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HIGH COURT OF CHHATTISGARH AT BILASPUR

WPPIL No. 45 of 2026

Santosh Agrawal (Goyal) S/o Late B.N Agrawal Aged About 62 Years R/o Ward No 36, Mahatma Gandhi Nagar, Janta Market Power House Bhilai, District Durg Chhattisgarh

... Petitioner(s)

versus

1 - Union Of India Through Its Secretary Finance Department New Delhi

2 - Director General of GST Intelligence, Raipur Zonal Unit, 4th Floor, RIO Complex, Lalpur, Dhamtari Road, Raipur, Chhattisgarh.

3 - State Of Chhattisgarh Through Its Secretary, Finance Department And, Mahanadi Bhavan Naya Raipur, Distt. Raipur C.G.

4 - Income Tax Department Through Its Commissioner Civil Line, Raipur, Distt. Raipur, C.G.

5 - R.K. Structure, Pvt. Ltd. Its Director

(i) Mr. Manoj Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No. 2, Sondongri Raipur, Distt. Raipur (C.G.)

(ii) Rakesh Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No 2, Sondongri Raipur, Distt. Raipur C.G.

(Iii) Rajesh Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No 2, Sondongri Raipur, Distt. Raipur C.G.

(iv) Sunita Sarogi R/o Ring Road No 2, Sondongri, Raipur, Distt. Raipur (C.G.)

6 - R.K. Ispat Trading Company Through Its Partners

(i) Mr. Manoj Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No 2, Sondongri Raipur, Distt. Raipur (C.G.)

(ii) Rajesh Sarogi S/o Late Stayanaran Sarogi R/o Ring Road No 2, Sondongri, Raipur, Distt. Raipur C.G.

7 - R.K. Ispat Udyog Through Its Partners

(i) Mr. Manoj Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No 2, Sondongri, Raipur, Distt. Raipur C.G.

(ii) Rajesh Sarogi S/o Late Stayanarayan Sarogi R/o Ring Road No 2, Sondongri, Raipur, Distt. Raipur C.G.

... Respondent(s)

For Petitioner(s)	: Mr. B.P.singh, Advocate.
For Respondent No. 1	: Mr. R.K.Mishra, Deputy Solicitor General
For Respondent No. 2	: Mr. Maneesh Sharma, Advocate.
For Respondent No. 3	: Mr. P.K.Bhaduri, Deputy Advocate General.
For Respondent No. 4	: Ms. Ankita Gourha, Advocate holding the brief of Mr. Amit Choudhari, Advocate.

Hon'ble Mr. Ramesh Sinha, Chief Justice

Hon'ble Mr. Ravindra Kumar Agrawal, Judge

Order on Board

Per Ramesh Sinha, Chief Justice

07/08/2026

1 Heard Mr. B.P.Singh, learned counsel for the petitioner. Also heard Mr. R.K.Mishra, learned Deputy Solicitor General for the respondent No. 1/Union of India, Mr. Maneesh Sharma, learned counsel for the respondent No. 2, Mr. P.K.Bhaduri, learned Deputy Advocate General for the respondent No. 3/State,Ms. Ankita Gourha, learned counsel for the respondent No. 4/Income Tax Department.

2 By this petition under Article 226 of the Constitution of India, the petitioners seek for the following relief(s):

> *" 10.1. Issue an appropriate writ, order or direction, particularly in the nature of Mandamus, directing Respondent Nos. 2 to 4 to conduct a fair, impartial, independent and time-bound investigation into the complaints submitted by the petitioner regarding the alleged large-scale GST and Income Tax evasion by Respondent Nos. 5 to 7, taking into consideration the documentary evidence annexed with the present petition.*
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> *10.2. Issue an appropriate writ, order or direction directing Respondent Nos. 2 to 4 to complete the proceedings initiated pursuant to the petitioner's complaints and to take the same to their logical conclusion strictly in accordance with law, after affording due opportunity to all concerned.*
>
> *10.3. Issue an appropriate writ, order or direction directing Respondent Nos. 2 to 4 to examine all the business transactions, agreements, GST returns, books of accounts, e-way bills, invoices, weighbridge records and other relevant documents relating to Respondent Nos. 5 to 7 and their associated entities for the purpose of determining whether any violation of the provisions of the GST laws or the Income Tax Act has been committed.*
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> *10.4. Issue an appropriate writ, order or direction directing Respondent Nos. 2 to 4 to recover, in accordance with law, any GST, Income Tax, interest, penalty or other statutory dues found payable by Respondent Nos. 5 to 7 pursuant to such investigation.*
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> *10.5. Issue an appropriate writ, order or direction directing Respondent No. 1 to ensure proper supervision and monitoring of the investigation so that the enquiry is conducted fairly, transparently and without any external influence.*
>
> *10.6. Issue any other appropriate writ, order or direction which this Hon'ble Court may deem fit and proper in the interest of justice, equity, good conscience and protection of public revenue."*

