

FORM GST DRC - 01
[See rule 100 (2) & 142(1)(a)/2(a)]

DIN - 202508DEE40000777BF5

Reference No: F. No. DGII/INT/INTL/1191/2024/

To,

Raipur, Date 29.08.2025

| | | | | | | | |
|---|---|--|--|--|--|--|--|
| GSTIN/Temp. ID - | 22AABCF3202D2ZL | | | | | | |
| Name - | M/s Fortune Metaliks Limited | | | | | | |
| Address - | Village-Kapasda, Bilaspur-Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221. | | | | | | |
| Tax Period | April 2021 to March 2025 | | | | | | |
| Financial Year | F.Y. 2021-22 to F.Y. 2024-25 | | | | | | |
| Act - Section / sub-section under which SCN is being issued - | Notice under Section 74/74A of the Central Goods and Services Tax Act, 2017 read with section 20 of the IGST Act, 2017. | | | | | | |
| SCN Reference No. | 31/RZU/ADD/GST/2025-26 | | | | | | |
| Date | 29.08.2025 | | | | | | |

Summary of Show Cause Notice

| | | | | | | | |
|--------------------------------|--|--|--|--|--|--|--|
| (a) Brief facts of the case: - | As detailed in enclosed Show Cause Notice dated 29.08.2025 | | | | | | |
| (b) Grounds: - | As detailed in enclosed Show Cause Notice dated 29.08.2025 | | | | | | |
| (c) Tax and other dues: | | | | | | | |

| 1 Sr. No. | 2 As applicable | 3 As applicable | 4 As applicable | 5 To | 6 Act | 7 POS (Place of Supply) | (a) Tax | | | 11 Others | 12 Total |
|--------------|--------------------|--------------------|--------------------|---------|----------------|----------------------------|-----------------|---------------|---------------|-----------------|-----------------|
| | | | | | | | 1 Turnover | 2 Tax rate | 3 From | 4 Tax Period | |
| 1 04/2024 | 04/2023 | 04/2022 | 04/2021 | 03/2022 | IGST Act, 2017 | 22 | ₹1,41,48,806/- | As applicable | As applicable | Interest | ₹1,41,48,806/- |
| 2 03/2025 | 03/2024 | 03/2023 | 03/2022 | 03/2022 | IGST Act, 2017 | 22 | ₹6,58,46,854/- | As applicable | As applicable | Penalty | ₹6,58,46,854/- |
| 3 04/2024 | 04/2023 | 04/2022 | 04/2021 | 03/2022 | IGST Act, 2017 | 22 | ₹7,56,12,377/- | As applicable | As applicable | Others | ₹7,56,12,377/- |
| 4 Total | | | | | | | ₹4,28,20,783/- | As applicable | As applicable | | ₹4,28,20,783/- |
| | | | | | | | ₹19,84,28,820/- | As applicable | As applicable | | ₹19,84,28,820/- |

Enclosure – SCN No. 31/RZU/ADD/GST/2025-26

Signature-

Name -

Designation-

Pankaj Kumar
Additional Director

Pankaj Kumar
24/08/2025

Jurisdiction- **Chhattisgarh**
Address- **DGGI, Raipur Zonal
Unit**

Note -

1. Only applicable fields may be filled up.
2. Column nos. 2, 3, 4 and 5 of the above Table i.e., tax rate, turnover and tax period are not mandatory.
3. Place of Supply (POS) details shall be required only if the demand is created under the IGST Act.

भारत सरकार
माल एवं सेवा कर आसूचना
महानिटेशालय
 रायपुर अंतर्राष्ट्रीय इकाई
 वौशी मंजिल, रिओ कॉम्प्लेक्स, लालपुर, यमती रोड,
 रायपुर
 dggti-raipur@gov.in



Government of India
**Directorate General of
GST Intelligence**

Raipur Zonal Unit
 4th Floor, RIO Complex, Lalpur, Dhamtari
 Road, Raipur
 dggti-raipur@gov.in

F.No. DGGI/INT/INTL/1191/2024-Gr-IV

dated: 29.08.2025

1354

DIN - 202508DEE40000777BF5

CENTRALIZED SHOW CAUSE NOTICE No. 31/RZU/ADD/GST/2025-26

[This Show Cause Notice is being issued under Central Goods and Services Tax, Act, 2017 & Integrated Goods and Services Tax Act, 2017]

To,

| | |
|--|---------------|
| <p>M/s RP Metal Manufacturing & Recycling, (partners: Shri Rohit Singla & Shri Suresh Aggarwal), (GSTIN: 22ABIFR5689M1ZH) Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001.</p> | Noticee No. 1 |
| <p>M/s Rohit & Company, (proprietor: Shri Rohit Singla), (GSTIN: 03AEFPS0747H1ZM) Old Central Street Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301.</p> | Noticee No. 2 |
| <p>M/s NRA Overseas LLP, (partners: Shri Rohit Singla & Shri Deepak Bansal), (GSTIN: 03AAPFN9812L1ZT) 4/12 Bigha, Model Town, Tehsil Amloh, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301.</p> | Noticee No. 3 |
| <p>M/s Manthan Minerals, (partners: Shri Rohit Singla & Shri Deepak Bansal), (GSTIN: 03ABUFM5840K1ZT) Ground Floor, Shop No. 344/4-5, Sector 20B, Main Road, Subhash Nagar, Block B13-A-1, Mandi Govindgarh, Fatehgarh Sahib, Punjab, 147301.</p> | Noticee No. 4 |
| <p>M/s NRA Overseas LLP, (partners: Shri Rohit Singla & Shri Deepak Bansal), (GSTIN: 22AAPFN9812L1ZT) Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001.</p> | Noticee No. 5 |
| <p>M/s Fortune Metaliks Limited, (GSTIN: 22AABCF3202D2ZL) Village-Kapasda, Bilaspur-Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221.</p> | Noticee No. 6 |
| <p>M/s North East Steel Company, (proprietor: Shri Mahinder Kumar), (GSTIN: 09DYYPK3223G1Z0) Phulpur Sikandra Road, Phulpur, Prayagraj, Uttar Pradesh, 212402.</p> | Noticee No. 7 |



| | |
|--|----------------|
| M/s Sky Resources , (proprietor: Mariya), (GSTIN: 09GAZPM2441C1ZD 951/824, Mutthiganj, Allahabad, Prayagraj, Uttar Pradesh, 211003. | Noticee No. 8 |
| M/s Arvind Traders , (proprietor: Arvind Kumar), (GSTIN: 09FVVPK2060R1ZJ GF-15, A-14, Devika Chamber, RDC, Raj Nagar, Ghaziabad, Uttar Pradesh, 201001. | Noticee No. 9 |
| Shri Rohit Singla , (AADHAR No.- 8639-4906-7810) partner in M/s RP Metal Manufacturing & Recycling, proprietor of M/s Rohit & Company, partner, M/s NRA Overseas LLP & M/s Manthan Minerals 202, Main Road, Near Market, Sector 2, Panchkula, Haryana, 134109. | Noticee No. 10 |
| Shri Deepak Bansal , (AADHAR No.- 8343-7015-7692), partner in M/s NRA Overseas LLP & M/s Manthan Minerals, Colony 113A, H. No. 2140, Ward No. 2, Sector- 14P, Hisar, Haryana - 125001. | Noticee No. 11 |
| Shri Jasvinder Singh (alias Vicky Rai) S/o Shri Bira Ram , Bazigar Mohala, Ward No. – 10, Amloh, Fatehgarh Sahib, Punjab Mobile – 98767-97500. | Noticee No. 12 |

