



**IN THE HIGH COURT OF KARNATAKA AT BENGALURU**

**DATED THIS THE 9<sup>TH</sup> DAY OF APRIL, 2026**

**PRESENT**

**THE HON'BLE MR. JUSTICE S.G.PANDIT**

**AND**

**THE HON'BLE MR. JUSTICE K. V. ARAVIND**

**WRIT APPEAL NO.222 OF 2023 (T-RES)**

**BETWEEN:**

1. UNION OF INDIA  
MINISTRY OF FINANCE,  
DEPARTMENT OF REVENUE,  
NORTH BLOCK,  
NEW DELHI-110 001.
2. COMMISSIONER OF CENTRAL EXCISE  
AND CENTRAL TAX (GST)  
OFFICE AT 7<sup>TH</sup> FLOOR,  
TRADE CENTRE,  
BUNTS HOSTEL ROAD,  
MANGALURU-575 003.
3. SUPERINTENDENT OF CENTRAL EXCISE (CGST)  
CGST HEAD QUARTERS PREVENTIVE UNIT,  
OFFICE AT 7<sup>TH</sup> FLOOR,  
TRADE CENTRE,  
BUNTS HOSTEL ROAD,  
MANGALURU-575 003.

...APPELLANTS

(BY SRI. ARAVIND.V.CHAVAN, SENIOR STANDING COUNSEL)





**AND:**

SRI. ANKIT BANSAL  
S/O. SRI. ANIL KUMAR BANSAL,  
AGED ABOUT 39 YEARS,  
MANAGING DIRECTOR OF  
M/S. BRIGHT PACKAGING PVT. LTD.,  
NO. 162-B,  
BAIKAMPADY INDUSTRIAL AREA,  
MANGALURU-575 011.

...RESPONDENT

(BY SRI. ANOOP HARANAHALLI, ADV. FOR SRI. SRINIVAS RAO  
S.S., ADV.)

THIS WRIT APPEAL IS FILED U/S 4 OF THE KARNATAKA  
HIGH COURT ACT PRAYING TO SET ASIDE THE IMPUGNED  
ORDER DATED 06/02/2023 PASSED BY THE HON'BLE SINGLE  
JUDGE ARISING OUT OF WP NO.1587/2023 GRANTING BAIL TO  
THE RESPONDENT BY CANCELLING THE SAME AND ETC.

THIS APPEAL, COMING ON FOR ORDERS, THIS DAY,  
JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE S.G.PANDIT  
and  
HON'BLE MR. JUSTICE K. V. ARAVIND



## **ORAL JUDGMENT**

(PER: HON'BLE MR. JUSTICE K. V. ARAVIND)

The Revenue is in appeal, challenging the impugned order dated 06.02.2023 passed on I.A. No.1/2023 by the learned Single Judge in W.P. No.1587/2023.

2. The respondent herein preferred a writ petition challenging the authorisation dated 06.01.2023 issued under Section 69 of the Central Goods and Services Tax Act, 2017 (for short, the "CGST Act, 2017") and the arrest memo dated 06.01.2023, produced at Annexure-B. The learned Single Judge, under the impugned order, granted bail to the respondent, subject to the conditions stipulated therein.

3. Sri Aravind V. Chavan, learned Senior Standing Counsel appearing for the appellants–Revenue, submits that the respondent had filed an application for bail before the Magistrate, which came to be rejected. It is contended that the respondent ought to have availed the remedy available in law to challenge the rejection of bail. Instead, the respondent has assailed the authorisation and the arrest memo. It is further



submitted that the grant of bail by the learned Single Judge, while entertaining the writ petition, is unsustainable in law.

4. Sri Anoop Haranahalli, learned counsel appearing for Sri Srinivas Rao S.S., learned counsel for the respondent, justifying the order of the learned Single Judge, submits that the respondent is entitled to challenge the authorisation issued under Section 69 of the CGST Act, as well as the arrest memo, by invoking the jurisdiction under Article 226 of the Constitution of India.

4.1 It is further submitted that, while examining the correctness of the authorisation and the arrest memo, and in view of the fact that the respondent had already been arrested, the learned Single Judge was justified in directing the release of the respondent on bail as a consequential measure. It is also submitted that the respondent has complied with all the conditions imposed by the learned Single Judge while granting bail.



HC-KAR

5. We have considered the submissions made by the learned Senior Standing Counsel for the appellants and the learned counsel for the respondent.

6. The order under challenge is an interim order granting bail, without prejudice to any other proceedings that may be initiated in accordance with the provisions of the CGST Act.

7. It is not the case of the appellants–Revenue that the custody of the respondent is required for the purposes of further investigation. It is, however, submitted that proceedings are required to be initiated under Sections 73 or 74 of the CGST Act. When queried by the Court as to the status of the said proceedings, the learned Senior Standing Counsel appearing for the appellants–Revenue submits that, in view of the interim orders passed by this Court in W.P. No.19125/2023 and W.P. No.1587/2023, no proceedings under Sections 73 or 74 of the CGST Act, have been initiated.

8. We have perused the interim orders passed in the aforesaid writ petitions. By the said orders, the learned Single Judge has stayed further criminal proceedings. However, the said orders do not impede the appellants–Revenue from



proceeding with or initiating proceedings under Sections 73 or 74 of the CGST Act.

9. We clarify that the interim orders passed in W.P. No.19125/2023 and W.P. No.1587/2023 do not impede the appellants–Revenue from proceeding under Sections 73 or 74 of the CGST Act. Upon initiation of proceedings under Sections 73 or 74 of the CGST Act, it is open to the appellants to summon the respondent, if required, in accordance with law.

10. We are of the view that, at this length of time, the custody of the respondent is not required. However, insofar as the question raised by the Revenue regarding the maintainability of the writ petition, in the context of the refusal of bail by the Magistrate, is concerned, we find that consideration of the said question is academic as on date in the present writ appeal.

11. Keeping the said question open to be considered in an appropriate matter, and in the light of the observations made above, we are not inclined to entertain this writ appeal. The order impugned shall not be treated as precedent as the challenge to the said order is not examined by this Court.



12. Having regard to the fact that this writ appeal is connected with the proceedings challenged in W.P. No.19125/2023 and W.P. No.1587/2023, we directed that the said writ petitions be listed along with this writ appeal.

13. In light of the disposal of the writ appeal, we deem it appropriate that the writ petitions require to be considered by the learned Single Judge. Accordingly, the Registry is directed to place the aforesaid writ petitions before the roster Bench.

14. The learned Senior Standing Counsel for the appellants at this stage submits that, subsequent to the grant of bail by the learned Single Judge, the respondent has indulged in tampering with material evidence. Inasmuch as this submission pertains to events subsequent to the order granting bail, it is open to the Revenue to file an appropriate application in the writ petition.

15. Subject to the above observations and clarifications, the writ appeal is not entertained and is accordingly ***dismissed***.



The interim orders operating in the writ petitions are extended till the next date of hearing, subject to the clarification that such interim orders are confined only to the criminal proceedings initiated against the respondent.

**Sd/-  
(S.G.PANDIT)  
JUDGE**

**Sd/-  
(K. V. ARAVIND)  
JUDGE**

SMJ  
List No.: 1 SI No.: 4