3 The facts, as projected by the petitioner is that he is the permanent resident of Bhilai, District Durg and is engaged in a small business. During the course of his business dealings, the petitioner came to know from persons associated with the business activities of respondent Nos.

5 to 7 that they were allegedly indulging in systematic evasion of Goods and Services Tax (GST) and Income Tax by carrying out large-scale transactions without proper disclosure before the competent authorities. Being concerned about the substantial loss caused to the public exchequer, the petitioner, in November, 2022, forwarded detailed complaint through WhatsApp to the Officers of the GST Department at Raipur, disclosing the alleged tax evasion committed by respondent Nos. 5 to 7. Acting upon the said information, the GST Department initiated enquiry against M/s R.K. Ispat, its partners/directors namely Manoj Sarogi, Rajesh Sarogi, Rakesh Sarogi and Sunita Sarogi, as well as M/s. R.K. Structure Pvt. Ltd. Pursuant to the said enquiry, the GST Department issued summons and notices to various persons connected with the business transactions of respondent Nos. 5 to 7, including M/s Indigo Shipping Services through its Director Mr. Saheb Khan, and also issued summons to Mr. Sunil Goyal, proprietor of Goyal Industries. The issuance of such summons itself establishes that the information supplied by the petitioner was found sufficient by the Department to warrant a detailed investigation. During the course of investigation, the GST Department also issued summons to respondent Manoj Sarogi, Director/Partner of M/s R.K. Structure Pvt. Ltd. and M/s R.K. Ispat, directing him to appear before the authorities at Raipur on 18.07.2023 in connection with the enquiry relating to tax evasion. The petitioner thereafter furnished documentary evidence before the GST authorities further demonstrating the alleged suppression of turnover and clandestine sale of scrap by respondent Nos. 5 to 7. Such documents included weighbridge slips (Dharam Kanta Parchis), affidavits of Mr. Mohammad Shafiq, who worked as contractor/labour associated with the business of Manoj Sarogi, affidavit of Mr. Mohammad Farhan Khan

regarding purchases made from Manoj Sarogi, and documents relating to transactions undertaken with OM Traders and Poddar. The documents reveal that approximately 225 MT of scrap valued at around Rs.90,00,000/- was sold to Mr. Farhan Khan and Poddar without proper tax compliance. According to the petitioner, the GST and Income Tax liability arising from such transactions was deliberately evaded. The petitioner has further obtained documentary material demonstrating that M/s R.K. Structure Pvt. Ltd., bearing GST Registration No. 22AACCR4944H1ZI, through its Directors Manoj Sarogi and Rajesh Sarogi, allegedly entered into business transactions involving sale of scrap worth approximately Rs.26.50 Crores to M/s V.V.S. Enterprises, Proprietor Mr. Vikash Shrivastava, resident of Jamshedpur, Jharkhand. The proprietor of the purchasing concern has sworn an affidavit confirming such business transactions and has authorised the petitioner to place the same before the appropriate forum. The petitioner estimates that the GST liability involved in such transactions is approximately Rs.4.77 Crores, while the corresponding Income Tax liability is approximately Rs.7.95 Crores. The petitioner has also placed on record agreement dated 28.07.2022 executed between M/s R.K. Ispat, bearing GST Registration No. 22AANFR2705G1ZG, through its partners Manoj Sarogi and Rajesh Sarogi, and M/s Indigo Shipping Services, represented by its Director Mr. Saheb Khan of Visakhapatnam, relating to supply of approximately 7,955 MT of scrap valued at about Rs.30.50 Crores. According to the petitioner, the transaction attracts GST liability of approximately Rs.5.49 Crores and Income Tax liability of approximately Rs.9.15 Crores, which have allegedly been evaded. The petitioner has further produced documents indicating that respondent Nos. 5 to 7, through another business entity operating under GST

