102 (2nd case)

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

CRM-M-20084-2025 (O&M)
Date of decision : 28.04.2025

Vansh Jain …..Petitioner

Versus

Additional Directorate General of GST Intelligence
and another ...Respondents

CORAM: HON'BLE MR. JUSTICE MAHABIR SINGH SINDHU

Present: Mr. Aman Bansal, Advocate for the petitioner.

Mr. Sourabh Goel, Advocate, Senior Standing Counsel
with Ms. Geetika Sharma, Advocate and
Mr. Kush Goyal, Advocate for respondent.

MAHABIR SINGH SINDHU, J.

CRM-15744-2025

Present application has been filed under Section 528 of Bharatiya Nagarik Suraksha Sanhita, 2023 (for short 'BNSS') for placing on record affidavit of the petitioner. The same is allowed as prayed for, subject to all just exceptions.

Registry to do the needful.

CRM-M-20084-2025

Present petition under Section 482 of BNSS has been filed for grant of pre-arrest bail to the petitioner in complaint No.DIN No.202502DNN5000000BP68 under Section 132(1)(b) and 132(1)(c) of Central Goods and Service Tax Act, 2017 (for short 'GST Act') read with provisions of Punjab Goods and Service Tax Act, 2017 (for short 'Punjab GST Act'), registered by Additional Directorate General of GST Intelligence, 51D, Zonal Unit, Sarabha Nagar, Ludhiana.

2. Allegations are that petitioner is proprietor of M/s Kashbhi Accessories Point and he availed Input Tax Credit (for short 'ITC') of Rs.1.60 Crore through fake GST invoices without any actual receipt or supply of goods/services.

3. Contends that petitioner has been falsely implicated in the present case. Further contends that petitioner is a sleeping partner of M/s Kashbhi Accessories Point; thus, he has no role in the commission of alleged crime. Also contends that petitioner was granted interim protection by the Co-ordinate Bench on 09.04.2025 and he is still ready to join the proceedings. Lastly contends that it is an admitted fact by the respondent-Department that petitioner is not engaged in any kind of business activity relating to the above Firm; rather day-to-day functioning is being looked after by co-accused Sarthak Jain.

4. Though there is no formal notice of motion in the case, but Mr. Saurabh Goel, learned counsel had already appeared on behalf of respondent No. 1 and he has filed written response also.

5. Learned counsel for respondent No.1 submits that petitioner is the sole proprietor of M/s Kashbhi Accessories Point and despite four repeated notices, he has not come forward to join the investigation; rather deliberately evading the process of law. Again submits that petitioner availed the benefit of ITC in violations of provisions of GST Act and Punjab GST Act. Further submits that custodial investigation of the petitioner is very much necessary to unearth the true facts leading to commission of alleged crime; thus, he does not deserve the concession of pre-arrest bail.

6. Heard both sides. Perused the paper-book.

7. Before proceeding further, it would be relevant to recapitulate para Nos.4 & 5 of preliminary submissions raised by respondent No.1 and which read as under:-

"4. It is submitted that the proprietorship firm of Vansh Jain is involved in availment of ineligible ITC from the following suppliers in the table which are found to by registered by means of fraud, wilful misstatement or suppression of facts and have passed on ineligible input tax credit to M/s Kashbhi Accessories Point as tabulated below:

<u>In-eligible ITC availment by M/s Kashbhi Accessories Point (03CFDPJ7189F1ZF):</u>

Sr. No.	***GSTIN***	***Trade Name***	***ITC passed on***	***Reasons for Cancellation/Remarks***
1	*03AAICV2738 D1ZK*	*VOICETELE SOLUTIONS PRIVATE LIMITED*	*29,08,705*	*RP has contravened the provision of the act and rules*
2	*03GEVPK1895 E1Z3*	*ARIHANT YARN AND CLOTH TRADERS*	*12,55,182*	*Admitted during the statement for availing and passing the fraudulent Input Tax Credit (ITC)*
3	*03KBKPK4252 F1ZP*	*SUHAAS YARN TRADERS*	*12,16,144*	*The taxpayer was found non-existent at declared PPOB.*
4	*03BJPPR6396 R1ZZ*	*R.D YARN TRADERS*	*11,15,396*	*The taxpayer was found non-existent at declared PPOB.*
5	*03NNBPS4532 L1ZM*	*PANJAB ENTERPRISES*	*9,27,120*	*In special drive, the taxpayer was found*

