

JSW Steel moves Bombay HC against Goa cess of ₹156 crore

OUR BUREAU

Mumbai, November 25

JSW Steel has moved the Bombay High Court against the Goa government's claim of ₹156 crore toward unpaid cess under the State's Rural Improvement and Welfare Cess Act, 2000, for transport of coal.

In a writ petition, the company had challenged the applicability of the Act on goods transported by rail, and the issuance of a show-cause notice for non-payment of the cess to the extent of ₹156 crore.

The case came up for admission on October 22 and was heard on a preliminary basis. JSW Steel challenges maintainability of the demand stating that the constitutional vires of the Act was being challenged in the instant case,

which did not require the issuance of any particular notice. The case will come up for further hearing on Thursday.

Earlier, the Goa government had given JSW Steel time till November 24 to pay the dues. The company is among 19 corporates issued notices for recovering cess dues of over ₹201 crore.

Under the 2000 Law, owners of all "carrier transporting material" are supposed to pay a cess under schedule-I, with the amount going towards rural improvement. Goa government has estimated this cost at ₹50 per tonne for 3,12,69,986 tonne of coal transported through the Mormugao Port Trust to the JSW Steel plant in Karnataka between July 2014 and July 2018, said the notice.