



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 13TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 4665 OF 2026 (T-RES)

BETWEEN:

SLN ENTERPRISES
A PROPRIETORSHIP CONCERN
OF SHRI NARSIMHA NARESH
SON OF SHRI NARASIMHA
AGED 33 YEARS,
HAVING OFFICE AT
174 / 2 , 1ST MAIN ROAD
LINGAIAH ROAD, SESHADRIPURAM
BENGALURU - 560 020
EMAIL:SRIVATSALAW@GMAIL.COM
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...PETITIONER

(BY SRI. PRADYUMNA HEJIB, ADVOCATE)

AND:

1. THE ADDITIONAL COMMISSIONER
OF CENTRAL TAX, BENGALURU NORTH
GST COMMISSIONERATE
HMT BHAVAN, GANGA NAGAR
BENGALURU - 560 032
2. THE COMMISSIONER OF CENTRAL TAX (APPEALS-II)
4TH FLOOR, TTMC-BMTC COMPLEX
HAL AIRPORT ROAD
DOMMALURU, BENGALURU - 560 071
3. THE ASSISTANT COMMISSIONER OF CENTRAL TAX,
NORTH DIVISION - 3
HMT BHAVAN, GANGA NAGAR
BENGALURU - 560 032

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by
SHARADAVANI
B
Location: High
Court of
Karnataka



...RESPONDENTS

(BY SRI. AKASH B. SHETTY, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO (A) ISSUE A WRIT IN THE NATURE OF CERTIORARI OR ANY OTHER APPROPRIATE WRIT/S TO QUASH THE IMPUGNED ORDER-IN-ORIGINAL BEARING NO. 08/ST/2022-23 (DIN 2022 0557 YW0000221602) DATED 20.05.2022, PASSED BY THE FIRST RESPONDENT (ANNEXURE -A) (B) GRANT SUCH OTHER ORDER OR DIRECTION AS DEEMED FIT IN THE FACTS AND CIRCUMSTANCES OF THE CASE IN THE INTEREST OF JUSTICE.

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

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

ORAL ORDER

Sri. Akash B. Shetty, learned counsel accepts notice of the respondents.

2. The present petition has been filed seeking issuance of writ of certiorari to set aside the impugned Order-in-Original at Annexure-'A', dated 20.05.2022 passed by respondent No.1.



3. It is the contention of the petitioner that he is engaged with the activity of solid waste or municipal waste disposal as per the work orders by the Bruhath Bengaluru Mahanagara Palike ['the BBMP' for short].

4. It is the case of the petitioner that services when provided to a Government or local authority, wherein, the work being carried out is work which ordinarily entrusted to a municipality in relation to, public health, sanitation, conservancy, solid waste management, or slum improvement and upgradation, such services are exempt from levy of service tax by the Central Government vide Entry No.25(a) of Notification No. 25/2012-S.T., dated 20.06.2012.

5. It is the further case of the petitioner that there is exemption which the respondents-Authorities are required to examine and accordingly petitioner has no liability to discharge service tax as demanded. Petitioner submits that despite the said facts having



been brought before the respondents-Authorities relying on exemption notification, respondents-Authorities have not properly appreciated the legal contention raised.

6. It is submitted that the co-ordinate bench in W.P.No.9522/2021 and other connected matters disposed of on 20.02.2025, in the case of identically situated assesseees who were executing similar work orders, this Court has passed certain directions after expressing opinion on certain aspects, and on parity petitioner may be treated on same terms.

7. It is submitted that matter may be remanded while directing the respondents-Authorities to take note of the observations made in W.P.No.9522/2021 and other connected matters referred to above.

8. Learned counsel Sri. Akash B. Shetty appearing for the respondents submits that the order



dated 20.02.2025 passed in W.P.No.9522/2021 and other connected matters is a matter of record and the Court may pass appropriate orders in the facts of the present case.

