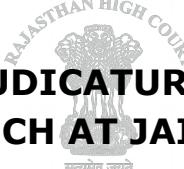




HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR



S.B. Criminal Miscellaneous Bail Application No. 6562/2025

1. Premchand Jain S/o Padamchand Jain, Aged About 64 Years, R/o Bajaj Palace, Near Palliwal Compound, Chawani, Kota Rajasthan.
2. Dhyata Jain S/o Premchand Jain, Aged About 28 Years, R/o Bajaj Palace, Near Palliwal Compound, Chawani, Kota Rajasthan.

----Petitioners

Versus

Union Of India, Through PP

----Respondent

For Petitioner(s)	: Mr. Swadeep Singh Hora, Adv. with Mr. Aman Garg, Adv.
For Respondent(s)	: Mr. Ajatshatru Mina, Adv. with Mr. Rajat Choudhary, Adv.

HON'BLE MR. JUSTICE ANIL KUMAR UPMAN

Order

1. Date of conclusion of arguments :	06.01.2026
2. Date on which the judgment was reserved :	06.01.2026
3. Whether the full judgment or only the operative part is pronounced :	Full Judgment
4. Date of pronouncement :	07.02.2026

1. This pre-arrest bail application under Section 482 of B NSS has been filed on behalf of the petitioners, who are having apprehension of their arrest in connection with Criminal Case No. DGGI/INV/GST/574/2025-Gr.I registered for offences punishable under Sections 132(1), 132(1)(i)(iv) & 132(5) of Central Goods and Services Tax Act, 2017.





2. Learned counsel appearing on behalf of the petitioners submits that the petitioners have been falsely implicated in the present case. It is contended that petitioner No.1 is a Director of two companies, namely M/s Prem Jain Ispat Udyog Pvt. Ltd. (M/s PJIUPL) and M/s Tanay Dhyata Steel Concast Ltd. (M/s TDSCL), while petitioner No.2, who is the son of petitioner No.1, is also one of the Directors of the said companies. It is submitted that the allegation against the petitioners is that, in their capacity as Directors, they have evaded tax amounting to Rs.20,63,97,337/- (Rupees Twenty Crore Sixty-Three Lakh Ninety-Seven Thousand Three Hundred Thirty-Seven only). Learned counsel submits that the petitioners have been arrayed as accused solely on the basis of the statement of one Manoj Vijay, whose firm, M/s Mahaveer Trading Company, is alleged to have supplied scrap material/TMT bars to the petitioners' firms without issuance of bills. It is contended that the petitioners have no association with the said Manoj Vijay or his firm. Learned counsel further submits that although Mr. Gyan Chand, who is the General Manager of M/s PJIUPL and the authorized signatory of M/s TDSCL, has alleged in his statement that such transactions were carried out at the directions of petitioner No.1, except for the said allegation, there is no material on record to even *prima facie* establish the involvement of the present petitioners in the alleged offence.

3. It is further submitted that against the alleged tax evasion of Rs.20,63,97,337/-, the petitioners have already deposited a sum of Rs.10,38,98,566/- (Rupees Ten Crore Thirty-Eight Lakh Ninety-Eight Thousand Five Hundred Sixty-Six only) with the Department,





which, according to learned counsel, demonstrates the bona fide intention of the petitioners. It is also contended that the petitioners are willing to fully cooperate with the investigation and, in compliance with the directions issued by the Coordinate Bench of this Court, they have appeared before the concerned authority. Learned counsel argues that since petitioners have joined the investigation as per direction of this Court, custodial interrogation of the petitioners is not warranted and no useful purpose would be served by subjecting the petitioners to arrest. He thus, prays that this pre-arrest bail application may be allowed.

4. To buttress his contentions, counsel for the petitioners places reliance upon various judgments/orders passed by Hon'ble Supreme Court as well as High Courts including this Court in the following cases:-

1. Dell International Services India Pvt. Ltd versus Adeel Feroze & Ors., reported in 2024 SCC OnLine Del 4576.
2. Pankaj Bansal versus Union of India & Ors., reported in (2024) 7 SCC 576.
3. Bijender versus State of Haryana, (arising out of SLP Crl. No.1079/2024, decided on 06.03.2024).
4. Radhika Agarwal versus Union of India, reported in 2025 SCC OnLine SC 449.
5. Tarun Jain versus Directorate General of GST Intelligence DGGI, Bail Application No.3771/2021 & Crl. M.A. No.16552/2021, dated 26.11.2021.
6. Nitin Verma versus State of UP, in Criminal Misc. Anticipatory Bail No.4116/2020, dated 05.01.2021.
7. Vineet Jain versus UOI, (arising out of SLP Crl No.4349/2025, dated 28.04.2025).





