IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF JUNE 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 18660 OF 2026 (T-RES)

BETWEEN:

M/S. RISHABH CONSTRUCTIONS
PRIVATE LIMITED,
SINCE CLOSED THE BRANCH OFFICE AT
MAP MIL FARM,
NEAR EJIPURA SIGNAL
EJIPURA AGRAM POST,
BENGALURU-560 007
BY ITS CORPORATE OFFICE AT
7TH FLOOR, OKAY PLUS TOWER,
NEAR GOVT. HOSTEL CROSSING,
AJMER ROAD, JAIPUR,
RAJASTAN 302 237
UNDER REGISTERED COMPANIES ACT 1906)
REPRESENTED BY ITS DIRECTOR
MAHENDRA KUMAR SETHI,
AGED ABOUT 69 YEARS,
S/O. LATE SRI. MOHANLAL SETHI,
RESIDING NO. E 209-10,
AMBABARI, OPP. SHIVPARK,
JAIPUR,
RAJASTHAN, PIN 302 039

...PETITIONER

(BY SRI. P.E. UMESH, ADVOCATE FOR
SRI. GOWRISHANKAR PRASAD H R., ADVOCATE)

AND:

1. THE COMMISSIONER OF COMMERCIAL TAXES,
VANIJYA TERIGE KARYALAYA,
GANDHINAGAR,
BENGALURU - 560 009

2. THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES
AUDIT-4.7 DGSTO-04,
TTMC BULIDING, 5TH FLOOR,
BMTC BUS DEPOT, 80 FEET ROAD,
KORAMANGALA,
BENGALURU-560 095.

3. THE DEPUTY COMMISSIONER OF
COMMERCIAL TAXES
AUDIT-4.9 DGSTO-04,
TTMC BULIDING, 5TH FLOOR,
BMTC BUS DEPOT, 80 FEET ROAD,
KORAMANGALA,
BENGALURU-560095.

4. THE DEPUTY COMMISSIONER OF
COMMERCIAL TAXES
AUDIT-4.5 DGSTO-04,
TTMC BULIDING, 5TH FLOOR,
BMTC BUS DEPOT, 80 FEET ROAD,
KORAMANGALA,
BENGALURU-560095.

5. JOINT COMMISSIONER OF COMMERCIAL TAXES,
(APPEALS)-04, 6TH FLOOR,
TTMC BUILDING,
BMTC DEPOT 80 FEET ROAD,
KORAMANGALA,

BENGALURU-560095

...RESPONDENTS

(BY SRI. K. HEMA KUMAR, AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH (A) ADJUDICATION ORDER BEARING OIO NO. 10/2023-24 PASSED BY THE 4.7, ASSISTANT COMMISSIONER OF COMMERCIAL TAXES, AUDIT DGSTO-4, BENGALURU, (2ND RESPONDENT , FOR SHORT), FOR THE FINANCIAL YEAR (FY) 2017-18 UNDER SEC. 73 OF THE GST ACT, WHICH IS PRODUCED ALONGWITH SYSTEM GENERATED ORDER AND SUMMARY OF THE ORDER IN FORM DRC-07 BEARING REFERENCE NO. ZD291223062780E, ALL DATED 21-12-2023 AS PER ANNEXURES - AND CONSEQUENTIAL APPEAL ORDER NO. A (1),(2) AND (3) ZD290126071317B DTD. 06-01-2026 IN GST.AP.NO. 660/2025- 26 PASSED BY THE JOINT COMMISSIONER OF COMMERCIAL TAXES, APPEALS -4, BENGALURU, THE 5TH RESPONDENT, AS PER ANNEXURE E (B) ADJUDICATION ORDER BEARING NO. DCCT/(AUDIT)-4.9/GST/DRC- 7/T.NO. /2024-25 PASSED BY THE DEPUTY COMMISSIONER OF COMMERCIAL TAXES, AUDIT 4.9, DGSTO-4, BENGALURU, (3RD RESPONDENT , FOR SHORT),

