IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.7580 of 2025

==

Rounak Int Udyog a proprietorship concern having its office at Rampur, Basopatti, Madhubani, Bihar- 847225 through its Proprietor Shambhu Singh (Male, aged about 40 Years) Son of Shri Shyam Nandan Singh, resident of H.No.- 123, Ward No.- 14, Pachhwari Tola, Near School, Chatauni, Madhubani, Bihar- 847225.

... ... Petitioner

Versus

1. The State of Bihar through the Commissioner of State Tax, Bihar, Patna having its Office at Vikas Bhawan, Patna- 800001.
2. Asst. Commissioner of State Tax, Madhubani, Darbhanga, Bihar.

... ... Respondent/s

==

Appearance :

For the Petitioner/s	:	Mr. Sadashiv Tiwari, Advocate Mr. Hiresh Karan, Advocate
For the Respondent/s	:	Mr. Vikash Kumar, SC-11

==

CORAM: HONOURABLE MR. JUSTICE P. B. BAJANTHRI
and
HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY
ORAL JUDGMENT
(Per: HONOURABLE MR. JUSTICE P. B. BAJANTHRI)

Date : 13-08-2025

In the instant Writ petition, petitioner has prayed for the following relief(s):-

> *"i) the order dated 06.12.2023 (as contained in Annexure – P3 series) passed by the respondent no.2 for the Tax Period 2021 – 22 under Section 73 of the Bihar Goods and Services Tax Act, 2017 (hereinafter called the Act) merely on the basis of estimation of sale on the basis of purchase of coal without taking notice of the tax invoice and the corresponding purchases shown in the GST returns in absence of any statutory provision enabling such estimate on mere guesswork in absence of a supply of goods being in*

contravention of section 7 and 9 of the Act that too without issue of notice under Section 75(4) of the Act before passing an adverse order and also in view the content of the show cause notice, the subsequent notice and the order being the same without consideration of the written explanation/submission and also without application of judicial mind and also being counter to the settled principles of natural justice is wholly illegal and without jurisdiction?

ii) the summary of the order in Form GST DRC – 07 (as contained in Annexure – P3 series) quantifying the demand of tax, interest and penalty for the Tax Period 2021 – 22 be set aside and quashed.

iii) for granting any other relief (s) to which the petitioner is otherwise found entitled to."

2. Perusal of the records, it is evident that Respondents before levying tax, interest, penalty insofar as consumption of coal to produce bricks, no yardstick has been taken note of to the extent what would be the quantum of coal read with the production of bricks so as to draw inference that petitioner had manipulated while generating Invoice read with e-Way bill. For example for production of one ton of bricks, the quantity of coal required typically ranges from 100 to 250 kilograms, proportionately production of bricks and purchase of coal are to be read with relevant papers. This exercise has not been under taken by the Respondents. In the light of these facts and circumstances, the petitioner has made out a case so as to interfere with the impugned decision of the Respondent. Accordingly, it is set aside.

3. Respondents are hereby directed to take out fresh necessary steps strictly in accordance with the technical issue and also providing ample opportunity of hearing to the petitioner. The above exercise shall be completed within a period of six months from the date of receipt of this order. Petitioner shall cooperate with the concerned official Respondents.

4. Writ petition stands allowed.

(P. B. Bajanthri, J)

(G. Anupama Chakravarthy, J)

manish/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	19.08.2025
Transmission Date	NA