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NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MCRCA No. 353 of 2026

Rohan Tanna S/o Shri Vipin Tanna Aged About 31 Years R/o Vallabh Colony, Ward No. 50 Shaheed Pankaj Vikram Ward, District- Raipur, Chhattisgarh.

--- Applicant

versus

Union Of India Through Senior Intelligence Officer, Director General Of Goods And Services Tax Intelligence, Raipur Zonal Unit, 4th Floor, Rio Complex, Near Fruit Market, Lalpur, Dhamtari Road, District- Raipur, Chhattisgarh.

--- Respondent

MCRCA No. 368 of 2026

Chandrasekhar Chandrakar, S/o Krishn Kumar Chandrakar, Aged About 36 Years R/o MIG 2/122 Hb Colony Kumhari Ward No. 14 Kumhari Durg (C.G.) 490042

---Applicant

Versus

Directorate General Of Goods And Service Tax Intelligence (DGGI) Raipur Zonal Unit, 4th Floor, Rio Complex Near, Fruit Lalpur, Dhamtari Road, Raipur 492001

... Respondent

(Cause Title taken from Case Information System)

For Applicants : Mr. Harshwardhan Parganiha, Advocate in MCRCA No. 353 of 2026 and Mr. Palash Soni

		along with Mr. Vikalp Sharma, Advocates.
For Respondent	:	Mr. Maneesh Sharma, Advocate.

Hon'ble Mr. Ramesh Sinha, Chief Justice

Order on Board

20.04.2026

1. These are the first bail applications filed under Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (for short 'BNSS') for grant of anticipatory bail to the applicants in connection with Crime No. AD220126006503S registered at Directorate General of Goods and Service Tax Intelligence Raipur Zonal Unit for offence under Sections 35 read with Sections 132 (1) (b), 132 (1) (c) and 132 (1) (f) of the Central Goods and Services Tax Act, 2017 in MCRCA No. 353 of 2026 and Section 132 of Central Goods and Services Tax Act, 2017 in MCRCA No. 368 of 2026.

2. Case of the prosecution, in MCRCA No. 353 of 2026 is that M/s Shrishti Construction, a proprietor firm engaged in trading of goods, has wrongly availed Input Tax Credit (*for short, ITC*) without receiving actual goods and thereafter passed on the same to several down chain units without supplying any actual goods. While initiating the investigation, no firm by the name of M/s Shrishti Construction, Devpuri, Raipur was operating or working at the principal place of business declared by the inspection or no business activities were found. When contacted on the mobile number provided in the GST registration, Premdas Pannika identified himself as the proprietor of M/s Shristi Construction. In his statement under Section 70 of the CGST Act, he stated that he had met with Rohan Tanna (applicant in MCRCA No. 353/2026) in connection with his business. He promised to assist him in his business. He provided him with the firm's GST ID and password for further business operations, promising him a 0.5% commission. All business activities within his firm, including purchases and sales, filing GST returns, were handled by Rohan Tanna, and he possessed all the documents. He is completely unaware of any fraudulent activities within his firm, particularly those related to the fraudulent ITC passing of Rs.10.22 crore. During the investigation, Chandan Gupta's involvement in the fake billing issue of the said firm was also revealed. On taking Chandan Gupta's statement, he had provided fake bills issued by M/s Shrishti Construction to various persons and he had obtained them from a person named Chandrashekhar Chandrakar (the applicant in MCRCA No. 368/2026) and the fake bills received from Chandrashekhar Chandrakar were issued by Rohan Tanna. During the investigation, on 28.07.2025, when Chandrashekhar Chandrakar's statement was recorded, he confirmed the statement given by Chandan Gupta and said that he had obtained the fake bills of M/s Shrishti Construction from Rohan Tanna and had provided them to Chandan Gupta. Chandrashekhar Chandrakar presented WhatsApp chats between him and Rohan Tanna. During the investigation, Premdas Panika's statement was recorded again on 11.08.2025. He stated that he became suspicious of a large transaction and refused to work with Rohan Tanna. Rohan Tanna threatened him severely. Karan Kumar Raiththa stated in his statement that on Rohan Tanna's instructions, he filed GST returns for M/s Shristi Construction. He was given the firm's e-way bill ID and password and issued e-way bills for the firm as directed. Upon examining the statement of Account No. 20100025960689 maintained in the name of the said entity with Bandhan Bank, Raipur, it was found that an amount of Rs.17.96 crore had been credited and an equal amount had been debited. This makes it clear that Rohan Tanna is one of the key individuals in this entire fraudulent ITC case.

