

(2025) 12 GUJ CK 0030

Gujarat High Court

Case No: R/Criminal Misc.Application (For Regular Bail - Before Chargesheet) No. 22599 Of
2025

Rakesh Vaishnav (Rakesh
Shantidas Vaishnav)

APPELLANT

Vs

Union Of India & Ors

RESPONDENT

Date of Decision: Dec. 17, 2025

Acts Referred:

- Bharatiya Nagarik Suraksha Sanhita, 2023-Section 483
- Central Goods And Services Tax Act, 2017-Section 69

Hon'ble Judges: Nikhil S. Kariel, J

Bench: Single Bench

Advocate: Hardik P Modh, Pradip D Bhate, Aditya Jadeja, Tirth Nayak

Final Decision: Allowed

Judgement

Nikhil S. Kariel, J

1. Heard learned advocate Mr. Hardik Modh appearing on behalf of the applicant, learned Additional Public Prosecutor Mr. Aditya Jadeja appearing on behalf of the respondent-State and learned Advocate Mr. Tirth Nayak appearing on behalf of the respondents No.1 and 2.

2. Rule. Learned APP waives service of rule on behalf of the respondent-State and learned Advocate Mr. Nayak waives service of rule for the respondents No.1 and 2.

3. The applicant has filed this application under Section 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 for enlarging the applicant on Regular Bail in connection with the arrest effectuated by the Respondent No.2 under Section 69 of the Central Goods and Services Tax Act, 2017 vide Arrest Memo being File No. DGGI/INV/GST/2109/2025-Gr.E-O/o ADG-DGGI-ZU-AHMEDABAD for the alleged offences committed under the provisions of the Central Goods and Services Tax Act.

4. Learned advocate for the applicant would submit that considering the role attributed to the applicant, and nature of the allegation levelled, the applicant may be enlarged on regular bail. It is further contended that the applicant is ready and willing to abide by all the conditions that may be imposed by this Court if released on bail.

5. As against the same, learned Additional Public Prosecutor appearing for the respondent State and learned Advocate appearing for the respondents No.1 and 2 have vehemently objected to the grant of regular bail. Learned Advocates have submitted that looking to the nature of offence and the role attributed to the present applicant as coming out from the papers of investigation, this Court may not exercise the discretion in favour of the applicant and the application may be dismissed.

6. I have heard learned advocates appearing on behalf of the respective parties and perused the papers. Following aspects are considered:-

i. The fact of the investigation having been completed and the complaint having been filed, and maximum punishment that could be imposed, is upto five years under the offences alleged.

ii. While learned Advocate Mr. Nayak would submit that the allegations against the present applicant are very serious and whereas to this Court it would also appear that allegations may appear to be prima facie correct, yet, considering the fact that as of now, the applicant has been arrested on 30.09.2025 and has been in custody for more than three months and considering the maximum punishment that could be imposed, the present application requires consideration.

iii. Submission of Mr. Nayak as regards the present applicant being put to some terms would not be necessary as the Department has ample powers under the extant statute of imposing penalty for wrongful Input Tax Credit having been availed.

This Court has taken into consideration the law laid down by the Honble Apex Court in the case of Sanjay Chandra v. Central Bureau of Investigation reported in [2012] 1 SCC 40.

7. In the facts and circumstances of the case and considering the nature of the allegations made against in the First Information Report, without discussing the evidence in detail, prima facie, this Court is of the opinion that this is a fit case to exercise the discretion and enlarge the applicant on regular bail.

8. Hence, the present application is allowed. The applicant is ordered to be released on bail in connection with the arrest effectuated by the Respondent No.2 under Section 69 of the Central Goods and Services Tax Act, 2017 vide Arrest Memo being File No. DGGI/ INV/GST/ 2109/2025-Gr.E-O/o ADG-DGGI-ZU-AHMEDABAD for the alleged offences committed under the provisions of the Central Goods and Services

Tax Act., on executing a bond of Rs.1,00,000/- (Rupees One Lakh only) with one surety of the like amount to the satisfaction of the trial Court and subject to the conditions that he shall;

[a] not take undue advantage of liberty or misuse liberty;

[b] not act in a manner injurious to the interest of the prosecution;

[c] surrender passport, if any, to the lower court within a week;

[d] not leave the State of Gujarat without prior permission of the Sessions Court concerned;

[e] furnish the present address of residence to the I.O. and also to the Court at the time of execution of the bond and shall not change the residence without prior intimation to the I.O.;

[f] appear before the respondent No.2 once a month for a period of six months.

9. The Authorities will release the applicant only if he is not required in connection with any other offence for the time being. If breach of any of the above conditions is committed, the Sessions Court concerned will be free to take appropriate action in the matter.

10. Bail bond to be executed before the lower court having jurisdiction to try the case. It will be open for the concerned Court to delete, modify and/or relax any of the above conditions in accordance with law.

11. At the stage of trial, the trial court shall not be influenced by any observations of this Court which are of preliminary nature made at this stage, only for the purpose of considering the application of the applicant for being released on regular bail.

12. The application is allowed in the aforesaid terms. Rule is made absolute to the aforesaid extent. Direct service is permitted.