

Sanjay Jain v. Union of India and another; with Dushyant Chaudhary, Nikhil Goel and Irfan Malik

Case number: Criminal appeals arising out of SLP (Criminal) Nos. 8756/2025, 8775/2025, 8776/2025 and 18530/2025; the appeal numbers are blank in the signed source.

Citation: No neutral or reported citation is printed in the official source PDF.

Decision date: 7 January 2026

GST prosecution: regular bail following COVID interim release, considering sustained trial attendance and absence of shown misuse

Court: Supreme Court of India

Bench: Dipankar Datta and Satish Chandra Sharma, JJ.

Decision stage: Final disposal of four connected criminal appeals after grant of leave; regular bail granted, expressly without findings on the merits of the prosecutions.

01 Facts of case and issues

Sanjay Jain, Dushyant Chaudhary, Nikhil Goel and Irfan Malik were arrested on different dates in 2021 in four complaint cases under the CGST Commissionerate, Meerut. The order describes offences under section 132(1)(b), (c) and (i) of the Central Goods and Services Tax Act, 2017. They were alleged to have operated fictitious firms that issued invoices without actual supplies to obtain input tax credit.

After rejection of regular bail, they received interim bail under COVID prison-decongestion measures. Following withdrawal of the relevant protective order on 24 March 2023, courts rejected further bail applications for non-surrender. The Allahabad High Court dismissed three applications on 7 May 2025 and Irfan Malik's application on 7 October 2025. The appellants maintained that they had continued appearing before the trial court.

Pinpoint: Official PDF pp. 1–3, paragraphs 1–11 and footnotes 1–3; pp. 6–7, proceeding identifiers.

02 Discussion by Hon'ble Court

The Court examined a chart of the appellants' trial-court appearances and heard counsel on attendance. It considered their regular appearances and the absence of material showing unlawful activity or violation of bail conditions during interim release. In those circumstances, directing incarceration at that stage would serve no meaningful purpose.

The assertion of constructive custody, including Sanjay's claimed attendance on around 19 occasions after the March 2023 order and 48 occasions in total, was the appellants' submission. The Court did not formulate a general rule that attendance always replaces surrender or that COVID interim bail automatically becomes regular bail.

Pinpoint: Official PDF pp. 3–4, paragraphs 11–13.

03 Judicial decision and operative relief

After granting leave, the Supreme Court directed the appellants' release on bail upon furnishing bonds to the trial court's satisfaction and on additional terms that court might impose. It required cooperation in the trial and prohibited inducing, threatening, promising or dissuading persons acquainted with the facts from disclosing them to the police or court.

The appellants must attend on fixed dates unless exempted. The trial court may cancel bail for unjustified non-appearance or breach of conditions. The Court expressly stated that its observations and the grant of bail were not findings on the merits. All four appeals were allowed and pending applications disposed of.

Pinpoint: Official PDF p. 4, paragraphs 14–19; p. 7, record of proceedings.

04 In favour of

Sanjay Jain, Dushyant Chaudhary, Nikhil Goel and Irfan Malik on conditional regular bail.

The connected appeals ended with regular-bail directions, subject to trial-court bonds and conditions and the express possibility of cancellation for non-compliance. The alleged fictitious-firm transactions, input-credit fraud and criminal liability remained for trial. The Court neither quantified GST liability nor acquitted the appellants.

Pinpoint: Official PDF pp. 2 and 4, paragraphs 3 and 14–19.

05 AKHB REVIEW POINT

AKHB analysis: In a comparable application, prepare a date-wise attendance record, the relevant interim-release and surrender orders, and evidence addressing alleged misuse. Explain the actual procedural history rather than treating pandemic-related release as an enduring entitlement. Preserve the distinction between the appellants' constructive-custody argument and the Court's fact-based reasons for granting bail.

The continuing obligations are important: cooperate, avoid witness interference and attend unless exempted. Obtain the trial court's implementation order for the bond and any additional conditions. This judgment does not determine input-tax-credit entitlement or the truth of the criminal allegations.

Pinpoint: AKHB analysis based on official PDF pp. 1–7; no additional judicial holding.

Sources and limitations

Relevant provisions

Central Goods and Services Tax Act, 2017: section 132(1)(b), (c) and (i), as printed in paragraph 2.

Statutory note

The source prints section 132(1)(i); the note preserves the Court's description and does not infer a different offence or punishment provision. The COVID orders and High-Powered Committee guidelines are described as procedural history, not restated as current general entitlements.

Treatment note

This note records the Supreme Court order as delivered. The subsequent prosecution, implementation of bail directions and any later modification or cancellation have not been comprehensively checked. Source verification does not establish that no later proceedings exist.

Scope of source review

Complete seven-page official PDF read and all pages visually checked, including the blank fifth page. Signed order paragraphs 1–19, all four parties and SLP numbers, decision date, bench and final disposal verified against the record of proceedings.

Source identity notes

The decision date is 7 January 2026. The digital-signature timestamp of 12 January 2026 is not substituted for the decision date.

Four appeals share one reasoned disposal and are represented as one canonical judgment record. The source leaves each appeal number blank.

Footnote 2 prints Dushyant's bail-application number as 46316 of 2025. This note does not resolve any possible year inconsistency by silently changing it.

Page 5 is blank apart from its number. Pages 1–4 contain the signed order; pages 6–7 contain the corresponding record of proceedings.

Primary source

Source description: Official Supreme Court seven-page PDF: signed reasoned order on pages 1–4; page 5 is blank apart from its page number; record of proceedings on pages 6–7.

Official source:

https://www.sci.gov.in/sci-get-pdf/?diary_no=300992025&from=latest_judgements_order&order_date=2026-01-07&type=o

Source pages: 7

Outcome type: Final disposal of four connected criminal appeals after grant of leave; regular bail granted, expressly without findings on the merits of the prosecutions.

Disclosures and source rights

AI disclosure: Prepared with AI assistance from the complete official Supreme Court source identified in this note. No human legal review is claimed.

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Source checked: 18 October 2026