the Petitioner is willing to pre-deposit 10% of the tax liability as a condition for *denovo* adjudication.

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6. Under similar circumstances, cases have been remitted back to the Respondent to pass an order on terms subject to such Assessee depositing 10% to 100% of the tax liability 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, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the Respondent to pass order on merits subject to the Petitioner depositing 10% of the tax liability porposed vide impugned Show Cause Notice 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.

8. The Revenue shall pass a fresh order in respect of the impugned order dated 18.08.2025, subject to the decision of the Hon'ble Supreme Court on the Seigniorage fee / royalty payable to the Government for the minerals.

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9. Within such time, the Petitioner shall also file a reply to the Show Cause Notice in GST DRC-01 dated 18.08.2025 together with requisite documents to substantiate the defence.

10. It is made clear that bank attachment shall be lifted subject to the Petitioner depositing 10% of the tax liability 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.

11. 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.

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

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13. This Writ Petition stands disposed of with the above observations.

No costs. Connected Writ Miscellaneous Petitions are closed.

03.02.2026

nvi
Neutral Citation: Yes / No

To:

The Assistant Commissioner (ST) (FAC) / Commercial Tax Officer
Kancheepuram (Rural) Asessment Circle
1st Floor Commercial Tax Office,
Collectorate Campus,
Kanchipuram 631 501.

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C.SARAVANAN, J.

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