3. Mr. Harshwardhan Parghaniya, learned counsel for the applicant in MCRCA No. 353 of 2026 submits that the applicant is neither the proprietor nor a partner of M/s Shristi Construction and has no ownership, managerial or controlling interest in the said firm. His implication is sought primarily on the basis of statements of co-accused/third parties, without any independent documentary evidence directly connecting him with the alleged issuance of invoices, availment or passing of ITC. The allegations are founded upon GST portal data, E-Way Bill records, bank statements and statements recorded by the department, all of which are already in the custody of the prosecution. No recovery is to be effected from the physical custody of the applicant, rendering custodial interrogation wholly unnecessary. Even where offences under Section 132 of the CGST Act are alleged, arrest is not mandatory and must satisfy the test of necessity. In the present case, no exceptional circumstances exist warranting the arrest of the Applicant. The offences alleged under Sections 132(1)(b), 132(1)(c) and 132(1)(f) of the CGST Act are statutorily compoundable under Section 138 of the Act, reflecting the legislative intent that such matters are primarily fiscal and revenue-oriented, and not punitive in nature. No incriminating material whatsoever has been seized from the possession, custody, or premises of the applicant during the course of investigation. The absence of any recovery linking the applicant to the alleged offence clearly demonstrates that his custodial interrogation is unwarranted and that continued detention would serve no useful purpose. The offences alleged against the Applicant under Section 35 read with Sections 132(1)(b), 132(1)(c) and 132(1)(f) of the CGST Act, 2017 are not punishable with death or imprisonment for life. Even in cases involving higher tax amounts, the maximum punishment prescribed under Section 132 is limited and determinate, subject to the quantum allegedly involved. The limited term of imprisonment prescribed under the statute, coupled with the fact that the alleged offences are economic and regulatory in nature, clearly militates against the necessity of custodial interrogation or pre-trial incarceration of the applicant at the stage of investigation. The limited statutory punishment prescribed under Section 132 of the CGST Act itself demonstrates that arrest is not intended to be mechanical or punitive, but only in exceptional circumstances. The alleged offences under Section 35 read with Sections 132(1)(b), 132(1)(c) and 132(1)(f) of the CGST Act, 2017 do not contemplate punishment exceeding five years, and are not accompanied by any allegation of commission of serious offences of a heinous nature. In support of his contentions, he places reliance on the judgment of the Bombay High Court in ***Narendra Amrutlal Patel and Another v. Assistant Commissioner of State Tax and Another***, {2022 SCC OnLine Bom 6528}. Furthermore, it is now a settled position in law that apprehension of influencing the witness and tampering of evidence is required to be based on tangible evidence and mere allegation cannot be taken at face value on the asking of the investigating agency. In fact, the Applicant is presently in judicial custody and is in no position to influence witnesses, flee from investigation or tamper with evidence. The applicant is willing to cooperate and assist the non-applicant in the investigation of the case. He further submits that the applicant has not made any attempt to suborn witnesses, tamper with the evidence, or in any manner pollute or obstruct the judicial process.

