



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 18659 OF 2026 (T-MVT)

BETWEEN:

ICON PETROLEUM CORPORATION LIMITED
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT,
HAVING ITS REGISTERED OFFICE AT
PLOT NO. 6D-6L,
KIADB INDUSTRIAL AREA,
HOSKOTE, BENGALURU - 562114,
REPRESENTED BY
ITS MANAGING DIRECTOR,
MR. USMAN SHARIEF.

...PETITIONER

(BY SRI. NAVEED AHMED., ADVOCATE)

AND:

1. STATE OF KARNATAKA
DEPARTMENT OF TRANSPORT,
M.S. BUILDING, BENGALURU 560001,
REPRESENTED BY ITS SECRETARY.
2. THE TAXATION AUTHORITY AND
REGIONAL TRANSPORT OFFICER,
BENGALURU SOUTH, JP NAGAR,
BENGALURU 560108.

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KARNATAKA



3. THE SENIOR INSPECTOR OF
MOTOR VEHICLES,
OFFICE OF THE REGIONAL
TRANSPORT OFFICER,
BENGALURU SOUTH,
BENGALURU 560108.

...RESPONDENTS

(BY SRI K HEMA KUMAR, AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227
OF THE CONSTITUTION OF INDIA PRAYING TO A) ISSUE
A WRIT OF CERTIORARI OR ANY OTHER APPROPRIATE
WRIT, ORDER OR DIRECTION QUASHING THE TAX
DEMAND NOTICE/FINAL ORDER BEARING NO. RTO-
BNG(S)/NT/DSA/PR-387/2025-26 DATED 08.06.2026
ISSUED BY RESPONDENT NO.2 AT ANNEXURE A AND
CONSEQUENTLY QUASH THE COMMUNICATION
BEARING NO. RTO-BNG(S)/NT/DSA/PR-387/2025-26
DATED 17.06.2026 ISSUED BY RESPONDENT NO.2 AT
ANNEXURE B.

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



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

ORAL ORDER

The petitioner, [*a company incorporated under the Companies Act, 1956 with its registered office in Bengaluru*] has purchased a BMW car [hereinafter referred to as '*the car*']. The petitioner has registered the car with the authorities in the Union Territory of Puducherry on 20.02.2024. The petitioner's grievance is with the Final Order/Demand Notice dated 08.06.2026 [*Annexure-A*] and the resultant Communication dated 17.06.2026 [*Annexure-B*]. The second respondent, by the impugned Order/Demand dated 08.06.2026, has called upon the petitioner to pay *Lifetime tax* and *Cess* along with *Penalty*. The petitioner has responded to this Order/Demand *vide* its Reply dated 11.06.2026 [*Annexure-G*].

2. The petitioner has filed the writ petition in W.P. No.8243/2026 alleging that the car was illegally detained. This Court has disposed of the writ petition



permitting the release of the car. There is some controversy even now about whether the Authorities had seized the car or whether the petitioner's representative itself had allowed the car to be parked within the Authority's premises but that would not be germane for the present proceedings.

3. The second respondent, in the impugned Order/Demand, has referred to the details of the car's different travels outside the State between 17.03.2025 to 13.11.2025 to justify the demand [for Lifetime Tax, Cess and penalty] on the ground that the car has been within the State continuously for one year. The petitioner, in its Reply dated 11.06.2026 [*Annexure-G*], has alluded to these travels and to other travels as well.

4. Sri Naveed Ahmed, the learned counsel for the petitioner, submits that the impugned Order/Demand is an act of vindication, and that this



can be discerned from a screenshot of the respondents' portal [*Annexure-F*] at a certain toll station. The learned counsel argues that though the screenshot mentions the car's number, the photograph of the vehicle in the corresponding column is that of a commercial vehicle - *a bus*.

5. As against these submissions, Sri K Hema Kumar, a learned Additional Government Advocate who is called upon to accept notice for the respondents, submits that the allegations of vindictive action is unfounded and the impugned Order/Demand Notice is essentially premised in the fact that the petitioner has not taken the car to the State where it is registered and it is substantially within the State [*in Karnataka*] and that this is borne out by the statement of the petitioner's employee. In reply, Sri Naveed Ahmed submits that if the car is taken out of State regularly, that would suffice.



6. The impugned Order/Demand mentions that the notice is not served upon the petitioner. Further, the second respondent has not reasoned the impugned Order/ Demand based on any statutory provision to assert that the car must be treated as being within the State if it is not taken to the State of registration. This Court opines that the second respondent must reason the same before there is a final demand. This Court is also of the view that the second respondent will have to consider the details of the travels mentioned in the petitioner's response [Annexure-G] though this reply is filed after the impugned Order/Demand.

7. In the circumstances, this Court concludes that the petition must be disposed of reading the impugned Order/Demand as another Show Cause Notice calling upon the second respondent to re-examine all aspects, including whether it is necessary in law for the owner of a



vehicle that is registered outside the State to ensure that the vehicle is taken to the State where it is registered to justify an inference that a vehicle is within this State [*Karnataka*] continuously for more than a year. The Second Respondent is also called upon to consider the petitioner's response in terms of Annexure-G.

ORDER

[a] The petition stands disposed of reading the impugned Final Order/Demand dated 08.06.2026 [*Annexure-A*] as another Show Cause Notice to which the petitioner's response is as per the Reply dated 11.06.2026 [*Annexure-G*].

[b] The second respondent is called upon to extend an opportunity of hearing to the petitioner and decide on whether there must be a demand in the light of this Court's observation.



[c] The petitioner is directed to appear before the second respondent without further notice on **27.07.2026** and the second respondent will be at liberty to schedule the next date of the hearing based on exigencies.

Sd/-
(B M SHYAM PRASAD)
JUDGE

AN/-