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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

205 **CRM-M-48178-2024(O&M)**
Date of Decision: 16.10.2024

HARVINDER SINGH ....Petitioner

VERSUS

STATE OF PUNJAB ....Respondent

CORAM : HON'BLE MRS. JUSTICE MANISHA BATRA

Present : Mr. Amit Sharma, Advocate for the petitioner.

Mr. Amandeep Singh Samra, AAG, Punjab.

MANISHA BATRA, J. (Oral)

The instant petition has been filed by the petitioner seeking benefit of pre arrest bail in case arising out of FIR No.144 dated 04.07.2024 registered under Sections 420, 467, 468, 471 and 120-B of IPC at Police Station Division No.6 District Ludhiana on the basis of a written complaint moved by State Tax Officer State Intelligence and Preventive Unit, Shastri Nagar Jalandhar Division No.6 Commissionerate Jalandhar Punjab alleging therein that an inspection was conducted by a team of officers at a residential house-cum-office located at Nirankari Mohula, Overlock Road Ludhiana on 27.06.2024. The co-accused Sandeep Kumar, Vijay Kapoor, Mandeep Kumar & Harvinder Singh were found working in the said office. On checking, it was found that business transactions in the name of 33 different firms were being done by the above named accused from that office and these firms were actually non-existent and no business activity of these firms had been recorded. Suspecting that the above name accused had been defrauding the government and public at large by registering bogus firms, inquiry was conducted and it was found that the persons in whose names some firms were registered by using their PAN cards were in fact not running those firms and such persons were either unemployed or having no means to run businesses. The above named persons as well as some other persons were nominated as accused. It was also found that the petitioner was also involved with the co-accused in registering bogus firms and defrauding the government by making bogus bills in the name of non-existent firms and by registering them on GST portal. On apprehending his arrest, the petitioner moved an application for grant of anticipatory bail which was dismissed by the Court of learned Additional Sessions Judge, Ludhiana.

2. It is argued by learned counsel for the petitioner and that he was running a firm in the name of Rajveer Industries in Ludhiana which was engaged in the business of selling cycle parts. About two years back, the co-accused approached him to register a firm in his name as he was suffering from financial losses due to the outbreak of Covid-19. He had agreed to the same and has handed over his PAN card and Aadhaar card to the co-accused. He did not commit any offence as alleged. No specific act has been attributed to him. He has been falsely implicated in this case. He is ready to join the investigation. His custodial interrogation is not required. Neither any recovery is to be effected from him. Therefore, it is urged that he deserves to be extended benefit of pre-arrest bail.

3. Status report has been filed by respondent-State. It is submitted therein and has argued by learned State counsel that in fact the petitioner is the master mind behind the entire acts committed by co-accused and himself. He is the brain behind the scheme for causing huge financial losses to the Government and public exchequer by evading payment of GST by establishing a network of bogus firms which involved creating fictitious entries, used to generate fake invoices thereby enabling substantial GST evasion. He along with the co-accused had set up 33 fraudulent firms by unlawfully using identity proofs of persons belonging to

economically weaker sections of society by misleading them into believing that their Aadhaar card and PAN card were being used for legitimate purposes. He along with the co-accused exploited those documents to set up a company with the sole intention to issue fake invoices. His custodial interrogation is must for conducting thorough investigation in the matter. Some of the co-accused are absconding and their involvement has also to be disclosed by the petitioner. The petitioner has committed grave offences. Therefore, it is urged that he does not deserve to be extended benefit of pre arrest bail.

4. I have heard learned counsel for the petitioner as well as learned State counsel at considerable length.

5. As per the allegations, the petitioner in connivance with the co-accused formed 33 bogus firms by alluring some persons to give details of their Aadhaar cards and PAN cards and using the same for creating fake firms and making bogus billings and to avoid payment of Government exchequer in the form of GST. The investigation is still at its nascent stage. For conducting thorough investigation of the matter by the police, the custodial interrogation of the petitioner is must. Even otherwise no extraordinary or exceptional circumstances warranting grant of anticipatory bail have been made out in favour of the petitioner. It is well settled proposition of law that benefit of anticipatory bail can be granted to the accused only after considering the gravity of the allegations, the part attributed to him, the quantum of sentence as the conviction may entail and other material facts and circumstances. In my considered opinion, the custodial interrogation of the petitioner would be required for eliciting material information regarding the manner in which the subject crime had been committed by the petitioner and the co-accused. The Court has also to see that an order of

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anticipatory bail should not operate as inroad in the normal legal procedure of criminal cases by the trial Court. The custodial interrogation of a suspected person is qualitatively more elicitation oriented than questioning a suspect who is well ensconced with a favourable order under Section 438 of Cr.P.C. In the present case, no exceptional circumstances warranting exercise of the powers for grant of anticipatory bail by this Court are existing. As such, I am of the considered opinion that the petition does not deserve to be allowed. Accordingly, the same is dismissed.

6. Pending application, if any, also stands disposed of.

(MANISHA BATRA)
JUDGE

16.10.2024
Deepak Patwal

1. Whether speaking/reasoned : Yes/No
2. Whether reportable : Yes/No