4. Mr. Palash Soni, learned counsel for the applicant in MCRCA No.368 of 2026, in addition to what has been submitted by Mr. Parghaniya, submits that the non-applicant initiated an investigation in respect of a firm namely M/s Shristi Construction, bearing GSTIN 22BZIPP0049LIZA, which is a proprietorship concern. The said firm is alleged by the non-applicant to be involved in the purported fraudulent availment of ITC through alleged bogus/non-existent firms. The applicant has no relation whatsoever with the said firm. On 13.09.2024, the non-applicant conducted an inspection and visited the declared principal place of business of M/s Shristi Construction. During the course of the said proceedings, it was alleged by the non-applicant that Mr. Chandan Gupta was engaged in providing purported bogus invoices for the alleged availment of ITC. On 27.02.2025, the non-applicant recorded the statement of Mr. Chandan Gupta, wherein it was alleged that the applicant's name was disclosed in connection with the purported issuance of bogus invoices through applicant- Rohan Tanna. It is further submitted that the statement of Rohan Tanna was also recorded by the non-applicant on 10.03.2025. The non-applicant issued summons dated 11.03.2025 and 13.06.2025 to the applicant. However, due to *bona fide* exigencies beyond the control of the applicant, he could not appear on the said dates. Thereafter, the non-applicant issued a subsequent summons dated 04.07.2025 directing the applicant to appear on 28.07.2025, which was duly complied with. Pursuant thereto, the applicant appeared before the non-applicant on 28.07.2025, and his statement was recorded. The aforesaid sequence of events unequivocally demonstrates that the applicant has duly cooperated with the investigation. Subsequent to the recording of the applicant's statement, no further summons was ever issued by the non-applicant. In such circumstances, any allegation on the part of the non-applicant asserting that the applicant has not cooperated with the investigation is *ex facie* false, misleading, and contrary to the record. On 22.01.2026, the non-applicant arrested Chandan Gupta. On the very same day, immediately following the said arrest, the officials of the non-applicant visited the residence of the applicant and conducted an extensive search at the office premises of the applicant. However, the said search did not result in the recovery of any adverse material, the applicant was thereafter repeatedly summoned on multiple occasions and subjected to prolonged interrogation. During the course of such proceedings, the applicant was persistently pressurised and coerced to deposit substantial amounts under the explicit threat of arrest. Prior to any adjudication or determination of liability under the CGST Act, the non-applicant cannot, by mere inference, arrive at a conclusive finding that ITC worth more than Rs. 28.20 Crore has been fraudulently or bogusly availed. More so, the investigation is still at a nascent stage, and the applicant himself has not yet been investigated in a complete or fair manner. Any such conclusion drawn at this stage is premature, legally unsustainable, and reflective of a pre-decided approach. Notwithstanding this, the applicant was subjected to undue pressure, coercion, and mental harassment during the proceedings and was repeatedly compelled to make substantial monetary deposits under explicit threats of arrest, thereby converting what ought to have been a lawful search into a coercive exercise. Such conduct further reinforces the applicant's well-founded and imminent apprehension of custodial action. On 05.02.2026, the applicant addressed a communication to the non-applicant demonstrating his *bona fides* and unequivocally expressing his willingness to cooperate with the ongoing investigation. In the said communication, the applicant categorically stated that there exists no justification for treating him as the main accused, that he is innocent, and that he has not received any monies whatsoever in connection with the alleged transactions. The mere fact that the proceedings are being conducted by the GST Intelligence and that an FIR under the general criminal law has not yet been registered does not, in any manner, oust the remedy of anticipatory bail, as long as the threat of arrest is imminent and real. Reliance in this regard is placed upon ***Sushila Aggarwal vs State (NCT of Delhi) & Anr***., (2020) 5 SCC 1. The offences alleged by the non-applicant fall under Section 132 of the CGST Act, which, at its highest, prescribes a maximum punishment of five years or fine, or both. Thus, even taking the allegations at face value and without admitting them, the offences cannot be categorized as heinous or grave in the sense that custodial detention becomes indispensable. Section 132 is part of a fiscal statute, revenue object being protection and recovery, not punitive incarceration. The provision itself clearly places the offences in a category below those involving life imprisonment or offences against the person and society. Therefore. the allegations, even if assumed for argument's sake, do not attract the kind of seriousness that justifies denial of anticipatory bail. The primary objective of the CGST Act is regulatory, facilitative, and revenue-oriented and not punitive in nature. The scheme of the Act is designed to ensure voluntary compliance, self-assessment, reconciliation of returns, and adjudication of tax liability, with recovery mechanisms being civil and fiscal in character and does not require pre-trial incarceration. Further reliance in this regard is placed upon the judgments of this High Court in ***Mohd. Farhan vs. State of Chhattisgarh***, MCRCA No. 1689/2025, and judgment passed by Hon'ble Delhi High Court in ***Tarun Jain vs. DGGI***, in bail application No. 3771/2021. The allegations levelled by the non-applicant pertain to alleged availment of ITC through bogus firms and providing bogus bills to co-accused, which, even if assumed to be true for the sake of argument, fall squarely within the ambit of the CGST Act where the maximum punishment prescribed does not exceed five years. No incriminating material or cash was recovered during the extensive search of the applicant's office, and the entire investigation rests upon documentary evidence already within the reach of the authorities.