9. Perused the order dated 20.02.2025 passed in W.P.No.9522/2021 and other connected matters.

10. Assertion of the petitioner that, it is similarly situated as that of the assesseees who were petitioners in the said petitions, *prima facie* requires acceptance. The observations made in the said order are extracted below for the purpose of reference:

"18. The Section 65-B (44) of the Finance Act 1994, defines the term 'service'. Section 65-B (51) of the Finance Act, defines taxable service as – 'taxable service' means any service on which service tax is leviable under section 66B. Section 66B of the Finance Act provides that there shall be levied a tax on the value of all services other than those specified in the Negative List.

19. Section 66D of Finance Act, 1994, provides for the negative list, while Section 93 of the Finance Act provides power to the Central Government to grant exemption for taxable service from service tax. Accordingly, unless the service is one that falls in the negative list or a notification of



exemption, the same would fall within the service tax net.

20. As noticed, the earlier provision for exemption as contained in notification No.25/2012-ST dated 20.06.2012, provided for exemption from the whole of service tax as regards tax on services under Entry No.25 provided to Government, local authority by way of any activity "in relation to any function ordinarily entrusted to a municipality in relation to water supply, public health, sanitation, conservancy, solid waste management are exempt from service tax".

21. This has been amended vide notification No. 6/2014-ST dated 11.07.2014. By virtue of the said notification, in the Mega Exemption notification No.25/2012-ST, at Entry No.25 the words "carrying any activity in relation to any function ordinarily entrusted to a municipality in relation to" were omitted. Thus this alteration in the exemption notification effected by notification No.6/2014-ST is a matter that requires interpretation in light of the agreements executed / work order issued to the successful bidders, which is essentially a factual adjudication.

22. This Court in W.P. No.19205/2022 dated 22.08.2024, while considering setting aside of the show cause notice in an identical factual matrix had declined to issue a writ as sought for while observing that the relief sought for required interpretation of work order in the context of the exemption notification and accordingly, relegated the matter to the stage of post show cause notice. There is no reason that the present writ petitions seeking setting aside of show cause notice on the ground of exemption or non-chargability to service tax are to be disposed off on different grounds.



23. The court cannot at this stage in exercise of Writ Jurisdiction intervene at the stage of issuance of show cause notice. The interpretation of the work orders/ contracts would be necessary in order to arrive at a conclusion as regards non chargeability or as regards the application of exemption notification. It is relevant to note the observations made by the Apex Court in **Union of India and another v. VICCO Laboratories¹**, wherein it is held that the Writ Courts could interfere at the stage of show cause notice only under exceptional circumstances and when factual adjudication is warranted, the interference by the Writ Court is ruled out. The observations made are as follows:

"31. Normally, the writ court should not interfere at the stage of issuance of show-cause notice by the authorities. In such a case, the parties get ample opportunity to put forth their contentions before the authorities concerned and to satisfy the authorities concerned about the absence of case for proceeding against the person against whom the show-cause notices have been issued. Abstinence from interference at the stage of issuance of show-cause notice in order to relegate the parties to the proceedings before the authorities concerned is the normal rule. However, the said rule is not without exceptions. Where a show-cause notice is issued either without jurisdiction or in an abuse of process of law, certainly in that case, the writ court would not hesitate to interfere even at the stage of issuance of show-cause notice. The interference at the show-cause notice stage should be rare and not in a routine manner. Mere assertion by the writ petitioner that notice was without jurisdiction and/or abuse of process of law would not

¹ (2007) 13 SCC 270



suffice. It should be prima facie established to be so. Where factual adjudication would be necessary, interference is ruled out.”

24. No grounds are made out to demonstrate that the show cause notices are without jurisdiction. Even to come to such a conclusion, there must be an appreciation of the work orders / agreements entered into after awarding of the Tender, which are factual aspects and cannot be gone into in the present writ proceedings.

