



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 9TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE B M SHYAM PRASAD

WRIT PETITION NO. 16897 OF 2026 (T-RES)

BETWEEN:

GVS ENGINEERING AND CONSTRUCTION,
A PROPRIETORSHIP CONCERN,
REGISTERED UNDER CGST ACT,
3RD FLOOR, NO.303, BHANUS S
ELEGANCE APARTMENT,
SHANKARNAG ROAD,
BANNERGHATTA ROAD,
BENGALURU-560083
(REP BY ITS PROP G.V. SUNDARAVADANAN
AGED 59 YEARS)

...PETITIONER

(BY SRI. K M SHIVAYOGISWAMY, ADVOCATE)

AND:

THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES,
LGSTO-027, DGSTO-04,
TTMC BUILDING,
6TH FLOOR, 80 FEET ROAD,
KORAMANGALA,
BANGALORE-560095.

...RESPONDENT

(BY SRI.K HEMA KUMAR., AGA)

Digitally
signed by
VANAMALA
N
Location:
HIGH
COURT OF
KARNATAKA



THIS W.P. IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO A) ISSUE WRIT OF CERTIORARI OR DIRECTIONS IN THE NATURE OF CERTIORARI QUASHING IMPUGNED PROCEEDINGS INTIMATION OF BLOCKING OF ITC DATED 24.02.26 ISSUED BY THE RESPONDENT VIDE ANNEXURE-D; B) ISSUE WRIT OF CERTIORARI OR DIRECTIONS IN THE NATURE OF CERTIORARI TO QUASH THE INTIMATION/ NOTICE FOR REVERSAL OF INPUT TAX CREDIT ISSUED BY THE RESPONDENT BEARING REFERENCE NO.ZD2902260673662 CASE ID.AD290226019270C AND REFERENCE NO. ZD2902260673943 CASE ID AD2902260192835 EVEN DATED 13.02.2026 VIDE ANNEXURE-B AND B-1 RESPECTIVELY; C) ISSUE WRIT OF MANDAMUS OR DIRECTIONS IN THE NATURE OF MANDAMUS DIRECTING THE RESPONDENT TO UNBLOCK THE INPUT TAX CREDIT AS PER PROCEEDINGS INTIMATION DATED 24.02.26 VIDE ANNEXURE-D.



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

CORAM: HON'BLE MR. JUSTICE B M SHYAM PRASAD

ORAL ORDER

The petitioner has called in question the proceedings dated 24.02.2026 [*Annexure-D*] under Rule 86A of the Central Goods and Services Tax Act, 2017 [for short, '*the Act*']. The respondent, under these proceedings, has blocked the *Input Tax Credit [ITC]* of Rs.17,91,932/- on the ground that M/s Ganesh Traders is found to be a *Bill Trader involved in issuance of fake invoices* and that this trader's business premises is not in existence. The respondent's Order blocking the ITC is after issuance of the Endorsement dated 04.02.2026.

Sri K M Shivayogiswamy, the learned counsel for the petitioner, submits that it was incumbent upon the respondent to issue notice in view of the



decision of this Court in the Writ Appeal in W.A. No.100425/2023, wherein it is observed that Notice must be read into the statutory scheme to ensure there is no violation of the principles of natural justice. Sri K Hemakumar, the learned Additional Government Advocate, does not dispute this proposition, but he contends that this Court may not interfere with the Notices issued as per Annexures-B and B1 as it is independent and the petitioner must participate in the proceedings.

In response, Sri K M Shivayogiswamy submits that the petitioner confines the grievance to the proceedings dated 24.02.2026. On a careful consideration of all these circumstances and in view of the proposition that stands settled by this Court's afore decision, there must be limited interference subject to terms. Hence, the following.



ORDER

- [a] The petition is allowed in part, and the proceedings dated 24.02.2026 on the file of the respondent is quashed.
- [b] The respondent is directed to unblock the petitioner's electronic credit ledger immediately on receipt of a certified copy of this order.
- [c] The respondent will be at liberty to proceed against the petitioner in accordance with the procedure required after the decision of the Division Bench in such proceedings.

**Sd/-
(B M SHYAM PRASAD)
JUDGE**

AN/-