



W.P.No.6349 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 12.03.2024

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THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

W.P.No.6349 of 2024
and W.M.P.Nos.7066, 7068 of 2024

V.Mohanraj

... Petitioner

-vs-

The Deputy State Tax Officer,
Intelligence, Hosur Division,
Office of the Joint Commissioner (ST) (Intelligence),
3/47, Sapthagiri Complex, Commercial Taxes Building,
2nd Floor, Gandhi Nagar, Near Five Star Petrol Bunk,
Hosur 635 109.

... Respondent

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, pleased to issue a Writ of Certiorari, calling for the records relating to the impugned Notice of the Respondent dated 29.01.2024 in Form GST DRC-01A in Ref: GSTIN: 33AVWPM8262H1ZZ dated 29.01.2024, for levying GST on the Seigniorage fee / Royalty paid for quarrying and transporting mineral for the Financial year / Tax

1/6



W.P.No.6349 of 2024

period 2018-19 to 2022-23, quash the same.

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For Petitioner : Mr.V.Sanjeevi

For Respondent : Mr.V.Prasanth Kiran, GA (T)

ORDER

In this writ petition, the petitioner has assailed the intimation communicating the GST liability under applicable GST laws in respect of seigniorage fee and turnover from quarrying.

2. Learned counsel placed for consideration the Division Bench Judgment in a batch of cases where the lead case is *A.Venkatachalam v. Assistant Commissioner (ST), Palladam, in W.P.No.30974 of 2022.*

3. The Division Bench of this Court issued the following



W.P.No.6349 of 2024

directions at paragraph 9 of the judgment:

WEB COPY "9. *In these circumstances, we deem it fit and appropriate to issue the following directions:*

(i) *In the cases, where the challenge is made to the show cause notices, the writ petitioners shall submit their objections / representations within a period of four weeks from the date of receipt of a copy of this order.*

(ii) *Upon receipt of the objections / representations from the writ petitioners, the authority concerned shall proceed with the adjudication, on merits and in accordance with law, after affording reasonable opportunity of being heard to the petitioners. However, the orders of adjudication shall be kept in abeyance until the Nine Judge Constitution Bench decides the issue as to the nature of royalty.*

(iii) *It is made clear that there shall be no recovery of GST on royalty until the Nine Judge Constitution Bench takes a decision.*

(iv) *Needless to state that on the matters being decided, the writ petitioners if still aggrieved, shall redress their grievance(s), if any, before the appropriate forum, including by filing appeal(s).*

(v) *Insofar as the challenge to the notification as well as the circular, it is open to the writ petitioners to act upon, after the outcome of the case pending before the Nine Judge Constitution Bench.*

(vi) *It is also made clear that all the contentions are left open for the writ petitioners to raise in appropriate proceedings, after the outcome of*



W.P.No.6349 of 2024

the decision of the Nine Judge Constitution Bench."

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4. In view of the said judgment, this petition is liable to be disposed of on the same terms insofar as it relates to the issue of seigniorage fee. Consequently, the petitioner is permitted to submit his reply to the intimation within a maximum period of *four weeks* from the date of receipt of a copy of this order. The issue relating to GST on turnover from quarrying shall be proceeded with by both parties in accordance with law.

5. W.P.No.6349 of 2024 is disposed of on the above terms. No costs. Consequently, W.M.P.Nos.7066 and 7068 of 2024 are closed.

12.03.2024

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Index : Yes / No
Internet : Yes / No
Neutral Citation: Yes / No

To

The Deputy State Tax Officer,

4/6



W.P.No.6349 of 2024

Intelligence, Hosur Division,
Office of the Joint Commissioner (ST) (Intelligence),
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SENTHILKUMAR RAMAMOORTHY,J

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