FOR THE FINANCIAL YEAR (FY) 2019-20 UNDER SEC. 73 OF THE GST ACT, WHICH IS PRODUCED ALONGWITH SYSTEM GENERATED ORDER AND SUMMARY OF THE ORDER IN FORM DRC-07 BEARING REFERENCE NO. ZD2908240003598, ALL DATED 01-08-2024 AS PER ANNEXURES -B (1), (2) AND (3) HEREWITH (C) ADJUDICATION ORDER BEARING NO. DCCT/(A)-4.5/DGSTO-4/ADJUDICATION/NO.75/2024-25 DTD. 23-08-2024 PASSED BY THE DEPUTY COMMISSIONER OF COMMERCIAL TAXES, AUDIT 4.5, DGSTO- 4, BENGALURU, (4TH RESPONDENT, FOR SHORT), ALSO FOR THE FINANCIAL YEAR (FY) 2019-20 UNDER SEC. 73 OF THE GST ACT, WHICH IS PRODUCED ALONGWITH SYSTEM GENERATED ORDER AND SUMMARY OF THE ORDER IN FORM DRC-07 BEARING REFERENCE NO. ZD2908240873115, BOTH DATED 24-08-2024, AS PER ANNEXURES -C(1) (2) AND (3) AND CONSEQUENTIAL APPEAL ORDER NO. ZD290126149243F DTD. 28- 01-2026 IN GST.AP.NO. 679/2025-26 PASSED BY THE JOINT COMMISSIONER OF COMMERCIAL TAXES, APPEALS -4, BENGALURU, THE 5TH RESPONDENT, AS PER ANNEXURE - F.

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE B M SHYAM PRASAD

ORAL ORDER

The petitioner has called in question the Adjudication Orders and the Summary thereof under Section 73 of the Karnataka Goods and Services Tax Act, 2017/Central Goods and Services Tax Act, 2017 [for short, '*the KGST/CGST Act*'] and the associated Rules. The petitioner has also unsuccessfully called in question these impugned Adjudication Orders in appeals under Section 107 of the KGST/CGST Act, and as such, the petitioner has also impugned these Orders-in-Appeal. The details of the Adjudication Orders, Summary Orders and the Order-in-appeal for the tax periods 2017-18, 2019-20 and 2020-21 are as follows.

Assessment Year	***Adjudication Order with Annexure***	***Summary Order with Annexure***	***Appeal No. and date***
2017-18	*21.12.2023* *OIO No. 10/2023-24* *[Annexure-A1]*	*21.12.2023* *No. ZD291223062780E* *[Annexure -A3]*	GST AP. No. 660/2025-26 06.01.2026 *[Annexure -E]*
2019-20	*01.08.2024*	*01.08.2024*	

	No. DCCT(Audit)-4.9/GST/DRC-7/T.No./2024-25	*No: ZD2908240003598*	
	[Annexure -B1]	*[Annexure -B3]*	
2019-20	23.08.2024	24.08.2024	GST -Appeal No. 679/2025-26 28.01.2026 *[Annexure - F]*
	No. DCCT/(A)-4.5/DGSTO-4(Adjudication) No.75 /2024-25	*No. ZD2908240873115*	
	[Annexure -C1]	*[Annexure -C3]*	
2020-21	10.02.2025	10.02.2025	ZD2901261492691 28.01.2026 *[Annexure -G]*
	No. DCCT(Audit)-4.9/GST/DRC-7/T.No./2024-25	*No. ZD290225035833B*	
	[Annexure – D1]	*[Annexure – D3]*	

2. The proceedings under Section 73 of the KGST/CGST Act are commenced based on audit observations. The petitioner is also served with notices and intimations of personal hearing, but the petitioner has not replied or responded. The adjudication proceedings have culminated with the confirmation of the terms of the respective Show Cause Notices. The petitioner's appeals are dismissed on the ground of delay. There are two adjudication orders for the financial period 2019-2020.

3. Mr. P. E. Umesh, the learned counsel for the petitioner, submits that this Court must intervene on the ground of lack of due opportunity restoring the proceedings for due consideration. The learned counsel asserts the following.

[a] The petitioner has executed *Works Contracts* for the Government and its agencies but has seen a decline in the business even prior to 2019-20.

[b] The petitioner had to close its business entirely in the year 2024 in the State of Karnataka with no employees here.

