



CRL OP(MD)No.19733 of 2023

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

(Criminal Jurisdiction)

Date : 16.11.2023

PRESENT

The Hon`ble Mr.Justice V. SIVAGNANAM

CRL OP(MD)No.19733 of 2023

Ishithore

... Petitioner/ Accused

Vs

**The Senior Intelligence Officer,
Directorate General Of GST Intelligence,
Trichy District.**

Cr.No.DGG1/INV/GST/2247/2023-GrA-O/ODD-DGGI-RU Trichy

... Respondent/ Complainant

**For Petitioner : Mr.V.Kathirvelu, Senior Counsel
for Mr.K.Jeyamohan, Advocate**

**For Respondent : Mr.C.Arul Vadeivel @ Sekar, Senior Counsel,
Special Public Prosecutor.**

PETITION FOR BAIL Under Sec.439 of Cr.P.C.

PRAYER :-

**For Bail in Crime No.Cr.No.DGG1/INV/GST/2247/2023-GrA-O/ODD-DGGI-RU
Trichy on the file of the Respondent Police.**

ORDER : The Court made the following order :-



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The petitioner, who was arrested and remanded to judicial custody on 29.06.2023 for the alleged offence punishable under Sections 132(1)(b)&(c) of Central Goods and Services Tax Act in Cr.No.DGG1/INV/GST/2247/2023-GrA-O/ODD-DGGI-RU Trichy on the file of the respondent police, seeks bail.

2.The case of the prosecution is that the petitioner is a Chartered Accountant and he is also one of the partners in M/s.John Moris & Co., Tirupur Branch, a firm of Chartered Accountants. The petitioner has floated bogus receipts in his name and in the names of his family members and other accomplices. He had used the credentials of third party fake entries to issue invoices without any actual supply of goods or services to circulate the Input Tax Credit among their group entities and ultimately pass on such ineligible Input Tax Credit to the end users, who utilize the same for discharging their outward GST liabilities. Hence, based on the inspection and other connecting materials the present case came to the registered.

3.The learned counsel appearing for the petitioner would contend that the petitioner is innocent and he has not committed any offence as alleged by the prosecution. He would further submit that the petitioner is one of the Directors and the respondent police has not prosecuted any other Directors, except this petitioner.

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He would further submit that the petitioner is in custody from 29.06.2023, and he is ready to abide by any conditions imposed by this Court and hence he seeks bail.

4.The learned Special Public Prosecutor appearing for the respondent Police would submit that the petitioner caused loss to the tune of Rs.120 Crores and he availed Input Tax Credit without any actual transactions and without supplying any goods he issued invoices. He would further submit that the investigation in this case is pending. Thereafter, a private complaint also filed and it has been taken on file in C.C.No.987 of 2023 on the file of the learned Chief Judicial Magistrate, Trichy. Hence, he strongly objected to grant bail to the petitioner.

5.Heard both sides and perused the materials available on record.

6. On perusal of records, it is noticed that the respondent police arrested the petitioner for violation of Section 132(1)(b) & (c) of the Central Goods and Services Tax Act and further it is stated that the petitioner caused revenue loss to the tune of Rs.120 Crores. After arresting the petitioner, a complaint has been filed before the learned Chief Judicial Magistrate, Trichy, which was taken on file in C.C.No.987 of 2023. The respondent's side it is alleged that the petitioner is in the habit of floating a number of bogus firms/companies in the names of himself and his family members.

Subsequently, the names of his employees, accomplices and clients were included as

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partners/directors. It is also noticed that the petitioner is in routine habit of changing the partners/directors as well as the places of the business as per his requirement as the situation warrants. It is further noticed that in the statement given by the petitioner on 28.06.2023, he himself has admitted as follows:-

“I admit that I have floated many entities in the names of my family members and my employees making them as proprietors or partners or one of the directors and issued invoices, some without any actual supply of goods or service. Now I have closed many of our entities”

7.Considering the above facts and circumstances of the case and considering the seriousness of the allegations levelled as against the petitioner and the revenue loss caused to the Government, this Court is not inclined to grant bail to the petitioner. Accordingly, this criminal original petition is dismissed.

sd/-
16/11/2023

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/12/2023
Sub-Assistant Registrar (C.S.)
Madurai Bench of Madras High Court,
Madurai - 625 023.

GNS



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TO
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- 1 THE SENIOR INTELLIGENCE OFFICER,
DIRECTORATE GENERAL OF GST INTELLIGENCE,
TRICHY DISTRICT.
- 2 THE SUPERINTENDENT
CENTRAL PRISON, TRICHY DISTRICT.
- 3 THE ADDITIONAL PUBLIC PROSECUTOR,
MADURAI BENCH OF MADRAS HIGH COURT, MADURAI.

+1 CC to M/s.K.JEYAMOHAN, Advocate (SR-16469[I] dated 17/11/2023)

ORDER
IN
CRL OP(MD) No.19733 of 2023
Date :16/11/2023

PKP/DD/SAR- /20.12.2023/ 5P/5C

Madurai Bench of Madras High Court is issuing certified
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