



CNR: KAHC010794822025

NC: 2026:KHC:39560-DB
WA No. 1947 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE T.M.NADAF

WRIT APPEAL NO. 1947 OF 2025 (LB-BMP)

BETWEEN:

1. EXECUTIVE ENGINEER
(FORMERLY BRUHAT BENGALURU
MAHANAGARA PALIKE)
CURRENTLY BENGALURU CENTRAL CITY
(CORPORATION)
NOW GREATER BENGALURU AUTHORITY
(SHIVAJINAGAR DIVISION)
QUEENS ROAD, THIMMAIAH ROAD,
STONE BUILDING, BANGALORE 560052
2. BENGALURU CENTRAL CITY CORPORATION
(FORMERLY BRUHAT BENGALURU
MAHANAGARA PALIKE)
CURRENTLY BENGALURU CENTRAL CITY
CORPORATION NOW GREATER BENGALURU
AUTHORITY (SHIVAJINAGAR DIVISION)
QUEENS ROAD, THIMMAIAH ROAD
STONE BUILDING, BANGALORE 560052
REPRESENTED BY THE COMMISSIONER

...APPELLANTS

(BY SRI. PRASHANTH S H., ADVOCATE)

AND:

1. M/S M VENKATA RAO INFRA PROJECTS PVT LTD
OFFICE AT NO.48-19-6
2ND FLOOR, MVR COMPLEX,

Digitally
signed by
VASANTHA
KUMARY B
K
Location:
HIGH
COURT OF
KARNATAKA





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DWARAKANAGAR,
VISHAKHAPATNAM -530 003
REPRESENTED BY ITS
AUTHORIZED SIGNATORY
MR SAMBASIVA RAO G

...RESPONDENT

(BY SRI. NISHANTH A V., ADVOCATE)

THIS WRIT APPEAL IS FILED U/S 4 OF THE KARNATAKA
HIGH COURT ACT PRAYING TO SET ASIDE THE ORDER PASSED
BY THE HON'BLE SINGLE JUDGE VIDE ORDER DATED
25/07/2025 PASSED IN WP NO.2788/2025, ETC.

THIS APPEAL, COMING ON FOR PRELIMINARY HEARING,
THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE T.M.NADAF

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE D K SINGH)

The present intra Court appeal has been filed impugning
the judgment and order dated 25.07.2025 passed by the Writ
Court in W.P.No.2788/2025 filed by the respondent for
quashing the letter/order dated 03.01.2025 issued by the
Executive Engineer (Projects Central-4), Bruhat Bengaluru
Mahanagara Palike, Bengaluru.

2. The parties are referred to as per their ranking
before the writ Court, for the sake of convenience.



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3. The petitioner who is a registered contractor was awarded a contract for construction of a grade separator at Shivananda Circle, Bengaluru for which work order dated 30.06.2017 was issued in favour of the petitioner. The cost estimate for the said contract was prepared under the then prevailing Value Added Tax (VAT) and Service Tax regime. However, during the execution of the contract, the Goods and Services Tax (GST) regime came into force with effect from 01.07.2017. After the execution of the work and on payment of the bills raised by the petitioner, the BBMP had withheld the payment of the bills raised for the differential tax component.

4. Aggrieved by this action, the petitioner had filed a writ petition as the petitioner was of the opinion that the differential tax rate was not to be paid by him for the work completed inasmuch as the project was executed prior to 01.07.2017. The taxes payable under the new GST regime were not taken into consideration while finalizing the tender/work order.



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5. It is not in dispute that the agreement executed between the parties contains an arbitration clause. The petitioner has already invoked the arbitration clause for adjudication of his claims arising out of the contract which would include the differential tax component deducted by the BBMP.

6. Having heard the learned counsel appearing for the parties and upon consideration of the material on record, we are of the considered view that the dispute falls within the realm of private law and a public law remedy under Article 226 of the Constitution of India would not be available to the petitioner to raise a contractual dispute for money claim. Since the petitioner has already invoked the arbitration clause, any claim regarding the differential tax deducted may be raised in those proceedings.

7. We make it clear that we have not expressed opinion on the merits of the petitioner's claim or on the entitlement to the differential tax amount as deducted by the



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BBMP. It is for the arbitrator to examine and decide the issue on merits in the arbitration proceedings.

8. However, we are of the considered view that the invocation of public liability is not available for money claim under a contract. Consequently, the writ appeal is allowed. The impugned judgment and order dated 25.07.2025 is hereby set aside in the aforesaid terms.

**Sd/-
(D K SINGH)
JUDGE**

**Sd/-
(T.M.NADAF)
JUDGE**

RKA
CT:SN
List No.: 1 Sl No.: 20