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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CRL.M.C. 834/2020 & CRL.M.A. 3412/2020**

DIRECTORATE GENERAL OF

GST INTELLIGENCE

.....Petitioner

Through: Mr. Satish Aggarwala, Sr.
Standing Counsel and Mr.
Gagan Vaswani, Adv.
(through VC)

versus

SANJAY JAGLAN

.....Respondent

Through:

CORAM:

HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER

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30.05.2025

1. The present petition has been filed under Section 482 of the Code of Criminal Procedure, 1973 ('CrPC') challenging the order dated 17.12.2019 (hereafter '**impugned order**'), passed by the learned Chief Metropolitan Magistrate ('CMM'), Patiala House Court, New Delhi, in case titled "*CGST v Sanjay Jaglan*" in the proceedings under Section 132 of the Central Goods and Services Tax, 2017 ('**CGST Act**'), pursuant to which the respondent was admitted to bail.

2. It is the case of the prosecution that the respondent, through his company namely- M/s R.R. India Pvt. Ltd., had fraudulently evaded GST and availed the undue advantage of bogus Input Tax Credit ('ITC') to the tune of approximately ₹33.75 crores on the strength of fake bills and invoices against supply of manpower services received from six firms, which are



non-existent and non-operating at their declared business premises. The respondent was arrested on 01.12.2019.

3. The respondent was granted bail by the learned CMM by the impugned order, after considering the totality of facts and circumstances, including the contention of the learned counsel for the respondent that the respondent had already deposited ₹1 crore with the department and has not objected to the attachment of his property worth ₹40.76 crores, which has been verified and the original sale deeds of which have been filed, to show his *bonafides*. The learned CMM further directed the respondent to deposit ₹3 crores with the department latest by 24.12.2019 along with certain other conditions.

4. The impugned order is challenged on the ground that the learned CMM had erroneously granted bail to the respondent at the initial stage of the investigation without taking into consideration the involvement of the respondent in a matter booked by Ghaziabad Commissionerate. The learned Senior Standing Counsel ('SSC') further submits that a communication dated 14.11.2022 has also been issued to the respondent by the Gurugram Commissionerate of Central Tax, and proposal of prosecution against him is under process.

5. It is relevant to note that the impugned order records no such objection from the end of the learned Senior Standing Counsel for the petitioner department.

6. The learned counsel for the respondent at the outset contends that no supervening circumstances of any nature have taken place, warranting cancellation of bail.

7. He submits that no prosecution complaint has been filed



against the respondent and that at the time of grant of bail, the respondent had already deposited a sum of Rs.4 crores with the Department.

8. He further places reliance on the order passed by the Hon'ble Apex Court in ***Pradeep v. CCE (GST) : (2021) 19 SCC 547*** wherein relief was granted in favour of the accused on him depositing 10% of the disputed liability amount.

9. Undisputedly, no complaint has been filed against the respondent. Despite the fact that the investigation was taken up by the Department way back in the year 2019, no criminal complaint has been filed till date. Thus, even otherwise, had the respondent been in custody, he would have been entitled for default bail on the department not completing the investigation. It is not alleged anywhere that the respondent, pursuant to being admitted to bail, had misused the liberty.

10. It is the petitioner department's own position that the respondent has deposited with the department a sum of ₹1 crore in cash on 11.12.2019, ₹2.5 crore in cash on 23.12.2019, and ₹0.50 crore in cash on 24.12.2019. That being said, the respondent has already deposited a sum of ₹4 crores with the department pursuant to the order granting bail, which is more than 10% of the disputed liability. The same has been recorded in the order passed by this Court on 18.12.2024.

11. The learned counsel for the respondent submits that the respondent undertakes to join the investigation and cooperate in the same, as and when directed to do so and shall he shall not tamper with the evidence and intimidate the witnesses in any manner. He is bound by such undertaking.



12. In view of the same, this Court finds no reason to cancel the bail granted to the respondent.

13. Other conditions imposed in the impugned order shall remain applicable on the respondent.

14. The present petition is accordingly dismissed, along with pending application(s).

AMIT MAHAJAN, J

MAY 30, 2025