5. It is further submitted that in the present case, the allegations against the applicant- Chandrashekhar Chandrakar pertain to an alleged availment of ITC of more than 5 crores as stated by the non-applicant. When viewed in light of the applicant's cooperation, absence of criminal antecedents, and the regulatory character of the CGST Act, the case of the applicant stands on an even stronger footing. Accordingly, the applicant deserves the protection of anticipatory bail. Further reliance is placed on the decision of the Apex Court in ***Arvind Dham v. Directorate of Enforcement*** {2026 INSC 12}, ***Arvind***

Kejriwal v. Directorate of Enforcement {(2025) 2 SCC 248} and a decision rendered in ***Shravan A. Mehra v. Superintendent of Central Tax, Anti Evasion*** {MANU/KA/0875/2019}.

6. Accordingly, the learned counsel appearing for the applicants pray that the applicants may be granted anticipatory bail in this case.

7. On the other hand, Mr. Maneesh Sharma, learned counsel appearing for the non-applicant would oppose the bail applications and submit that M/s Shristi Construction, Deopuri, Raipur (GSTIN: 22BZIPP0049LIZA) is a proprietorship firm and engaged in trading of goods. On the basis of intelligence gathered through data analysis and further develop by the departmental officers, it was found that M/s Shristi Construction, Raipur have fraudulently availed ITC without actual receipt of goods and subsequently passed on such ITC to many down chain entities without any actual supply of goods. Verification of e-way bill on the GST portal confirmed that no inward vehicle movement was recorded on the e-way bill portal, clearly indicated the issuance of fake invoices without actual receipt of goods and thereafter passing on of same fraudulent ITC to many taxpayers, thereby causing substantial loss to Government exchequer. Acting upon the above intelligence, an investigation against the said firm was initiated under Section 67(1) of CGST Act, 2017 and an inspection was conducted on 13.09.2024 at the registered premises at: 1, Main Road, opposite Raj Electricals, Deopuri, Raipur, Chhattisgarh-492001. During the inspection no such firm in the name and style of M/s Shristi Construction, Raipur was found to be conducting any business from the said registered premises i.e. the firm was found to be nonfunctional/non-existent at the registered premises. After that the visiting officials contacted the registered mobile number of the firm mentioned in the GST registration, a person namely Premdas Panika responded the call who introduced himself as the proprietor of the firm M/s Shristi Construction. On request of officers Premdas Panika appeared before the officer and joined the proceedings. A statement of Premdas Panika was recorded under Section 70 of CGST Act, 2017 on 13.09.2024, wherein he stated that he is the proprietor of the firm M/s. Shristi Construction, Raipur. He used to supply building materials such as Cement, sand etc. on order since 2011 on temporary basis. He opened a firm M/s Shristi Construction, Raipur and started his business on permanent basis since January, 2022 from a rented premises at 1, Main Road, in front of Raj Electrical, Deopuri, Raipur, Chhattisgarh, 492001. The said premises was got vacated by the shop owner from 3 month ago. M/s Shristi Construction is registered with the department since September, 2022 and engaged in trading of building material viz. Cement, sand etc. He had met the applicant-Rohan Tanna once in relation to business activities of his firm as business condition of his firm was not good. Rohan Tanna had promised him to look after the business activities of his firm and help him in his business by giving some financial help. He had given the ID and Password of his firm M/s Shristi Construction, Raipur to Rohan Tanna to carry out all the business activities. Rohan Tanna had promised him to give him 0.5% as commission of the amount received in the firm's Bank Account on account of all business activities of the firm. All the GST returns were filed by Rohan Tanna. He has received Rs.1-1.5 lakh (approx.) as commission from Rohan Tanna till now. The