INTRODUCTION:

1.1 M/s RP Metal Manufacturing & Recycling, Raipur (GSTIN- 22ABIFR5689M1ZH) (here-in-after referred to as "**the Noticee No. 1**") having registered principal place of business at Shop No. 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001, is a partnership firm engaged in trading of iron and steel items such as Ferrous Scrap, MS Billet, MS TMT, Sponge Iron etc. falling under chapter 72 of the GST tariff and is administered by the Chhattisgarh State Tax Authorities.

1.2 M/s Rohit & Company, Raipur (GSTIN- 03AEFPS0747H1ZM) (here-in-after referred to as "**the Noticee No. 2**") having registered principal place of business at Old Central Street Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301, is a proprietorship firm of Shri Rohit Singla engaged in trading of iron and steel items such as Ferrous Scrap, MS Billet, MS TMT, Sponge Iron etc. falling under chapter 72 of the GST tariff and is administered by the Punjab State Tax Authorities.

1.3 M/s NRA Overseas LLP [GSTIN - 03AAPFN9812L1ZT] (here-in-after referred to as "**the Noticee No. 3**") having declared principal place of business at 4/12BIGHA, MODEL TOWN, TEHSIL AMLOH, MANDI GOBINDGARH, Fatehgarh Sahib, Punjab, 147301, is a partnership firm engaged in trading of Ferrous Scrap, MS Billet, MS TMT, Sponge Iron etc. falling under chapter 72 of the GST tariff etc. and is administered by the Central GST Authorities.



1.4 M/s Manthan Minerals [GSTIN - 03ABUFM5840K1ZT] (here-in-after referred to as "**the Noticee No. 4**") having declared principal place of business at Ground Floor, Shop No. 344/4-5, Sector 20b, Main Road, Subhash Nagar, BLOCK B13-A-1, Mandi Govindgarh, Fatehgarh Sahib, Punjab, 147301, is a partnership firm engaged in trading of Ferrous Scrap, MS Billet, MS TMT, Sponge Iron etc. falling under chapter 72 of the GST tariff etc. and is administered by the Punjab State GST Authorities.

1.5 M/s NRA Overseas LLP [GSTIN - 22AAPFN9812L1ZT] (here-in-after referred to as "**the Noticee No. 5**") having declared principal place of business at SHOP NO 101, Bhagat Plaza, MAHATMA GANDHI WARD 25, Suzuki Karan Automobiles, Pandri, Raipur, Chhattisgarh, 492001, is a partnership firm engaged in trading of Ferrous Scrap, MS Billet, MS TMT, Sponge Iron etc. falling under chapter 72 of the GST tariff etc. and is administered by the Chhattisgarh State GST Authorities.

1.6 M/s Fortune Metaliks Limited [GSTIN - 22AABCF3202D2ZL] (here-in-after referred to as "**the Noticee No. 6**") having declared principal place of business at 24 Th Milestone, Village-Kapasda, Bilaspur Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221, is a private limited company engaged in supply of MS Billet, MS TMT, MS Pipe and other structural items made up of iron and steel and is administered by the Central GST Authorities.

1.7 M/s North East Steel Company [GSTIN - 09DYYPK3223G1Z0] (here-in-after referred to as "**the Noticee No. 7**") having declared principal place of business at Phulpur Sikandra Road, Phulpur, Prayagraj, Uttar Pradesh, 212402, is a proprietorship firm of Shri Mahinder Kumar engaged in supply of MS Billet, MS TMT, MS Pipe and other structural items made up of iron and steel and is administered by the Central GST Authorities. M/s North East Steel Company have obtained GST registration w.e.f. 04.05.2024 and the same have been found to be cancelled suo-motto w.e.f. 07.05.2024 for the reason such registration been obtained by means of fraud, willful misstatement or suppression of facts etc.

1.8 M/s Sky Resources (GSTIN: 09GAZPM2441C1ZD) (here-in-after referred to as "**the Noticee No. 8**") having declared principal place of business at 951/824, Mutthiganj, Allahabad, Prayagraj, Uttar Pradesh, 211003, is a proprietorship firm of Ms. Mariya engaged in supply of MS Billet, MS TMT, MS Pipe and other structural items made up of iron and steel and is administered by the Central GST Authorities. M/s Sky Resources have obtained GST registration w.e.f. 15.01.2021 and the same has been found to be cancelled on application of taxpayer w.e.f. 04.06.2025.

1.9 M/s Arvind Traders (GSTIN: 09FVVPK2060R1ZJ) (here-in-after referred to as "**the Noticee No. 9**") having declared principal place of business at GF-15, A-14, Devika Chamber, RDC, Raj Nagar, Ghaziabad, Uttar Pradesh, 201001, is a proprietorship firm of



Shri Arvind Kumar engaged in supply of MS Billet, MS TMT, MS Pipe and other structural items made up of iron and steel and is administered by the Central GST Authorities. M/s Arvind Traders have obtained GST registration w.e.f. 30.09.2021 and the same has been found to be cancelled suo motto w.e.f. 30.09.2021 for the reason such registration been obtained by means of fraud, willful misstatement or suppression of facts etc.

