



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 15TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 7845 OF 2026 (T-RES)

BETWEEN:

1. M/S M R K ENTERPRISES
NO.1318, 1ST MAIN ROAD,
COORGALLI, MYSURU-570 018
REPRESENTED BY ITS PROPRIETOR
SHRI. MAQSOOD SHARIFF

... PETITIONER

(BY SRI. E.I. SANMATHI, ADVOCATE A/W
SRI DILIP M., ADVOCATE AND
SRI T.P. VENKATESH, ADVOCATE FOR
SRI NADEEM AHMED, ADVOCATE)

AND:

1. THE COMMISSIONER OF COMMERCIAL TAXES
VANIJYA THERIGE BHAVAN,
GANDHINAGAR,
BENGALURU-560 009
2. THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES
LOCAL GOODS AND SERVICES TAXES OFFICE -190
SHESHADRIBHAVAN, DEWANS ROAD MYSORE,
KARNATAKA - 570 024

... RESPONDENTS

(BY SRI. K. HEMA KUMAR, AGA)

Digitally
signed by
VIJAYA P
Location:
HIGH
COURT OF
KARNATAKA



THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASH THE ADJUDICATION ORDER FOR THE PERIOD 2024-25 AND 2025-26 VIDE ORDER DATED 19.02.2026 VIDE NO. ACCT/LGST-190/MYS/ADJN/ASMT-16/06/2025-26 PASSED BY THE R-2 AT ANNEXURE-E 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

Petitioner has challenged the assessment order passed under Section 64 of the Karnataka Goods and Services Tax Act, 2017 (for short 'the Act'). Petitioner has made an additional prayer for setting aside of the order of cancellation of registration at Annexure-C dated 19.02.2026.

2. It is the case of the petitioner that the Authority has erred in coming to the conclusion as reflected in the impugned order by way of adjudication in summary assessment proceedings under Section 64 of the Act. It is



submitted that the material produced by the petitioner in the present proceedings by way of memo dated 01.04.2026 contains e-way bill number, date of supply, trader name, value, as well as vehicle number, which if taken note of would clear the alleged discrepancies. The ledger account of M/s. M.R.K. Enterprises for the relevant period is also produced along with a memo. It is submitted that petitioner would demonstrate that there were no alleged discrepancies if matter is remitted for reconsideration.

3. Petitioner has also assailed the order of cancellation of registration. It is submitted that the Authority has cancelled the registration on the premise that the business premise of the petitioner was found to be non-existent at the declared place of business. It is submitted that this cancellation of registration is intertwined with the correctness of the order at Annexure-E. It is submitted that if the order at Annexure-E were to be set aside and the matter is remitted for



reconsideration, cancellation of registration at Annexure-C ought to be set aside and registration be restored.

4. Perused the order at Annexure-E. The Authority after having received inputs from the various Enforcement Wings had conducted the inspection of the registered place of business of M/s. M.R.K. Enterprises and it was found at the time of inspection that the registered premises was found to be locked. Enquiry was made with the neighbouring residents and shop owners who had also stated that the petitioner would visit the place once in 10 to 15 days and that no business activities were being conducted. On the basis of information furnished, it was found that the Input Tax Credit availed was not in accordance with the actual supplies made and there were discrepancies which would point out to ineligible availment of input tax credit. The Authority on the basis of inspection of the place of business and material had recorded a finding that the petitioner was ineligible to avail of Input Tax Credit.



5. Petitioner has filed memo for production of additional documents and has produced details of the e-way bill number, trader name, quantity and vehicle number. Further, the extract of the ledger accounts of M/s. M.R.K. Enterprises for different periods of time have been produced. It is pointed out that if the Authority was to have relooked into such material, the discrepancies as noticed in the order would be explained.

6. Taking note of the material placed on record and noticing the assertion of the petitioner, it would be appropriate to remit the matter back for reconsideration upon terms. Such order is passed noticing the consequences that would flow if the order is allowed to stand while taking note of the additional documents produced. Needless to state, the contents of the additional documents produced is a matter to be demonstrated before the Authority to be a reflection of genuine transactions.



7. Accordingly, the order at Annexure-E is set aside and the matter is remitted to the 2nd respondent for fresh consideration. The 2nd respondent may take note of the additional documents now produced and any other documents that may be produced by the petitioner to demonstrate the genuineness of the transactions and the eligibility regarding Input Tax Credit availed as having been in order.

8. In light of setting aside of the order at Annexure-E, the order at Annexure-C is also set aside and registration certificate is directed to be restored. The Authorities are at liberty to pass appropriate orders in accordance with law after considering the material placed by the petitioner.

9. Petitioner to appear before respondent No.2 without further notice on 18.05.2026. Petitioner to pay cost of Rs.25,000/- to the Karnataka Advocate Clerks Benevolent Trust, High Court Building, Bangalore.



10. In terms of the above, the writ petition is
disposed of.

**SD/-
(S SUNIL DUTT YADAV)
JUDGE**

VP