25. The details of the cases and the stage of adjudication are as below:

W.P.No.	NAME OF THE PETITIONER	STAGE OF ADJUDICATION
16173/2023	M/s. Chamundeshwari Enterprises	Show Cause Notice S.C.N:80/2021/BW /AE-VI dated 21.04.2021
8128/2021	C.V.Bhanumurthy Reddy	Show Cause Notice Sl.No.88/2019-20 Addl Commr dated 11.11.2019
14140/2022	M/s. CPC & Sons	Show Cause Notice Sl.No.95/2021-22/WD-4 dated 26.04.2021
26195/2023	Kothur Natesan Soundiran Bikkasamundra Javaregowda Kumar	Show Cause Notice SCN No. 06/2022-23 PC dated 27.04.2022 Show Cause Notice SCN No. 34/2021-22 dated 06.04.2021
6979/2024	M/s.Manjunatheshwara	Order-in-Original



	Enterprises	OIO No.65/2021-22 dated 29.03.2022
8073/2021	P Kavitha	Show Cause Notice Sl.No.79/2019-20 (ST) dated 08.11.2019
8075/2021	P Saraswathi	Show Cause Notice Sl.No.47/Commr/S T/2019 dated 08.11.2019
8081/2021	M/s. Nirmal Enviro Solutions Pvt. Ltd.	Show Cause Notice SCN No.52/2019-20 dated 11.10.2019
8124/2021	P. Vittalnath Reddy	Show Cause Notice Sl. No. 59/Commr/ST/2019 dated 11.11.2019
8111/2021	P. Vikramdeva Reddy	Show Cause Notice SCN No.51/2019-20 dated 11.10.2019
5150/2023	M. N. Mayanna Gowda	Show Cause Notice SCN No.104/2021 dated 27.04.2021
20789/2022	M. Soma Reddy	Show Cause Notice SCN No.19/2021/JC/AE/ST dated 19.04.2021
21347/2023	Krishnappa Prabhakar	Show Cause Notice SCN No.26/ST/2022-23 dated 27.04.2022
8069/2021	Chandra Reddy	Show Cause Notice



		SCN No.80/2019-20 dated 08.11.2019
27620/2023	P. Thyagarajulu Reddy	Order-in-Original A.No.221/2023 dated 02.05.2023
8067/2021	M/s. Sri Ramanjaneya Swamy Prasann, HUF	Show Cause Notice SCN No.49/Commr/ST/2019 dated 11.11.2019
5204/2022	R. Shankar Reddy	Show Cause Notice SCN No.289/2020-21 AC-SD5 dated 27.10.2020
21379/2021	M/s. Sri Ramanjaneya Prasanna Enterprises Pvt. Ltd. P. Vijaydeva Reddy	Show Cause Notice Sl.No.83/2019-20 (ST) dated 11.11.2019 Show Cause Notice Sl.No.86/2019-20 (ST) dated 11.11.2019
17279/2021	Y.A.Dhanashekar Madhu Sudhan Suresha Sake Narayana Pallavi	Show Cause Notice DIN-174/2021 dated 26.04.2021 Show Cause Notice Sl.No.35/2019-20 dated 30.01.2020 Show Cause Notice DIN No.3216/2020 dated 24.06.2020 Order-in-Original OIO No.16/2021-



	M/s. K.P.S.Enterprises C. N. Ganesh	22 dated 26.08.2021 Order-in-Original OIO No.04/2021- 22 dated 20.07.2021 Order-in-Original OIO No. 06/2021- 22 Dated 18.08.2021
20899/2021	Punith Kumar K Niranjan Enterprises Prasanna Kumar Shamaiah K O Srinivas	Show Cause Notice C.No.301/2021 dated 21.10.2021 & Notice No.169/2021-22 dated 22.04.2021 Show Cause Notice DIN No.9253/2021 dated 22.10.2021 Show Cause Notice DIN No. 9199/2021 dated 15.10.2021 Show Cause Notice DIN 5893/2021 dated 12.10.2021
27633/2023	Karthik N	Show Cause Notice SCN No.655/2021- 2409/21 dated 20.10.2021
9114/2024	Heligehalli Thimmaiah Jagadish	Order-in-Original OIO No. 139/2023- 24 Dated 29.02.2024
18392//2021	S. Ramachandra Reddy	Show Cause Notice SCN No.36/2019- 20 dated 30.01.2020 & SCN



