2026:CGHC:4196

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MCRC No. 9880 of 2025

1 - Gurmukh Jumnai S/o Shri Gopichand Jumnani Aged About 55 Years R/o 153, Deepak Nagar, Near Laxmi Niwas, Police Station- Mohan Nagar, Durg, District- Durg, Chhattisgarh-491001

... Applicant

versus

1 - State Of Chhattisgarh Through Deputy Commissioner Of State Tax (B I U), Nawa Raipur Division, G S T Bhawan, Sector- 19, Nawa Raipur, Atal Nagar, District- Raipur, C.G.

... Non-applicant

For Applicant	:	Mr. Kabeer Kalwani, Advocate
For State/ Non-applicant	:	Mr. Priyank Rathi, G.A.

Hon'ble Shri Ramesh Sinha, Chief Justice

Order on Board

23.01.2026

1. The applicant has preferred this First Bail Application under Section 483 of The Bharatiya Nagarik Suraksha Sanhita (BNSS) for grant of regular bail, as he has been arrested in connection with Case No. 03/2025, registered at Police Station Deputy Commissioner of State Tax (BIU), Nawa Raipur Division, District – Raipur (C.G.) for the offence punishable under Section 132(1)(a) read with Section 132(5)

of Chhattisgarh Goods and Service Tax Act, 2017.

2. The case of the prosecution, in brief, is that the applicant has been clandestinely manufacturing gutkha under the brand name “SITAR” at two business premises/factories located in District Durg and Rajnandgaon. This clandestine operation allegedly resulted in a loss of Rs. 22,24,61,758 in applicable tax and cess to the public exchequer. It is further submitted that, according to the statement of Jitendra Shadani, the applicant has been running a total of nine factories during the period from 2021 to 2025. In view of the above, the applicant is stated to fall under Section 132(1)(a) read with Section 132(5) of the Chhattisgarh Goods and Service Tax Act, 2017, and is allegedly punishable under Section 132(1)(i) of the SGST Act, 2017, as the amount of tax evaded exceeds five crore rupees.

3. It has been argued by the learned counsel for the applicant he is innocent and has been falsely implicated in the present case by Jitendra Shadani due to personal animosity, and that the exact quantum of tax and cess evasion can only be determined through the statutory assessment process, which is appealable, making his arrest and detention wholly unwarranted and violative of his constitutional rights. It is further submitted that the prosecution’s successive remand applications appear aimed solely at prolonging his incarceration, while the period for filing the complaint under Instruction No. 2/2022-23 would shortly expire. He further submitted that the The applicant has fully cooperated with the authorities

during searches and summons under Section 70 CGST Act, and there is no risk of tampering with evidence or influencing witnesses. Further, no notice or assessment has yet been conducted under Section 75(4) CGST, and the procedural safeguards under BNSS 2023, including the 60-day period for filing a complaint, apply. The applicant is a permanent resident, has no intention to abscond, and is willing to furnish adequate security and abide by all conditions imposed by this Hon'ble Court. Additionally, the FIR appears to have been lodged as a counterblast to a complaint filed by the applicant against the complainant's family, further demonstrating the malafide nature of the allegations. It is further argued that the applicant is languishing in jail since **23.09.2025** and the conclusion of the trial is likely to take some time, hence he prays for grant of regular bail to the applicant.

4. On the other hand, the learned counsel for the State submits that the applicant and his father, Gurmukh Jumnani, are alleged to have clandestinely manufactured gutkha under the brand name "SITAR" from multiple factories in Districts Durg and Rajnandgaon, resulting in a loss of over Rs. 22.24 crore in tax and cess to the public exchequer. It is further submitted that, according to statements on record, the applicant has been operating nine factories between 2021 and 2025, and large quantities of SITAR gutkha were recovered from the applicant's business premises, while processing of areca nuts (supari) took place in his father's factories. The learned State Counsel contends that the case falls under Section

132(1)(a) read with Section 132(5) of the CGGST Act, 2017, attracting punishment under Section 132(1)(a) as the tax evaded exceeds ₹5 crore, and that there exists a possibility of tampering with evidence or influencing witnesses, making custodial remand necessary for further investigation

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

6. Taking into consideration the fact that After considering the submissions of the applicant and the learned State Counsel, this Court finds that the alleged offence under Section 132 of the CGGST Act, 2017 is not punishable with death or life imprisonment, and the maximum sentence prescribed is five years. The applicant has fully cooperated with the investigation, including searches and summons under Section 70 CGGST Act, and there is no likelihood of tampering with evidence or influencing witnesses. Considering that the applicant is a permanent resident, has no intention to abscond, and is ready to furnish adequate security and comply with all directions of this Court, and the applicant is languishing in jail since 23.09.2025, his custodial detention is not warranted hence, without commenting anything on merits of the case, I am inclined to grant regular bail to the applicant. Accordingly, the bail application on behalf of the applicant –**Gurmukh Jumnani** is **allowed**.

7. If the applicant, **Gurmukh Jumnani**, furnishes a personal bond in the sum of Rs.1,00,000/- with one solvent surety to the satisfaction of the concerned Court, he be released on bail involved in Case No. 03/2025, registered at Police Station Deputy Commissioner of State

Tax (BIU), Nawa Raipur Division, District – Raipur (C.G.) for the offence punishable under Section 132(1)(a) read with Section 132(5) of Chhattisgarh Goods and Service Tax Act, 2017. Order shall be in force till disposal of the case.

Sd/-

(Ramesh Sinha)
Chief Justice

Arpan