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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

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Date of Decision : 23.07.2024

+ **W.P.(C) 10042/2024, CM APPL. 41048/2024,**
CM APPL. 41163/2024

JV CREATIVES PVT. LTD.

.....Petitioner

Through: Mr.Jitin Singhal, Advocate.
versusPRINCIPAL ADDITIONAL DIRECTOR GENERAL, DGGI,
GURUGRAM ZONAL UNIT, GURUGRAM AND ANR

.....Respondents

Through: Mr.Harpreet Singh, Sr SC, Ms.Suhani
Mathur, Mr.Jatin Kumar Gaur,
Mr.Chander Shekhar, Ms.Surbhi
Chauhan, Mr.Sagar Chauhan,
Ms.Rakhi Chauhan and Mr.Rajneesh
Kumar, Advocates for R1.
Mr. Sumit Goel, Ms. Sreeparna Basak
and Ms. Garima Khanna, Advocates
for R2/ICICI Bank.**CORAM:****HON'BLE MR. JUSTICE VIBHU BAKHRU****HON'BLE MR. JUSTICE SACHIN DATTA****VIBHU BAKHRU, J. (Oral)**

1. The petitioner has filed the present petition, *inter alia*, impugning an order dated 26.06.2024 (hereafter *the impugned order*) passed by the learned Principal Additional Director General, Directorate General of GST Intelligence, Gurugram Zonal Unit, whereby the objections preferred by the



petitioner to the order provisionally attaching the bank account under Section 83 of the Central Goods and Services Tax Act, 2017 (hereafter *the CGST Act*), was rejected.

2. The petitioner has not produced the order of attaching his bank account. Although, it is averred that the copy of the same has not been provided to the petitioner, there are no communications on record, which indicate that the petitioner had sought copy of the same from the concerned officer. The petitioner submits that he was informed by his banker (ICICI Bank, Dwarka, New Delhi) that its bank account No.046105000960 had been provisionally attached by the Commissioner.

3. The impugned order indicates that the Commissioner had taken such action pursuant to investigations, which revealed that the petitioner had filed Input Tax Credit (ITC) amounting to ₹26,91,938/- from two suppliers – M/s Gupta Enterprises and M/s Sunrise Ventures – who were found to be fake. It is alleged that M/s Gupta Enterprises is the sole proprietorship of one Vikram and was stated to be carrying on his business at his principle place of business at J.J. Colony, A-2/866, Madanpur Khadar, New Delhi-110076. However, during physical verification the said concern was found to be non-existent. On further inquiries it was revealed that Mr Vikram was a taxi driver by profession.

4. It is alleged that the said Mr Vikram had made a statement that he does not carry on any business in the name of M/s Gupta Enterprises and the same was created by one Shyam Dev Gupta. It is further alleged that Shyam Dev Gupta had created the tax entity and had issued “goods less invoices”.



Similarly, it was found that M/s Sunrise Ventures was the proprietorship concern of one Shesh Nath Prasad, who was a national level player of Taekwondo and worked as fitness coach. It is alleged that his identity was also used by Shyam Dev Gupta to set up the fake tax entity (M/s Sunrise Ventures).

5. It is stated that Shyam Dev Gupta also acknowledged issuing of invoices without supply of any goods from M/s Sunrise Ventures.

6. In the aforesaid context, the Commissioner has considered it apposite to provisionally attach the petitioner's bank account, to the extent of ₹ 26.91 lacs being the amount of ITC claimed in respect of allegedly fake supplies.

7. We are unable to accept that the exercise of power by the Commissioner is unwarranted. The facts clearly indicate the Commissioner had found it necessary to provisionally attach the petitioner's bank account to protect the interest of the revenue. The facts as obtaining in this case clearly indicate that material available with the Commissioner has a live nexus with his opinion. And, the impugned order cannot be faulted.

8. The petition is unmerited and accordingly dismissed. Pending applications also stand disposed of.

VIBHU BAKHRU, J

SACHIN DATTA, J

JULY 23, 2024

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Click here to check corrigendum, if any