1.10 Shri Rohit Singla, S/o Shri Krishan Singla, (AADHAR No.- 8639-4906-7810), 202, Main Road, Near Market, Sector-2, Panchkula, Haryana -134109 (here-in-after referred to as "**the Noticee No. 10**") appears to be engaged in orchestrating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices without any genuine purchase of goods and utilizing the same either for discharging of GST liability against the supply of goods which were purchased from local venders or for passing on the ineligible ITC to down chain taxpayers by way of issuing fake invoice from his proprietorship/partnership firms without making any actual underlying supply therein, as detailed here-in-under –

| Sl. No. | Name of the firm | GSTIN | Constitution of Firm |
|--------------------|--|-----------------|---------------------------------|
| 1 | M/s RP Metal Manufacturing & Recycling | 22ABIFR5689M1ZH | Partnership |
| 2 | M/s Rohit & Company | 03AEFPS0747H1ZM | Proprietorship |
| 3 | M/s NRA Overseas LLP | 03AAPFN9812L1ZT | Partnership |
| 4 | M/s NRA Overseas LLP | 22AAPFN9812L1ZT | Partnership |
| 5 | M/s Manthan Minerals | 03ABUFM5840K1ZT | Partnership |

1.11 Shri Deepak Bansal, S/o Shri Arun Kumar Bansal, (AADHAR No.- 8343-7015-7692) (here-in-after referred to as "**the Noticee No. 11**") appears to be engaged in orchestrating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices without any genuine purchase of goods and utilizing the same either for discharging of GST liability against the supply of goods which were purchased from local venders or for passing on the ineligible ITC to down chain taxpayers by way of issuing fake invoice from partnership firms without making any actual underlying supply therein, as detailed here-in-under –

| Sl. No. | Name of the firm | GSTIN | Constitution of Firm |
|--------------------|-------------------------|-----------------|---------------------------------|
| 1 | M/s NRA Overseas LLP | 03AAPFN9812L1ZT | Partnership |
| 2 | M/s NRA Overseas LLP | 22AAPFN9812L1ZT | Partnership |
| 3 | M/s Manthan Minerals | 03ABUFM5840K1ZT | Partnership |

1.12 Shri Jasvinder Singh (alias Vicky Rai), S/o Shri Bira Ram, (here-in-after referred to as "**the Noticee No. 12**") appears to be engaged in facilitating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued



through firms being operated by him and through his role in arranging transport bilities and fabricating other supporting documents for the purpose of facilitating these fictitious transactions look genuine in the eyes of the law.

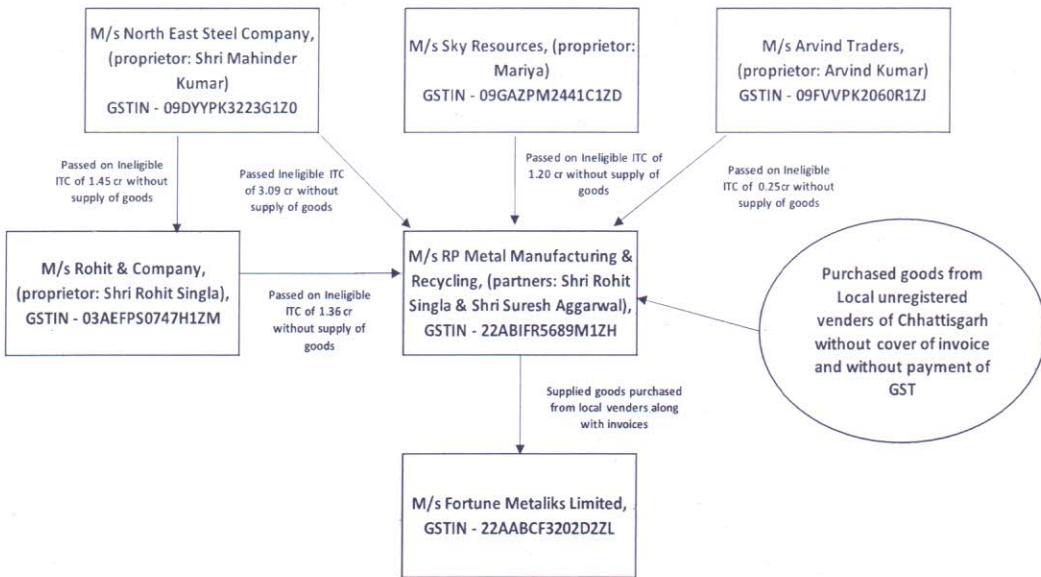
2. EXECUTIVE SUMMARY:

2.1 On the basis of the intelligence gathered from the back-end analysis that the Noticee No. 1 appears to be engaged in availment and utilization of ineligible Input Tax Credit (ITC) on the strength of invoices issued by Uttar Pradesh & Punjab based firms/entities namely M/s North East Steel Company (GSTIN: 09DYYPK3223G1Z0), M/s Sky Resources (GSTIN: 09GAZPM2441C1ZD), M/s Arvind Traders (GSTIN: 09FVVPK2060R1ZJ) and M/s Rohit & Company (GSTIN: 03AEFPS0747H1ZM), as no inward movement of vehicles appears to be recorded as per the e-way bill portal suggesting issuance of invoices without any actual supply of goods, an investigation under search mode was initiated against the Noticee No. 1 and the Noticee No. 6.

2.2 Investigation in the instant case has uncovered a multi-state fraudulent scheme involving the availment and passing on of ineligible Input Tax Credit (ITC) of over ₹32.85 crore through fake invoices without the actual supply of goods. The operation was masterminded by Shri Rohit Singla, Shri Deepak Bansal and M/s Fortune Metaliks Limited, Raipur through a network of firms.

2.3 It is revealed that M/s RP Metal Manufacturing & Recycling, Raipur (the Noticee No.1) has fraudulently availed ineligible ITC amounting to ₹5.91 crore. The firm's modus operandi was to procure non-GST paid scrap from local unregistered vendors and legitimize its subsequent sale by using fake purchase invoices from entities like M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company. This allowed them to offset their actual GST liability using fraudulent ITC. Evidence, including seized registers of local purchases, fabricated transport documents, and a confessional statement from the partner of M/s RP Metal Manufacturing & Recycling i.e. Shri Rohit Singla, confirms that the firm never received the goods mentioned in the invoices. This constitutes a direct contravention of Section 16(2)(b) of the CGST Act, 2017, which mandates the actual receipt of goods for claiming ITC, and also rendered them liable for penalties under Section 122(1)(vii) and 122(1)(x) for taking ITC without actual receipt of goods. Further, M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company also rendered themselves liable for penalty under Section 122(1)(ii) and 122(1)(x) for issuing incorrect and false invoices without actual supply of goods. Pictorial representation of passing on of ineligible ITC by these firms to M/s R P Metal manufacturing and recycling is depicted as below –



