

Supreme Court issues ad interim stay on Karnataka High Court judgement in the case of Gameskraft Technologies

In May 2023, the Karnataka High Court (HC), in the case of an online gaming company Gameskraft Technologies Private Limited, quashed the show cause notice proposing demand of approx. INR 21,000 crore along with interest and penalties. The HC held that a game of chance, whether played with stakes or not, is gambling. However, a game of skill, whether played with or without stakes, is not gambling.

The Directorate General of Goods and Services Tax Intelligence (DGGI), filed a Special Leave Petition (SLP) in the Supreme Court (SC), challenging the HC ruling.

The issue was taken up by the SC on 6 September 2023.

The SC directed both the parties to file a common compilation of judgements, statutes and rules which would be relied upon during the hearing and the written submissions. Furthermore, the SC issued an ad interim stay on the Karnataka HC judgement. The case has been listed for hearing on **10 October 2023**.