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amount received in Bank Account of the firm (Kotak Mahindra Bank) on account of business activities of the firm were transferred by him through IMPS and Net Banking into different Bank Accounts on the instruction of Rohan Tanna. He is totally unaware that the GST ITC amounting to Rs.10,22,07,466/ has been fraudulently passed on by M/s Shristi Construction. This fact was known to him only when the Department brought into his notice. During the course of investigation, statements of various persons were recorded under Section 70 of CGST Act, 2017 wherein the name of Chandan Gupta came forward prominently as the circulator of fake/bogus invoices of M/s. Shristi Construction, Raipur (GSTIN: 22BZIPP0049LIZA) and M/s Keshab Traders, Raipur (GSTIN: 22AHZPA8057H1Z3). Accordingly, a summon dated 17.01.2025 was issued to Chandan Gupta to appear on 23.01.2025. However, Chandan Gupta failed to appear on the scheduled date. Hence, another summon dated 31.01.2025 was issued to Chandan Gupta to appear on 05.02.2025. Chandan Gupta in compliance of summons dated 31.01.2025 appeared on date 27.02.2025 and his statement was recorded under Section 70 of CGST Act, 2017 on 27.02.2025, wherein Chandan Gupta categorically admitted that he had provided fake/bogus invoices of M/s. Shristi Construction, Raipur to many clients who further provided the said fake invoices to the final availers of fake/ineligible ITC. Chandan Gupta stated that he used to contact one Chandrashekar Chandrakar to procure the fake invoice of M/s. Shristi Construction, Raipur for further supply to his clients. As the name of Rohan Tanna came forward as Central figure in this scheme of ITC fraud case, a summon was issued to him, however, he failed to honour the summon dated 05.12.2025.

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8. Mr. Sharma further submits that during the course of further investigation several summons were issued to Rohan Tanna. However, Rohan Tanna appeared only once against summon dated 03.10.2025. A statement of Rohan Tanna was recorded under Section 70 of CGST Act, 2017 on 10.03.2025. On being confronted the statement on 13.09.2024 of Premdas Panika, Proprietor of M/s. Shristi Construction, Raipur, he denied all the allegation made by Premdas Panika in his statement However, Rohan Tanna admitted the fact of obtaining GST ID & Password of M/s Shristi Construction, Raipur from Premdas Panika and he further stated that he gave this ID and Password to Chandrashekar Chandrakar. On scrutiny of Bank statements obtained during the course of investigation revealed that Rohan Tanna had received amounts from M/s. Shristi Construction and Chandan Gupta in his Bank accounts. On being confronted in this regard, Rohan Tanna gave evasive and misleading replies and stated that he is not able to recall the reasons for receiving amounts in his bank accounts from M/s. Shristi Construction as of now and he assured to provide all the relevant documents related to these bank transactions within 2-3 days But Rohan Tanna failed to provide any documents to the department during the course of investigation till date. Further, investigation revealed that Rohan Tanna had given money to Premdas Panika, proprietor M/s. Shristi Construction. On being asked in this regard, Rohan Tanna again gave evasive and misleading replies and stated that he is not able to recall the reason for giving money to Premdas Panika and promised to provide the relevant documents in this regard within 2-3 days. However, Rohan Tanna did not provide any evidence/documents in this regard also. In fact, Rohan Tanna neither communicated any evidences/ documents as he had promised to provide related to the aforesaid bank transactions neither he ever appeared before the department after his statement dated 10.03.2025 and he dishonoured all the summon issued by the department. During the course of investigation, a statement of Chandrashekar Chandrakar was recorded under Section 70 of CGST Act, 2017 on 28.07. 2025. On being confronted the statement of Chandan Gupta dated 27.02.2025 wherein he had stated that he used to obtained fake invoice of M/s. Shristi Construction from Chandrasekhar Chandrakar, he categorically admitted that he had supplied fake/bogus invoices of M/s. Shristi Construction to Chandan Gupta. Chandrashekar Chandrakar in his statement further stated that Chandan Gupta used to contact him for fake invoices of M/s. Shristi Construction, Raipur and thereafter he used to contact Rohan Tanna to procure the same. He further stated that Shri. Rohan Tanna generated the fake invoices of M/s. Shristi Construction, Raipur and provided to him and he further provided the same to Chandan Gupta. Chandrashekar Chandrakar during his statement submitted the whatsapp chats along with its PDF exchanged between him and Rohan Tanna and Chandan Gupta. Perusal of the aforesaid Whatsapp chats clearly show that Chandrashekhar Chandrakar, Rohan Tanna and Chandan Gupta have exchanged regarding issuance of invoices of M/s Shristi Construction. E-invoicing ID and Password of M/s Shristi Construction, E-way bill ID and Password of M/s Shristi Construction, filing of GST returns of M/s Shristi Construction Thus, it unequivocally indicates that Chandrashekhar Chandrakar were hand in glove with Rohan Tanna and Chandan Gupta in generation and circulation of fake invoices of

