

MHRG170000722026



**IN THE COURT OF ADDITIONAL SESSIONS JUDGE PANVEL RAIGAD**  
**AT : PANVEL**  
**ORDER BELOW EXHIBIT NO.1**  
**IN CRIMINAL BAIL APPLICATION NO.34/2026**

The applicant Superintendent (Anti-Evasion) CGST and C.Ex Raigad, Commissionerate has filed present application for cancellation of bail U/Sec.483(3) of The Bhartiya Nagrik Suraksha Sanhita, 2023.

2] It is the case of the applicant that the opponent-accused Danish Khan had filed bail application on 20/12/2025 before the Ld. Trial Court, to which a detailed point-wise reply was filed by applicant department on 23/12/2025. However, the Ld. Trial Court has granted bail to the applicant. It is a case of applicant that the Ld. Trial Court without considering the material facts and serious legal infirmities granted bail to the applicant. The opponent is the proprietor of M/s. D.K. Traders. In his statement he admitted that, no actual business activity was carried out by the firm and that invoices were issued without any supply of goods. He further admitted that he voluntarily and knowingly shared OTPs received on his registered mobile number for GST related activities including return filing with other key persons without any coercion. He

categorically acknowledged that all invoicing, GST compliance and transactions were handed by such persons and that he received monetary consideration at various intervals while being fully aware of the fraudulent nature of the activities. The above admissions clearly establish the conscious active and voluntary role of the accused in the fraudulent GST network. Further it is case of the applicant that the investigation is at crucial stage. Several vital aspects including identification of other beneficiaries, analysis of digital and documentary evidence and examination of material witnesses remain pending. Considering the magnitude of the fraud, the organized and systematic manner in which it was executed and the opponent's admitted role therein, there exists a grave apprehension that he may tamper with evidence, influence witnesses or otherwise obstruct the ongoing investigation. Hence, it is prayed by applicant that the bail granted to opponent by Ld. Trial Court be canceled.

3] Opponent resisted the application by filing say vide Exh.6. It is stated that he has not violated any terms and conditions of bail order and is always ready to co-operate with the investigation. Further it is stated by opponent that he has been falsely implicated in the crime in question. The alleged amount pertains to a tax dispute arising out of clerical errors and not out of any deliberate or willful intention to evade tax. There is no any tax invasion at the hands of opponent as the prosecution story of CGST department is illegal, bad in law and

in arbitrary manner. The opponent has legally purchased and sold the goods. The department is falsely alleging that the entire transaction is fraudulent. The allegation of the department that the opponent has availed inadmissible and fraudulent impute tax credit (ITC) amounting to approximately 4.70 Corers, reportedly from suppliers whose GST registrations were canceled ab-initio is wholly false, baseless, imaginary and contrary to the facts on record. The said allegation has been made merely on assumptions and presumptions without any cogent evidence to establish that the opponent had any knowledge, intent or involvement in creation of any fictitious entities or in any alleged illegal pass through of ITC. Further it is stated that the investigation is document base in nature. The opponent obliged the order passed by Ld. Trial Court and also undertakes to co-operate with investigating agency. In such circumstances his further detention in jail is not required. Hence, it is prayed by opponent that the application be rejected.

4] Heard Ld. Adv. Shri Atul Sarpande for the applicant and Ld. Advocate Shri A.K.Upadhyay for the opponent. Perused application, say filed by opponent at Exh.6 and other documents placed on record. Both the Ld. Advocates have made their respective submissions on the line of averments made in the application and say respectively.

5] It is well settled principal of law that once bail is granted, it cannot be canceled in a mechanical manner. Only if there is any abuse of concession granted to the accused, then only Court can cancel the bail. So far as the case in hand is concerned, the opponent was arrested on 19/12/2025 and Ld. Trial Court enlarged him on bail on 04/01/2026. No doubt till date the substantial part of the investigation must have completed. Reasons mentioned in the application can not be considered as grounds for cancellation of bail. The applicant has not brought on record anything constructive which can clearly indicate that despite of persistent efforts on the part of investigating machinery, opponent failed to appear before investigating machinery and co-operate with investigation. Furthermore, it is not the case of applicant department that opponent has pressurized material witnesses and tampered with the evidence. It does not appear from record that concession granted to accused has been abused in any manner. No supervening circumstances have been surfaced justifying the cancellation of bail of opponent. Hence, I do not find any reason to cancel the bail granted by Ld. Trial Court. Resultantly, I pass the following order.

**ORDER**

The application stands rejected.

Panvel  
Date :- 24/03/2026

(S. R. Ugale)  
Additional Sessions Judge,  
Panvel.

Superintendent (Anti Evasion) --5--  
Danish Khan

Bail Appln.34/2026 Vs.  
order Exh.1

### **CERTIFICATE**

I affirm that, the contents of this P.D.F. file judgment/ order are same, word to word, as per the original Judgment.

Name of Stenographer : S. J. Sheth (Grade 1)  
Dictation given on (direct) : 24/03/2026  
Order signed by PO on : 24/03/2026  
Order uploaded on : 25/03/2026