8. Joginder Kumar versus State of UP, reported in (1994) 4 SCC 260.
9. C. Pradeep versus Commissioner of GST & Central Excise & Anr., reported in (2021) 19 SCC 547.
10. Pradip N. Sharma versus State of Gujarat & Anr., reported in 2025 SCC OnLine SC 457.
11. CBI versus V.C. Shukla & Ors., reported in (1998) 3 SCC 410.
12. Manohar Lal Sharma & Ors. versus UOI & Ors., reported in (2017) 11 SCC 731.
13. Gulam Fareed versus State of Rajasthan, in Criminal Appeal No.4962/2025, decided on 20.11.2025.
14. Gajanan Dattatray Gore versus State of Maharashtra & Anr., in Criminal Appeal No.3219/2025, decided on 28.07.2015.
15. Hemant Sharma versus UOI, in S.B. Criminal Misc. Bail Application No.6501/2025, decided on 26.09.2025.

5. Mr. Ajatshatru Mina, learned Senior Standing Counsel and Standing Counsel is appearing on behalf of the Directorate General of Goods and Services Tax Intelligence (DGGI). It is contended that serious allegations of tax evasion to the tune of Rs.20,63,97,337/- have been levelled against the petitioners. Reliance has been placed on a factual report dated 06.10.2025. From a perusal of the said factual report, it emerges that the petitioners did not appear before the DGGI for recording of their statements under Section 70 of the CGST Act, nor were any written submissions furnished on their behalf. The record further indicates that no communication was received by the Department reflecting any intention of the petitioners to cooperate with the





investigation. It is also noted that although interim protection was granted to the petitioners by a Coordinate Bench of this Court vide order dated 03.07.2025, the petitioners did not appear before the DGGI despite issuance of summons. The petitioners appeared before the Department only after directions were issued by Coordinate Bench of this Court vide order dated 20.09.2025, pursuant to which they appeared on 26.09.2025. Upon such appearance, the statement of petitioner No.1, Prem Chand Jain, was recorded, wherein he accepted overall responsibility for the functioning and decision-making of both the companies. However, during the course of examination, it transpired that the role of petitioner No.2, Dhyata Jain, was confined to providing field-level assistance under the instructions of petitioner No.1 and his role is ancillary in nature. In light of the aforesaid facts and circumstances, the contention on behalf of the respondent is that the present application seeking pre-arrest bail on behalf of petitioner No.1, Premchand Jain, does not merit consideration.

6. I have considered the rival submissions made by the counsel for the parties and perused the material available on record.

7. A bare perusal of the factual report reveals that petitioner No.1 was solely responsible for the functioning and decision-making of both the companies. He has admitted that when initially approached by Shri Manoj Vijay, the proposal to avail the services of Mahaveer Trading Company was directly conveyed to his General Manager, Shri Gyan Chand Jain, who outrightly declined the offer. However, subsequently, Mahaveer Trading Company began facilitating transportation and clearances for a competitor,



which adversely impacted the business interests of petitioner No.1. In view of the existing market liabilities and mounting financial pressure, petitioner No.1 thereafter agreed to avail the services of Mahaveer Trading Company. The petitioner No.1 has further admitted that clandestine clearances of 2,50,65,975 kgs and 22,35,260 kgs of TMT bars, respectively, were carried out through the facilitation of Shri Manoj Vijay. He also admitted that these clearances were predominantly made to buyers within the State of Rajasthan and that the resultant GST liability amounted to Rs.20,63,97,337/- (CGST + SGST), calculated at the rate of Rs.42 per kg. Out of the said amount, a sum of Rs.10,38,98,566/- has already been deposited by him. These admitted facts unequivocally establish the central role and direct responsibility of petitioner No.1 in directing, controlling, and managing the affairs of both the companies.

8. It is a settled position of law that, grant of bail is a rule whereas its refusal is an exception. The question whether bail should be granted in a case has to be determined on the basis of the facts and circumstances of that particular case. There can be no straitjacket formula or settled rules for exercise of discretion but the discretion to grant bail in the case of a non-bailable offence has to be exercised in accordance with the rules and principles laid down by the Code of Criminal Procedure and various judicial precedents. There cannot be a set formula for considering the plea of bail of an accused. It all depends upon the facts and circumstances relevant to the case.





9. Economic offences stand on a different footing for the purpose of bail considerations, as they constitute a distinct class of crimes involving deep-rooted conspiracies, large-scale loss of public funds, and far-reaching adverse impact on the economic fabric of the nation. Such offences are committed with deliberate design and cool calculation, driven solely by the motive of unlawful personal gain and a desire to become rich quickly, with complete disregard for societal consequences. Persons indulging in such criminal activities show scant concern for the safety, security, life, property, and well-being of the common public. The misappropriation of public exchequer and depletion of national resources caused by such acts ultimately undermine the welfare of society at large and pose a serious challenge to the criminal justice system. Owing to their grave nature and widespread repercussions, economic offences affecting the economy of the country as a whole must be viewed with utmost seriousness. In cases involving deep-rooted conspiracies and huge loss of public funds, the Court, while considering an application for bail, is required to keep in mind, inter alia, the larger interest of the public and the State. The nature and seriousness of the offence, coupled with its societal impact, are vital considerations that must be squarely addressed while adjudicating bail applications in such matters.