	Chennakeshava. V	No.34/2019 dated 27.04.2021 Order-in-Original OIO No. 27/2020- 21 Dated 05.03.2021
8130/2021	M/s. SRP Corporation	Show Cause Notice SCN No.58/2019- 20 dated 11.11.2019
8127/2021	M/s. SRP Clean Enviro Engineers Pvt. Ltd.	Show Cause Notice SCN No.56/2019 dated 11.11.2019
8125/2021	P. Harshavardhana Reddy	Show Cause Notice SCN No.47/2019 dated 11.10.2019
18433/2021	M/s. V R Enterprises B S Suresh Chandranath B. J. Basavaraju	Show Cause Notice SCN No.229/2021- 22 dated 26.04.2021 Show Cause Notice SCN No.43/2021- 22 dated 21.04.2021 Show Cause Notice SCN No.108/2021 dated 20.04.2021
9522/2021	M/s. N. Suresh Kumar Lakshmiga Kumar M/s. Babu Reddy	Show Cause Notice SCN No.230/2021 dated 21.04.2021 Show Cause Notice SCN No.92/2021 dated 22.04.2021 Show Cause Notice SCN No.88/2020 dated 25.09.2020



	M.N.Mayanna Gowda G. Srinivasa Gowda H. Narase Gowda	Order-in-Original OIO No. 25/2020 Dated 02.03.2021 Order-in-Original OIO No. 26/2020 Dated 09.02.2021 Order-in-Original OIO No. 29/2020 Dated 23.03.2021
4495/2020	S.N.Balasubramaniam	Show Cause Notice SCN No. 24/2019 dated 11.10.2019
8061/2021	P. Purandhara Reddy	Show Cause Notice SCN No.51/2019 dated 11.11.2019
8063/2021	M/s. Prakruthi Enterprises	Show Cause Notice SCN No. 52/2019 dated 11.11.2019
8058/2021	P. Anand Vardhan Reddy	Show Cause Notice SCN No. 54/2019 dated 11.11.2019
8049/2021	Vinay Kumar	Show Cause Notice SCN No. 53/2019 dated 11.11.2019
8121/2021	B. M. Rukmini	Show Cause Notice C. No. VI/06/38/2020 dated 16.06.2020
6345/2022	M/s. Sri. Balaji Enterprises R. Venkatesh	Show Cause Notice SCN No. 88/2021- 22 dated 23.04.2021 Show Cause Notice SCN No. 82/2019-



		20 dated 08.11.2019
10103/2023	Gangadharaswamy Muniyappa	Order-in-Original OIO No.174/2022- 23 dated 31.01.2023
7219/2023	M/s. Balaji Cleaning & Transport Associates	Order-in-Appeal OIA No.137/2022- 23 Dated 06.01.2023
6187/2023	M/s. RPB Enterprises M/s. Bharath Kumar Enterprises	Show Cause Notice SCN No. 10/2022- 23 dated 04.04.2022 Order-in-Original OIO No. 190/2022- 23 Dated 28.02.2023
8070/2021	C. V. Rajnikanth Reddy	Show Cause Notice SCN No. 53/2019- 20 dated 11.10.2019
3387/2021	M/s. Ganesh Shankar Environmental Solutions Pvt. Ltd.	Show Cause Notice SCN No. 5493/2020 dated 04.12.2020
5085/2020	M/s. Shodashi Enterprises M/s. OLN Enterprises M/s. Laxmi Enterprises M/s. SPT Enterprises M/s. Sri. Lakshmi	Show Cause Notice SCN No. 97/2017- 18 Dated 11.10.2019 Show Cause Notice SCN No. 15/55/2019 dated 11.11.2019 Show Cause Notice SCN No. 06/63/2019 Dated 13.11.2019



