



**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**DATED THIS THE 21<sup>ST</sup> DAY OF APRIL, 2026**

**BEFORE**

**THE HON'BLE MR. JUSTICE S SUNIL DUTT YADAV**

**WRIT PETITION NO. 10121 OF 2026 (T-RES)**

**BETWEEN:**

M/S. SRINIDHI CONSTRUCTION,  
A PARTNERSHIP FIRM  
HAVING OFFICE AT NO. 1,  
SRINIDHI NILAYA, OPP. SHUBHAMANGAL,  
CHOWTRY 60FT ROAD, 1<sup>ST</sup> STAGE,  
VINOBA NAGAR,  
SHIVAMOGGA - 577204,  
REP. BY ITS AUTHORISED REPRESENTATIVE,  
SHRI. V. RAVISH.

...PETITIONER

(BY SRI. SHRAVAN MADHAV K. P., ADVOCATE)

**AND:**

1. THE JOINT COMMISSIONER OF  
COMMERCIAL TAXES (ADMN.),  
VANIJYA THERIGE BHAVANA,  
GOPALA GOWDA EXTENSION,  
SHIVAMOGGA- 577205.
2. THE ASSISTANT COMMISSIONER  
OF COMMERCIAL TAXES (AUDIT)-1,  
VANIJYA THERIGE BHAVANA,  
12<sup>TH</sup> CROSS, A BLOCK,  
GOPALA GOWDA EXTENSION,  
SHIVAMOGGA - 577205.

...RESPONDENTS

(BY SMT. JYOTHI M. MARADI, HCGP)





THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT OF CERTIORARI QUASHING THE IMPUGNED ORDER-IN-ORIGINAL 16.08.2024 BEARING NO. ACCT(AUDIT-1).SMG.T.325.2024-25 ALONG WITH FORM GST DRC-07 DATED 16.08.2024 BEARING REFERENCE NO.ZD290824060749P PASSED BY THE RESPONDENT NO.2 (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**

The petitioner has challenged the order of adjudication which is the Order-in-Original at Annexure-A. The petitioner has also sought to assail the validity of the show-cause notice. Petitioner has also sought for certain allied reliefs as well.

2. Learned counsel for the petitioner submits that the proceedings are vitiated as the authority which has conducted audit is the authority which has passed the adjudication order. It is further submitted that the petitioner could not make out a reply to the show-cause notice due to bonafide reasons. It is submitted that



rejection of the respondent regarding ITC claim could be demonstrated to be erroneous, if opportunity is granted to the petitioner after setting aside the impugned order of adjudication.

3. Perused the order at Annexure-A. The authority has noticed the audit observations regarding discrepancy in the ITC claim as also the short declaration of output tax in GSTR-3B. It is noticed that though notice was served, however no reply has been made by the petitioner and the petitioner has failed to produce RA bills, work order, estimates for schedule B, agreement copy, profit and loss accounts, balance sheet, purchase bills and statement and bank statements. Accordingly, the authority in the absence of such material has completed the adjudication proceedings.

4. Learned counsel for the petitioner submits that if opportunity is granted, they would meet the grounds made out in the show-cause notice. Noticing that adjudication has recorded factual findings and the



authority did not have the benefit of reply to the show-cause notice on its merits, it would be appropriate to afford an opportunity to the petitioner by remitting the matter back for reconsideration.

5. Accordingly, the impugned order at Annexure-A is set aside. Matter is remitted to respondent No.2 for reconsideration. The petitioner is permitted to make out reply to the show-cause notice. All contentions on merits are kept open including the contention regarding audit officer and adjudicating officer are one and the same.

6. Petitioner to appear before respondent No.2 without further notice on 20.05.2026. Petitioner to pay cost of Rs.10,000/- to the Karnataka Advocates Clerks Benevolent Trust, High Court Building, Bengaluru.

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

Sd/-  
(S SUNIL DUTT YADAV)  
JUDGE

MCR