HC-KAR

NC: 2026:KHC:37462
CRL.P No. 10691 of 2026

CNR: KAHC010491192026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 21ST DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE M.NAGAPRASANNA

CRIMINAL PETITION NO. 10691 OF 2026

BETWEEN:

SRI J.RAMESH KUMAR JAIN
S/O SRI JUGRAJ PREMCHAND JAIN,
AGED ABOUT 57 YEARS,
PROPRIETOR,
M/S.JINESHWAR PLYWOOD AND VENEERS,
NO.64, 1ST MAIN ROAD, CELLAR FLOOR,
SHESHADRIPURAM
BENGALURU – 560 020.

...PETITIONER

(BY SRI SHARAN L.JAIN, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
BY THE SHO., COD POLICE
BENGALURU – 560 001
REPRESENTED BY
THE STATE PUBLIC PROSECUTOR
HIGH COURT BUILDING ANNEXE
BENGALURU – 560 001.

2. THE ASSISTANT COMMISSIONER OF
COMMERCIAL TAXES,
LVO-060 (ADDITIONAL),
NO. 1416/A, III MAIN,
ADI CHUNCHANAGIRI MATTA COMPLEX,

MANOVANA, VIJAYANAGAR,
BENGALURU – 560 040.

...RESPONDENTS

(BY SRI B.N.JAGADEESHA, SPP-I A/W
SMT.RASHMI PATEL, HCGP)

THIS CRL.P FILED U/S 482 CR.PC (FILED U/S 528 BNNS) PRAYING TO QUASH THE CHARGE SHEET AND THE ENTIRE PROCEEDINGS IN C.C.NO.35173/2014, ARISING OUT OF CRIME NO.67/2012 OF THE CHANDRA LAYOUT POLICE STATION, BENGALURU CITY, PRODUCED AS ANNEXURE-A, PENDING ON THE FILE OF THE COURT OF THE I ADDL. CJM, BENGALURU, FOR THE OFFENCES P/U/S 465, 468 AND 471 R/W SECTION 34 OF THE IPC, 1860, INSOFAR AS THE PETITIONER/ACCUSED NO.18 IS CONCERNED.

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

CORAM: **HON'BLE MR. JUSTICE M.NAGAPRASANNA**

ORAL ORDER

The petitioner calls in question the proceedings in C.C.No.35173 of 2014 for the offences punishable under Sections 465, 468, 471 r/w Section 34 of the IPC. The petitioner is before the Court on the score that the concerned Court is framing charges tomorrow.

2. Heard Sri Sharan L Jain, learned counsel appearing for petitioner, Sri B. N. Jagadeesha, learned State Public Prosecutor-I appearing for respondents.

3. Learned counsel for petitioner submits that the proceedings against accused No.5 are quashed by the co-ordinate bench of this Court in Crl.P.No.8041 of 2018 and since petitioner is also similarly placed, proceedings against him also requires to be quashed.

4. The co-ordinate Bench of this Court in **Crl.P.No.8041 of 2018** by order dated **23-06-2025** has quashed the proceedings as against accused No.5, by the following order:

"…. …. ….

6. The order dated 18.05.2019 passed by the Appellate Authority is as under:

"PROCEEDINGS OF THE DEPUTY COMMISSIONER OF COMMERCIAL TAXES (AUDIT 5.6) DGSTO-5, KORAMANGALA, BENGALURU.

(In pursuant to the order passed by the JCCT(Appeal-5) order dtd. 17/11/2018)

Present: Dr. H.R. Shivakumar
Deputy Commissioner of Commercial Taxes,
(Audit-5.6), DGSTO-5, Bangalore -47.