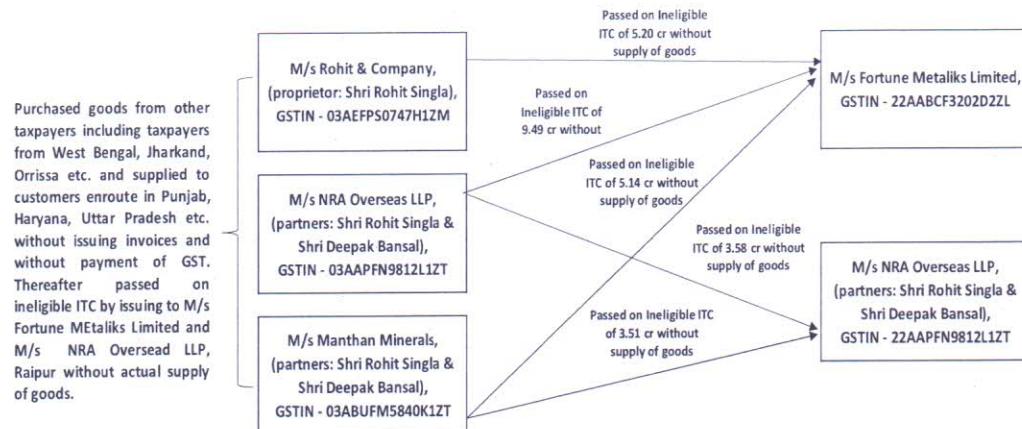


2.4 Further, it is revealed that M/s Fortune Metaliks Limited, Raipur (the Noticee No. 6) was the largest beneficiary, having fraudulently availed ineligible ITC of ₹19.84 crore. The Noticee No. 6 appears to have colluded with firms operated by Shri Rohit Singla and Shri Deepak Bansal namely M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab, by receiving invoices without any corresponding supply of goods. The investigation confirmed this through a complete lack of vehicle movement on e-way bill and FASTag portals, and statements of multiple transporters denying ever delivering goods to M/s Fortune Metaliks Limited, Raipur. Digital evidence such as ledgers retrieved from the mobile phone of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, also corroborated that, payments made against the invoices raised by these Punjab based firms via banking channels were returned in cash. Further, M/s NRA Overseas LLP, Raipur (the Noticee No. 5) has also fraudulently availed ineligible ITC amounting to ₹7.09 crore based on invoices raised by its associated firms in Punjab, namely M/s NRA Overseas LLP and M/s Manthan Minerals. The investigation established that no goods were ever supplied, a fact corroborated by the absence of vehicle movement in e-way bill data and statements from transporters.

2.5 Section 16(2) of the CGST Act, 2017 stipulates conditions for the availment of Input Tax credit (ITC) wherein, an invoice is essential for availing ITC, so is the receipt of the goods covered thereunder and the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilization of input tax credit admissible in respect of the said supply. By claiming ITC on these fictitious transactions, M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur violated Section 16(2) of the CGST Act, 2017, and rendered them liable for penalties under Section 122(1)(vii) and



122(1)(x) for taking ITC without actual receipt of goods. Pictorial representation of passing on of eligible ITC by these firms to M/s Fortune Metaliks Limited and M/s NRA Overseas LLP, Raipur is depicted as below –



3. INTELLIGENCE:

Intelligence gathered and further developed by the officers of DGGI, Zonal Unit Raipur, indicated that the Noticee No. 1, appears to be engaged in availment and utilization of ineligible / fake ITC without any actual supply of goods from Uttar Pradesh & Punjab based firms/entities namely M/s North East Steel Company (GSTIN: 09DYYPK3223G1Z0), M/s Sky Resources (GSTIN: 09GAZPM2441C1ZD), M/s Arvind Traders (GSTIN: 09FVVPK2060R1ZJ) and M/s Rohit & Company (GSTIN: 03AEFPS0747H1ZM), as there was no movement of vehicles as per the e-way bill Portal during the F.Y. 2024-25 (**RUD-1**). Further, analysis of the GSTR-1 returns filed by the Noticee No. 1 indicated that the aforementioned ineligible ITC has subsequently been passed on majorly to two taxpayers namely, (i) M/s Fortune Metaliks Limited (GSTIN: 22AABCF3202D2ZL) and (ii) M/s Shri Balaji Iron and Steel Traders (GSTIN: 22AACFB3300J2Z6).

4. INVESTIGATION:

4.1 Acting upon the aforesaid intelligence, with due approval from the competent authority, investigation under search mode in terms of section 67(2) of the CGST Act, 2017 was initiated against the Noticee No. 1 at the following premises –

- (i) Declared principal place of business of the Noticee No. 1 located at Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001,
- (ii) Declared additional place of business of the Noticee No. 1 located at Plot No. 19, Metal Park Area, Rawabhatra, Raipur, Chhattisgarh, 492001.



- (iii) Residential premises of the partner of the Noticee No. 1 i.e. Shri Rohit Singla located at D-69, City of Dreams, Kachna, Raipur (CG) on 19.10.2024.

Further, simultaneous search was also conducted at the declared principal place of business of the following down chain recipients of Noticee No.1, i.e.:

- (i) M/s Fortune Metaliks Limited (the Noticee No. 6) at their declared principal place of business located at Village-Kapasda, Bilaspur-Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221.
- (ii) M/s Shri Balaji Iron and Steel Traders at their declared principal place of business located at Shop No. 1, Shobha Ram Marisa Complex, Near Swagat Gate, Bazar Road, Ambedkar Chowk, Siltara, Raipur, Chhattisgarh, 493211 and undisclosed office located at B/5, Marlin Jayshri Vihar, Pandri, Raipur, Chhattisgarh, 492001.

4.2 During the search proceedings at the declared additional place of business of the Noticee No. 1, which in-fact served as a factory rented out for processing of scrap by the Noticee No. 1, several incriminating documents such as evidences pertaining to actual purchase of non-GST paid scrap from local vendors, weighment report containing details of both inward and outward purchase/sale of goods, stamp seal of purported U.P based supplier firms/companies of the Noticee No. 1, register detailing inward movement of vehicles including the details of local vendors/suppliers of scrap, vehicle registration numbers, mobile numbers, quantity of scrap, quality of scrap, in-time and out-time of vehicles etc., (**RUD-2**), which was being maintained by the staff of the Noticee No. 1, were resumed and seized under INS-02 of the panchnama dated 19.10.2024 (**RUD-3**) under section 67(2) of the CGST Act, 2017.

4.3 The snapshot of few pages (part of RUD-2) of the register detailing inward movement of vehicles including the details of local vendors/suppliers of scrap, vehicle registration numbers, mobile numbers, quantity of scrap, quality of scrap, in-time and out-time of vehicles etc., seized from the declared additional place of business of the Noticee No. 1, are reproduced as below:



| | | 26-07-2024 | | P1 = DMR Date 19/10/2024 | | P2 = Beta 19/10/2024 (O) | |
|----------------------|----------------|--|-------------------------|--|----------|--|------------|
| No. Party | | 15-10-24 No. NO. | | Date | | Date | |
| | | | | Machine | material | In | out weight |
| ① | Amit Khan | CG104 HU 0264 | 364447 selected 3252 | 8:00 | 12:32 | 8040 | |
| ② | Asitkhan | CG104 RP 0264 | 7828353 mix 671 | 8:00 | 8.44 | 15890 | |
| ③ | II | CG104 NM 0224 | 780449 Tina 5421 | 9:00 | 11:17 | 10250 | |
| 4 | Amit Khan | CG104 NS 2649 | 863722 selected 1669 | 8:10 | 3:58 | 31600 | |
| 5 | R.P Metal Park | CG104 MY 2445 | 931942 Jodiny 941 | 11:26 | 12:05 | 17150 | |
| 6 | R.P metel Park | CG104 MP 2899 | 749704 Jodiny 2701 | 11:50 | 11:45 | | |
| 7 | Fantun | CG104 CJ 4476 | 748948 Jodiny 6851 | 3:39 | 5:48 | 23170 | |
| 8 | Hansil | CG104 N2 2683 | 639357 Container 83 | 3:49 | 5:55 | 3260 | |
| 9 | Thako | CG112 S 4999 | 735412 Jodiny 71 | 11:2 | 11:26 | | |
| 10 | Fantun | CG11F CL Seva mili 7576 | 62326 Jodiny 3167 | 4:56 | 6:45 | | |
| 11 | Anwind | CG104 JC 6987 | 5770150 Jodiny 8577 | 6:52 | 7:27 | | |



