



Crl.O.P.No.21085 of 2022

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**A.D.JAGADISH CHANDIRA, J.**

The petitioners who apprehend arrest at the hands of the respondent police for the offence punishable under Section 132 of the Central General Services Tax Act, 2017 in R.R.No.11 of 2022 in F.No.DGGI/INV/GST/2021/DD-IV, seek anticipatory bail.

2. The case of the prosecution is that the petitioners are in the case of evasion of General Services Tax in the name and style of M/s Servocraft HR Solutions Pvt Ltd. The petitioners are arrayed as A2 and A3 and they are the Directors of M/s Servocraft HR Solutions Pvt Ltd, which is engaged in the activity of providing Manpower supply to various companies in Tamil Nadu. One David Manuel Anand is a Managing Director. He was already arrested and remanded to judicial custody. During the investigation found that the company has availed and utilized excess ineligible Input Tax Credit (ITC) without any documentation and without receipt of good/services by mentioning suo-



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suo-moto Input Tax Credit in their GSTR-3B returns in order to set off GST liability, which was otherwise to be paid in cash. The Managing Director also availed ineligible Input Tax Credit to the tune of Rs.7.75 crores approximately in violation of the above said CGST Act, 2017. In fact, the Managing Director who was arrested made his voluntary statement on 04.05.2022 as contemplated under Section 70 of the CGST Act, 2017 and admitted that their company did not have any major input cost, that he knows that availing and utilizing excess ineligible Input Tax Credit without any documentation is an offence under GST Act. Thereby, he has committed an offence as he has availed excess ineligible Input Tax Credit without any documents. The total ineligible suo-moto Input Tax Credit availed without any receipt of goods and utilized for payment of GST liability by the Company where the petitioners are the Directors, to the tune of Rs.7,75,52,414/-. As on date the GST liability is Rs.6,55,89,236/- in which they have made payment of Rs.92,63,178/-. Thereafter, during the course of investigation another payment of Rs.27 Lakhs were made that too after arrest of the said D.Manuel Anand who is the Managing Director of the company. Hence, the complaint.



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3. The learned counsel for the petitioners would submit that the petitioners were earlier granted anticipatory bail in Crl.O.P.No.12539 of 2022 dated 20.06.2022 and one of the condition imposed was that each of the petitioners shall furnish two sureties, out of which, one shall be a blood surety. He would further submit that the petitioners are siblings and other than themselves they are not having blood relatives. The petitioners were unable to furnish the sureties and hence, they filed Crl.M.P.Nos.10212 and 10213 of 2022 before this Court for modification of the condition and sought for extension. This Court by an order dated 21.07.2022, had dismissed Crl.M.P.No.10212 and 2022 and allowed Crl.O.P.No.10213 of 2022 by way of extending the time till 29.07.2022 to the petitioners to surrender and execute the sureties as ordered by this Court. Since the petitioners were unable to get sureties, the order has got lapsed and thereby the present petition has been filed.

4. The learned Government Advocate (Crl. Side) appearing for the respondent would submit that the petitioners were granted bail. However



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they have not produced the sureties and thereby the earlier order has lapsed. He would further submit that the same condition may be imposed.

5.Heard the learned counsel and perused the materials available on record including the First Information Report.

6.Taking into consideration the facts of the case and the submissions made by the learned counsel, this Court is inclined to grant anticipatory bail to the petitioner subject to the following conditions;

7.Accordingly, the petitioners are directed to deposit original title deeds (stand in the name of the petitioners or in name of their friends or relatives) to the worth of Rs.3 Crores jointly along with the valuation certificate obtained from the authority concerned and on such deposit, the petitioners are ordered to be released on bail in the event of arrest or on their appearance, within a period of fifteen days from the date on which the order copy made ready, before the learned Additional Chief Metropolitan Magistrate (EO-II), Chennai on condition that each of the



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petitioners shall execute a bond for a sum of Rs.10,000/- (Rupees Ten Thousand only) with two sureties each for a like sum to the satisfaction of the respondent police or the police officer who intends to arrest or to the satisfaction of the learned Magistrate concerned, failing which, the petition for anticipatory bail shall stand dismissed and on further condition that:

[a] the petitioners and the sureties shall affix their photographs and Left Thumb Impression in the surety bond and the Magistrate may obtain a copy of their Aadhar card or Bank pass Book to ensure their identity.

[b] the petitioners shall report before the respondent police daily Morning at 10.30 a.m., and Evening 05.00 p.m, for a period of three weeks and thereafter as and when required for interrogation.

[c] the petitioners shall not tamper with evidence or witness either during investigation or trial.

[d] the petitioners shall not abscond either during investigation or trial.

[e] On breach of any of the aforesaid conditions, the learned Magistrate/Trial Court is entitled to take appropriate action against the petitioners in accordance with law as if the conditions have been imposed and the petitioners released on bail by the learned Magistrate/Trial Court himself as laid down by the Hon'ble Supreme Court in **P.K.Shaji vs. State of Kerala [(2005)AIR SCW 5560]**.



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[f] If the accused thereafter absconds, a fresh FIR can be registered under Section 229A IPC.

**07.09.2022**

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