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MCRC-58256-2025

IN THE HIGH COURT OF MADHYA PRADESH
AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE SANDEEP N. BHATT

ON THE 21st OF JANUARY, 2026MISC. CRIMINAL CASE No. 58256 of 2025*SHIVAM SADHWANI**Versus**UNION OF INDIA AND OTHERS*

Appearance:

Shri Nitin Agrawal - Advocate for the applicant.

Shri Ganjendra Singh - Advocate for the respondents.

ORDER

This is second bail application filed by the applicant under Section 483 of the Bharatiya Nagrik Suraksha Sanhita, 2023 for grant of regular bail relating to FIR/Crime No.1056/2025 - DGGI registered at the Police Station: Directorate General of GST Intelligence through Senior Intelligence Officer, Jabalpur for the offences punishable under Sections 132 (1) (a) - (d) of the CGST Act, 2017 read with Section 69 of the CGST Act, 2017. The applicant is in detention since 14.10.2025. The first application of the applicant was dismissed as withdrawn with the liberty to revive his prayer immediately after filing of the charge-sheet.

2. As per prosecution story, the applicant is engaged in the work of filing of GST return as accountant, doing accounting work for various clients on regular basis. The applicant is having firms both at Narsinghpur as well as Jabalpur. The applicant does not carry any business activity by virtue of that



he could supply any material or issue any invoice or claim any Input Tax Credit. It is stated that a summon was issued to the applicant on 10/10/2025 to mark his appearance on 11/10/2025 the applicant appeared before the authority and was arrested for prosecution under Section 132 of the CGST Act.

3. It has been argued by learned counsel for the applicant that the applicant has wrongly been implicated in the present case and he is behind bars since 14.10.2025. The investigation from the present applicant has been completed and charge-sheet has been filed. It has been submitted that the maximum punishment under the alleged offence is five years. There is no criminal antecedents against the petitioner and also considering the period of incarceration and considering the totality of facts and circumstances, petitioner be granted benefit of bail.

4. Learned Counsel in support of his contentions has referred the order of the Hon'ble Supreme Court, in case of *Ratnambar Kaushik Vs. Union of India (2022 SCC OnLine SC1678)* decided on 05.12.2022 and drawn attention of this Court to para No.6, which is being extracted hereunder:

"In considering the application for bail, it is noted that the petitioner was arrested on 21.07.2022 and while in custody, the investigation has been completed and the charge sheet has been filed. Even if it is taken note that the alleged evasion of tax by the petitioner is to the extent as provided under Section 132(l) (1) (1), punishment provided is, Imprisonment which may extend to 5



years and fine. The petitioner has already undergone Incarceration for more than four months and completion of trial, in any event, would take some time. Needless to mention that the petitioner if released on bail, is required to adhere to the conditions to be imposed and diligently participate in the trial.

Further, in a case of the present nature, the evidence to be tendered by the respondent would essentially be documentary and electronic. The ocular evidence will be through official witnesses, due to which there can be no apprehension of tampering, intimidating or influencing. Therefore, keeping all these aspects in perspective, in the facts and circumstances of the present case, we find it proper to grant the prayer made by the petitioner."

5. Learned Counsel in support of his contentions has referred the order of the Hon'ble Supreme Court, in case of *Vineet Jain Vs. Union of India - Criminal Appeal No.2269/2025 decided on 28.04.2025*, wherein the Hon'ble Supreme Court has observed as under:

"The offences alleged against the appellant are Clauses (c), (1) and (h) of Section 132(1) of the Central Goods and Services Tax Act, 2017. The maximum sentence is of 5 years with fine. A charge-sheet has been filed, the appellant is in custody in a Court for a Judicial Magistrate. The sentence is limited and in any case, the prosecution is based on documentary evidence. There are no antecedents.

We are surprised to note that in a case like this. the appellant



has been denied the benefit of bail at all levels, including the High Court and ultimately, he was forced to approach this Court. These are the cases where in normal course. before the Trial Courts, the accused should get bail unless there are some extra ordinary circumstances.

By setting aside the impugned order dated 24th January, 2025 of the High court of Judicature for Rajasthan, Bench at Jaipur, we grant bail to the appellant. The appellant shall be immediately produced before the Trial Court and the Trial Court shall enlarge him on bail on appropriate terms and conditions till the conclusion of the trial."

6. Per contra, learned counsel for Union of India opposed the bail application and submitted that a comprehensive investigation has been conducted by the Department. It is further contended that the present matter pertains to an economic offence and therefore, petitioner may not be released on bail.

7. Having regard to rival contentions of counsel for both parties, it appears that petitioner was arrested in the present case on 14.10.2025 and investigation has been completed. There are no antecedents of petitioner and punishment for the alleged offence of evasion of tax is to the extent of five years and fine as prescribed under Section 132(1) of the CGST Act, 2017. The Hon'ble Supreme Court in case of *Ratnambar Kaushik* (supra) released the petitioner therein on bail after undergoing incarceration period of more than four months and in view of fact that conclusion of trial will take some



time, in totality of facts and circumstance and observation made by the Apex Court, without commenting on merits of the case, this Court deems it just and proper to release present applicant on bail.

8. Accordingly, it is directed that applicant be released on bail on his furnishing a personal bond in the sum of **Rs.5,00,000/- (Rupees Five Lacs only)** with two solvent sureties in the like amount to the satisfaction of the trial Court, for his regular appearance before the trial Court during trial with a condition that he shall remain present before the concerned Court on all the dates fixed by it during trial. He shall abide by all the conditions enumerated under Section 480(3) of BNSS. In addition to the above, the applicant shall also comply with the following conditions:

(i) He shall not indirectly or indirectly make any inducement, threat, or promise to any person acquainted with the facts of the case;

(ii) He shall provide his mobile number and keep it operational at all times:

(iii) He shall drop a PIN on google map to ensure that his location is available to the investigating officer.

(iv) He shall commit no offence during the period he is on bail;

(v) He shall surrender his passport before the investigating officer/apprehending authority and under no circumstances leave India without prior permission of the Court and, if he does not possess any passport, he shall file an affidavit to that effect before the concerned trial Court.

It is being made clear that in case of bail jump and in violation of any



of conditions imposed herein above, this order shall become ineffective and Investigation Officer/Trial Court shall be at liberty to proceed against the applicant as per law.

9. Accordingly, the M.Cr.C. is allowed and disposed of.

Certified copy as per rules.

(SANDEEP N. BHATT)
JUDGE

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