IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

MONDAY, THE SECOND DAY OF NOVEMBER TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE JUSTICE B.R.MADHUSUDHAN RAO

CRIMINAL PETITION NO: 16412 OF 2026

Between:

Shaik Mohammed Abdul Jabbar, S/o. Shaik Mohammed Khaja, aged about 66 years, Director and Primary Authorized Signatory of M/s. Hyath Iron and Steels Private Limited, R/o. 10-3-741/, 206/3RT, Flat No.102, SS Enclave Apartment, Vijay Nagar Colony, Asifnagar, Hyderabad 500 057.

...PETITIONER/ACCUSED

AND

1. The Principal Commissioner/Commissioner, CGST, 7ffi Floor, GST Bhavan, Basheer Bagh, Hyderabad, Telangana 500 004
2. The Superintendent, Office of Principal Commissioner, CGST, 7th Floor, GST Bhavan, Basheer Bagh, Hyderabad, Telangana -500 004. (Both through Special Public Prosecutor, High Court for the State of Telangana)

...RESPONDENT/TAX RECOVERY OFFICERS/COMPLAINANTS

Petition under Section 483 of BNSS praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to enlarge the petitioner on regular bail in connection with enquiry, investigation and trail of File No. GEXCOM/AE/INV/GST/1805/2025-AE, dated 24.09.2026 of GST Commissionerate, Secunderabad in the office of GST Bhavan, Basheer Bagh, Hyderabad.

I.A. NO: 1 OF 2026

Petition under Section 528 of BNSS praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to modify the orders dated 07/10/2026 to the effect that petitioner be shifted from Chanchalguda central prison to Star Hospitals, A-Block, Cardiology Department (Dr. Gudapati Ramesh/Dr. Gopichand), Road No.10, Banjara Hills, Hyderabad.

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Crimina Petition and upon hearing the arguments of Sri Vedula Venkataramana, Advocate for the Petitioner and Sri Dominic Fernandes, Senior Standing Counsel for CBIC for the Respondents.

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HON'BLE JUSTICE B.R.MADHUSUDHAN RAO

CRIMINAL PETITION No.16412 of 2026

(CNR.No. HBHC010688852026)

DATE: 02.11.2026

BETWEEN:

Shaik Mohammed Abdul Jabbar

... Petitioner-Accused

And

1.The Principal Commissioner/Commissioner
2.The Superintendent

... Respondents-Tax Recovery Officers-Complainants

ORDER

1. This memorandum of Criminal Petition is filed under Sections 480 and 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) praying this Court to enlarge the petitioner – accused on bail in connection with File No.GEXCOM/AE/INV/GST/1805/2025-AE,GST Commissionerate, Secunderabad. The offence alleged against the petitioner – accused is punishable under Section 132 of CGST Act. 2017.

2. Heard Sri Vedula Venakataramana, learned senior counsel for the petitioner and Sri Dominic Fernandes, learned senior standing counsel for CBIC appearing for the respondent Nos.1 and 2.

3. Learned senior counsel for the petitioner submits that though the offences under Section 132 of CGST Act are punishable with less than seven years of imprisonment and the law laid down in Arnesh Kumar vs. State of Bihar and Satender Kumar vs. CBI is applicable and the police officer-tax recovery officer has no jurisdiction or justification to cause arrest for the offences which are punishable with less than seven years of imprisonment. The remand of the petitioner-accused in judicial custody itself is illegal. The petitioner-accused is in jail from 24.09.2026. No assessment order has been passed against the private limited company for which the petitioner-accused is Director and Directors cannot be vicariously liable as per the corporate criminal liability principle since company is a juristic person which can be imposed fine amount. Petitioner-accused is a law-abiding citizen without any criminal antecedents, his voluntary statement is already recorded on Thursday and Friday i.e. on 29.10.2026 and 30.10.2026 and prayed to enlarge the petitioner-accused on bail.

4. Learned senior standing counsel for respondent Nos.1 and 2 submits that voluntary statement of the petitioner-accused is already recorded on 29.10.2026 and 30.10.2026, he may be enlarged on bail on conditions. The decisions cited by the learned

senior counsel cited supra in para No.3 do not apply in view of Radhika Agarwal vs. Union of India[1].

5. Petitioner-accused is served with an arrest memo on 24.09.2026 stating that he has committed an offence specified in clause (a) or clause (b) or clause (c) or clause (d) of sub section (1) of section 132 of the Central Goods and Service Tax, 2017 which is punishable under clause (i) or (ii) of sub-section (1) or sub-section (2) of the said section and was also served with a reasons of arrest and grounds of arrest on 24.09.2026 at about 11:20 p.m.

6. Petitioner-accused is arrested and remanded to judicial custody on 24.09.2026, since then he is in jail.

7. Respondents have filed an application before the learned trial Court to record the voluntary statement of the petitioner-accused and the same came to be allowed vide order dated 28.10.2026 in between 29.10.2026 and 30.10.2026, voluntary statement of the petitioner-accused is recorded on the above said dates.

8. Considering the submissions of the learned senior standing counsel for respondent Nos.1 and 2, this Court is of the view that the petitioner-accused in entitled to be enlarged on bail, subject to the following conditions:

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[1] (2025) INSC 272

i. The petitioner-accused shall execute a personal bond for a sum of Rs.20,000/- (Rupees Twenty Thousand only), with two sureties for a like sum each to the satisfaction of the learned Special Judge for Economic Offences-cum-VIII Additional Metropolitan Sessions Judge-cum-XXII Additional Chief Judge, Nampally.

ii. The petitioner-accused shall appear before the respondent Nos.1 and 2 as and when called for on notice two days in advance.

iii. The petitioner-accused shall not involve in similar offences.

9. Accordingly, the Criminal petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

SD/- C DEEPIKA,
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Special Judge for Economic Offences cum VIII Additional Metropolitan Sessions Judge cum XXII Additional Chief Judge, Nampally Hyderabad
2. The Superintendent, Chanchalguda Central Prison, Hyderabad **(By Special Messenger)**
3. One CC to Sri Vedula Venkataramana, Advocate [OPUC]
4. One CC to SRI. DOMINIC FERNANDES (senior standing counsel for CBIC) [OPUC]
5. Two CD Copies

ADK

HIGH COURT

DATED: 02/11/2026



ORDER

CRLP.No.16412 of 2026

ALLOWING THE CRLP

02/11/26
K.K