Registration No. 22AACCR4944H1ZI, sold scrap worth approximately Rs.9,24,000/- to one Shivram Kesherwani without proper tax compliance. The estimated GST liability in respect of the said transaction is approximately Rs.51,333/-, while the corresponding Income Tax liability is approximately Rs.2,70,000/-. The aforesaid transactions, taken together, disclose a systematic pattern whereby respondent Nos. 5 to 7, who are members of the same family and are operating through different business entities and GST registrations, have allegedly carried out large-scale scrap business across different States while suppressing taxable transactions and evading payment of statutory dues. On the basis of the material collected by the petitioner, the cumulative GST liability allegedly evaded exceeds Rs.11 Crores, whereas the estimated Income Tax liability exceeds Rs.18 Crores, thereby causing enormous financial loss to the State of Chhattisgarh as well as the Union of India.

4 Despite the petitioner having supplied detailed documentary evidence to the competent authorities, no effective action has been communicated to him. On the contrary, when the petitioner sought information regarding the progress of the enquiry and the action taken against respondent Nos. 5 to 7, the GST Department declined to furnish the same. Consequently, the petitioner submitted an application dated 06.11.2024, followed by a First Appeal before the office of the Director General of GST Intelligence, Raipur. By communication dated 07.01.2025, the appellate authority informed the petitioner that the requested information could not be disclosed. According to the petitioner, despite the availability of substantial documentary evidence, the inaction of the respondent authorities raises serious apprehension regarding failure to effectively investigate the alleged large-scale tax evasion. Payment of GST and Income Tax is a statutory obligation of every assessee and forms the

backbone of public finance. Deliberate evasion of such taxes not only violates the provisions of law but also causes substantial loss to the public exchequer and adversely affects governance and public welfare.

5 According to Mr. B.P.Singh, learned counsel for the petitioner, this petition has been filed solely in public interest with the object of ensuring that the allegations supported by documentary material are investigated by the competent authorities in a fair, impartial and time-bound manner, and that no individual, irrespective of financial or social status, is permitted to evade statutory tax liabilities or receive protection contrary to law. The petitioner had earlier filed Writ Petition (Tax) No. 56 of 2025 before this Hon'ble Court seeking appropriate directions against the respondent authorities with regard to the complaints submitted by him alleging large-scale GST and Income Tax evasion by respondent Nos. 5 to 7. The said writ petition came to be dismissed by this Hon'ble Court vide order dated 02.07.2025, holding that the petitioner had failed to establish any personal legal injury or infringement of his legal rights and, therefore, lacked the requisite *locus standi* to maintain the writ petition in his individual capacity. However, this Hon'ble Court did not adjudicate upon the merits of the allegations of tax evasion and expressly observed that the dismissal would not preclude the petitioner from ventilating his grievances before the appropriate authority.

6 On the other hand, Mr. R.K.Mishra, learned Deputy Solicitor General for the respondent No. 1/Union of India, Mr. Maneesh Sharma, learned counsel for the respondent No. 2, Mr. P.K.Bhaduri, learned Deputy Advocate General for the respondent No. 3/State,Ms. Ankita Gourha, learned counsel for the respondent No. 4/Income Tax Department, jointly submit that the present writ petition is wholly misconceived and not

maintainable either in law or on facts. The petitioner admittedly has no personal or legal interest in the alleged transactions and has failed to establish any infringement of his legal or fundamental rights so as to invoke the extraordinary jurisdiction of this Hon'ble Court under Article 226 of the Constitution. The petitioner had earlier filed Writ Petition (Tax) No. 56 of 2025 seeking substantially identical reliefs, which came to be dismissed by this Hon'ble Court on the ground that he lacked the requisite *locus standi*. The present petition is merely a second attempt to obtain the very same relief by improving the pleadings and, therefore, amounts to an abuse of the process of law. The allegations made in the petition relate to disputed questions of fact concerning alleged tax evasion by private parties, the correctness of business transactions, books of accounts, GST returns, invoices, e-way bills and other commercial records, all of which fall exclusively within the statutory domain of the competent authorities under the GST laws and the Income Tax Act. The petitioner cannot seek a writ of mandamus directing the respondents to conduct the investigation in a particular manner, supervise the enquiry, examine specified documents or recover alleged tax liabilities based upon his own assumptions and estimates. The statutory authorities are empowered to initiate and conduct such enquiries in accordance with law, and the petitioner has no enforceable right to monitor or participate in those proceedings or to seek disclosure of confidential investigative material. Mere non-disclosure of the status of any enquiry to the petitioner cannot give rise to a presumption that no action has been taken, particularly when proceedings relating to tax investigations are governed by statutory confidentiality. In the absence of any specific allegation or material demonstrating mala fides, arbitrariness or deliberate failure on the part of the respondent authorities to discharge their statutory duties, no direction for a court-monitored investigation or for recovery of alleged tax dues can be issued. The present petition, therefore, deserves to be dismissed in *limine* as being devoid of merit, not maintainable, and an abuse of the extraordinary writ jurisdiction of this Hon'ble Court.

