

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CRM-M-43836-2021 (O&M)

Date of Decision:- 7.4.2022

Asha and others

...Petitioners

Versus

State of Punjab and another

...Respondents

CORAM: HON'BLE MR. JUSTICE GURVINDER SINGH GILL

Present: Mr. Karan Pathak, Advocate for the petitioners No. 1 & 3.

Mr. Gurinder Pal Singh, Advocate for petitioner No. 2.

Mr. Luvinder Sofat, AAG, Punjab,

Mr. Saurabh Goel, Advocate and

Mr. Tej Bahadur, Advocate for respondent No. 2.

GURVINDER SINGH GILL, J.

1. The petitioners seek grant of regular bail in proceedings initiated by Superintendent (Anti-Evasion) CGST, Commissionerate Ludhiana under Section 132 of the Central Goods and Services Tax Act, 2017 (*hereinafter referred to as 'the Act'*) read with Section 20 of the Integrated Goods and Services Tax Act, 2017.
2. The allegations against the accused are to the effect that during the course of investigation, it was found that Shri Sunil Kumar son of Shri Sobha Ram is running a network of bogus firms and had created the below mentioned seven firms in his own name or in the name of his family members, employees and their family members. He has created and operated these bogus firms not only for availing inadmissible input tax credit (ITC) on

the strength of fake invoices but also for passing on of fraudulent ITC to buyers on the strength of invoices which were not accompanied with any goods. The details of the firms created and operated by Sunil Kumar are as under:

S. No.	Trade Name	GSTIN	Name of Prop./Partner
1.	M/s Hari Om Steels	03ALIPK6714G1ZB	Sunil Kumar (his own firm)
2.	M/s Ashutosh Steels	03CTSPK6268F1ZC	Mandeep Kaur (employee of Sunil Kumar)
3.	M/s Samridhi Steel	03AHZPC4834A1ZM	Raman Kumar Chopra (employee of Sunil Kumar)
4.	M/s Muskan Enterprises	03CHYPC6098K1ZO	Diviya Chopra (wife of Raman Kumar Chopra)
5.	M/s DK Enterprises	03GJBPK1517G1ZP	Davinder Kaur (ex-employee of Sunil Kumar)
6.	M/s Chadha Steels	03AJNPA5010G1ZX	Asha (wife of Sunil Kumar)
7.	M/s Ganpati Steels	03CFBPS1796B1ZN	Amanpreet Singh (husband of Mandeep Kaur)

3. The amount of ITC availed as per GSTR-3B returns filed in respect of seven firms are as under :-

S. No.	Name of Firm (M/s)	Name of the owner	Amount of ITC credit fraudulently availed (in rupees)
1.	M/s Hari Om Steels	Sunil Kumar (his own firm)	10,93,65,342/-
2.	M/s Ashutosh Steels	Mandeep Kaur (his employee)	57,68,106/-
3.	M/s Samridhi Steel	Raman Kumar Chopra (his employee)	8,33,70,204/-

4.	M/s Muskan Enterprises	Diviya Chopra (wife of Raman Kumar Chopra)	2,26,32,710/-
5.	M/s DK Enterprises	Davinder Kaur (his ex-employee)	3,92,15,447/-
6.	M/s Ganpati Steels	Amanpreet Singh (husband of Mandeep Kaur)	29,52,320/-
7.	M/s Chadha Steels	Asha(his wife)	5,15,00,394/-
	TOTAL ITC		31,48,04,523/-

4. The learned counsel for the petitioners have submitted that it is the case of the complainant that the accused had created bogus firms in their own names or in the names of members of their families, employees and members of their families and that all the three petitioners, who are ladies, were never aware as to what was being done on their behalf and that their signatures had been obtained on account of small allurements. The learned counsel has submitted that in any case, there is nothing on record to show that the petitioners had personally benefited out of the amounts alleged to have received by them as input tax. While Mandeep Kaur is alleged to have availed ₹ 57,68,106/- fraudulently, Davinder Kaur is alleged to have availed ₹3,92,15,447/- and Asha is alleged to have availed ₹5,15,00,394/-. It has further been submitted that since the maximum sentence as can be imposed under provisions of Section 132 of the Act is 5 years, the petitioners, who have already undergone about 8 months of custody, deserve the concession of regular bail, particularly in view of the fact that they are ladies and Section 439 Cr.P.C. itself recognizes that a lenient view may be taken in the matter of grant of bail to the ladies and infirm persons

5. On the other hand, the learned counsel representing respondent No. 2 has opposed the petition on the ground that it is a case where a colossal amount of ₹31,48,04,523/- has been siphoned off from the State exchequer by all the accused in connivance with each other and that since the petitioners are also attributed a big chunk out of the same, they do not deserve the concession of regular bail.
6. I have considered rival submissions addressed before this Court.
7. Without commenting anything as regards the merits of the case but while keeping in view that all the three petitioners are ladies and have been behind bars for a substantial period of about 8 months whereas the maximum sentence as may be imposed is 5 years, further detention of the petitioners will not be justified.
8. The petition, as such, is accepted and the petitioners are ordered to be released on regular bail on their furnishing bail bonds/surety bonds to the satisfaction of learned trial Court/Chief Judicial Magistrate/Duty Magistrate concerned.

7.4.2022

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(Gurvinder Singh Gill)
Judge

Whether speaking /reasoned
Whether Reportable

Yes / No
Yes / No