M/s Shristi Construction. Another statement of Premdas Panika was recorded on 11.08.2025 wherein he reaffirmed his earlier statement dated 13.09.2024. He further stated that upon noticing some high-value transactions in the firm's bank account, he got suspicious that some wrongful activities are being done, accordingly, he contacted Rohan Tanna and informed him that he does not wish to continue his business with him. But Rohan Tanna got infuriated and badly threatened and intimidated him and told him to keep quite. He reiterated that Rohan Tanna had misused the GST ID and password of the firm and committed fraud by issuing fake invoices. During the further course of investigation, a statement Karan Kumar Raiththa, Accountant was recorded under Section 70 CGST Act, 2017 on 21.08.2025 wherein he stated that he had earlier worked as accountant of Rohan Tanna for his firm M/s. J.R. Traders. Rohan Tanna had provided him the GST ID and password of M/s Shristi Construction. He had filed GST returns of M/s Shristi Construction. At the time of filing of GST returns he used to receive OTP from Premdas Panika as Rohan Tanna had instructed him to get the OTP from Premdas Panika. Rohan Tanna and Chandrashekhar Chandrakar also provided him E-way bill credentials of M/s Shristi Construction for generation of e-way bills and he also generated E-way bill of M/s Shristi Construction as instructions received from Rohan Tanna and Chandrashekhar Chandrakar. Further investigation revealed another bank account of the firm in Bandhan Bank, Raipur (Account No. 20100025960689) in the name of Hitesh Dhruv, showing him as proprietor of M/s Shristi Construction in KYC records. The Account statement analysis revealed the total credits and debits of

Rs.17,96,16,038.38/- in the bank account no. 20100025960689. Accordingly, a statement of Hitesh Dhruv was recorded under Section 70 CGST Act, 2017 on 11.08.2025 wherein he stated that he is neither proprietor of the firm M/s Shristi Construction nor aware of any such bank account in his name. He further stated that his credentials such as Aadhar Card and PAN card were taken by Chandan Gupta on the pretext of providing him a job and might have been misused to open the said Bank account No. 20100025960689. Chandan Gupta in his statement dated 21/22.01.2026, admitted the fact of opening the said bank account with assistance of Rohan Tanna misusing the credentials of Hitesh Kumar Dhruv. Investigation conducted so far in the matter as narrated foregoing paras, clearly establishes that Rohan Tanna and Chandrashekhar Chnadrakar are the key persons and mastermind who had hand in glove with Chandan Gupta in generation and circulation of fake invoices of M/s Shristi Construction and causing huge loss to the Government exchequer. WhatsApp chats submitted by them further corroborate the issuance of fake invoices by Chandrasekhar Chandrakar and Rohan Tanna and Rohan Tanna and Chandan Gupta wherein; fraudulent ITC of Rs.17,18,23,354/- was availed without actual receipt of goods and fake ITC of Rs. 10,62,66,870/- was passed on without actual supply of goods across multiple states including Chhattisgarh, Maharashtra, Odisha, and Telangana. During the course of investigation one co-accused Chandan Gupta was arrested on 22.01.2026 under GST provisions and produced before the Hon'ble Chief Judicial Magistrate, Raipur and he was remanded in judicial custody Chandan Gupta is still in judicial custody.