7 Though the petition has been styled as a public interest litigation, the mere use of the expression "public interest" does not convert every dispute into a genuine public cause. The Court is required to satisfy itself that the litigation is truly intended to vindicate a public injury affecting the community at large and is not an attempt to espouse a private cause or to pursue a grievance which appropriately falls within the statutory domain of the competent authorities. Public Interest Litigation is an extraordinary jurisdiction evolved to protect the rights of the poor, disadvantaged and marginalized sections of society and to remedy genuine public wrongs. It cannot be permitted to become an instrument for settling private disputes or for supervising statutory investigations merely because allegations of irregularities have been made.

8 In the present case, the entire controversy revolves around the alleged tax liability of respondent Nos.5 to 7 arising out of their commercial transactions. Determination of such liability necessarily requires examination of books of accounts, GST returns, invoices, e-way bills, agreements and other commercial records, all of which are matters entrusted by the statute to the competent authorities under the GST enactments and the Income Tax Act. Whether any tax has been evaded, the quantum thereof and the consequential liability are issues which can only be determined by the statutory authorities in accordance with the procedure prescribed under the relevant enactments. The writ jurisdiction

of this Court cannot be invoked to direct the authorities to conduct investigation in a particular manner or to monitor such proceedings in the absence of any demonstrable failure of statutory duty or established mala fides. Significantly, the petitioner has not placed any material to establish that the respondent authorities have completely failed to exercise their statutory powers or have acted with *mala fides*. On the contrary, the pleadings themselves disclose that enquiries were initiated by the GST authorities and summons were issued to various persons in connection therewith. Merely because the petitioner was not informed about the progress or outcome of such proceedings cannot furnish a cause for issuance of a writ of mandamus, particularly when investigations relating to taxation statutes are governed by statutory confidentiality.

9 We also find that the petitioner had earlier approached this Court by filing Writ Petition (Tax) No.56 of 2025 seeking substantially similar reliefs, which came to be dismissed on the ground that he lacked the requisite *locus standi.* The present petition has been instituted as a Public Interest Litigation without there being any change in the nature of the controversy. Merely describing the petition as a PIL cannot overcome the fundamental defect in maintainability when the dispute essentially concerns alleged tax evasion by identified private parties and the petitioner seeks to monitor the statutory investigation.

10 Having regard to the nature of the allegations and the reliefs claimed, we are of the considered opinion that the present petition does not disclose any element of genuine public interest warranting exercise of the extraordinary jurisdiction of this Court in Public Interest Litigation. Rather, it seeks judicial supervision over matters which lie exclusively within the competence of the statutory authorities. Entertaining such petitions would

amount to converting this Court into a supervisory authority over every tax enquiry, which is wholly impermissible. We are, therefore, satisfied that the present petition is not a bona fide Public Interest Litigation but is a misconceived attempt to invoke the PIL jurisdiction in respect of matters for which adequate statutory mechanisms already exist. Consequently, the petition deserves to be dismissed at the threshold.

11 Accordingly, the this Public Interest Litigation petition is **dismissed**. Since the petition has been filed as a Public Interest Litigation without disclosing any genuine element of public interest and amounts to an abuse of the jurisdiction meant for public causes, the security amount deposited by the petitioner at the time of institution of the petition stands forfeited.

Sd/-	Sd/-
(Ravindra Kumar Agrawal)	(Ramesh Sinha)
JUDGE	**CHIEF JUSTICE**

Brijmohan