

Court No. - 77

Case :- CRIMINAL MISC. BAIL APPLICATION No. - 46743 of 2024

Applicant :- Ankit Rajput

Opposite Party :- Union of India

Counsel for Applicant :- Jai Prakash

Counsel for Opposite Party :- Parv Agarwal

AND

Case :- CRIMINAL MISC. BAIL APPLICATION No. - 47009 of 2024

Applicant :- Mayank Rajput

Opposite Party :- Union of India

Counsel for Applicant :- Jai Prakash

Counsel for Opposite Party :- Parv Agarwal

Hon'ble Manoj Bajaj,J.

Applicants-Ankit Rajput and Mayank Rajput have filed the above separate applications under section 483 Bhartiya Nagarik Suraksha Sanhita, 2023 for grant of regular bail, during the pendency of trial in Case No. 2682 of 2024, under Sections 132(1)(b), 132(1)(c) and 132(1)(i) Central Goods and Services Tax Act, 2017 (In short as "CGST Act, 2017"), Department DGGI, Ghaziabad Unit, Ghaziabad. The applicants are in custody since their arrest on 25.10.2024.

The above complaint has been filed by Director General of GST Intelligence (DGGI), Zonal Unit, Meerut through Brijender Singh Sodhi, Senior Intelligence Officer, DGGI, Regional Unit, Ghaziabad, and briefly the allegations are that investigation against a firm namely, M/s Shreeji Metals (Proprietor Shivam Goyal) was initiated by the complainant for availment of ineligible Input Tax Credit by utilizing the fake firms, whereupon the said proprietor was arrested, who during investigation accepted his involvement in the said activities. Later, the statement of Umakant, Proprietor-M/s Shiv Wire Udhog, one of the supplier firms of M/s Shreeji Metals was recorded, who stated that his documents were misused for creation of his firm by Mayank Kumar Rajput and Ankit Rajput, and the accused also misused documents of various other workers namely Manoj Gupta, Proprietor-M/s MG Wire Udyog, Ashok Mallik, Proprietor-Swastik Wire Industry, and he had no knowledge about the invoices issued, as well as the bank transactions conducted with his alleged firm namely M/s Shiv Wire Udhog. On the basis of the I.P. address of GST Returns filed by the supplier firms, it was found that Mayank Kumar Rajput had

accessed the said I.P. address. Finally, the searches were conducted at the residence of Mayank Kumar Rajput and Ankit Rajput and various incriminating documents and electronic devices were recovered and the statements of the accused under Section 70 CGST Act, 2017 were recorded on 24th October, 2024 and 25th October, 2024, wherein they admitted that they operated various fake firms, which were created on the basis of IDs of other persons. As per the stand of the accused persons, they were working in partnership with Vikrant Singhal, another mastermind of fake firms, who was arrested by DGGI, Ghaziabad. During investigation, the statements of alleged proprietors of fake firms namely Umakant (Proprietor of M/s Shiv Wire Udhog), Manoj Gupta (Proprietor of M/s MG Wire Udyog), Ravi Sharma (Proprietor of M/s R S Wire Company), Tushar Verma (Proprietor of M/s JSR Wire Industry), Praveen Kumar Goyal (Authorized signatory of M/s Shreeji Metals) were recorded and they all stated that their firms were operated by Mayank Kumar Rajput and Ankit Rajput. Upon confrontation with the data, Mayank Kumar Rajput admitted that he had created 17 firms, which were operated by him and he worked with Vikrant Singhal, who was his 50% partner in commissions earned in the transactions, whereas his younger brother Ankit Rajput helped him in his work. The complaint further reveals the *modus operandi* of the accused, who created fake firms by misusing the documents of various persons. The complaint contains verification of data analysis, financial analysis etc. and concludes that the accused have contravened various provisions of CGST Act, 2017 and further prays for taking cognizance of abovementioned offence for the purpose of their prosecution and punishment. A copy of the complaint/charge-sheet dated 20.12.2024 is appended with supplementary affidavit dated 05.02.2025 filed on behalf of the applicants.

The applicants-Ankit Rajput and Mayank Rajput had applied for grant of regular bail separately before Additional Sessions Judge, Court No. 4, Meerut, however, the said concession was rejected vide orders dated 07.12.2024 and 16.12.2024, respectively. Hence these applications.

In response to the applications for bail, opposite party filed its counter affidavit(s) dated 16.01.2025 through their learned counsel Mr. Parv Agarwal.