9. Mr. Sharma further submits that the contention of the applicants that the offence is compoundable and economic in nature, the applicants have been critically engaged in generation and circulation of invoices without actual supply of goods and the offence of the applicant is covered under section 132(1)(b) of the CGST Act, 2017 Provisions related to compounding of offences are laid down under section 138 of the CGST Act. 2017 and as per clause (c) of the proviso to section 138(1), provisions of section 138 shall not apply in cases involving offences under section 132(1)(b) of the CGST Act, 2017. The exclusion of offences under section 132(1)(b) from the provisions of compounding, has been made effective from 1st of October 2023 by amending the Act. The legislature, after realizing the gravity of offence relating to issuance of fake invoices and its effect on the health of the economy, has specially excluded this offence from the provisions relating to compounding. Offence of the applicants are not compoundable and same may not be considered as ground for granting bail.

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

11. The allegation against the applicants herein are that they fraudulently availed ITC of Rs. 17,18,23,354/- without actual receipt of goods and fake ITC of Rs. 10,62,66,870/- was passed on without actual supply of goods across multiple States including Chhattisgarh, Maharashtra, Odisha and Telangana. The material collected during investigation *prima facie* indicates that the firm M/s Shristi Construction was used as a vehicle for issuing fake invoices, the applicant- Rohan Tanna had control over GST operations and financial transactions; the applicant Chandrashekhar Chandrakar facilitated circulation of fake invoices. The allegations are supported not only by statements but also by documentary and electronic evidence. The contention that the case rests solely on statements of co-accused cannot be accepted at this stage, in view of the corroborative material available on record. It is well settled that economic offences constitute a class apart and are required to be viewed with a different approach in matters of bail. Economic offences involving deep-rooted conspiracies and huge loss to public funds warrant a strict approach. It is equally important that the gravity of economic offences and their impact on the financial system must be duly considered while adjudicating bail petitions. Further, the offence under Section 132(1)(b) of the CGST Act has been made non-compoundable, indicating legislative intent to treat such offences with seriousness. The plea that the evidence is documentary in nature does not, by itself, obviate the necessity of custodial interrogation, particularly where the investigation is ongoing and involves multiple transactions and entities. The magnitude of the alleged fraud is to the tune of Rs.27 Crores approximately. The present is in the nature of an organized crime.

12. The applicants prima facie appear to be the key conspirators in a large-scale GST fraud. The role of applicant Rohan Tanna is central in operating the firm and managing transactions, the applicant Chandrashekhar Chandrakar acted as an intermediary in circulating fake invoices, the evidences include statements under Section 70, bank records, GST portal data, and electronic communications. The Table-A at paragraph 8 of the return filed by the respondent-

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Department, which is the relevant whatsapp chats between the applicants Rohan Tanna, Chandrashekhar Chandrakar and Chandan Gupta speaks volumes and is a pointer to the fact that they are all hand in gloves in commission of the offence in question. Even the conduct of the applicant- Rohan Tanna shows that he had not adequately cooperated with the non-applicant/ Department as such, this Court is of the opinion that the applicants are not entitled to the relief of anticipatory bail.

13. Accordingly, these first bail applications of **Applicant- Rohan Tanna** involved in Crime No. AD220126006503S registered at Directorate General of Goods and Service Tax Intelligence Raipur Zonal Unit for offence under Sections 35 read with Sections 132 (1) (b), 132 (1) (c) and 132 (1) (f) of the Central Goods and Services Tax Act, 2017 and **Applicant- Chandrasekhar Chandrakar** involved in Crime No. AD220126006503S for offence under Section 132 of Central Goods and Services Tax Act, 2017 are hereby **rejected** at this stage.

Sd/-

(Ramesh Sinha)
Chief Justice

AMIT PATEL