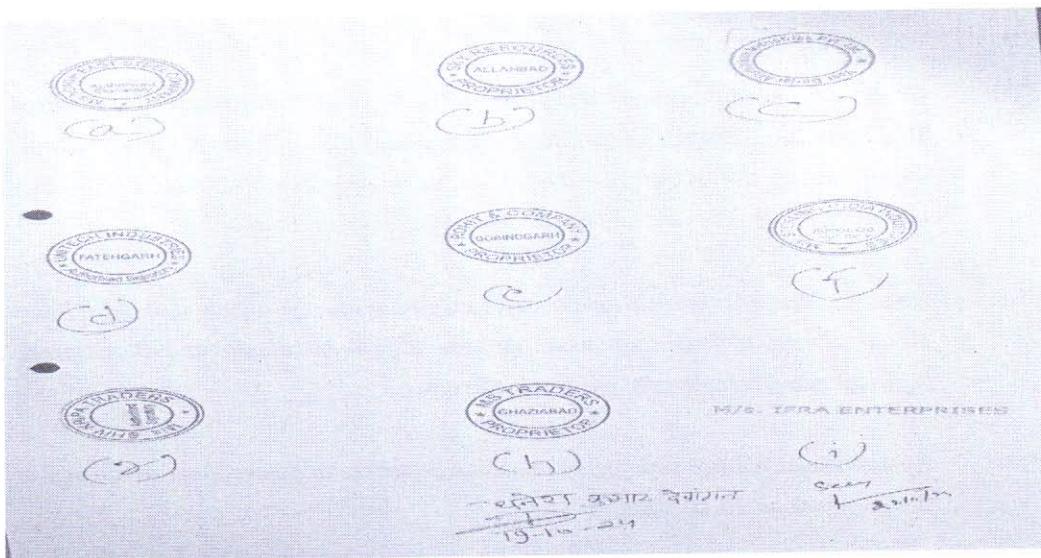
| WEIGHMENT SLIP | | | | | | | | | |
|---|-----|------------|--------------|------------|----------|----------|---------|--------|---------|
| Report - from date 28/10/2024 Time:00:00 To 19/10/2024 Time:23:59 | | | | | | | | | |
| For All Records | | | | | | | | | |
| SNo | RST | DATE | VEHICLE NO | CUSTOMER | MATERIAL | GROSS kg | TARE kg | NET kg | GRS Rs. |
| 1 | 1 | 08/10/2024 | CG04 MP 5487 | SHOBHAKANT | | 19350 | 6280 | 13070 | 0 |
| 2 | 2 | 08/10/2024 | CG04 NX 6646 | ARSIL BHAI | | 6646 | 3098 | 5548 | 0 |
| 3 | 3 | 08/10/2024 | CG04 JD 1868 | AMIR BHAI | | 15040 | 5240 | 9800 | 0 |
| 4 | 4 | 08/10/2024 | CG04 JD 1868 | AMIR KHAN | | 12240 | 5400 | 6840 | 0 |
| 5 | 5 | 08/10/2024 | CG04 JD 1868 | AMIR KHAN | | 33740 | 10670 | 22870 | 0 |
| 6 | 6 | 08/10/2024 | DB18 L 2952 | AMIR KHAN | | 39880 | | | 0 |
| 7 | 7 | 09/10/2024 | CG07 CL 4997 | | | 29890 | 6800 | 23090 | 0 |
| 8 | 8 | 09/10/2024 | CG04 JD 5191 | | | 30200 | 6710 | 19090 | 0 |
| 9 | 9 | 10/10/2024 | CG07 CL 4995 | AMIR R K | | 14870 | 6420 | 8450 | 0 |
| 10 | 10 | 10/10/2024 | CG04 MN 4404 | SHOBHAKANT | | 19950 | 7700 | 12250 | 0 |
| 11 | 11 | 10/10/2024 | CG04 DF 8697 | | | 26920 | 9450 | 19470 | 0 |
| 12 | 12 | 10/10/2024 | CG04 PS 3986 | | | 22070 | 6140 | 15930 | 0 |
| 13 | 13 | 10/10/2024 | CG04 NX 6646 | ARSIL BHAI | | 8290 | 3060 | 5230 | 0 |
| 14 | 14 | 10/10/2024 | CG04 M 6956 | AMIR KHAN | | 30840 | | | 0 |
| 15 | 15 | 10/10/2024 | CG04 MT 5687 | | | 16980 | 6150 | 10830 | 0 |
| 16 | 16 | 10/10/2024 | CG04 JD 5687 | | | 30400 | 6040 | 24360 | 0 |
| 17 | 17 | 10/10/2024 | CG04 JD 5687 | | | 16490 | 9200 | 72890 | 0 |
| 18 | 18 | 10/10/2024 | CG29 AB 2692 | | | 48520 | 14260 | 34260 | 0 |
| 19 | 19 | 11/10/2024 | CG07 EH 9125 | | | 26970 | 5500 | 15470 | 0 |
| 20 | 20 | 11/10/2024 | CG05 AD 5927 | | | 26990 | 6650 | 14340 | 0 |
| 21 | 21 | 11/10/2024 | CG04 MP 6089 | | | 21700 | 5700 | 16000 | 0 |
| 22 | 22 | 11/10/2024 | CG04 JD 1868 | | | 10620 | | | 0 |
| 23 | 23 | 12/10/2024 | CG04 MR 2171 | SHOBHAKANT | | 3240 | 1120 | 2128 | 0 |
| 24 | 24 | 12/10/2024 | CG04 PR 5644 | AMIR BHAI | | 17980 | | | 0 |
| 25 | 25 | 13/10/2024 | CG04 JC 5866 | | | 41200 | 10660 | 30540 | 0 |
| 26 | 26 | 13/10/2024 | CG04 LG 2175 | | | 20250 | 6050 | 14200 | 0 |
| 27 | 27 | 18/10/2024 | NL01 N 2226 | | | 31940 | 10970 | 20970 | 0 |
| Total | | | | | | | 365270 | | |

