



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 14TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 19868 OF 2026 (T-RES)

BETWEEN:

M/S LOTUS CONSTRUCTION
CORPORATION
NEAR WATER TANK,
MIG 448-INDEPENDENT HOUSE,
SURYANAGAR PHASE-I,
KHB COLONY, ANEKAL TALUK,
CHANDAPURA,
BENGALURU- 560099

PRESENTLY AT: HCB-1,
FLAT NO.201, HIGH RISE
APARTMENTS,
SURYANAGAR PHASE-I,
KHB COLONY, ANEKAL TALUK,
CHANDAPURA, BENGALURU- 560099
A PARTNERSHIP FIRM,
UNDER PARTNERSHIP ACT 1932
REPRESENTED BY ITS PARTNER,
SRI. VENKATA RAO ADUSUMILLI

...PETITIONER

(BY SMT. VEENA J KAMATH, ADVOCATE)

AND:

ASSISTANT COMMISSIONER
OF CENTRAL TAX
SOUTH DIVISION-9,

Digitally
signed by
VANAMALA N
Location:
HIGH COURT
OF
KARNATAKA



7TH FLOOR, C WING,
KENDRIYA SADAN,
KORAMANGALA,
BENGALURU-560034

...RESPONDENT

(BY SRI. JEEVAN J. NEERALGI, ADVOCATE)

THIS WP IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH/SET ASIDE THE IMPUGNED ORDER-IN-ORIGINAL DATED IN FORM DRC-07 DATED 25.11.2024 PASSED BY THE RESPONDENT IN ORDER SL. NO. 205/2024-25 SD9-GST-AC FOR THE CONSOLIDATED PERIODS FROM 2017-2018 TO 2019-20 UNDER THE PROVISIONS OF SECTION 74(1) OF THE GST ACT AS PER ANNEXURE-A, BY ISSUING A WRIT OF CERTIORARI OR ANY OTHER ORDER OR WRIT IN THE NATURE OF A WRIT OF CERTIORARI.

THIS PETITION, COMING ON FOR PRELIMINARY 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 Order-in-Original dated 25.11.2024 [*Annexure-A*] which is under Section 74 of the Central Goods and Services Tax Act/State Goods and Services Act, 2017 [for short, *the Acts*]. This Adjudication Order is for the tax periods 2017-18 and 2019-20. The petitioner has responded to the show cause notice, and the Petitioner's response has been considered in passing the Adjudication Order.

Ms. Veena J Kamath, the learned counsel for the petitioner, while inviting this Court's attention to the provisions of Section 75[4] and [5] of the Act, submits that the petitioner's representative had requested for *a personal hearing* to explain the reconciliation that could justify the Reply filed to the show cause notice, but could not participate because the Managing Partner's wife was diagnosed as suffering from terminal illness and she has died subsequently



because of such terminal illness. Section 75[4] and [5]
read as under.

***“75. General provisions relating to
determination of tax.-***

(1) xxx xxx xxx xxx

(2) xxx xxx xxx xxx

(3) xxx xxx xxx xxx

*(4) An opportunity of hearing shall be granted
where a request is received in writing from the
person chargeable with tax or penalty, or where
any adverse decision is contemplated against
such person.*

*(5) The proper officer shall, if sufficient cause is
shown by the person chargeable with tax, grant
time to the said person and adjourn the hearing
for reasons to be recorded in writing.*

*Provided that no such adjournment shall be
granted for more than three times to a person
during the proceedings.”*

Sri Jeevan J Neeralgi, a learned standing counsel
for the respondent who is called upon to accept notice
for the respondent, is heard, and this Court is of the
view that for the reasons asserted, the petitioner must



be extended the benefit of a personal hearing before there is a final decision because, if a request was made by the petitioner, there could have been adjournments on three occasions. As such, the following order observing that this Court has not examined the merits of the petitioner's case on a possible reconciliation.

ORDER

The petition is allowed and the Adjudication Order dated 25.11.2024 [*Annexure-A*] is quashed subject to the following terms.

[a] The proceedings are restored to the respondent for due consideration subject to the petitioner depositing 10% of the tax in demand by **31.08.2026** subject to the outcome in the restored proceedings.

[b] The petitioner is permitted to file, along with a certified copy of this Order, the copies of the documents to show the genuineness of the transactions along with the reconciliation.



[d] The petitioner shall produce these documents by **31.08.2026**, and the respondent shall consider these documents and then conclude the proceedings by a reasoned order.

Sd/-
(B M SHYAM PRASAD)
JUDGE

AN/-