	Enterprises M/s. Annapoorneshwari Enterprises	Show Cause Notice SCN No. 15/52/2019 Dated 11.11.2019 Show Cause Notice SCN No. 15/31/2019 Dated 08.11.2019 Show Cause Notice SCN No.15/50/2019 Dated 11.11.2019
5024/2020	M. Soma Reddy K. Uma Maheshwara Rao R. Shankar Reddy B.H.Anand Kumar Karthik N G. Venkataswamy Reddy B. J. Kumar Munilakshamma	Show Cause Notice SCN No. 22/2019 Dated 11.10.2019 Show Cause Notice SCN No. 95/2017 Dated 11.10.2019 Show Cause Notice SCN No. 44/2019 Dated 11.11.2019 Show Cause Notice SCN No. 96/2017 Dated 11.10.2019 Show Cause Notice SCN No. 98/2017 Dated 11.10.2019 Show Cause Notice SCN No. 93/2017 Dated 11.10.2019 Show Cause Notice SCN No. 16/36/2019 Dated 11.11.2019



		Show Cause Notice SCN No.15/41/2019 Dated 11.11.2019
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26. Taking note of the orders passed in W.P.No.19205/2022, the present writ petitions can also be disposed off. The relevant extract of the observations in the aforesaid writ petition reads as follows:

"8. After hearing the matter for sometime, the nature of contentions raised by the petitioner require not only interpretation of the work order which would be factual but also a detailed consideration of the exemption sought for by placing reliance on the notification No. 25/2012-ST.

9. The contention whether supply of man power involved in garbage collection as well as auto tipper with condition imposed in the supply order fall within the activity of solid waste management, is a matter that requires factual appreciation after taking note of the terms of the supply order. Such exercise cannot be made by this Court in exercise of writ jurisdiction.

10. Accordingly, the matter is remanded to the stage post show cause notice. Petitioner is also at liberty to make out reply to the show cause notice within a period of 30 days from the date of receipt of certified copy of this order. All contentions of the petitioner are kept open including as referred to by this Court in the discussion made above as well as grounds made out in the writ petition. Needless to state that the petitioner is directed to make out a comprehensive reply to enable the Authority to take a considered decision. Petitioner also to place on record all necessary documents to



enable the Authority to record a finding as to the nature of work being done and service rendered to the local authority by the petitioner, as well as to enable recording a finding as to whether the activity performed falls within the exemption notification as contended above.

11. Accordingly, the petition is disposed off."

27. While the writ petitions challenging validity of the show cause notice are disposed of by relegating the petitioners to the stage post show cause notice reserving liberty to file additional reply and to file reply if not already filed permitting the assesseees to raise all other contentions in support of their case of being within the exemption notification or outside the service tax net, the other writ petitions raising identical grounds assailing the adjudicating order (Order-in-Original) are also allowed by setting aside the adjudicating order and relegating the assesseees to the same stage of post show cause notice. Such order is passed noticing substantial contentions are raised in matters where show cause notices are assailed. To prevent passing of conflicting orders, it would be appropriate to relegate even where adjudicating orders are passed to post cause notice stage, to enable adjudication of all matters with a uniform approach as regards common legal questions raised.

28. Insofar as the contention of the petitioners that taxable services are chargeable under the reverse charge mechanism, the notification No.30/2012-ST dated 20.06.2012 provides for "taxable services provided or agreed to be provided by way of renting of a motor vehicle designed to carry passengers to any person who is not in the similar line of business or supply of manpower for any purpose or service portion in execution of works contract by any individual, Hindu Undivided Family or partnership firm, whether registered or not,



including association of persons, located in the taxable territory to a business entity registered as body corporate, located in the taxable territory" and the table at (II) of the said notification provides for extent of service tax payable by provider of service and the person who receives the service for the taxable services. Entry at Sl.No.8 provides the rates at 25% of service tax payable by the person providing service and 75% of service tax payable by the person receiving the service."

11. In light of the above, the impugned Order-in-Original at Annexure-A, dated 20.05.2022, is set aside, and the matter is remitted for reconsideration. Authorities to take note of the observations made in order dated 20.02.2025 passed in W.P.No.9522/2021 and other connected matters in an appropriate manner and reconsider the case of the assessee. All contentions are kept open.

12. Needless to state that the petitioner is at liberty to make out a fresh reply to the show cause notice.



13. The petitioner to appear before the respondent No.1 on 09.03.2026 without waiting for any notice.

In terms of the above, the writ petition is ***disposed off.***

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

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