4.4 Further, the snapshot of the sample weighment slip report in respect of local non-GST purchase of scrap made by the Noticee No. 1 seized from the declared additional place of business of the Noticee No. 1, is reproduced as below:

| WEIGHMENT SLIP | | | | | | | | | |
|---|-----|------------|--------------|------------|----------|----------|---------|--------|---------|
| Report - from date 28/10/2024 Time:00:00 To 19/10/2024 Time:23:59 | | | | | | | | | |
| For All Records | | | | | | | | | |
| SNo | RST | DATE | VEHICLE NO | CUSTOMER | MATERIAL | GROSS kg | TARE kg | NET kg | GRS Rs. |
| 1 | 1 | 08/10/2024 | CG04 MP 5487 | SHOBHAKANT | | 19350 | 6280 | 13070 | 0 |
| 2 | 2 | 08/10/2024 | CG04 NX 6646 | ARSIL BHAI | | 6646 | 3098 | 5548 | 0 |
| 3 | 3 | 08/10/2024 | CG04 JD 1868 | AMIR BHAI | | 15040 | 5240 | 9800 | 0 |
| 4 | 4 | 08/10/2024 | CG04 JD 1868 | AMIR KHAN | | 12240 | 5400 | 6840 | 0 |
| 5 | 5 | 08/10/2024 | CG04 JD 1868 | AMIR KHAN | | 33740 | 10670 | 22870 | 0 |
| 6 | 6 | 08/10/2024 | DB18 L 2952 | AMIR KHAN | | 39880 | | | 0 |
| 7 | 7 | 09/10/2024 | CG07 CL 4997 | | | 29890 | 6800 | 23090 | 0 |
| 8 | 8 | 09/10/2024 | CG04 JD 5191 | | | 30200 | 6710 | 19090 | 0 |
| 9 | 9 | 10/10/2024 | CG07 CL 4995 | AMIR R K | | 14870 | 6420 | 8450 | 0 |
| 10 | 10 | 10/10/2024 | CG04 MN 4404 | SHOBHAKANT | | 19950 | 7700 | 12250 | 0 |
| 11 | 11 | 10/10/2024 | CG04 DF 8697 | | | 26920 | 9450 | 19470 | 0 |
| 12 | 12 | 10/10/2024 | CG04 PS 3986 | | | 22070 | 6140 | 15930 | 0 |
| 13 | 13 | 10/10/2024 | CG04 NX 6646 | ARSIL BHAI | | 8290 | 3060 | 5230 | 0 |
| 14 | 14 | 10/10/2024 | CG04 M 6956 | AMIR KHAN | | 30840 | | | 0 |
| 15 | 15 | 10/10/2024 | CG04 MT 5687 | | | 16980 | 6150 | 10830 | 0 |
| 16 | 16 | 10/10/2024 | CG04 JD 5687 | | | 30400 | 6040 | 24360 | 0 |
| 17 | 17 | 10/10/2024 | CG04 JD 5687 | | | 16490 | 9200 | 72890 | 0 |
| 18 | 18 | 10/10/2024 | CG29 AB 2692 | | | 48520 | 14260 | 34260 | 0 |
| 19 | 19 | 11/10/2024 | CG07 EH 9125 | | | 26970 | 5500 | 15470 | 0 |
| 20 | 20 | 11/10/2024 | CG05 AD 5927 | | | 26990 | 6650 | 14340 | 0 |
| 21 | 21 | 11/10/2024 | CG04 MP 6089 | | | 21700 | 5700 | 16000 | 0 |
| 22 | 22 | 11/10/2024 | CG04 JD 1868 | | | 10620 | | | 0 |
| 23 | 23 | 12/10/2024 | CG04 MR 2171 | SHOBHAKANT | | 3240 | 1120 | 2128 | 0 |
| 24 | 24 | 12/10/2024 | CG04 PR 5644 | AMIR BHAI | | 17980 | | | 0 |
| 25 | 25 | 13/10/2024 | CG04 JC 5866 | | | 41200 | 10660 | 30540 | 0 |
| 26 | 26 | 13/10/2024 | CG04 LG 2175 | | | 20250 | 6050 | 14200 | 0 |
| 27 | 27 | 18/10/2024 | NL01 N 2226 | | | 31940 | 10970 | 20970 | 0 |
| Total | | | | | | | 365270 | | |

4.5 Also, the snapshot of the stamp seals of purported U.P based supplier firms/companies of the Noticee No. 1 seized from the declared additional place of business of the Noticee No. 1, is reproduced as below:





4.6 Statement of Shri Dhanesh Kumar Dewangan, an accountant at M/s RP Metal Manufacturing & Recycling (GSTIN- 22ABIFR5689M1ZH) was recorded under Section 70 of the CGST Act, 2017 (**RUD-4**) wherein he, inter-alia deposed as under –

- i. *He is working as an accountant at M/s RP Metal Manufacturing & Recycling for the past 3 months. His main role is basic accounting, including entering purchase and sales data into Tally.*
- ii. *On being asked about the firm's principal place of business, he stated that this is a rented premises for which rent have been paid up to September'2024. The premises has been closed since last one month. More information in this regard can be provided by Shri Parth Singla, son of Shri Rohit Singla.*
- iii. *M/s RP Metal Manufacturing & Recycling is engaged in the business of recycling and trading of MS Scrap.*
- iv. *Their major suppliers are M/s North East Steel Company (Prayagraj, UP), M/s Sky Resources (Prayagraj, UP), and M/s Rohit & Company (Punjab) and major customers are Shri Balaji Iron and Steel Traders (Raipur) and Fortune Metaliks Limited (Raipur).*
- v. *On being asked to explain the weighment slip report found for the period from 08.10.2024 to 18.10.2024, he clarified that the above report contains details of incoming and outgoing scrap vehicles, including date, vehicle number, customer name, gross, tare, and net weights. The "customer name" column indicates the name of scrap suppliers for incoming vehicles, while blank entries signify outward*



dispatches to customers.

