



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 1436 OF 2026 (T-RES)

BETWEEN:

1. M/S. M B S TRADERS
SURVEY NO.173, CHELUR ROAD,
CHINTAMANI, CHIKPAL
KARNATAKA - 563 125.
A SOLE PROPRIETORSHIP
REPRESENTED BY ITS PROPRIETOR
ASIF B, S/O. BABU,
AGED ABOUT 33 YEARS
RESIDING AT WARD NO. 3,
VENKATAGIRI KOTE,
CHINTAMANI, CHIKKALLAPUR,
KARNATAKA - 563 125
2. SRI SYED MUJAHID PASHA,
S/O GHOSUE SAB,
AGED ABOUT 46 YEARS
OWNER OF THE CONVEYANCE
NO: KA 07A7864,
RESIDING AT: GHOUSE SAB, WARD NO.28,
MAHBOOB NAGARA,
CHINTAMANI, CHIKKABALLAPUR,
KARNATAKA - 563 125.

... PETITIONERS

(BY SRI. BHAGAVATH P., ADVOCATE)





AND:

1. ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES (ENFORCEMENT)
KIADB INDUSTRIAL AREA,
B.B. ROAD, CHIKKABALLAPUR
KARNATAKA - 562 101.

... RESPONDENT

(BY SRI. HEMAKUMAR K., AGA)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO DECLARING THE ACTION OF THE RESPONDENT IN CONFISCATING THE GOODS AND CONVEYANCE VIDE IMPUGNED ORDER BEARING FILE NO. ACCT(ENF)/CBPUR/MVS/GST/MOV/55/2025-26 DATED 11.12.2025 (ANNEXED HERETO AS ANNEXURE-A) AS VOID, ARBITRARY, ILLEGAL, WITHOUT JURISDICTION, AND IN VIOLATION OF THE PRINCIPLES OF NATURAL JUSTICE, AND AS BEING VIOLATIVE OF ARTICLES 14, 19(1)(G), AND 265 OF THE CONSTITUTION OF INDIA, AND CONSEQUENTLY TO QUASH AND SET ASIDE THE SAME, AND TO PASS SUCH FURTHER OR OTHER ORDER(S) AS THIS HON'BLE COURT MAY DEEM FIT AND PROPER IN THE FACTS AND CIRCUMSTANCES OF THE CASE, IN THE INTEREST OF JUSTICE IN SO FAR AS PETITIONER CONCERNED AND ETC.

THIS PETITION COMING ON FOR FRESH MATTERS LIST, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S SUNIL DUTT YADAV



ORAL ORDER

The petitioner has called in question the validity of the order at Annexure-H dated 11.12.2025. Annexure-A is the order of confiscation of goods and conveyance and demand of fine and penalty dated 05.01.2026.

2. The petitioner has raised various contentions including procedural violations.

3. Learned counsel would submit that detailed findings made in the context of grounds raised are factual in nature and raises a mixed question of fact and law and that appropriate remedy for the petitioner would be to challenge the order at Annexure-A before the Appellate Authority under Section 107 of the Act.

4. Though the petitioner has raised certain procedural violations, however the adjudication as reflected in the order is a mixed question of fact and law,



it would be appropriate for the petitioner to avail of the statutory remedy to challenge the order at Annexure-A.

5. However, in light of request of the petitioner for release of conveyance and goods and taking note of the interim orders passed in certain writ petitions filed relating to challenging the confiscation order under Section 130, it would be appropriate to release the conveyance and goods on terms while stipulating that such release would be subject to final orders to be passed in the appeal to be filed by the petitioner.

6. While this court relegates the petitioner to avail of such statutory remedy, however for release of goods and conveyance, the following order is passed.

i) The petitioner to pay 25% of the amount as determined in the order at Annexure-A as regards the value of the goods.

ii) The petitioner to furnish bank guarantee for 75% of the value as determined in the order of confiscation.



7. The goods and conveyance would be released on petitioner making payment and furnishing bank guarantee in terms of the directions made above.

8. Insofar as substantive legal challenge to the order at Annexure-A, which the petitioner intends to continue, if the appeal were to be filed by the petitioner within a period of two weeks from the date of receipt of certified copy of the order, the same may be taken up by the Appellate Authority without raising any objections on the point of limitation. Such order is passed taking note of pendency of matter before this court. The Appellate Authority may accept the appeal if filed physically/ manually as it is submitted that the petitioner may not be in a position to file the appeal in digital more as orders and show-cause notice have not been uploaded in the portal. All contentions are kept open.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

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