

CRM-M-38861-2025

2025:PHHC:136625



::1::

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

229(3)

Date of Decision 29.09.2025

(1) CRM-M-38861-2025 (O & M)

Sovit Bansal

... Petitioner

V/s

Directorate General of GST, Ludhiana

...Respondent

(2) CRM-M-42749-2025 (O & M)

Karan Bansal

... Petitioner

V/s

Directorate General of GST, Ludhiana

...Respondent

(3) CRM-M-44075-2025 (O & M)

Shri Sanjeev Kumar Bansal

... Petitioner

V/s

Directorate General of GST, Ludhiana and anr.

...Respondents

CORAM: HON'BLE MR. JUSTICE JASJIT SINGH BEDI

Present: Mr. Bipan Ghai, Sr. Advocate,
with Mr. Nikhil Ghai, Advocate,
Mr. Armaan Singh Brar, Advocate,
Mr. Joban Singh Dhaliwal, Advocate,
Ms. Malini Singh, Advocate and
Mr. Gurnoor Sandhu, Advocate,
for the petitioner(s) (in all the three petitions).

Mr. Sourabh Goel, Sr. Standing Counsel, DGGI,
with Ms. Deify Jindal, Advocate, for the respondent.

CRM-M-38861-2025

2025:PHHC:136625



::2::

JASJIT SINGH BEDI, J. (Oral)

This order shall dispose of three criminal miscellaneous petitions i.e. CRM-M-38861-2025, CRM-M-42749-2025 and CRM-M-44075-2025 as they arise out of the same FIR.

2. The petitioner-Sovit Bansal (in CRM-M-38861-2025), petitioner-Karan Bansal (in CRM-M-42749-2025) and petitioner-Shri Sanjeev Kumar Bansal (in CRM-M-44075-2025) seek the grant of regular bail under Section 483 of BNSS, 2023 in case bearing complaint No.15530 dated 27.06.2025 under Sections 132(1)(a) and 132(1)(c) r/w Section 132(1) of CGST Act, 2017 r/w Section 20 of IGST Act, 2017 and Punjab GST Act, 2017 pending before the JMIC, Ludhiana, as they arise out of a same complaint.

3. For the sake of convenience, the facts are being taken from the petition bearing No. CRM-M-38861-2025.

4. The brief facts of the case are that secret information was received that Sanjeev Kumar (petitioner in CRM-M-44075-2025) alongwith his two sons-Karan Bansal (petitioner in CRM-M-42749-2025) and Sovit Bansal (petitioner in CRM-M-38861-2025) were involved in Clandestine sale of goods through their six firms, namely, M/s Shree Salasar Steel Tubes & Co., M/s Shree Salasar Balaji Steel Tubes, M/s K.T.B. Alloys, M/s A.K.M. Alloys, M/s Ram Ji Concast and M/s Bharat Steel Industries. Based on the said secret information, the respondent-agency conducted a search

CRM-M-38861-2025

2025:PHHC:136625



::3::

under Section 67(2) of CGST Act, 2017 at the business premises of the aforementioned firms alongwith the residential premises of their partners and employees on 22.02.2025. On the basis of various searches conducted on the said date, the agency concluded that the petitioners were the key persons for the Clandestine Sale of goods. It was allegedly found that there were various sale of goods without actual issuance of invoices involving GST amount of Rs.69.99 Crores and further there were fraudulent availment and utilization of ITC of Rs.46.53 Crores without physical receipt of goods from non-existence firm. Therefore, the agency alleged that there was total GST evasion of Rs.116.53 Crores. Pursuant thereto, on conclusion of the investigation, a complaint has been filed before the Court of the Chief Judicial Magistrate, Ludhiana on 27.06.2025 for commission of the offences under Sections 132(1)(a) and (c) of CGST Act, 2017.

5. The learned Senior counsel for the petitioners contends that the allegations levelled in the complaint are baseless. In fact, the petitioners were taken into custody illegally but their arrest has been shown later. No grounds of arrest were served upon them. The petitioners have been arrested without following the mandatory provisions of Sections 73 and 74 of the CGST Act, 2017. The complaint already stands filed. As the petitioners are in custody since 02.05.2025 but none of the 25 prosecution witness has been examined so far, the Trial of the present case is not likely to be concluded anytime soon and therefore, they are entitled to the concession of bail,

CRM-M-38861-2025

2025:PHHC:136625



::4::

particularly, when the maximum sentence on conviction would be for a period of 05 years.

6. The learned counsel for the respondent vehemently contends that a huge fraud has been perpetrated by the petitioners. There has been a total GST evasion of Rs.116.53 Crores. Therefore, the gravity of the offence committed itself does not entitle the petitioners to the grant of bail. He, however, concedes that the complaint stands filed, that the petitioners are in custody since 02.05.2025 and that none of the 25 prosecution witnesses has been examined so far.

7. I have heard the learned counsel for the parties.

8. The veracity of the prosecution case against the petitioners shall be adjudicated upon during the course of the Trial. They are stated to be in custody since 02.05.2025 but none of the 25 prosecution witnesses has been examined so far. Therefore, the Trial of the present case is not likely to be concluded anytime soon. In this situation, the further incarceration of the petitioners is not required.

9. Thus, without commenting on the merits of the case, the present petitions are allowed and the petitioners, namely, Sovit Bansal (in CRM-M-38861-2025), Karan Bansal (in CRM-M-42749-2025) and Shri Sanjeev Kumar Bansal (in CRM-M-44075-2025) are ordered to be released on bail subject to their furnishing bail bonds and surety bonds each to the satisfaction of learned CJM/Duty Magistrate, concerned.

CRM-M-38861-2025

2025:PHHC:136625



::5::

10. The petitioners shall appear before the police station in the local area in which they are ordinarily resident on the first Monday of every month till the conclusion of the trial and inform in writing each time that they are not involved in any other crime/case other than the present one.

11. The petitioners (or anyone on their behalf) shall prepare an FDR in the sum of Rs.2,00,000/- each and deposit the same with the Trial Court. The same would be liable to be forfeited as per law in case of the absence of the petitioners from trial without sufficient cause.

12. The petitions stand disposed of.

13. The pending application(s), if any, shall stand disposed of accordingly.

14. A photocopy of this order be placed on the files of the case connected cases bearing No.*CRM-M-42749-2025 tiled as 'Karan Bansal versus Directorate General of GST, Ludhiana'* and *CRM-M-44075-2025 tiled as 'Shri Sanjeev Kumar Bansal versus Directorate General of GST, Ludhiana'*.

(JASJIT SINGH BEDI)
JUDGE

September 29, 2025
sukhpreet

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No