IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 5738 OF 2026 (T-RES)

BETWEEN:

1. M/S JUST NATURAL
(A PARTNERSHIP FIRM)
HAVING ITS REGISTERED
PLACE OF BUSINESS AT
FLAT NO. 001, DISHA PANCHAVATI,
KUNDALAHALLI GRAMA MAIN ROAD,
MAHADEVPURA,
BENGALURU - 560 048
REPRESENTED BY ITS
MANAGING PARTNER
MR. MUCHALA BHASKAR REDDY

... PETITIONER

(BY SRI. BHARATH KUMAR V., ADVOCATE)

AND:

1. STATE OF KARNATAKA
THROUGH,
DEPARTMENT OF COMMERCIAL TAXES
HAVING OFFICE AT
VANIJYA THERIGE KARYALAYA,
KALIDASA MARG, GANDHI NAGAR,
BENGALURU - 560 009
REPRESENTED BY
COMMISSIONER OF COMMERCIAL TAXES.

2. ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES (AUDIT-5.5),
DVO-5, B-BLOCK, 5TH FLOOR,
VANIJYATERIGE KARYALAYA - 2,
RAJENDRANAGARA,
NEAR NATIONAL GAMES VILLAGE,
KORAMANGALA,
BENGALURU - 560 047

… RESPONDENTS

(BY SRI. HEMAKUMAR K., AGA)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASHING THE ORDER DATED 12.03.2018 BEARING NO. ACCT/AUD-5.5/DVO-5/2017-18, PASSED BY THE RESPONDENT NO. 2 UNDER SECTION 9(2) OF THE CENTRAL SALES TAX ACT, 1956 R/W SECTION 36 AND 37 OF THE KARNATAKA VALUE ADDED TAX ACT, 2003 (ANNEXURE-A) 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. Hemakumar, learned Additional Government Advocate accepts notice for respondents.

2. Petitioner has called in question the validity of the order at Annexure-A passed by respondent no. 2 which is an order passed under Section 9(2) of the Central Sales

Act, 1956 read with Sections 36, 37 of the Karnataka Value Added Tax Act, 2003.

3. Petitioner submits that the order at Annexure-A was not communicated and the petitioner was not aware of the said proceedings.

4. Learned AGA vehemently opposes the said submission and submits that the order is of the year 2018 and the petitioner has approached this Court with undue delay.

5. Learned counsel for the petitioner submits that the Court may remand the matter back for fresh consideration, providing an opportunity to the petitioner to make out reply to the show cause notice.

6. Perused the order at Annexure-A. It is noticed that the assessing officer had called upon the petitioner to furnish books of accounts for verification. However, it is submitted that there was no response to the said notice

and accordingly, the authority had proceeded on the basis of material in its possession and has drawn adverse inference and adjudicated the matter.

7. It is the case of the petitioner that the firm had been reconstituted and the office had shifted to a different place in 2015 and accordingly petitioner was not aware of the proceedings. However it is submitted that, to demonstrate bonafides, the petitioner is ready to pay 50% of the tax demand under the impugned order and the matter may be remitted for fresh consideration.

8. Learned AGA submits that tax component has to be satisfied and the Court may then consider whether any order could be passed.

9. Taking note that the order is an ex-parte order and taking note of the submissions made by both parties, it would be appropriate to remit the matter back to the stage of reply to the show cause notice. However to take care of the interests of the revenue, petitioner to pay

entirety of the tax demand within a period of 2 weeks from today. Upon payment of entirety of tax demand, the Authorities may rescind the lien on the bank account of the petitioner.

10. Needless to state, the matter would be taken up for adjudication only after the petitioner pays the entirety of tax demand.

11. Petitioner to appear before respondent No.2 without waiting for fresh notice on 21.04.2026. Upon appearance, petitioner to diligently prosecute the proceedings. The authority may complete the proceedings within a period of 3 months thereafter. Such a direction is passed taking note that the order relates to the year 2018.

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

SD/-
(S SUNIL DUTT YADAV)
JUDGE

VP