- vi. *He did not provide any information regarding the seal of various firms (including M/s North East Steel Company, M/s Sky Resources, M/s Rohit & Company, etc.) found during the search conducted at their premises. He stated that any information in this regard can be provided by Shri Parth Singla.*
- vii. *He stated that Shri Parth Singla oversees all the daily operations at M/s RP Metal Manufacturing & Recycling, with partners Shri Rohit Singla and Shri Suresh Agrawal being occasionally present in the office.*
- viii. *He expressed his full satisfaction with the Panchnama proceedings conducted at the premises on 19.10.2024.*

4.7 During the course of search proceedings at the residential premises of the partner of the Noticee No. 1 i.e. Shri Rohit Singla, incriminating chats, documents and images were found in the mobile phone of Shri Parth Singla (son of Shri Rohit Singla), wherein chats and images indicating actual non-GST paid scrap purchase from local vendors of Chhattisgarh, purchase slips from local vendors, corresponding weighbridge slips, party-wise balance amount payable, WhatsApp chats reflecting payment made against these purchase of non-GST paid from local venders etc. (**RUD-5**) were found. Further, during the search, some other incriminating documents such as transport bilties in triplicates (many of them containing wrong GSTIN of transporters) (**RUD-6**) were also retrieved from the premises, which indicated that under the supervision of Shri Rohit Singla, his staffs were engaged in fabricating supporting documents to make purchase of non-GST paid scrap from local venders, appear legitimate under the law. Accordingly, all the above-mentioned evidence seized under INS-02 of the panchnama dated 19.10.2024 (**RUD-7**) in accordance with section 67(2) of the CGST Act, 2017.

4.8 The snapshot of sample whatsapp images (part of RUD-5) related to the purchase slips from local vendors, corresponding weighbridge slips detailing scrap purchase, vehicle registration numbers, quantity of scrap, in-time and out-time of vehicles etc., seized from the mobile phone of Shri Parth Singla (son of Shri Rohit Singla) from the residential premises of Shri Rohit Singla i.e. the partner of the Noticee No. 1, are reproduced as below:



| | | |
|---|-----------|--|
| IN TIME & DATE OUT TIME & DATE VET NO. PARTY NAME MATERIAL ITEM GROSS WEIGHT TARE WEIGHT NET WEIGHT DUST WEIGHT PAYABLE WEIGHT | | 16/09 16/09 CG 04 PH 4754 Sherry 500 17510 6300 11210 - 11210 |
| SELECTED | BASE | WEIGHT |
| MIX | 1000-LESS | 11210 |
| OVERSIZED | 1500-LESS | |
| SPANDBAR | 1000-LESS | |
| GI | 1000-LESS | |
| KABADI | 4500-LESS | |
| TEENA | 6500-LESS | |
| TOTAL WEIGHT | | 11210 |

| | | |
|---|-----------|---|
| IN TIME & DATE OUT TIME & DATE VET NO. PARTY NAME MATERIAL ITEM GROSS WEIGHT TARE WEIGHT NET WEIGHT DUST WEIGHT PAYABLE WEIGHT | | 16/09 16/09 CG 04 NC 2940 Shashi 5 12480 1290 9090 50 9040 |
| SELECTED | BASE | WEIGHT |
| MIX | 1000-LESS | 8040 |
| OVERSIZED | 1500-LESS | |
| SPANDBAR | 1000-LESS | 500 |
| GI | 1500-LESS | |
| KABADI | 4500-LESS | 500 |
| TEENA | 6500-LESS | |
| TOTAL WEIGHT | | 9040 |

Heavy Purchases

| | |
|--|---|
| <u>Shashi</u> 16/09 | <u>Sherry</u> 16/09 |
| CG 04 HK 8256 ⑤ 6000 X 34000 ⑥ 11200 X 36000 CG 10 C 4856 ⑤ 1500 X 34000 ⑥ 11330 X 36000 CG 04 MG 2440 ⑤ 1660 X 29500 ⑥ 700 X 34000 ⑦ 1700 X 36000 CG 04 JC 2616 ⑤ 620 X 33500 ⑦ 600 X 29000 | CG 10 K 9108 ⑤ 1000 X 34000 ⑥ 8100 X 36000 |
| <u>Asif</u> 16/09 CG 33 9122 ⑤ 1500 X 33500 ⑥ 7440 X 33900 | <u>Shashi</u> 16/09 CG 04 HK 7968 ⑤ 11000 X 33500 ⑥ 200 X 28800 CG 19 H 0856 ⑤ 7780 X 3300 ⑥ 200 X 31800 |
| <u>AMR</u> CG 04 C 8679 ⑤ 5500 X 33000 ⑥ 3930 X 36000 CG 04 L 2456 ⑤ 500 X 34000 ⑥ 3660 X 36000 | CG 04 JA 2782 ⑤ 7050 X 33500 ⑥ 400 X 32300 ⑧ 300 X 28300 CG 04 JA 2782 ⑤ 22150 X 33300 ⑥ 700 X 27300 ⑧ 400 X 28100 |
| <u>ASIF</u> CG 04 J 6761 ⑤ 1200 X 33600 ⑥ 500 X 32100 ⑧ 300 X 29100 | |

| | | | | |
|----|-----------|--------------------|-----------|----------------------|
| 13 | | | | |
| 14 | 9354=50 | OB | 30/03/24 | |
| 15 | 25000=200 | Rohit & Co, Pankey | 5000=200 | Mahakal Sonu - 21/2 |
| 16 | 50000=00 | Rohit & Co, Nizam | 3500=00 | Saif Bhai - 2 |
| 17 | 20000=00 | Rohit & Co, Nizam | 10000=00 | Saif Bhai - 2 |
| 18 | / | | 8000=200 | Sobhakant - 2 |
| 19 | 97354=50 | Total. | 18500=200 | Aamir Khan - Rupee 1 |
| 20 | 85000=00 | Exp. Total | 10000=00 | Saif Bhai - 2 |
| 21 | 12354=50 | CB | 5000=200 | Dheeraj Bhai - 2 |
| 22 | | | 5000=200 | Ashif Bhai - 2 |
| 23 | | | 20000=200 | Aamir Khan - 2 |
| 24 | | | / | |
| 25 | | | 85000=200 | Exp. Total |
| 26 | | | | |
| 27 | | | | |

| PARTY | BALANCE |
|-------------|----------|
| ARSHIL | 1245881 |
| ASIF | 473413 |
| ATUL BANSAL | 0 |
| DEWANGAN | 0 |
| DHEERAJ | 2927065 |
| JEEVA BILL | -1734 |
| JITENDRA | 337369 |
| RK | 2081522 |
| RK FORTUNE | 1100715 |
| SHAHID | 2521752 |
| SOBHAKANT | 534240 |
| SONU | 497422 |
| BALANCE | 11717645 |

V 22/11/24

| PARTY | BALANCE |
|------------|----------|
| ABHISHEK | 143925 |
| ARSHIL | 266445 |
| ASIF | 174 |
| DEWANGAN | 861819 |
| DHEERAJ | 2271261 |
| HARSHIT | 0 |
| JEEVA BILL | -1734 |
| JITENDRA | 562862 |
| RK | 3431259 |
| RK FORTUNE | 1603076 |
| SAIF | -225614 |
| SHAHID | 1680520 |
| SOBHAKANT | 315629 |
| SONU | 0 |
| VINOD | 509490 |
| BALANCE | 11419112 |