[c] As there was no employee in Karnataka, the *Portal* was not accessed, and as such, the petitioner had no information about the Show Cause Notices.

[d] The Confirmation Orders are because of delay in filing the returns or because of certain other issues such as that the petitioner has declared deductions of turnovers from gross contract receipts wrongly.

[e] The petitioner has filed declarations giving the net value of the Works Contract and the tax separately.

[d] Insofar as the tax period 2019-20, the learned counsel submits that both the third and the fourth respondents have simultaneously instituted proceedings resulting in the impugned Orders.

4. Mr. K. Hema Kumar, the learned Additional Government Advocate for the respondents, is heard on whether this Court must interfere under Article 226 of the Constitution of India in the afore circumstances without relegating the petitioner to appeal under Section 112 of the KGST/CGST Act and the terms upon which there must be interference. The learned Additional Government Advocate submits that this Court, even if persuaded to interfere, must ensure that the petitioner, who has only deposited

10% of the demand, deposits the next 10% of the tax in demand.

5. It is trite that there could not have been two assessment proceedings on the same issues [*which is for the tax period 2019-20*]. This affords the first reason for interference. This Court must next observe that the petitioner's contention that the decline in its business in Karnataka resulted in the closure of its branch office in Karnataka is also not disputed. If there has to be a remand on the first ground, the second ground also justifies a remand insofar as the financial years 2017-18 and 2020-21.

6. Further, upon remand, the concerned officers can examine all the issues based on the possible explanation that the petitioner will offer based on the documentary evidence. Therefore, the question of interference is answered accordingly. The petitioner has deposited 10% of the demand while

filing the appeals, this Court is not persuaded to put the petitioner on additional term.

7. However, this Court must observe that insofar as the Adjudication Orders under Section 73 of the KGST/CGST Act for the financial year 2019-20, it must be only by one officer, and when queried, it is stated that it could either be by the third or fourth respondent. It is further submitted that it would also be open to the petitioner to make a request with the Joint Commissioner of Commercial Taxes, Administration for assignment of proceedings relevant to the three financial periods to one officer for a comprehensive adjudication. In the light of the afore, the following:

ORDER

[A] The petition is allowed in-part.

[B] The following impugned Adjudication Orders, Summary Orders and the

Orders-in-Appeal as follows are quashed.

Assessment Year	***Adjudication Order with Annexure***	***Summary Order with Annexure***	***Appeal No. and date***
2017-18	*21.12.2023*	21.12.2023	GST AP. No. 660/2025-26 06.01.2026 *[Annexure -E]*
	OIO No. 10/2023-24	*No. ZD291223062780E*	
	[Annexure-A1]	*[Annexure -A3]*	
2019-20	*01.08.2024*	*01.08.2024*	
	No. DCCT(Audit)-4.9/GST/DRC-7/T.No./2024-25	*No: ZD2908240003598*	
	[Annexure -B1]	*[Annexure -B3]*	
2019-20	23.08.2024	24.08.2024	GST -Appeal No. 679/2025-26 28.01.2026 *[Annexure - F]*
	No. DCCT/(A)-4.5/DGSTO-4(Adjudication) No.75 /2024-25	*No. ZD2908240873115*	
	[Annexure -C1]	*[Annexure -C3]*	
2020-21	10.02.2025	10.02.2025	ZD2901261492691 28.01.2026 *[Annexure -G]*
	No. DCCT(Audit)-4.9/GST/DRC-7/T.No./2024-25	*No. ZD290225035833B*	
	[Annexure – D1]	*[Annexure – D3]*	

[C] The proceedings are restored to the stage of the respective Show Cause Notices for reconsideration with opportunity to the petitioner to file its response with documents and the petitioner shall appear before the corresponding respondents on ***22.09.2026*** without further notice.

[D] Insofar as the proceedings for the financial year 2019-20, the petitioner shall appear with the fourth respondent but with liberty to the petitioner to file a request with the Joint Commissioner of Commercial Taxes, Administration for assignment of all the cases to one officer for a comprehensive adjudication.

Sd/-
(B M SHYAM PRASAD)
JUDGE

RB