



2025:CGHC:33827

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

**MCRC No. 4821 of 2025**

Vinay Kumar Tandan S/o Shri Rohit Kumar Tandan Aged About 35 Years R/o Ward No. 18, Ld-14, Padum Nagar, Bhilai-3, District Durg (C.G.).

**... Applicant**

**versus**

Union Of India Through The Superintendent, Central Gst And Central Excise, Bhilai Division-1, District Durg (C.G.)

**... Non-applicant**

For Applicant	: Mr. Kishore Bhaduri, Advocate along with Mr. Harsh Dave, Advocate.
For Non-applicant/GST	: Mr. Maneesh Sharma, DSGI

**Hon'ble Mr. Ramesh Sinha, Chief Justice**

**Order on Board**

**17.07.2025**

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. 01/2025 registered at Police Station – Central GST Superintendent, Bhilai, for the offences punishable under Section 132(1)(b), 132(1)(c) and 132(1)(f) read with Sections 69,16, 31,35,38, 39, 49 & 129 of CGST Act, 2017 with Rule 138 of the CGST Rule 2017.
2. The prosecution alleges that Mr. Vinay Kumar Tandan, the authorised

signatory of M/s Oviya Traders (GSTIN 22CCXPG6558A1ZJ), fraudulently availed Input Tax Credit (ITC) amounting to approximately ₹10.38 crore without any actual movement of goods. According to the Central GST authorities, Bhilai, the firm claimed ITC on the basis of fake or non-genuine transactions, thereby causing a substantial loss to the public exchequer. As per the department, the GST registration of the firm was cancelled under Rule 21 on grounds of non-functioning at the declared place of business, indicating that the transactions might have been only on paper. The department further points to the retrospective cancellation of GST registrations of certain suppliers to argue that the applicant availed ineligible ITC. The allegations form the basis of a prosecution now pending before the competent court, following the applicant's arrest and judicial custody since 28 March 2025.

- 3.** The petitioner has been falsely implicated in a case under the CGST Act based solely on alleged mismatches in Input Tax Credit (ITC), which are issues of statutory interpretation and record-keeping, not fraud or criminal intent. The entire evidence is documentary and already with the prosecution, and the Petitioner has fully cooperated with the investigation, with no custodial interrogation pending. Allegations of operating from a non-existent premises are refuted by valid documentation, and all transactions were done through proper banking channels with GST-compliant suppliers. The offence, even if assumed, is non-heinous, triable by a Magistrate, and compoundable. The Petitioner's arrest violated CBIC guidelines due to absence of written reasons, and he has strong community ties, no criminal history, and dependent family members including an elderly bedridden mother

and a disabled brother. No evidence suggests risk of absconding, tampering, or non-cooperation. Citing *Ashutosh Garg v. Union of India* (2024), where bail was granted in a similar matter, the Petitioner seeks bail on the ground that prolonged detention is unjustified, especially when investigation is complete and trial is pending. He submits that the applicant is in jail since 28.03.2025, conclusion of the trial may take some time, therefore, he prays for grant of regular bail to the applicant.

4. On the other hand learned counsel appearing for the non-applicant opposes the bail application of the present applicant and submits Petitioner is involved in a serious economic offence under the CGST Act, involving substantial wrongful availment of Input Tax Credit (ITC), which adversely impacts government revenue. It is alleged that the Petitioner engaged in transactions with non-genuine firms, some of which were later found to be non-existent or deregistered, indicating fraudulent intent. The mismatch in ITC is not merely a clerical error but part of a deliberate scheme to evade tax liability. The premises claimed to be operational lack credible verification, and the magnitude of the offence raises concerns about tampering with evidence, especially as financial and digital trails are still being analyzed. The prosecution maintains that economic offences require strict scrutiny and that granting bail at this stage may hamper further investigation and set a wrong precedent, given the alleged gravity of the fraud and its potential ripple effects on the GST framework, Therefore, he is not entitled for grant of regular bail in the present case.
5. I have heard learned counsel for the parties and perused the case diary.

6. Taking into consideration the facts and circumstances of the case and further the fact that complaint has already been filed against the applicant/accused and the further investigation is going on, moreover, the applicant is in jail since 28.03.2025, conclusion of the trial may take some more time. Therefore, this Court is of the view that the present applicant is entitled to be released on bail in this case.
7. Let the Applicant – **Vinay Kumar Tandan**, involved in Crime No. 01/2025 registered at Police Station – Central GST Superintendent, Bhilai, for the offences punishable under Section 132(1)(b), 132(1)(c) and 132(1)(f) read with Section 69, 16, 31, 35, 38, 39, 49 & 129 of CGST Act, 2017 with Rule 138 of the CGST Rule 2017, be released on bail on furnishing **personal bond** with **two local sureties** in the like sum to the satisfaction of the Court concerned with the following conditions:-
  - (i) The applicant shall file an undertaking to the effect that he shall not seek any adjournment on the dates fixed for evidence when the witnesses are present in court. In case of default of this condition, it shall be open for the trial court to treat it as abuse of liberty of bail and pass orders in accordance with law.
  - (ii) The applicant shall remain present before the trial court on each date fixed, either personally or through his counsel. In case of his absence, without sufficient cause, the trial court may proceed against him under Section 269 of Bharatiya Nyaya Sanhita.
  - (iii) In case, the applicant misuses the liberty of bail during trial and in order to secure his presence, proclamation under Section 84 of BNSS. is issued and

the applicant fails to appear before the court on the date fixed in such proclamation, then, the trial court shall initiate proceedings against him, in accordance with law, under Section 209 of the Bharatiya Nyaya Sanhita.

(iv) The applicant shall remain present, in person, before the trial court on the dates fixed for (i) opening of the case, (ii) framing of charge and (iii) recording of statement under Section 351 of BNSS. If in the opinion of the trial court absence of the applicant is deliberate or without sufficient cause, then it shall be open for the trial court to treat such default as abuse of liberty of bail and proceed against him in accordance with law.

- 8.** Office is directed to send a certified copy of this order to the trial Court concerned for necessary information and compliance forthwith.

Sd/-  
**(Ramesh Sinha)**  
**Chief Justice**