

DGGI Vs. Rakesh
File No. DZU/INV/CGST/281/2020
U/Sec. 132(1) (b) (c) (I) & (1) of CGST Act

13.03.2023

An application U/Sec.437 Cr.P.C. for grant of bail on behalf of applicant/accused Rakesh is filed.

Present: Sh. Harpreet Singh, Sr. Standing Counsel for the Department.

Mr. R.P. Singh, Ld. Counsel for the applicant/accused.
IO Rahul Methi in person with case file.

Reply to the bail application is already filed by the department. Copy already supplied.

Arguments on the bail application heard.

On behalf of applicant/accused, it is submitted by Ld. Counsel for the applicant/accused that applicant/accused was arrested on 07.02.2023 and since then he is in judicial custody. It is submitted that applicant/accused in his statement stated that he was associated with M/s S.K. Plastics from April, 2017 to June 2018 as an Accountant and received Rs.20,000/- from Ashish Dang in cash for providing accountancy services. It is submitted that the allegations made against the applicant/accused are without any basis and without any reasoning. That applicant is a small scale professional who looks after the accounts and finance work in a very small scale level. It is submitted that applicant/accused fully cooperated with the respondent department during the course of investigation and will co-operate in future too. That the entire arrest of the applicant/accused is illegal, arbitrary and without the authority of law. That applicant has clean antecedents and has never been alleged with similar kind of allegations. That

there is absolutely no evidence with the department in support of the allegations, hence there is no prima facie case. That in the present case there is no complaint or FIR, hence the custody of the applicant is illegal; that applicant/accused is a person of clear credential and has never been accused or wanted in any criminal case or proceedings pending in any Court of law; that there is no previous offence history of the applicant/accused. Further that applicant/accused undertakes to abide by all the terms and conditions which may be imposed upon him while granting bail to him.

On the other hand bail application is opposed by the Ld. Sr. Standing Counsel for the department on the ground that the mobile number used in the registration of this GSTIN is 9911135642 and the same belongs to applicant/accused Rakesh. It is submitted that the applicant has shared the OTP with the Proprietor and helped him in filing of GST returns which led to a huge GST fraud of ITC of approximately Rs.79.06 crores. That he being an accountant and being familiar with the process of filing GST returns was fully aware of the fraud being committed. That during investigation substantial evidence has been recovered/gathered against applicant/accused showing his involvement in commission of the offences. It is stated that investigation of the case is in progress which had pointed that applicant/accused was the mastermind/key person behind the conspiracy of the tax evasion running into crores. That investigation of the case is still underway and there are high chances of the applicant/accused tampering with the evidence

Therefore, it is prayed that considering the grounds, gravity and seriousness of the offences, present application may be dismissed.

Heard. Perused.

Considering the overall facts and circumstances of the case and that the role alleged against the applicant/accused is that the mobile number used for registration of GSTIN of M/s S.K. Plastics & Sons belongs to accused Rakesh and shared OTP with proprietor of M/s S K. Plastics & Sons for filing GST returns resulting in GST fraud of ITC of Rs.79.06 crores, applicant/accused is no more required for custodial interrogation, therefore, no fruitful purpose would be served by keeping the applicant/accused behind the bars. Accordingly, bail application of accused is allowed and **applicant/accused Rakesh is admitted to bail on furnishing personal bond in the sum of Rs.1,00,000/- with one surety in the like amount subject to the following conditions:**

- 1 that accused shall join the investigation as and when required by the IO;
2. That accused shall furnish his mobile phone number to the police station / IO which shall be kept operational at all times, so that he can be reached out.
3. that accused shall not leave the country without seeking prior permission from the Court:
4. that accused shall attend the proceedings either before the IO or before the Court, in accordance with the conditions of the bonds executed by him.
5. that accused 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 him from disclosing such facts to the Court or to any police officer or tamper with the evidence.

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6. that accused shall not indulge or commit such like offence(s) again-similar to the offence to which he is accused now.

Bail application disposed off accordingly.
Copy of order be given dasti to the IO.