



**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**  
**DATED THIS THE 18<sup>TH</sup> DAY OF SEPTEMBER, 2024**  
**BEFORE**  
**THE HON'BLE MR. JUSTICE S.R. KRISHNA KUMAR**  
**WRIT PETITION NO.22684 OF 2024 (T-RES)**

**BETWEEN:**

1. MAHENDRA SONI  
AGED ABOUT 30 YEARS  
S/O SRI. SHANKAR LAL SONI  
D-1, SHANKAR NAGAR  
DAKSHIN AMER ROAD  
BEHIND NIRMAL SCHOOL, JAIPUR  
RAJASTHAN-302002.
2. LOKESH KUMAR SONI  
AGED ABOUT 31 YEARS  
S/O SRI. SHANKAR LAL SONI  
NO.121, GALI NO.2  
LAKSHMI NAGAR  
MAGORI WALLON KI BAGICHHI KE PICHE  
BRAHMIPURI, JAIPUR  
RAJASTHAN-302002.
3. RAJESH KUMAR SONI  
AGED ABOUT 51 YEARS  
S/O MANGATU RAM SONI  
NO.325, 7TH MAIN, 2ND CROSS ROAD  
NAGENDRA BLOCK  
BSK IST STAGE  
BENGALURU SOUTH  
BANASHANKARI  
BENGALURU-560050

...PETITIONERS

(BY SRI. SHREEHARI KUTSA, ADV.,)



**AND:**

1. ASSISTANT COMMISSIONER OF  
COMMERCIAL TAXES (VIGILANCE )-01  
KORAMANGALA, BENGALURU  
3RD FLOOR, A BLOCK  
V.T.K.-2 BUILDING  
KORAMANGALA  
BENGALURU-560047.
  
2. COMMISSIONER OF COMMERCIAL TAXES  
(KARNATAKA), BENGALURU  
DIVISIONAL GOODS AND SERVICE TAX  
OFFICE (DGSTO)  
VTK-2 BUILDING  
RAJENDRA, KORAMANGALA  
BENGALURU-560047.

...RESPONDENTS

(BY SRI. HEMAKUMAR K, AGA)

THIS W.P. IS FILED UNDER ARTICLE 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASH THE NOTICE FOR CONFISCATION OF GOODS AND LEVY OF PENALTY UNDER SEC 130 OF THE KARNATAKA GOODS AND SERVICE TAX ACT, 2017 AND CENTRAL GOODS AND SERVICE TAX ACT, 2017 R.W RELEVANT PROVISIONS OF THE INTEGRATED GOODS AND SERVICE TAX ACT, 2017 DTD 05.02.2024 ISSUED BY THE R-1 AND BEARING ASSIGNMENT NO. JCCT(VIG)/INS-01/AN-313/2023-24/3302 AND ENCLOSED AS ANNEXURE-C INsofar AS THE ITEMS IN ANNEXURE-1, SL.NO. VIII-5 AND 6 ARE CONCERNED. QUASH THE ORDER FOR CONFISCATION OF GOODS AND LEVY OF PENALTY UNDER SEC 130 OF THE KARNATAKA GOODS AND SERVICE TAX ACT, 2017 AND CGST ACT, 2017 R.W RELEVANT PROVISIONS OF THE INTEGRATED GOODS AND SERVICE TAX ACT, 2017 DTD 20.04.2024 ISSUED BY THE R-1 AND BEARING ASSIGNMENT NO. JCCT (VIG)/ACCT-01/INS-313/2024-25/785 AND ENCLOSED AS ANNEXURE-D INsofar



AS THE ITEMS IN ANNEXURE-01, SL.NO. VIII-5 AND 6 ARE CONCERNED & ETC.

