

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

[M/S. SCHNEIDER ELECTRIC IT BUSINESS INDIA PRIVATE LIMITED VS. THE JOINT COMMISSIONER OF COMMERCIAL TAXES (APPEALS)-4 AND ANOTHER]

09.04.2026

(VIDEO CONFERENCING / PHYSICAL HEARING)

CORAM: HON'BLE MR. JUSTICE S.G.PANDIT
and
HON'BLE MR. JUSTICE K. V. ARAVIND

ORAL ORDER

(PER: HON'BLE MR. JUSTICE S.G.PANDIT)

Heard Sri. Ravi Raghavan, learned counsel for the petitioner and learned Additional Government Advocate for the respondents on admission.

The petition is admitted to examine the following substantial questions of law:

- (a) *Whether the Hon'ble Tribunal was correct in holding that best judgement under the KVAT Act can be concluded based on the show cause notice issued by the DRI under the Customs Act when the taxable events under both enactments are entirely different?*
- (b) *Whether the Hon'ble Tribunal was correct in upholding the levy of CST as legal and valid in the absence of any independent enquiry/investigation conducted by the authorities under KVAT Act?*

- (c) *Whether the Hon'ble Tribunal was correct in confirming the demand of CST on export sales returns in the absence of any positive evidence to show that the goods were actually sold within Karnataka or outside?*
- (d) *Whether the Hon'ble Tribunal was correct in upholding the demand of CST on export sales returns without establishing the basic ingredient of sale in the first place?*

(S.G.PANDIT)
JUDGE

(K. V. ARAVIND)
JUDGE