

HIGH COURT OF MEGHALAYA
AT SHILLONG

WP(C) No. 177 of 2022

Date of order: 13.05.2022

M/s Hills Cement Company Limited vs. The Union of India & Ors.

Coram:

Hon'ble Mr. Justice Sanjib Banerjee, Chief Justice
Hon'ble Mr. Justice W. Diengdoh, Judge

Appearance:

For the Petitioner : Mr. D. Saraf, Adv. with
Mr. P.K. Agarwal, Adv.

For the Respondents : Dr. N. Mozika, ASG with
Ms. L. Jana, Adv.

The issue here pertains to the applicability of goods and services tax on royalty paid for mining limestone in the State. The parties agree that the larger issue as to whether tax has to be paid on mining royalty is pending before the Supreme Court.

The petitioner has relied on an order dated October 4, 2021 where the special leave petition involving a similar question was directed by the Supreme Court to be tagged with the matter wherein the issue is as to whether any GST is payable on royalty. The interim relief granted by the Supreme Court in such case, WP (Civil) No. 1076/2021, was unconditional as the demand for GST for grant of mining lease/royalty was directed to remain stayed.

Accordingly, the demand in the present case as contained in the impugned notice dated February 7, 2022 will remain stayed, pending disposal of this petition.

Affidavit-in-opposition be filed within six weeks; reply thereto, if any may be filed within a fortnight thereafter. Let the matter appear eight weeks hence.

Since the issue as to whether GST would be applicable on royalty is pending before a Constitution Bench, this matter may have to await the outcome of the case before the Supreme Court.

List on July 8, 2022.

(W. Diengdoh)
Judge

(Sanjib Banerjee)
Chief Justice

Meghalaya
13.05.2022
"Sylvana PS"

