HC-KAR

NC: 2026:KHC:16755
WP No. 7218 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 7218 OF 2026 (T-RES)

BETWEEN:

1. GIRIDHAR SAHOO
   AGED ABOUT 51 YEARS,
   S/O. LATE KRISHNA CHANDRA SAHOO,
   NO. 35/1, 7TH MAIN
   SADANANDA NAGAR,
   INDIRA NAGAR,
   BENGALURU-560 038
   EMAIL: GIRIDHARESAHOO@GMAIL.COM

… PETITIONER

(BY SRI. N MANOHAR., ADVOCATE)

AND:

Digitally signed by PRAKASH N
Location: HIGH COURT OF KARNATAKA

1. THE COMMISSIONER OF CENTRAL TAXES
   BUILDING 1, QUEENS ROAD,
   CENTRAL TAX BUILDING,
   BANGALORE-560 001.

2. THE COMMISSIONER OF CENTRAL TAX
   (APPEALS-1)
   TRAFFIC AND TRANSIT MANAGEMENT CENTRE,
   BMTC BUILDING, 4TH FLOOR,
   ABOVE BMTC BUS STAND, DOMLUR,
   BENGALURU-560 071.

3. THE ASSISTANT COMMISSIONER OF CENTRAL TAX,
EAST COMMISSIONERATE,
DIVISION -3 (ED-3)
BMTC BUS STAND, OLD AIRPORT ROAD,
DOMLUR, BANGALORE-560 071.

… RESPONDENTS

(BY SRI. JEEVAN J. NEERALGI., ADVOCATE)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASH THE IMPUGNED ORDER PASSED BY THE COMMISSIONER OF CENTRAL TAX (APPEALS-1), BENGALURU IN ORDER IN APPEAL NO. 134/2024 DATED 01.04.2025 VIDE ANNEXURE-D AND ETC.

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

The petitioner has called in question the validity of the order passed by the Commissioner of Central Tax (Appeals-1), Bengaluru at Annexure-D.

2. Annexure-D is the order-in-appeal. The appeal was filed against the order-in-original.

3. Perused the order-in-appeal.

4. It is noticed that adjudication relating to service tax in light of service rendered was on the basis of inputs

received from the Central Board of Direct Taxes. It is further noticed that the proceedings before the Assessing Officer had proceeded exparte as it noticed from the observations made.

5. The Assessing Officer in the absence of any reply to the notice, nor availment of personal hearing, has concluded adjudication based on evidence available. The said order has been challenged before the Appellate Authority. The Appellate Authority after having perused the records has noted that the appellant has failed to produce any requisite documents as was undertaken during the personal hearing. The Appellate Authority has observed that the appellant had failed to establish that the activities that were sought to be taxed was outside the purview of taxable services under the provisions of the Finance Act and affirmed the order of the adjudicating authority.

6. Learned Counsel for petitioner submits that this court in W.P.No.11154/2023 and connected matters in an identical factual matrix has set aside the order of adjudication observing that the proceedings were initiated only on the basis of declaration of income tax returns and ordered for fresh consideration. It is accordingly submitted that in the present matter also, the court may remit the matter for fresh consideration.

7. Para 9 and 10 of the order passed in W.P.No.11154/2023 reads as hereunder:

> *"9. Needless to state, a bare perusal of all the petitions reveals that the petitioners have raised various contentions which are required to be referred back for consideration by the appropriate authorities so that officers concerned may take note of the same while disposing off the petitions at the stage of post show-cause notice.*
>
> *10. The officers while disposing off the petitions to keep in mind the following:*
>
> *1) Whether petitioners do not qualify under Section 65B(44) of the Finance Act, 1994 ?*

2) Whether services are covered under negative list ?

3) Whether services are covered under the exemption list under the Notification No.25/2012-ST dated 28.06.2012 or under any other applicable Notifications ?

4) Whether the person is liable to remit service tax in terms of Rule 2 (1) (d) read with applicable notification?

5) Whether claims are barred by limitation in terms of the law laid down by the Apex Court ?

8. In light of the above, the order-in-appeal at Annexure-D is set aside as also the order-in-original at Annexure-A. The matter is remitted to the stage of reply to the show-cause notice. Copy of the show-cause notice is to be furnished to the petitioner.

9. The authorities to take note of the observations made in the order dated 03.07.2024 passed in W.P.No.11154/2023 and connected matters as extracted

supra, in specific to the observations at para 10 of the order as may be applicable. All contentions are kept open.

10. Petitioner to make out reply to the show-cause notice. Petitioner to appear before respondent no.3 without waiting for any further notice with date of hearing fixed as 22.04.2026. Accordingly, the petition is disposed of.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

NP