



CNR: KAHC010241002026

NC: 2026:KHC:48070
WP No. 10772 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 3RD DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 10772 OF 2026 (T-RES)

BETWEEN:

SMT. MUDDURAY SOWMYA,
AGED ABOUT 34 YEARS
PROPRIETRIX OF
M/S B. M. INDUSTRIES
SY. NO.59/2, SARJAPURA HOBLI,
HUSKUR POST ANEKAL TALUK,
CHOODASANDRA VILLAGE,
BENGALURU RURAL 560 099.

...PETITIONER

(BY SMT. SHYAMALA V DEVAGIRI, ADVOCATE)

AND:

1. STATE OF KARNATAKA,
REPRESENTED BY ITS SECRETARY,
DEPARTMENT OF FINANCE,
GOVERNMENT OF KARNATAKA,
AMBEDKAR VEEDHI,
BENGALURU - 560001.

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signed by
VANAMALA
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Location:
HIGH COURT
OF
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2. THE COMMERCIAL TAX OFFICER,
LGSTO-016, 1ST FLOOR, V.T.K. - 2,
2ND STAGE, RAJENDRA NAGARA,
KORAMANGALA,
BENGALURU 560 047

...RESPONDENTS

(BY SRI K HEMA KUMAR, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE ADJUDICATION ORDER BEARING NO CTO/R1-3B/18-19/38 DATED 25/04/2024 ISSUED BY THE 2ND RESPONDENT AT ANNEXURE - B, AS VIOLATIVE OF ARTICLES 14, 19 AND 300A BEING UNREASONABLE, ARBITRARY, OPPRESSIVE, EXCESSIVE AND PREMEDITATED.(B) ISSUE A WRIT OF CERTIORARI OR ANY OTHER APPROPRIATE WRIT OR QUASH THE DEMAND BEARING REFERENCE NO ZD290424072004L DATED 28/04/2024 ISSUED BY THE 2ND RESPONDENT AT ANNEXURE C, AS VIOLATIVE OF ARTICLES 14, 19 AND 300A BEING UNREASONABLE, ARBITRARY, OPPRESSIVE, EXCESSIVE AND PREMEDITATED.(C) ISSUE OF WRIT OF DECLARATION DECLARING THAT, THE PETITIONER IS NOT LIABLE TO PAY THE INTEREST U/S 50 OF THE CGST ACT, FOR THE PERIOD 2018-19 IN SO FAR AS THE PETITIONER HIS CONCERNED.(D) ISSUE A WRIT OF DECLARATION DECLARING THAT, THE PETITIONER IS NOT LIABLE TO



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PAY THE PENALTY U/S 122 (2) (A) OF THE CGST AND
SGST ACTS.

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

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

ORAL ORDER

The petitioner's grievance is with the
Adjudication Order dated 25.04.2024 [*Annexure-B*]
under Section 73 of the Central Goods and Services
Tax Act, 2017/Karnataka Goods and Services Tax
Act, 2017 [for short, '*the Act*'] and the associated
provisions thereunder. These proceedings under
Section 73 of the Act is begun with the petitioner
being served with the Intimation under Section 73[5]
of the Act read with Rule 142[1A] of the Central
Goods and Services Rules, 2017/Karnataka Goods
and Services Tax Rules, 2017. This Intimation dated
24.11.2023 is followed by the Show Cause Notice
dated 16.01.2024.



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2. The petitioner, when served with this Notice, has filed Reply dated 29.01.2024 stating that the actual turnover for December 2018 is Rs.7,76,000/- as declared in Form GSTR-3B but by an inadvertence and a clerical error, the turnover is declared as Rs.9,79,350/- in Form GSTR-1 and that this error is because the petitioner has uploaded certain bills twice and mentioned the rate of tax wrongly in respect of certain bills. The petitioner, along with this Reply, has furnished copies such as the Sales Ledger Extract, Invoices and other statements. However, the second respondent has completed the adjudication only stating that *“Reply given by the taxpayer is verified and found that the documents given are insufficient to substantiate the claim and hence the Reply is not acceptable.”*

3. Ms. Shyamala V Devagiri, the learned counsel for the petitioner, submits that the second respondent, when the petitioner is categorical about



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the error and has produced documents to substantiate the error, should have considered the documents produced and reasoned why these documents would not suffice rather than confirming the proposition making a general observation. Mr K Hema Kumar, a learned Additional Government Advocate who is called upon to accept notice for the respondents, is heard on *whether this Court must intervene with the impugned Adjudication Order dated 25.04.2024 and restore the proceedings for reconsideration.*

4. The petitioner is categorical in the Reply on the reason for the difference in the turnover for December 2018 in stating that two bills have been uploaded twice by mistake and that the rate of tax for two invoices is wrongly mentioned. The petitioner, while stating these with reference to the corresponding invoices, has enclosed copies of the Invoices/Sales Ledger Extract/Statements which are



also marked as annexures in the present petition. This Court is of the view that the second respondent should have considered the efficacy of these documents for a meaningful opportunity and that the failure in this regard justifies an answer to the above question in the affirmative. Hence the following:

ORDER

- [a]** The petition is allowed in part;
- [b]** The impugned Adjudication Order dated 25.04.2024 *[Annexure-B]* is quashed.
- [c]** The petitioner is reserved with liberty to file a certified copy of this Order and the different enclosures annexed to this petition with the second respondent by **05.10.2026**, and the second respondent shall consider these documents in the context of the petitioner's response to decide on the



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affirmation of the proposition in the
Show Cause Notice dated 16.01.2024.

Sd/-
(B M SHYAM PRASAD)
JUDGE

AN/-