



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

**DATED THIS THE 25<sup>TH</sup> DAY OF JUNE, 2026**

**PRESENT**

**THE HON'BLE MR. JUSTICE S.G.PANDIT**

**AND**

**THE HON'BLE MR. JUSTICE RAJESH RAI K**

**WRIT APPEAL NO. 1951 OF 2025 (T-RES)**

**BETWEEN:**

1. THE STATE OF KARNATAKA  
FINANCE DEPARTMENT,  
II FLOOR, VIDHANA SOUDHA,  
BENGALURU- 560 001  
REP BY ADDL CHIEF SECRETARY
2. THE COMMISSIONER OF COMMERCIAL TAXES,  
GOVERNMENT OF KARNATAKA,  
VANIJYA THEREGIGE KARYALAYA, I  
ST MAIN ROAD, GANDHINAGAR,  
BENGALURU- 560 009.
3. THE JOINT COMMISSIONER OF  
COMMERCIAL TAXES (ADMN)  
DIVISIONAL VAT,  
SHIMOGA- 577 201.
4. OFFICE OF THE ASSISTANT COMMISSIONER  
OF COMMERCIAL TAXES (AUDIT)  
HASSAN-573 201.
5. THE EXECUTIVE ENGINEER  
H AND FW, DEPARTMENT,  
ENGINEERING SUB DIVISION,  
HASSAN-573 201.





6. THE EXECUTIVE ENGINEER  
PUBLIC WORKS PORTS AND  
INLAND WATER TRANSPORT,  
HASSAN DIVISION,  
HASSAN DISTRICT- 573 201.
7. PRIMARY HEALTH OFFICER ADMINISTRATIVE,  
COMMUNITY HEALTH CENTRE,  
KONANURU, ARAKALAGUDU TALUK,  
HASSAN DISTRICT-57 3130.
8. PRIMARY HEALTH OFFICER ADMINISTRATIVE,  
COMMUNITY HEALTH CENTRE,  
GANGUR, ARAKALAGUDU TALUK,  
HASSAN DISTRICT-573 130.
9. PRIMARY HEALTH OFFICER ADMINISTRATIVE,  
COMMUNITY HEALTH CENTRE,  
DODDABEMMATHI, ARAKALGUDU TALUK,  
HASSAN DISTRICT- 573 130
10. TALUK HEALTH OFFICER ADMINISTRATIVE,  
ARAKALAGUDU,  
HASSAN DISTRICT- 573 102.
11. PRIMARY HEALTH OFFICER ADMINISTRATIVE,  
COMMUNITY HEALTH CENTRE,  
BASAVAPATTANA,  
HASSAN DISTRICT- 573 130.
12. THE EXECUTIVE ENGINEER  
PWD DEPARTMENT,  
HASSAN DIVISION,  
HASSAN DISTRICT- 573 201.

...APPELLANTS

(BY SRI. ADITHYA VIKRAM BHAT, AGA)

**AND:**

1. YOGISHA R  
S/O RAJU,



AGED ABOUT 43 YEARS,  
R/AT KHATA NO.2996,  
MYLARALINGESHWAR NILAYA,  
RING ROAD, VIDYA NAGARA,  
HASSAN DISTRICT- 573 211

2. THE UNION OF INDIA  
MINISTRY OF FINANCE,  
NEW DELHI-110 001  
REP BY ITS SECRETARY
3. THE GOODS AND SERVICES TAX COUNCIL  
JANPATH, CONNAUGHT PLACE,  
NEW DELHI-110 001  
REP BY SPECIAL SECRETARY.
4. PRINCIPAL COMMISSIONER OF CENTRAL TAX  
NO.1, QUEENS ROAD, VASANTH NAGAR,  
BENGALURU-560 001.
5. OFFICE OF PRINCIPAL COMMISSIONER  
GST AND CENTRAL EXCISE,  
MYSORE- 570 001.

...RESPONDENTS

(BY SRI. HALESHA R. GAVIMATH, ADVOCATE FOR R1,  
SRI. ARAVIND V CHAVAN, ADVOCATE FOR R2-R5)

THIS WRIT APPEAL IS FILED U/S 4 OF THE KARNATAKA  
HIGH COURT ACT PRAYING TO SET ASIDE THE JUDGMENT AND  
ORDER DATED 26.03.2025, PASSED BY THE LEARNED SINGLE  
JUDGE OF THIS HON'BLE COURT IN WRIT PETITION No. 569  
OF 2024 AND CONSEQUENTLY, ALLOW THE PRESENT WRIT  
APPEAL.