				non-existent at declared PPOB. Calls made to registered mobile number were not answered/ switched off
6	*03DUWPA1415G1ZY*	*SAI ENTERPRISES*	*8,46,696*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts.*
7	*03AALCM0973A1ZV*	*MEERAJ KNITWEAR PVT. LTD.*	*7,96,648*	*The taxpayer was found non-existent at declared PPOB.*
8	*03HECPS9422F1ZG*	*SHIV SHAKTI ENTERPRISES*	*7,68,353*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
9	*03AAHCT7882R1ZF*	*TEYHAR KNITWEARS PRIVATE LIMITED*	*6,85,961*	*Rule 21(a)- person does not conduct any business from declared place of business*
10	*03JTOPS5303G1ZH*	*SHUBH ARAMBH INDUSTRIES*	*6,68,406*	*The taxpayer was found non-existent at declared PPOB.*
11	*03HGCPS9725K1ZV*	*B.S CLOTH AND YARN TRADERS*	*6,21,763*	*The taxpayer was found non-existent at declared PPOB.*
12	*03AIJPJ6957E2Z7*	*AASTHA INTERNATIONAL*	*5,45,442*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of fact*
13	*03EMDPR1169C1ZC*	*J S ENTERPRISES*	*1,99,870*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or*

				suppression of fact
14	*03EEOPR4688 B1Z6*	*JAI DURGA TRADERS*	*1,83,060*	*The taxpayer was found non-existent at declared PPOB.*
15	*03ALIPP5942R 1ZF*	*S.T.ENTERPRISES*	*15,65,668*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
16	*03HHLPM6518 Q1ZL*	*SD ENTERPRISES*	*6,00,846*	*Discrepancies found during physical verification.*
17	*03AJYPD2747 A1ZH*	*SHREE BALAJI EXIM INDIA*	*4,77,788.5*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
18	*03ELRPA2612 C1ZR*	*AMAN TRADERS*	*2,84,688*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
19	*03FCDPR4964 L1Z4*	*RAJA HOSIERY*	*1,87,762.5*	*Rule 21(a)- person does not conduct any business from declared place of business*
20	*03NZTPS3763P 1Z1*	*SS Enterprises*	*152625*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
21	*03LBCPS6799 C1Z6*	*JAI DURGA ENTERPRISES*	*1,44,822*	*Section 29(2)(e)- registration obtained by means of fraud, wilful misstatement or suppression of facts*
22	*03KRQPK8302 A1ZX*	*A.S ENTERPRISES*	*1,25,217*	*The taxpayer was found non-existent*

				at declared PPOB.
	Total		***1,62,78,163***	

> *5. That the proprietorship firm of the petitioner /s Kashbhi Accessories Point was indulged in wrongful availment/utilization of fraudulent ITC in violations of provisions of the CGST Act, 2017 and Punjab GST Act, 2017 and Rules made thereunder."*

8. From perusal of above extract, *prima facie*, it is evident that petitioner is the proprietor of M/s Kashbhi Accessories Point.

9. Apart that petitioner was granted interim protection by the Co-ordinate Bench on 09.04.2025, but despite three notices (prior to the interim order) and one subsequent thereto, he did not come forward; rather his whereabouts are not known. Thus, petitioner is evading the process of law and misusing the interim concession; hence he does not deserves the concession of pre-arrest bail.

10. In view of the above, there is no option except to dismiss the petition.

11. Ordered accordingly.

12. It is clarified that above observations be not construed as an expression of opinion on merits of the case in any manner.

Pending application(s), if any, shall also stand disposed off.

28.04.2025 **(MAHABIR SINGH SINDHU)**

d.gulati **JUDGE**

Whether speaking / reasoned : Yes No

Whether Reportable : Yes No