



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 17TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 39658 OF 2025 (T-RES)

BETWEEN:

1. M/S. SRI LAKSHMI RANGANATHA ENTERPRISES
012, MANDUR POST
KATIHALLI VILLAGE.
ANAGODU HOBLI,
DAVANGERE DISTRICT - 577 556,
KARNATAKA.
REPRESENTED BY PROPRIETOR
Y R RANGAPPA,
S/O RAMAPPA
OCCUPATION: BUSINESSMEN,
AGED ABOUT 49 YEARS,
R/O 012, MANDUR POST,
KATIHALLI VILLAGE,
ANAGODU HOBLI,
DAVANGERE DISTRICT-577 556

... PETITIONER

(BY SRI. RENUKAPRASAD C M., ADVOCATE)

AND:

1. THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES, (AUDIT) - 1.
VANIJYA TERIGE BHAVANA,
DEVARAJ URS LAYOUT,
DAVANGERE - 577 005.



2. THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES,
LGSTO-460,
VANIJYA TERIGE BHAVANA,
DEVARAJ URS LAYOUT,
DAVANGERE-577 005,

3. THE DEPUTY COMMISSIONER OF
COMMERCIAL TAXES, (AUDIT),
SNR BUILDING, 2ND FLOOR,
RTO OFFICE ROAD,
CHITRADURGA-577

... RESPONDENTS

(BY SRI. HEMAKUMAR, AGA)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO (I) QUASH THE IMPUGNED ORDERS PASSED BY THE RESPONDENTS UNDER KGST AND CGST ACT, 2017: ORDERS OF RESPONDENT NO. 1 BEARING NO. ACCT(AUDIT-1)/DVG/T. /2023-24 DATED 29.11.2023 AS PER ANNEXURE-'C 1', ORDER BEARING NO. ACCT(AUDIT-1)/DVG/T. /2023-24 DATED 29.02.2024 AS PER ANNEXURE - C 2, ORDER BEARING NO. DCCT(AUDIT) CTA/GST ADJ.S-73(1)/2024-25 DATED 14.08.2024 AS PER ANNEXURE - C 3, ORDER BEARING NO. ACCT(AUDIT-1)/DVG/T. /2024-25 DATED 18.01.2025 AS PER ANNEXURE - C 4, ORDER BEARING NO. ACCT(AUDIT-1)/DVG/T. /2025-26 DATED 21.07.2025 AS PER ANNEXURE - C 5 AND ORDERS OF RESPONDENT NO. 2 BEARING REFERENCE NO:/ASTM-13/22-23 DATED 23.09.2022 AS PER ANNEXURE-D 1, ORDER BEARING REFERENCE NO: /ASTM-13/22-23 DATED 23.09.2022 AS PER ANNEXURE - D 2 AND ORDER BEARING REFERENCE NO:2155/ASTM-13/23-24 DATED 18.03.2024 AS PER ANNEXURE - D 3 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 called in question the validity of the orders of adjudication at Annexure-C series. Petitioner has also called in question the correctness of the orders at Annexure-D series relating to recovery which are the protective assessment orders.

2. At the outset, Sri. Hemakumar, learned Additional Government Advocate submits that proceedings at Annexure-D series have been dropped. In light of the same, question of adjudication in the present proceedings relating to orders at Annexure-D series does not survive for consideration.

3. Insofar as the orders of adjudication at Annexure-C series, it is the case of the petitioner that they render composite supply of works contract to Government departments and it is submitted that in the event the composite supply involves predominantly earthwork which constitute 75% of the value of the works contract, then



the slab of tax would be 5%. It is submitted that such aspect has not been taken note of by the authorities while passing the orders of adjudication at Annexure-C series.

4. Learned AGA submits that petitioner has been negligent in not approaching the Authority by way of reply to the show cause notice in time.

5. It is submitted by the petitioner that they did not make out any reply to the show cause notice due to certain bonafide reasons.

6. The orders date back to the year 2023. Taking note of the contention of the petitioner by placing reliance on the notification of 13.10.2017 at Annexure B, it would be appropriate to remand the matter back for fresh consideration. Petitioner would then be entitled to place their stand on merits and make out a case as to whether the petitioner is entitled for the lower rate of tax in terms of composite supply as noticed in the notification of 13.10.2017. In light of such contention raised on merits



which if accepted would result in lowering the tax slab from 12% to 5%, it would be appropriate to afford an opportunity to the petitioner.

7. Accordingly, the following:

ORDER

- i) Orders at Annexures-C1 to C5 are set aside.
- ii) The matter is remitted to the stage of reply to the show cause notice.
- iii) The authorities to revoke instructions regarding freezing of the bank account within two weeks from the date of receipt of certified copy of this order.
- iv) Petitioner to pay 10% of the tax demand for each of the assessment year.
- v) The adjudication would be taken up only after the payment of 10% of the tax amount.
- vi) Petitioner to appear before the concerned respondent without further notice on 11.03.2025.



- vii) Needless to state, if the petitioner does not appear on the said date, petitioner would forfeit the indulgence granted by this Court.

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

SD/-
(S SUNIL DUTT YADAV)
JUDGE

VP