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Crl. O.P. No.19958 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 04.09.2024

CORAM

The Hon'ble Mr. Justice P.DHANABAL

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Bharat Kumar S/o. Jodha Ram ... Petitioner /
Accused
Vs

The Senior Intelligence Officer,
DGGI, Coimbatore Zonal Unit,
Coimbatore. Respondents /
Complainant

PRAYER: - The Criminal Original Petition is filed under Section 482 of
Cr.P.C.. praying to grant bail to the petitioner / Accused in F.
No.DGGI/INT/INTL/382/2024-Gr.D on the file of the respondent.

For Petitioner : Mr. L. Mouli

For Respondents : Mr. N.P. Kumar,
Special Public Prosecutor.

ORDER

The petitioner / Accused, who was arrested and remanded to
judicial custody on 07.06.2024 for the offences punishable under
sections 132(1) Clause(a) or Clause (b) or Clause (c) or Clause (d) of the
Central Goods and Services Act, 2017 punishable under Sections Clause



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(i) or Clause (ii) of Sub-Section (1) or Sub-Section (2) of Section 132 of the Central Goods and Services Act, 2017 in F. No. DGGI / INT / INTL / 382 / 2024 - Gr.D on the file of the respondent police, seeks bail.

2. The case of the prosecution is that based on the specific intelligence gathered and developed by the officers of the Directorate General of GST Intelligence, Coimbatore zonal Unit, Coimbatore, the officers of DGGI, Coimbatore Zonal Unit conducted a search at the premises of the petitioner at No.15, Tagore Road, Mullai Nagar, Maniyakarapalayam, Ganapathy, Coimbatore and found that the petitioner had indulged himself in Bill Trading activities by floating fictitious firms in order to avail fake ITC and utilized the same towards outward supplies and also found 17 PAN cards and 20 Aadhar cards, bank cheque books and 16 rubber stamps of various firms and fake weigh bridge slips along with the printer without weigh bridge facility and individual mobile phones were utilized for receiving OTPs for GST returns and e-way bills of various fake companies floated by the petitioner and based on the strength of fake invoice issued by the fictitious and non-existing firms, the petitioner had availed input tax



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credit on such invoices without the actual receipt of goods and he had utilized the said fake ITC to discharge his GST liability to supply bazaar scrap which has been purchased by the petitioner without bills and thereby caused revenue loss to the tune of Rs.26.41 crores to the Government and hence the case.

3. The learned counsel for the petitioner would contend that the petitioner is the proprietor of M/s. Chaudhary Metal and Alloys running business at Coimbatore and engaged in Iron Scrap business, that he did not breach any rules passing ineligible ITC to the tax department and he is properly maintaining all the invoices and receipts over the supply of goods and he is regularly paying his taxes and he has submitted the copies of all documents before the respondent during enquiry, that he is properly maintaining all the input services like Bill of Supply, Bill of Entry, debit note etc, and handed over all the documents before the respondent, that the respondent by suppressing all the documents, have registered this false case against the petitioner, that he has made actual purchases from all the suppliers in compliance with all the GST rules,



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that he is no way connected with the commission of offences, that he has been in judicial custody for the past more than two months and that the earlier bail applications filed by the petitioner before the Principal District and Sessions Court and the Chief Judicial Magistrate, Coimbatore were dismissed. Therefore, he prays to grant bail to the petitioner.

4. The learned Special Public Prosecutor appearing for the respondent would contend that based on the secret information by the GST intelligence, Coimbatore, on 04.06.2024, house search was conducted in the premises of the petitioner and the respondent seized various documents and came to know that the petitioner has floated nearly 15 companies by misusing fake ID, Pan Card, Aadhar Card and other particulars and 41 blank cheque books were taken from the petitioner's premises and the petitioner without supplying the goods, had created fake invoices and availed input tax and caused revenue loss to the Government to the tune of Rs.26.41 crores, that the petitioner has no permanent residence in Coimbatore and hence he strongly opposed to



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grant bail to the petitioner. He further submitted that investigation is almost completed.

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

6. Considering the rival submissions made on both sides, considering the nature of offences charged against the petitioner and the period of incarceration underwent by the petitioner for more than 85 days and considering the fact that the investigation is almost completed, I am inclined to grant bail to the petitioner, subject to the following conditions:

[a] Accordingly, the petitioner is ordered to be released on bail on condition to execute a bond for a sum of Rs.10,000/- (Rupees Ten Thousand only) each, with two sureties each for a like sum to the satisfaction of the **Chief Judicial Magistrate, Coimbatore** and on further conditions that:

[b] the petitioner shall report before the respondent police daily at 10.00 A.M. until further orders.



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[c] the petitioner shall not commit any offence similar to the offence of which he is accused, or suspected, or of the commission of which he is suspected;

[d] the petitioner shall not abscond either during investigation or trial;

[e] the petitioner shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade them from disclosing such facts to the Court or to any police officer or tamper with the evidence;

[f] On breach of any of the aforesaid conditions, the learned Judicial Magistrate/Trial Court is entitled to take appropriate action against the petitioner in accordance with law as if the conditions have been imposed and the petitioner released on bail by the learned Magistrate/Trial Court himself as laid down by the Hon'ble Supreme



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Court in P.K.Shaji vs. State of Kerala [(2005)AIR SCW 5560].

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[g] If the accused thereafter absconds, a fresh FIR can be registered under Section 269 B.N.S.

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index: Yes/No
Internet: Yes/No
Speaking/Non Speaking order
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P.DHANABAL,J
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To

1. The Chief Judicial Magistrate, Coimbatore.
2. The Senior Intelligence Officer,
DGGI, Coimbatore Zonal Unit,
Coimbatore..
- 3.The Superintendent,
Central Prison, Coimbatore.
- 4.The Public Prosecutor, High Court, Madras.

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