

Gujarat Mineral Development Corporation Limited

August 28, 2024

The Hon'ble Supreme Court of India, in a recent judgement, has upheld the power of State Governments to tax mineral rights and mineral-bearing lands. Furthermore, the bench, vide its judgement dated August 14, 2024, has also concluded that the States may levy or renew demand of such tax (if any) in a retrospective manner, on transactions made on or after April 01, 2005. The said judgement further states that, should the States choose to exercise this retrospective option, then the total amount due from an assessee can be paid over a period of 12 years, beginning April 1, 2026, without any interest or penalties.

CARE Ratings Ltd. shall continue to assess the impact (if any) of the afore-mentioned ruling of the Hon'ble Supreme Court of India on entities involved in mining operations and appropriately review the ratings as and when further clarity emerges.

Please refer to the following link for Care Ratings Ltd's previous Press Release on Gujarat Mineral Development Corporation Limited which captures amongst other things the rationale and key rating drivers along with their detailed description, rating sensitivities, liquidity position, and brief financial indicators. [Click here](#)

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About us:

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