Dated: 18.05.2019

1. Name & Address of the Dealer	M/s. Sri.Radhakrishna Alloys Pvt.Ltd. No.43/1, 8th Cross, 4th Main, 2nd Block, R.T.Nagar, Bangalore–560 032. Bangalore Office: 641, Puspanjali complex, 3rd Floor, 80 feet Road, 4th Block, Koramangala, Bengaluru -34.
2. TIN	29260734256
3. GSTSO	GSTSO 183, Chickaballapur
4. Nature of Business	Dealer in iron and steel and scrap
5. Period of Assessment	April 2011 to March 2012
6. Date of original order	28.03.2018
7. Books Produced	JCCT (Appeal-5) order
8. Represented by	Sri. Sanjay, Accounts Manager
9. CAS No.	284447222.01
10. Demand No.	111580800.1

M/s Sri Radhakrishna Alloys Pvt. Ltd, No. 43/1, 8th Cross, 4th Main, 2nd Block, R.T.Nagar, Bangalore- 560032 is a Private Limited Company registered under the KVAT Act 2003. The said assessee company is dealing in purchase and sale of iron and steel and also manufacturing activity and have a registered office at Bangalore as noted above. They have their factory at Plot No.52, APIIC growth Centre, Thumukunta Checkpost, Hindupur A.P. They have also a Depot at Shop No.2, Opp. Aruna Saw Mill, B.H.Road, Gowribidanur- 561208, wherefrom the sales and purchases are effected in the state. The company has been a registered dealer under the provisions of the KVAT Act, 2003 holding TIN

29260734256 and is on the files of GSTSO 183, Chickaballapur.

The re-assessment order in respect of the above asses company for the tax periods falling in the financial year 2011-12 under section 39(1) and Read With Section 36(1) and 72(2) of the KVAT Act, 2003 was concluded on 28-03-2018 vide CAS No. 284447222, wherein levied the tax of Rs.73,69,391/- Penalty at Rs.7.36,839/- and interest of Rs.87,91,229/- and the total liability at Rs.1,68,97,559/- vide demand No.111580800.

On receipt of this order, the assessee company has preferred an Appeal before the JCCT (Appeals-5), Bangalore as per the appeal order No.VAT:AP:07/2018-19 dated 17-11-2018 vide CAS No. 206757353APP. Wherein the appellate has passed the following order:

35. The contentions of the appellant regarding levy of interest and penalty are acceptable for the reasons as stated above i.e., when the disallowance of the input tax credit as claimed by the appellant is not in order, the consequential levy of interest and also penalty is also not in order. Therefore, the act of the respondent in levy of consequential interest and penalty on the net additional tax liability as determined by the respondent for disallowance of input tax credit related to bogus dealer purchases as claimed by the appellant for the reasons as stated in the said re-assessment order needs to be set side.

36. In view of the reasons, the re-assessment order dated: 28.03.2018 passed the respondent is here by set aside to meet the ends of justice and equity.

37. Hence, the following order:

ORDER

38. The appeal filed by the appellant for the tax periods of the financial year 2011-12 " Allowed."

39. The respondent is directed to delete the tax, interest and penalty levied vide re-assessment dated: 28.03.2018 passed under section 39(1), 36(2) and 72(2) of the KVAT Act 2003 and to issue the *revised demand notice accordingly in term of this order*

In view of the order passed by the JCCT (Appeal-5), the tax payable for the period 2011-12 is re computed as below.

xxxx"

7. As stated supra, the only allegation made against the petitioner is regarding non-payment of KVAT, which has attained finality vide aforesaid order dated 18.05.2019. Under these circumstances, the question of continuing the impugned proceedings qua the petitioner would not arise."

5. The petitioner herein being the co-accused, is also entitled to the benefit of the said order and the proceedings against the petitioner as well requires to be obliterated.

6. For the aforesaid reasons, the following:

ORDER

(i) Criminal Petition is **allowed**.

(ii) Proceedings in C.C.No.35173 of 2014 arising out of Crime No.67 of 2012 pending on the file of I Additional Chief Judicial Magistrate, Bengaluru stands quashed *qua* the petitioner.

Consequently, I.A.No.1 of 2026 also stands disposed.

Sd/-
(M.NAGAPRASANNA)
JUDGE

BKP
List No.: 2 Sl No.: 116