BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED :05.06.**2026**

CORAM:

THE HON'BLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.14993 of 2026
and
W.M.P(MD)No.11282 of 2026

K Palaniyappan ... Petitioner(s)

\- Vs. -

The State Tax Officer
Virudhunagar-III Assessment Circle,
Virudhunagar ... Respondent(s)

Prayer: Writ Petition is filed under Article 226 of the Constitution of India, praying this Court Writ Petition, filed under Article 226 of the Constitution of India, praying this court to issue a WRIT OF CERTIORARI calling for records pertaining to the impugned order passed by the Respondent vide his order in Temporary ID332500002752TMP/2022-23 dated 23.03.2026 and quash the same as it is illegal, without jurisdiction and in gross violation of Principles of Natural Justice to pass such further or other orders as this Honble High Court may deem fit and proper to the circumstances of the case and thus render justice.

For Petitioner : Mr.A.Satheesh Murugan
For Respondent : Mr.R.Parthiban
Government Standing Counsel

ORDER

This Writ Petition is filed challenging the impugned order in Temporary ID332500002752TMP/2022-23 dated 23.03.2026 issued by the respondent. The impugned order is the order of assessment passed under Section 74 of the Tamil Nadu Goods and Services Act, 2017.

2.The learned counsel for the petitioner would submit that the subject matter in dispute pertains to the levy of GST on seigniorage fees, which is presently pending before the Hon'ble Supreme Court of India. Pending the same, this Court has already held that the authorities shall await for the orders of the Hon'ble Supreme Court of India.

3.Per contra, the learned Additional Government Pleader would submit that this Court has been directing the proceedings to be completed; however, the orders of the Appellate Authority were directed to be kept in abeyance until the orders are passed by the Hon'ble

Supreme Court of India.

4.The learned Additional Government Pleader would produce the orders passed by this Court in ***M/s.Marginal M sand, Represented by its proprietor, S.Abraham Muller vs. the State Tax Officer and another (W.P(MD)No.22159 of 2025 etc)*** and ***Tvl.Rajapalayam Cement and Chemicals Limited vs. the Assistant Commissioner (W.P(MD)No.32352 of 2025).***

5.A perusal of the same, it can be seen that while granting permission to the assessing authorities to complete the proceedings, this Court directed that final orders shall not be passed and that the authorities have to await the orders of the Hon'ble Supreme Court of India.

6.As far as the present case is concerned, it is seen that the order of assessment has been passed. However, even though reply is filed, it is stated that the same is not considered. Additionally, in this case, the petitioner is also raising the question of jurisdiction with reference to section 22 of the Act is also raised by the petitioner which shall also be considered by the authority while reconsidering the issue.

7.In view thereof, considering the fact that the very incidence of tax itself is at large, I am of the view that the petitioner can be granted an opportunity. Normally, this Court imposes a condition of deposit of 25% while granting such an opportunity on equitable considerations. However, since in this case the very incidence of tax itself is at large, no such additional condition is imposed on the petitioner.

8.This Writ Petition is allowed on the following terms:-

(i)The impugned order dated 23.03.2026 shall stand set aside and the matters shall stand remanded back to the file of the respondent for fresh consideration.

(ii)Within two weeks from the date of receipt of a web copy of the order, the petitioner shall file such additional reply along with supporting documents in support of their claim and it is for the respondent to consider the matter afresh. However, final orders shall be kept in abeyance until the orders are passed by the Hon'ble Supreme Court of

India.

(iii)If the order is in favour of the petitioner, then there is no difficulty.

(iv)If the order results in the assessment of tax or imposition of penalty, the same shall be communicated to the petitioner. However, enforcement and further demand of the liability so determined shall be kept in abeyance until the judgment of the Hon'ble Supreme Court of India.

(v)As and when the Hon'ble Supreme Court of India pronounces its Judgment, the petitioner shall be entitled to take further steps, subject to the outcome of the said Judgment.

(vi)No costs. Consequently, connected Miscellaneous Petition is closed.

05.06.2026

NCS : Yes/No
Ns

D.BHARATHA CHAKRAVARTHY.,J.

Ns

To
The State Tax Officer
Virudhunagar-III Assessment Circle,
Virudhunagar

ORDER MADE IN
W.P(MD)No.14993 of 2026
and
W.M.P(MD)No.11282 of 2026

05.06.2026