



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 4TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV

WRIT PETITION NO. 1664 OF 2026 (T-RES)

C/W

WRIT PETITION NO. 1729 OF 2026 (T-RES)

IN W.P. No. 1664/2026

BETWEEN:

1. M/S BHAWAR LIFE STYLE
NO. 91, MODEL HOUSE STREET
BASAVANGUDI
(REPRESENTED BY ITS PROPRIETOR
SUNIL KUMAR)

... PETITIONER

(BY SRI. E.I.SANMATHI., ADVOCATE)

AND:

1. ASSISTANT COMMISSIONER CENTRAL TAX
SOUTH DIVISION -3
BANGALORE SOUTH COMMISSIONERATE
1ST FLOOR BMTc BUILDING
KANAKPURAROAD
BANASHANKARI
BENGALURU - 560 070
2. THE COMMISSIONER OF CENTRAL TAX
SOUTH COMMISSIONERATE
POST BOX NO. 5400





QUEENS ROAD
BANGALORE - 1

... RESPONDENTS

(BY SRI. ARAVIND V. CHAVAN, ADVOCATE)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO DIRECTION IN THE NATURE OF A WRIT OF CERTIORARI QUASHING THE ORDER IN ORIGINAL BEARING DIN NO.20250257 0000000FC02 DATED 5/2/2025 AND OIO SI. NO. 138/2024-25/GST/AC VIDE ANNEXURE-A (REMAND) FOR PERIOD JULY 2017 TO MARCH 2022 PASSED BY THE ASSISTANT COMMISSIONER OF CENTRAL TAX, SOUTH DIVISION-3, I FLOOR, BANGALORE (REJECTION OF TRAN-1) AND THIS HON'BLE HIGH COURT MAY BE PLEASED TO ISSUE SUCH OTHER WRIT OR WRITS OR DIRECTIONS IN THE NATURE OF A WRIT AS THIS HON'BLE HIGH COURT MAY DEEM IT FIT TO GRANT IN THE FACTS AND CIRCUMSTANCES OF THE PETITIONER'S CASE AND ETC.

IN W.P. NO. 1729/2026

BETWEEN:

1. M/S BHAWAR LIFE STYLE
NO. 91, MODEL HOUSE STREET
BASAVANGUDI (REPRESENTED BY
ITS PROPRIETOR SUNIL KUMAR)

... PETITIONER

(BY SRI. E.I.SANMATHI., ADVOCATE)



AND:

1. ASSISTANT COMMISSIONER OF CENTRAL TAX
SOUTH DIVISION 3
1ST FLOOR, BENGALURU SOUTH COMMISSIONERATE
BMTC BUILDING, BANASHANKARI
BANGALORE - 560 070

2. THE COMMISSIONER OF CENTRAL TAX
SOUTH DIVISION
BENGALURU SOUTH COMMISSIONERATE
BMTC BUILDING, BANASHANKARAI
BANGALORE - 560 070
BANGALORE

... RESPONDENTS

(BY SRI. UNNIKRISHNAN M., ADVOCATE)

THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASHING THE COPY OF ORDER IN ORIGINAL BEARING DIN NO.202501570000003303EC DTD 30.01.2025 AND OIO SI.NO. 114/2024-25/GST/AC FOR PERIOD JULY 2017 TO MARCH 2022 PASSED BY THE ASSISTANT COMMISSIONER OF CENTRAL TAX, SOUTH DIVISION-3, I FLOOR, BANGALORE (REJECTION OF TRAN-2) (ANNEXURE-A) AND THIS HON'BLE HIGH COURT MAY BE PLEASED TO ISSUE SUCH OTHER WRIT OR WRITS OR DIRECTIONS IN THE NATURE OF A WRIT AS THIS HON'BLE HIGH COURT MAY DEEM IT FIT TO GRANT IN THE FACTS AND CIRCUMSTANCES OF THE PETITIONER'S CASE AND ETC.



THESE PETITIONS COMING ON FOR PRELIMINARY HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

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

ORAL ORDER

W.P.No.1664/2026 is filed seeking for setting aside of the Order-in-Original dated 05.02.2025 for the period from July 2017 to March 2022 challenging the rejection of Tran-1.

W.P.No.1729/2026 is filed by the same assessee calling in question the Order-in-Original dated 30.01.2025 for the period from July 2017 to March 2022 assailing the rejection of Tran-2.

2. Taking note that assessee is common in both the matters, it would be appropriate to club both the writ petitions and dispose of the same by a common order.

3. Insofar as rejection of Tran-1 is concerned, the Adjudicating Authority had made certain observations at



para 14 to the effect that the quantity and value inputs are not matching with the TRAN credit availed. It is also noticed that the petitioner has not maintained detailed stock register showing the quantity of goods in stock, description of goods, quantity of each item and value of the stock on hand etc. It was further held that, as tax credit availed by the tax payer was irregular, the demand was confirmed.

4. Insofar as rejection of Tran-2 is concerned, which is the subject matter in W.P.No.1729/2026, the Order-in-Original would observe that the tax payer has not furnished details of inputs held on stock as on 1st July and it was further pointed out that invoice/documents evidencing payment of tax carried forward to Electronic Credit Ledger in support of that credit availed was not produced.

5. Taking note of the observations made in the Order-in-Original, this court on 04.02.2026 has passed the following order:



"The petitioner in both the cases contends that the Authority has not taken note of the documents produced by the petitioner referred to at Annexure-'E' and has merely asserted that the Value of Inputs are not matching with the TRAN Credit availed.

It is further submitted that the documents referred to in the E-mail at Annexure-'E' to record a finding on mismatch regarding TRAN Credit availed and the petitioner would demonstrate the same.

In light of the above submission and to demonstrate the bona fides of the petitioner, the matter is remitted to respondent No.1.

The petitioner is to appear before the respondent No.1 on 25.02.2026 and satisfy the Authority regarding the availability of material.

Learned counsel appearing for the Revenue to obtain instructions as to whether the petitioner has produced relevant material before the Authorities.

The petitioner is at liberty to furnish the materials and records apart from those referred at Annexure-'E' which would enable the petitioner to demonstrate mismatching the Value of TRAN Credit availed.



Re-list the matter on 04.03.2026."

6. Learned counsel for petitioner submits that he has appeared before the authority and has filed a memo enclosing copy of the documents produced before the Assessing Officer as well as enclosing copy of the minutes regarding the proceedings of 25.02.2026.

7. The above would reveal that the petitioner has placed before the Assessing Officer, details as referred in the order impugned, which was not previously produced.

8. Taking note of the documents produced, the Assessing Officer has called upon the petitioner to produce the CA certified closing stock of goods as on 30.06.2017, purchase invoice copies and sales register for the period July to December, 2017.

9. Learned counsel for Revenue affirms the proceedings held on 25.02.2026.



10. Taking note of the orders passed in the absence of certain documents not having been placed before the authorities and now placing certain records and the Adjudicating Authority has sought for certain certified copies to be produced, it would be appropriate to set aside the impugned order and remit the matter for reconsideration.

11. Accordingly, the order at Annexure-A in W.P.No.1664/2026 and W.P.No.1729/2026 is set aside. The matters are remanded for fresh consideration. All contentions are kept open.

12. Accordingly, both W.P.No.1664/2026 and W.P.No.1729/2026 are disposed of.

Sd/-
(S SUNIL DUTT YADAV)
JUDGE

NP