10. In a catena of judgments, the Hon'ble Supreme Court has consistently held that anticipatory bail is an extraordinary discretionary relief and not a matter of right. The said relief is intended to protect innocent persons from false or motivated





arrest and, it is not intended to be granted as a routine measure, particularly in cases involving economic offences. Economic offences are committed with deliberate design and are often the result of deep-rooted conspiracies, causing serious loss to the public exchequer and adversely affecting the economy at large. Such offences have wide societal ramifications and impact the community as a whole rather than an individual victim. In such cases, custodial interrogation assumes significance, as it is often necessary to unearth the modus operandi of the offence, trace the money trail, and identify other persons involved or beneficiaries of the crime. Grant of anticipatory bail at the threshold may frustrate effective investigation in offences of this nature.

11. Courts have consistently held that while considering anticipatory bail in economic offences, factors such as the gravity of the offence, role of the accused, likelihood of tampering with evidence, and impact on public interest must be given due weight. Grant of anticipatory bail at the threshold may hamper effective investigation. Hence, anticipatory bail in economic offences should be granted sparingly and in exceptional circumstances, and only where the court is satisfied that arrest is unnecessary and motivated.

12. In **P. Chidambaram versus Directorate of Enforcement**, reported in **AIR 2019 (SC) 4198**, the Hon'ble Supreme Court held that for grant of anticipatory bail, especially in cases involving economic offences like money laundering, reiterated that such relief should be granted sparingly and only in exceptional cases. It emphasized that custodial interrogation is often essential during





investigation, as it can lead to discovery of concealed material and crucial information, which might be obstructed if the accused is protected by pre-arrest bail. Referring to **State versus Anil Sharma**, reported in **(1997) 7 SCC 187**, the Court noted that interrogation under bail protection becomes a mere formality, while custodial questioning is more effective. In cases involving economic offences, the Court highlighted their seriousness and complexity, observing that such crimes are committed with deliberate design, harming the economy and public interest. Economic offences were described as a class apart, requiring a different approach to bail. It relied on precedents like **Y.S. Jagan Mohan Reddy versus CBI**, reported in **(2013) 7 SCC 439** and **Directorate of Enforcement versus Ashok Kuman Jain**, reported in **(1998) 2 SCC 105**, stressing that personal liberty must be balanced against the need for effective investigation, especially where cross-border money trails and multiple stages of laundering are involved. In the specific case discussed (related to P. Chidambaram), the Court found that the stage of investigation, nature of allegations, and materials collected including international inputs justified denial of anticipatory bail. It concluded that granting such relief would hamper investigation, and that Section 438 of the Cr.P.C should be invoked only when the allegations appear frivolous or groundless, which is not the case here.

13. In the above cited judgments, the Hon'ble Supreme Court has emphasized on the aspect that anticipatory bail should not be granted routinely, particularly in serious economic offences





involving large-scale fraud, public money, or complex financial crimes. Such offences are distinct and grave, posing serious threats to the country's economy and financial stability.

14. Taking into consideration the facts and circumstances of the case, gravity and seriousness of the offences, as also the principles laid down by the Hon'ble Supreme Court as mentioned supra, this Court is not inclined to grant anticipatory bail to the petitioner No.1 Premchand Jain, especially when the investigation is under progress.

15. Accordingly, this pre-arrest bail application qua petitioner No.1 Premchand Jain stands dismissed.

16. So far as the petitioner No.2 Dhyata Jain is concerned, his role in both the companies was limited to field level assistance under the instructions of his father i.e., petitioner No.1, who is the prime accused of this case.

17. Consequently, this anticipatory bail is partly allowed to the extent of petitioner No.2 Dhyata Jain. The concerned S.H.O/ I.O/ Arresting Officer, in Criminal Case No. DGGI/INV/GST/574/2025-Gr.I registered for offences punishable under Sections 132(1), 132(1)(i)(iv) & 132(5) of CGST Act is directed that in the event of arrest of the petitioner No.2- **Dhyata Jain S/o Premchand Jain**, he shall be released on bail, provided he furnishes a personal bond in the sum of Rs.1,00,000/- (Rupees One Lakh Only) with two sureties in the sum of Rs.50,000/- (Rupees Fifty Thousand Only) each to the satisfaction of the S.H.O/I.O/Arresting Officer of the concerned Police Station on the following conditions:-

(i) that the petitioner shall make himself





available for interrogation by Investigating Agency
as and when required;

(ii) that the petitioner shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade him from disclosing such facts to the court or any police officer, and

(iii) that the petitioner shall not leave India without prior permission of the court.

(ANIL KUMAR UPMAN),J

Manoj Solanki /-

