IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH : NAGPUR

Writ Petition (WP) No. 7840 of 2025

Sunny Polymers through its Partners Shri Chandrashekhar Waman Bokare
Versus
Union of India through the learned Secretary, Ministry of Finance (Department of Revenue), New Delhi and others

Office Notes, Office Memoranda of Coram, appearances, Court's Orders or directions and Registrar's order	Court's or Judge's Order

Shri Anand Parchure, Advocate for the petitioner.
Shri K.R.Lule, AGP for the respondent nos. 3 to 5/State.

CORAM : ANIL L. PANSARE &
NIVEDITA P. MEHTA, JJ.
DATED : 16th JANUARY, 2026.

Heard.

2. The challenge is to imposing Goods Service Tax on the transfer of long term lease-hold rights by the petitioner in favour of third party.

3. Issue involved is covered by the judgment of this Court in the case of *Aerocom Cushions Private Limited Vs. Assistant Commissioner (Anti-Evasion), Nagpur and another in Writ Petition No. 2145 of 2025 dated 09.01.2026,* wherein the Court while analyzing the nature of transfer of leasehold rights held that the transaction is a transfer of benefits arising out of immovable property, which under the law is not regarded as supply of services but rather as a transfer of immovable property itself. The Court further held that the transaction does not involve supply of services in course of or in furtherance of business, and is more akin to an assignment of benefits associated with immovable property, which is

exempt from GST. Consequently, the Court held that the transfer of leasehold rights does not constitute a taxable supply of services under GST.

4. In view of above, for the reasons set out in the judgment, show cause notice dated 30.09.2025 issued by the respondent no.5 is quashed and set aside. Consequences to follow.

5. The writ petition is disposed of in aforesaid terms.

[JUDGE] **[JUDGE]**