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



CORAM: HON'BLE MR. JUSTICE S.G.PANDIT  
and  
HON'BLE MR. JUSTICE RAJESH RAI K

**ORAL JUDGMENT**

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

The State authorities are in appeal filed under Section 4 of the Karnataka High Court Act, 1961, questioning the order dated 26.03.2025 passed in W.P.No.569/2024 by the learned Single Judge, where under the following order has been passed:

*"i. The petition is **allowed** and disposed of in terms of the order passed by this Court in the case of **Sri. Chandrashekaraiah and others Vs. The State of Karnataka - W.P.No.9721/2019 and connected cases dated 11.04.2023.***

*ii. The concerned respondents are hereby directed to reimburse GST amount as indicated in the representations at Annexures- C1 to C7 back to the petitioner, within a period of three months weeks from the date of receipt of a copy of this order."*

2. Heard the learned Additional Government Advocate Sri. Adithya Vikram Bhat, for the appellants/State, learned counsel Sri. Halesha R. Gavimath, for respondent No.1 and



learned counsel Sri. Aravind V. Chavan, for respondent Nos.2 to 5.

3. The respondent No.1/petitioner was before the learned Single Judge in the aforesaid writ petition with a prayer to consider his representation dated 04.12.2023 and to release the GST tax amount as stipulated by the GST Act, with a further prayer to declare that the provisions of GST Act is inapplicable in respect of the works contract where 'provisions of service' are made prior to 01.07.2017, insofar as petitioner is concerned.

4. Learned Single Judge solely on the basis of law laid down by this Court in the Case of ***Sri. Chandrashekaraiah and others vs. State of Karnataka - W.P.No.9721/2019 and connected cases dated 11.04.2023***, disposed of the writ petition with the above directions.

5. Learned Additional Government Advocate Sri. Adithya Vikram Bhat, brought to the notice of this Court that the Co-ordinate Bench of this Court in W.A.No.1587/2023 dated 10.06.2026, clarified that the direction issued to the



respondent i.e., Tax authorities to reimburse the differential tax is required to be construed as a direction only to the concerned employers and not to the tax authorities. In W.A.No.615/2025, **State of Karnataka and others vs. Unique constructions and others** where also the Co-ordinate Bench of this Court considered **Chandrashekaraiah** (*supra*) and while disposing of the said writ appeal at paragraph Nos.9, 10 and 11 has observed as follows:

*"9. The learned counsel appearing for the appellants has confined the challenge to the impugned order on two fronts. First, it is submitted that the operative part of the order seeks to incorporate the directions issued in the case of **Sri. Chandrashekaraiah** (*supra*), which also includes a direction enabling the writ petitioners to file GST returns/ amended returns for the period after 01.07.2017 by calculating the differential tax in a manner as set out in the said order. Further, the interest, penalty and the period of limitation have also been waived. Second, it is submitted that the appellant No.1 is not liable to reimburse any amount to the writ*



*petitioners, and the direction to the concerned respondents to do so must be read as confined to the Employer.*

*10. The dispute as to whether the writ petitioners would be entitled to reimbursement of incremental tax paid or payable by them on account of the levy of GST is strictly a matter between the writ petitioners and the Employers with whom they had entered into a contract. The contract between the writ petitioners and the employer would not alter the statutory scheme for the levy of GST. Thus, the liability of the writ petitioners to pay Goods and Services Tax (whether under the Central Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017 or the Integrated Goods and Services Tax Act, 2017) is required to be determined strictly in accordance with the provisions of the relevant statute. The question of the levy of GST, assessment, recovery, and enforcement is a matter of statutory prescription.*

*11. In view of the above, no directions could be issued permitting the filing of any revised returns contrary to the provisions of the*



*statute. The plenary directions to waive the penalty, interest under the GST Acts or the limitation for filing returns/revised returns are also unsustainable."*

6. In view of the subsequent decisions of the Coordinate Bench of this Court, we are of the considered opinion that the learned Single Judge based on ***Chandrashekaraiah*** (*supra*) could not have directed the concerned respondents therein to reimburse GST amount as indicated in the representation. At the best, the learned Single Judge could have directed to consider the representation in accordance with law.

7. In the light of the above, the following

### **ORDER**

i. The order of the learned Single Judge dated 26.03.2025 in W.P.No.569/2024 is hereby modified and the concerned authorities are hereby directed to consider the representations of respondent/petitioner at Annexures - C1 to C7 in accordance with law within a period of six



weeks from the date of uploading of the present  
order.

Accordingly, the writ appeal stands ***disposed of.***

**SD/-  
(S.G.PANDIT)  
JUDGE**

**SD/-  
(RAJESH RAI K)  
JUDGE**

CR  
List No.: 1 Sl No.: 39