CGHC010272322026 2026:CGHC:38401

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MCRC No. 6572 of 2026

Harish Wadhwani S/o Shri Roopchand Wadhwani Aged About 44 Years R/o Villa No. 196, Sapphire Greens, Vidhansabha Road, Raipur, Chhattisgarh.

... Applicant

versus

Directorate General Of Goods And Service Tax Intelligence/dggi, Regional Unit, Raipur, Through Abhish Singh Parihar, Senior Intelligence Officer, Dggi, Zonal Unit, Raipur Chhattisgarh.

... Non-Applicant

For Applicant	:	Shri Manoj Paranjpe, Sr. Advocate with Shri Siddharth Dubey & Shri Anmol Varma, Advocates.
For Non-Applicant	:	Shri Manish Sharma, Sr. Standing Counsel.

Hon'ble Shri Ramesh Sinha, Chief Justice
Order on Board

31/08/2026

1. This is the first bail application filed under Section 483 of the Bhartiya Nagarik Suraksha Sanhita, 2023 for grant of regular bail to the applicant who has been arrested in connection with Crime No.DGGI/INV/GST/111/2026-Gr-VI, dated 18.1.2025

KRISHNA KUMAR BARVE
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Date: 2026.09.01 11:17:32 +0530

(AD220426004576B), PS/Department : Directorate General of Goods and Service Tax Intelligence/DGGI, Regional Unit, Raipur, District Raipur for offence punishable under Section 132 (1)(c) of the CGST Act, 2017.

2. The prosecution case, in brief, is that during investigation conducted by the Directorate General of GST Intelligence (DGGI), Raipur Zonal Unit, it was allegedly found that the Accused/Applicant, being Partner of M/s Om Kiran Ispat Udyog (GSTIN: 22AABFO1161B1Z5), had fraudulently availed and utilized Input Tax Credit amounting to Rs.6,92,97,453/- without actual receipt or supply of goods on the strength of invoices allegedly issued by 12 non-existent/fake firms. It is further alleged by the prosecution that the Accused/Applicant was the key person responsible for availing and utilizing the aforesaid Input Tax Credit and that the said transactions were carried out through bogus invoices without actual movement or supply of goods. It is also alleged that the Accused/Applicant failed to cooperate with the investigation and did not comply with certain summons issued under Section 70 of the CGST Act, 2017. the prosecution further alleges that the Accused/Applicant has committed an offence punishable under clause (c) of sub-section (1) of Section 132 of the CGST Act, 2017, punishable under clause (i) of Section 132(1) and covered under Section 132(5) of the CGST Act, 2017, treating the alleged offence as cognizable and non-bailable. The Applicant was issued summons under Section 70 of the CGST Act, 2017 on various occasions, including summons dated 18.01.2025, 25.04.2025, 15.05.2025 and 30.09.2025 requiring production of records and appearance before the investigating authority. The first summon dated 18.01.2025 was issued by DGGI, Raipur Zonal Unit in connection with GST enquiry concerning the business affairs of M/s Om Kiran Ispat Udyog and required the Applicant to tender oral evidence and produce documents in relation to the ongoing investigation. The summon dated 25.04.2025 required the Applicant to furnish details and supporting documents relating to purchases allegedly made from various supplier firms including M/s Bajrang Ventures, M/s P.P. Ventures, M/s Balaji Trading, M/s Agastya Enterprises, M/s Mahamaya Traders and M/s Manish Traders along with transportation documents, E-Way Bills, bank statements and other financial records. The summons dated 15.05.2025 pertained specifically to transactions with M/s Unique Enterprises and required production of purchase invoices, transportation records, E-Way Bills and proof of payments made to the said concern. The summons dated 30.09.2025 related to purchases allegedly made from M/s Jambavan Enterprises, M/s SB Enterprise and M/s Cornerstone Enterprise and required production of invoices, ledger accounts, banking transactions, transportation documents, goods receipt records and related materials. The summons primarily required the Applicant to furnish purchase invoices, GST records, transportation documents, E-Way Bills, books of accounts, bank statements, ledger accounts and other documents relating to the business activities of M/s Om Kiran Ispat Udyog and its suppliers. Substantial documentary records and information sought by the department were already available with the investigating agency and extensive investigation had been conducted for more than one year prior to the arrest of the Applicant. The entire prosecution case is founded upon documentary evidence and alleged transactions reflected in GST returns, invoices, banking records and other business documents. Subsequent summons dated 19.02.2026, 09.04.2026, 17.04.2026 and 19.05.2026 were also issued to the applicant. Hence the bail application.

3. It has been argued by learned Senior counsel for the applicant that the applicant is innocent and has been falsely implicated in the crime. No requisites to establish any offence under Section 132(1)(c) of the CGST Act, 2017 are established even prima facie against the Accused/ Applicant. The Hon'ble Supreme Court very recently in the case of **Vineet Jain v. Union of India 2025** {LiveLaw (SC) 513} has held that the offence under Section 132 (1) of the CGST Act, 2017 stipulate a maximum punishment of five (5) years with a fine and in these cases the Accused shall be granted the benefit of bail in normal course before the Trial Court itself. All the offences under the CGST Act, 2017 are compoundable under Section 138 and hence, the object and purpose of the CGST Act, 2017 is not penal in nature, but it is economic for the purpose of legislation being to recover any amount, that may be due to the Government exchequer. The applicant does not have any criminal antecedents. The applicant is in jail since 15.6.2026. Therefore, the applicant may be released on bail.

4. On the other hand, learned counsel appearing for the non-applicant would oppose the bail application and submit that the complaint has been filed against the applicant.

5. I have heard learned counsel appearing for the parties and perused the case diary.

6. Taking into consideration the facts and circumstances of the case, and the fact that the complaint has already been submitted against the applicant, the applicant does not have any criminal antecedents, which is mentioned in the bail application, the applicant is in jail since 15.6.2026, and conclusion of trial is likely to take some time, this Court is of the view that the applicant is entitled to be released on bail in the present case. Accordingly, the Application is **allowed**.

7. If the applicant, **Harish Wadhwani**, furnishes a personal bond in the sum of Rs.1,00,000/- with one solvent surety to the satisfaction of the concerned Court, he be released on bail involved in Crime No.DGGI/INV/GST/111/2026-Gr-VI, dated 18.1.2025 (AD220426004576B), PS/Department : Directorate General of Goods and Service Tax Intelligence/DGGI, Regional Unit, Raipur, District Raipur for offence punishable under Section 132 (1)(c) of the CGST Act, 2017. Order shall be in force till disposal of the case.

Sd/-
(Ramesh Sinha)
Chief Justice

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