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

CORAM: **HON'BLE MR. JUSTICE S.R. KRISHNA KUMAR**

**ORAL ORDER**

In this petition, the petitioners seek the following reliefs:

*“(i) Issue a writ of certiorari or any other suitable writ quashing the notice for confiscation of goods and levy of penalty under section 130 of the Karnataka Goods and Service Tax Act, 2017 and Central Goods and Service Tax Act, 2017 read with relevant provisions of the Integrated Goods and Service Tax Act, 2017 dated 05.0.2024 issued by the Respondent No.1 and bearing assignment no.JCCt(vig)/INS-01/AN-313/2023-24/3302 and enclosed as Annexure C insofar as the items in Annexure - 01, Sl.No.VIII-5 and 6 are concerned.*

*(ii) Issue a Writ of certiorari or any other suitable writ quashing the Order for confiscation of goods and levy of penalty under section 130 of the Karnataka Goods and Service Tax Act, 2017 and Central Goods and Service Tax Act, 2017 read with relevant provisions of the Integrated Goods and Service Tax Act, 2017 dated 20.04.2024 issued by the Respondent No.1 and bearing assignment no. JCCT(vig)/ACCT-01/INS/313/2024-25/785 and enclosed as Annexure D insofar as the items in Annexure - 01, Sl.No.VIII-5 and 6 are concerned.*



*(iii) Grant such other reliefs as this Hon'ble Court deems fit in this matter including but not limited to COSTS OF THIS PETITION.”*

2. Heard.

3. A perusal of the material on record indicates that the petitioners' claim that they are the owners of the subject gold jewelry which was described as Sl.No.VIII-5 and 6 in Annexure-01 in the impugned confiscation notice dated 05.02.2024 issued by respondent No.2 to the consignee, Bhagwathi Air Express as well as M/s. Menzies Aviation (Bengaluru) Private Limited and M/s. Interglobe Aviation Limited, Bangalore.

4. It is contended that, though the petitioners were the owners of the aforesaid subject goods, no notice of confiscation proceedings were issued to the petitioners, as a result of which the respondents proceeded to pass the impugned order directing confiscation of the goods by importing Section 130 of the Karnataka Goods and Service Tax Act, 2017 and as such, this Court by way of present petition challenging the legality, validity and correctness of confiscation notice at Annexure-C dated 05.02.2024 and the confiscation order at Annexure-D dated 20.04.2024. It is submitted that the respondents after intimated the



petitioners about the confiscation and issued the requisite notice to the petitioners and since they did not do so, the impugned confiscation notice as well as the impugned confiscation order are violation of principles of natural justice. It is submitted that if one more opportunity is granted, the petitioners would submit their reply to the confiscation notice and respondents may be directed to consider the same and proceed further in accordance with law. It is also submitted that the petitioners have made detailed representation at Annexures-E, F, G, H, J and K which have not been considered by the respondents.

5. Per contra, learned AGA supports the impugned order and submits that there is no merit in the petition and the same is liable to be dismissed.

6. A perusal of the impugned confiscation notice and the impugned confiscation order will clearly indicate that the confiscation notice has not been addressed to the petitioners who claim to be the owners of the subject goods. So also, the impugned confiscation order has been passed without providing any opportunity to the petitioners who were not the addressees insofar as the confiscation notice is concerned. Further, in the light of the



repeated representations submitted by the petitioners which have not been considered by the respondents in order to provide one more opportunity to the petitioners to submit their reply to the confiscation notices and to contest the proceedings, I deem it just and appropriate to set aside the impugned confiscation order and remit the matter back to the respondent No.1 for reconsideration afresh in accordance with law insofar as the subject goods of the petitioners are concerned.

7. In the result;

**ORDER**

- i) Petition is hereby allowed.
- ii) Impugned order at Annexure-D dated 20.04.2024 is set aside insofar as it relates to the subject goods described as Annexure-01, Sl.No.VIII-5 and 6 of the petitioners are concerned.
- iii) Matter is remitted back to the first respondent for reconsideration of the claim of the petitioners in relation to the aforesaid subject goods and in accordance with law.
- iv) Petitioners undertake to appear before respondent No.1 on 30.09.2024 without awaiting further notice from respondent No.1.
- v) Liberty is reserved in favour of the petitioners to submit reply, pleadings, documents



etc., before respondent No.1 who shall consider the same and pass appropriate order within a period of one month from 30.09.2024.

**Sd/-  
(S.R.KRISHNA KUMAR)  
JUDGE**

ABK  
List No.: 1 SI No.: 32