Learned counsel for the applicants has argued that the applicants are real brothers, who are proprietors of firms M/s A.R. Enterprises and M/s Tirzah Industries, respectively and had been doing their business in a lawful manner, and the applicants have been falsely

implicated in the above mentioned case. Learned counsel has further argued that as per the complaint itself, initially investigation in the alleged illegal activities of M/s Shreeji Metals with arrest of its proprietor Shivam Goyal was conducted, and further on the basis of the statements of the supplier firms of Shreeji Metals, the applicants have been implicated on the ground that fake firms were created by the applicants. Learned counsel has stated that a separate complaint dated 14th November, 2024 already stands filed against Shivam Goyal, which is pending trial. According to the learned counsel, the proprietors of the alleged fake firms, had been issued notices and they all have claimed that their documents were misused in creation of the firms, but in this regard, no direct evidence has been collected by the complainant to establish the involvement of the applicants. Learned counsel has further submitted that according to the complainant, the applicants were working in partnership of Vikrant Singhal, and another separate complaint dated 13th December, 2024 against the said accused and others relating to the same offence has been filed, which is also pending trial. Learned counsel has pointed out that the accused Vikrant Singhal and Shivam Goyal have been extended the concession of regular bail by this Court vide orders dated 25th February, 2025 and 19th March, 2025, respectively, who has produced the copies of the said orders and while claiming parity, he prays for regular bail for the applicants.

The prayer is opposed by Mr. Parv Agarwal, learned Counsel for Union of India, who has argued that the applicants are the masterminds who by creating 17 fake firms utilized the same for ineligible Input Tax Credit of GST. Learned Counsel has pointed out that Ankit Rajput Proprietor of M/s A.R. Enterprises utilized ineligible Input Tax Credit of GST amounting to Rs. 9,41,77,344/- and passed on ineligible Input Tax Credit worth Rs. 8,21,66,731/- through various fake firms. Similarly, the other accused Mayank Rajput Proprietor of M/s Tirzah Industries availed fraudulent Input Tax Credit of GST amounting to Rs. 15,70,74,922/- and also issued fraudulent Input Tax Credit of GST amounting to Rs. 14,97,45,960/- by using non-existent firms. Mr. Parv Agarwal, learned counsel submits that since the offence is serious, therefore, the applicants-accused do not deserve the concession of regular bail.

However, during the course of hearing, it is not disputed by Mr. Parv Agarwal, learned counsel that the investigation in the case is complete, as the complaint/charge sheet dated 20.12.2024 stands filed against the applicants, and the trial is yet to commence.

After hearing the learned Counsel for the parties and considering their arguments, this Court finds that the entire case of the prosecution is based upon the documentary material and the investigation in the alleged crime is also complete. Further, during the course of hearing, it is not disputed by Mr. Parv Agarwal, learned counsel that the complaint against the applicants, as well as the other complaints dated 14th November, 2024 and 13th December, 2024 filed against the Shivam Goyal and Vikrant Singhal, etc. respectively, are part of same transactions and the said co-accused have already been extended the concession of regular by this Court. It is also fairly stated by Mr. Parv Agarwal, learned counsel that in all these cases the trial is yet to commence as charges against the accused persons are yet to be framed, and even, the proceedings under Section 74 GST Act for assessment of tax and recovery have not been initiated against any of the accused persons. As far as the confession of the accused-applicants recorded under Section 70 GST Act is concerned, the admissibility of the same or its evidentiary value would be tested during trial, which is yet to commence.

Admittedly, the alleged offences are triable by Magistrate and provide for a maximum punishment of five years imprisonment, and trial is likely to consume considerable time to conclude, therefore, this Court has no hesitation in holding that the further detention of the applicants behind the bars would not serve any useful purpose, who are confined in judicial custody. Further, the prosecution witnesses are official witnesses and presently there does not appear to be any possibility of their being won over, therefore, considering the nature of the trial as well as period of more than six months undergone by the applicants as an undertrial, this Court deems it appropriate to extend the concession of regular bail to the applicants on the ground of parity.

Resultantly, without meaning any expression of opinion on the merits of the case, the bail applications are **allowed**, and it is ordered that the applicants—Ankit Rajput and Mayank Rajput be released on regular bail in the above case subject to their furnishing the requisite bail bonds and surety bonds to the satisfaction of the trial court. It is further directed that the accused-applicants shall also abide by the terms and conditions of bail, which shall be imposed by the trial court at the time of acceptance of their bail bonds and surety bonds.

Order Date :- 17.4.2025

Brijesh