

**Serial No.01**  
**Regular List**

**HIGH COURT OF MEGHALAYA**  
**AT SHILLONG**

PIL No.8/2022

Date of Order: 02.05.2023

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Champer M. Sangma Vs. State of Meghalaya & ors

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**Coram:**

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

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**Appearance:**

For the Petitioner : Mr. S. Dey, Adv with  
Mr. S Deb, Adv

For the Respondents : Mr. K. Khan, AAG with  
Mr. S. Sengupta, Addl.Sr.GA  
Ms. R. Colney, GA  
Mr. D. Nath, GA (For State of Assam)  
Dr. N. Mozika, DSGI with  
Ms. A. Pradhan, Adv  
Mr. P. Bora, Sr.Adv for R/14

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- i) Whether approved for reporting in Law journals etc.: Yes/No
- ii) Whether approved for publication in press: Yes/No
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It appears from the documents on record that between December 14, 2021 and May 25, 2022, a total of 1,74,725 MT of coal was exported by Jai Maa Coal Private Limited of Beltola, Guwahati to Bangladesh through the Gasuapara Land Customs Station.

2. There is a letter on record issued by the Mining and Geology Department of the Government of Meghalaya granting permission to Jai

Maa for export of coal “originating from outside the State” through Gasuapara LCS. This permission was for a period of one month from the date of issuance of the letter. For reasons not immediately clear, the Deputy Commissioner, South Garo Hills modified the government order to allow transportation from December 7, 2021 to January 7, 2022. However, what is important is that the first condition in the Deputy Commissioner’s order of December 7, 2021, which appears as annexure-2 to the preliminary report filed by the State of Meghalaya in the present proceedings, stipulated that the vehicles carrying the coal “should possess the valid documents from the originating State as well as other valid documents...” The relevant order was marked, inter alia, to the Superintendent of Customs, in-charge of Gasuapara LCS.

3. Pursuant to a previous direction of this Court, notice has been issued to the Customs authorities and Dr. Mozika, learned DSGI, appears for the Customs authorities. On a query from the Court as to what documents are inspected by the officials at the Gasuapara LCS before permitting coal to be exported to Bangladesh, it is submitted that the permission from the State government and the e-way bills produced by the exporter are the documents which ought to be looked at. However, it is evident from the order of December 7, 2021 passed by the Deputy Commissioner of South Garo that valid documents from the originating

State had to be produced as a condition precedent to the export being permitted.

4. The respondent No.14 is represented and submits that most of the coal that was exported during the relevant time by Jai Maa was upon conducting open purchase from around the Beltola region of Guwahati where there is an open sale of coal in large quantities on a daily basis. However, an affidavit filed by the State of Assam in the present proceedings includes a letter dated February 14, 2022 addressed by the Assistant Commissioner of State Tax, Guwahati Unit-A to the officer-in-charge of Basistha Police Station alleging, inter alia, as follows:

“I have the honour to submit a first information report against Sri Dharambir Singh, S/o Sri Ram Sarup Singh ... who is the proprietor of M/s Bittu Coal Traders ... for having purportedly committed the offence of fake bill trading (sales) mainly in connivance with M/s Jai Maa Coal Pvt. Ltd... where Sri Youdhistra Bhama, is one of the Directors, M/s Vaishno Devi Traders Pvt. Ltd. where Sri Balwan Bhama is one of the Directors, M/s Jai Maa Coal Pvt. Ltd. of Meghalaya where again Sri Youdhistra Bhama is one of the Directors and M/s Pahal Coal Traders Pvt. Ltd. where Sri Tapan Jyoti Bhuyan and Aparajita Bhuyan are the Directors...

“Between the period March, 2019 and March, 2021, the taxpayer (*Bittu Coal Traders*) made a total outward supplies (sales) of coal worth Rs.82.16 crore to 4 nos. of dealers namely – M/s Jai Maa Coal Pvt. Ltd. of Meghalaya, M/s Vaishno Devi Traders Pvt. Ltd. of Assam, M/s Jai Maa Coal Pvt. Ltd. of Assam and M/s Pahal Coal Traders Pvt. of Assam.

“These sales were made by Bittu ... without any e-way bill, by which it had been passing fake tax credit to M/s Jai Maa Coal Pvt. Ltd. of Meghalaya, M/s Vaishno Devi Traders Pvt. Ltd. of Assam, M/s Jai Maa Coal Pvt. Ltd. of Assam and M/s Pahal

Coal Traders Pvt. of Assam by creating a fictitious supply chain through generation of fake tax invoices without actual sale of goods ...”

“From August, 2017 till January, 2022, M/s Bittu Coal Traders has made total purchase ... worth Rs.83.02 crore of which only Rs.13.80 lakh are made by generating of e-way bill.

“... It is also found that coal is shown moving from Meghalaya to Assam and again same coal has been sold back to Meghalaya which is very absurd. It goes against the business feasibility. There will indeed be a huge transportation cost and no sensible business mind will bring coal from a certain party in Meghalaya to Assam and again sell the same coal back to the same party in Meghalaya.”

5. In the light of the huge quantum of coal exported during the relevant period by Jai Maa through the Gasuapara LCS, it is imperative to seek the following details:

- (i) Documents evidencing the origin of the coal exported by Jai Maa during the relevant period through Gasuapara LCS, both from the Gasuapara LCS authorities and from Jai Maa;
- (ii) Verification by the State of Assam to indicate whether it was possible for Jai Maa to purchase such quantity of coal from the alleged open market in Beltola, Assam; and,
- (iii) Whether, in fact, it was so done.

6. Both the State of Assam and the Gasuapara LCS authorities should respond to the above queries and produce the best documents in such regard in their possession.

7. In the meantime, no coal should be allowed to be exported from any place in the State of Meghalaya to Bangladesh without both the State

authorities and the relevant LCS authorities being satisfied as to the origin of the mineral and retaining copies of the documents that may be produced by the intending exporter as to the origin of such material.

8. The matter will appear a fortnight hence.
9. List on May 17, 2023.

**(W. Diengdoh)**  
**Judge**

**(Sanjib Banerjee)**  
**Chief Justice**

Meghalaya  
02.05.2023  
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