



**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**DATED THIS THE 24<sup>TH</sup> DAY OF APRIL, 2026**

**BEFORE**

**THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV**

**WRIT PETITION NO. 12705 OF 2026 (T-RES)**

**BETWEEN:**

M/S. AREKALDODDY SHANKAREGOWDA  
SHIVALINGAIAH,  
PROPRIETARY CONCERN,  
REPRESENTED BY ITS PROPRIETOR  
SRI. A. S. SHIVALINGAIAH,  
AGED ABOUT 76 YEARS,  
NO.11/24, 6<sup>TH</sup> MAIN,  
SHIVASUKA NILAYA,  
4<sup>TH</sup> BLOCK, NANDINI LAYOUT,  
BENGALURU - 560 096.

...PETITIONER

(BY SRI. M.N.SHANKARE GOWDA., ADVOCATE)

**AND:**

1. THE ASSISTANT COMMISSIONER OF  
CENTRAL TAXES,  
WEST DIVISION-3,  
BENGALURU WEST COMMISSIONERATE,  
1<sup>ST</sup> FLOOR, TTMC COMPLEX,  
BMTC BUS STAND, BANASHANKARI,  
BENGALURU - 560 070.
2. SUPERINTENDENT OF CENTRAL TAX,  
RANGE -A, DIVISION-3,  
BENGALURU WEST COMMISSIONERATE,

Digitally  
signed by  
VIJAYA P  
Location:  
HIGH  
COURT OF  
KARNATAKA



1<sup>ST</sup> FLOOR, TTMC COMPLEX,  
BMTc BUS STAND,  
BANASHANKARI,  
BENGALURU - 560 070.

...RESPONDENTS

(BY SRI.ARAVIND V CHAVAN, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF CERTIORARI OR DIRECTION IN THE WRIT OF CERTIORARI QUASHING THE ORDER IN ORIGINAL DATED 04.06.2024 IN O10 NO. 41/2024-25 FOR THE PERIOD FEBRUARY 2017 TO JUNE 2017 PASSED BY THE 1 RESPONDENT (ANNEXURE -F) AND THE RECOVERY NOTICE DATED 19.02.2026 IN NO. GEXCOM/3347/2026-CGST-RANGE-A-WEST-DIV-03-COMMRTE-BENGALURU(W) ISSUED BY THE 2ND RESPONDENT (ANNEXURE-C) IN THE PETITIONER-S CASE 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**

Sri Aravind Chavan, learned counsel is directed to accept notice for the respondents.

2. The petitioner has called-in-question validity of the Order-in-Original dated 04.06.2024 at Annexure-F



passed by the respondent No.1, whereby the authority has conducted proceedings in terms of the provisions of the Finance Act, 1994 and raised demand regarding service tax.

3. It is noticed that the impugned order has been passed taking note of inputs received from the Central Board of Direct Taxes and information available in the Income Tax returns for the financial year 2016-2017.

4. It is further noticed that, where authorities have initiated proceedings under the provisions of the Finance Act, 1994, and adjudicated the issue raising demand of service tax, this Court in such cases has set aside the order and remitted the matter back for re-consideration in light of the observations made in W.P.No.11154/2023.

5. It is further contended by the learned counsel for the petitioner that, the adjudication relating to services rendered has been opposed by the petitioner on the



ground that petitioner did not conduct any business from March-2017 to June-2017.

6. That statement is placed on record during the proceedings at the stage of first time hearing and record relating to first time hearing is produced at Annexure-B.

7. It is the further contention of the learned counsel appearing for the petitioner that, if an opportunity is granted, the petitioner would substantiate stand taken at the stage of personal hearing by providing records and matter may be remitted for fresh consideration.

8. Perused the order dated 03.07.2024 passed in W.P.No.11154/2023 and connected petitions.

9. This Court while disposing of the said petitions by remanding it to the stage of reply to the show cause notice had made certain observations to be kept in mind by the concerned officials. The observations made from para-10 onwards reads as follows:-



*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?*

*11. It is also clarified that disposal of present petitions must not be construed as having adjudicated any of the contentions including jurisdiction. All contentions of both sides on merits are kept open.*

*12. Needless to state, upon conclusion of proceedings, if any of the petitioners are still aggrieved, legal remedies are kept open. It is also clarified that wherever, replies to show-cause notice have not been made out, the same may be filed upon matter being relegated as noticed above.*



13. Accordingly, the following:

**ORDER**

*In light of observations made above, the writ petitions relating to challenge to show-cause notice, such matters will stand relegated to the officers to be designated in terms of the observations made in para 8 above, at the same stage. Accordingly, such of the petitions at Sl.No.1 to 5 in Column No.1 of the table relating to challenge to show-cause notice are disposed off.*

*Insofar as such writ petitions as detailed in Column 2 of the table relating to challenge to Orders-in-Original, in light of the discussion made above, the Orders-in-Original stand set aside and the matters are relegated to the Officers to be designated to be reconsidered from the stage of show-cause notice. Accordingly, such of the petitions at Sl.No.1 to 35 in Column No.2 of the table relating to challenge to Orders-in-Original are disposed off.*

*The petitioners who are now relegated before the authorities concerned are at liberty to file their pleadings within a reasonable time as may be fixed by the Officers concerned. Wherever the matters are pending in appeal in light of the arrangement that is made, petitioners to file a memo for withdrawal of appeal and accordingly, the orders-in-*



*original in question would also receive the same treatment, i.e. be set aside as per the directions made above.*

*Wherever demands have been made pursuant to the impugned orders, such proceedings are also set aside."*

10. In light of the above, Order-in-Original at Annexure-F is set aside. The matter is remitted to the stage of reply to show-cause notice.

11. Authorities to take note of the observations made in order dated 03.07.2024 passed in W.P.No.11154/2023 and connected petitions as extracted supra, in specific, to the observations at para-10 of the order as may be applicable. All contentions are kept open.

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

13. Petitioner to appear before respondent on **25.05.2026** without waiting for any fresh notice.



14. In light of setting aside of Annexure-F which is Order-in-Original, the notice for recovery sent to 3<sup>rd</sup> party is to be rescinded by the respondents forthwith.

Accordingly, petition is ***disposed of***.

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

HR  
List No.: 1 Sl No.: 9