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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 04-11-2026

CORAM

THE HON'BLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

WP(MD) No. 31425 of 2026

CNR:{HCMD011577512026}

and

WMP(MD) No. 24140 of 2026

Tvl. Devaerakkam Mercy Mary,
Represented by its Proprietor,
J.Mercy Mary,
No. 54, Chellathai Nagar,
Mahilchi Nagar, Palayamkottai,
Tirunelveli District - 627 007.

..Petitioner(s)

Vs

The Assistant Commissioner (ST),
Palayamkottai Assessment Circle,
Tirunelveli.

..Respondent(s)

PRAYER: 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 GSTIN: 33AGKPM2411K2ZJ (Tax Period: 2022-23) dated 03.06.2026 and consequential order passed by the respondent in Reference No.ZD330626036424I dated 04.06.2026 and quashing the same as it is illegal, without jurisdiction and in gross violation of Principles of Natural Justice.

For Petitioner : Mr.A.Satheesh Murugan

For Respondent : Ms.P.Sudarkodi Nachiar
Government Advocate (Taxes)

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ORDER

Order dated 03.06.2026 is assailed primarily on the ground of breach of principles of natural justice.

2. Learned counsel for the petitioner submits that said order deals with imposition of GST on seigniorage.

3. Ms.P.Sudarkodi Nachiar, learned Government Advocate (Taxes), accepts notice for the respondent.

4. On perusal of the impugned order, it is noticeable that said order deals both with GST on seigniorage and non-reporting of taxable supplies. The order was, however, issued without hearing the petitioner. In matters relating to the imposition of GST on seigniorage, the orders impugned therein were set aside subject to the petitioner therein remitting 10% of the tax demand. In this case, the order covers both GST on seigniorage and failure to report taxable supplies. As regards failure to report taxable supplies, subject to remittance of 25% of the tax demand relating thereto, reconsideration is warranted. As regards GST on seigniorage, subject to remittance of 10% of the tax demand, reconsideration is warranted.

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5. On instructions, learned counsel for the petitioner submits that the petitioner agrees to remit 10% of the demand relating to seigniorage and 25% of the demand relating to other issues. An endorsement to that effect has been made.

6. Subject to the petitioner making remittances of 10% and 25%, respectively, as agreed to, within 30 days from the date of receipt of a copy of this order, the impugned order is set aside and the matter is remanded for reconsideration so as to provide an opportunity to the petitioner to contest the matter on merits. After providing a reasonable opportunity to the petitioner, a fresh order shall be issued within five months from the date of the petitioner making the remittances in the manner specified above. As regards seigniorage, any order issued on remand shall not be implemented until the Supreme Court pronounces its judgment on the issue relating to imposition of GST on seigniorage in S.L.P. (Civil) No.37326 of 2017. Subject to fulfilment of the above conditions, the bank attachment relating to the impugned order shall be raised.

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7. This Writ Petition is disposed of on the above terms. There shall be no order as to costs. Consequently, the connected Miscellaneous Petition is closed.

04-11-2026

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

JEN

To
The Assistant Commissioner (ST),
Palayamkottai Assessment Circle,
Tirunelveli.

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SENTHILKUMAR RAMAMOORTHY, J.
JEN

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