V 22/11/24

4.9 Further, sample snapshot (part of RUD-5) of calculation in respect of purchase of scrap made by the Noticee No. 1 along with details of payment made to these local vendors against such supplies received and balance amount to be paid and details of supply of these scrap (with bill) further made to the Noticee No. 6 i.e. M/s Fortune Metaliks Limited and M/s Balaji Iron and Steel Traders is reproduced as below:



| Date 30-07 PURCHASE | | | | | | | | | | | |
|--|------------------|---------------|-----------|----------|---------|----------|-------------|---------------|--------|----------|------------|
| PARTY NAME | TRUCK NO. | TONS/PLASTIC | TOTAL WT. | SELECTED | RATE | AMOUNT | EXCISE RATE | AMOUNT EXCISE | RATE | AMOUNT | AMOUNT TAX |
| AMER | C2004644292 | 1.65 | 1.65 | ✓ | 8400/- | 13840/- | 20.70% | 3000/- | 8.31 | 71784/- | 3300/- |
| AMER | C2004644292 | 2.62 | 2.62 | ✓ | 8400/- | 21528/- | 20.70% | 3500/- | 7.27 | 151924/- | 3300/- |
| AMER | C2004644292 | 2.62 | 2.62 | ✓ | 8400/- | 21528/- | 20.70% | 3500/- | 7.27 | 151924/- | 3300/- |
| SHOMAKA | C2004644292 | 3.29 | 3.29 | ✓ | 8400/- | 27360/- | 20.70% | 4000/- | 7.27 | 187924/- | 42558/- |
| AMER | C2004644292 | 3.29 | 3.29 | ✓ | 8400/- | 27360/- | 20.70% | 4000/- | 7.27 | 187924/- | 42558/- |
| SHOMAKA | C2004644292 | 12.72 | 12.72 | ✓ | 8400/- | 106560/- | 20.70% | 13500/- | 7.27 | 103050/- | 3300/- |
| AMER | C2004644292 | 12.72 | 12.72 | ✓ | 8400/- | 106560/- | 20.70% | 13500/- | 7.27 | 103050/- | 3300/- |
| AMER | C2004644292 | 4.09 | 4.09 | ✓ | 8400/- | 34964/- | 20.70% | 4500/- | 7.27 | 311948/- | 112588/- |
| AMER | C2004644292 | 4.09 | 4.09 | ✓ | 8400/- | 34964/- | 20.70% | 4500/- | 7.27 | 311948/- | 112588/- |
| AMER | C2004644292 | 4.71 | 4.71 | ✓ | 8400/- | 38168/- | 20.70% | 5000/- | 7.27 | 325010/- | 112588/- |
| AMER | C2004644292 | 4.71 | 4.71 | ✓ | 8400/- | 38168/- | 20.70% | 5000/- | 7.27 | 325010/- | 112588/- |
| AMER | C2004644292 | 1.04 | 1.04 | ✓ | 8400/- | 8640/- | 20.70% | 1000/- | 7.27 | 7660/- | 3300/- |
| AMER | C2004644292 | 1.04 | 1.04 | ✓ | 8400/- | 8640/- | 20.70% | 1000/- | 7.27 | 7660/- | 3300/- |
| AMER | C2004644292 | 1.04 | 1.04 | ✓ | 8400/- | 8640/- | 20.70% | 1000/- | 7.27 | 7660/- | 3300/- |
| AMER | C2004644292 | 3.89 | 3.89 | ✓ | 8400/- | 31344/- | 20.70% | 4000/- | 7.27 | 303036/- | 113427/- |
| AMER | C2004644292 | 3.89 | 3.89 | ✓ | 8400/- | 31344/- | 20.70% | 4000/- | 7.27 | 303036/- | 113427/- |
| AMER | C2004644292 | 8.50 | 8.50 | ✓ | 8400/- | 71400/- | 20.70% | 9000/- | 7.27 | 62270/- | 3300/- |
| HEAVY PURCHASE | | | | | | | | | | | |
| DATE | TRUCK NO. | TONS/PLASTICS | TOTAL WT. | SELECTED | RATE | AMOUNT | HEAVY | RATE | AMOUNT | AMOUNT | AMOUNT |
| AMER | MPCM1414 | 11.71 | 11.71 | | | | | | | | |
| Date 30-07 SALE | | | | | | | | | | | |
| DATE | INVO NO. | PARTY NAME | QTY | RATE | AMOUNT | | | | | | |
| 30-07-2024 | 151 | SHOMAKA | 71.91 | 8400/- | 605864 | | | | | | |
| 30-07-2024 | 382 | SHOMAKA | 39.85 | 8400/- | 330000 | | | | | | |
| 30-07-2024 | 393 | SHOMAKA | 11.71 | 8400/- | 98160 | | | | | | |
| 30-07-2024 | 394 | SHOMAKA | 8.58 | 8400/- | 71400/- | | | | | | |
| 30-07-2024 | 395 | SHOMAKA | 8.89 | 8400/- | 73256 | | | | | | |
| 30-07-2024 | 396 | SHOMAKA | 8.6 | 8400/- | 71440 | | | | | | |
| 30-07-2024 | 397 | SHOMAKA | 7.97 | 8400/- | 67296 | | | | | | |
| 30-07-2024 | 398 | SHOMAKA | 9.6 | 8400/- | 80640 | | | | | | |
| 30-07-2024 | 399 | SHOMAKA | 25.39 | 8400/- | 213000 | | | | | | |
| Date 30-07 DETAILS PAYMENT RECEIVED | | | | | | | | | | | |
| DETAILS | PAYMENT RECEIVED | | | | | | | | | | |
| SHOMAKA | 3429628 | | | | | | | | | | |
| AMER | 3000000 | | | | | | | | | | |
| SHOMAKA & CO PARTH | 2000000 | | | | | | | | | | |
| SHOMAKA & CO PARTH | 2000000 | | | | | | | | | | |
| TOTAL | 6429628 | | | | | | | | | | |
| CLOSING BALANCE | 25 | | | | | | | | | | |
| | | | | | | | | | | | |
| Date 30-07 PAYMENT MADE | | | | | | | | | | | |
| DETAILS | PAYMENT MADE | | | | | | | | | | |
| SHOMAKA | 350000 | | | | | | | | | | |
| AMER | 500000 | | | | | | | | | | |
| SHOMAKA | 280000 | | | | | | | | | | |
| PLANT EXP OF PARTH | 150000 | | | | | | | | | | |
| AMER | 300000 | | | | | | | | | | |
| SHOMAKA | 300000 | | | | | | | | | | |
| SHOMAKA | 898667 | | | | | | | | | | |
| TOTAL | 4429628 | | | | | | | | | | |

Seal
✓ 27/11/24

4.10 Statement of Shri Ramesh Kumar Sarki who was present at the residential premises of Shri Rohit Singla was recorded under Section 70 of the CGST Act, 2017 (**RUD-8**) wherein he, inter-alia deposed as under –

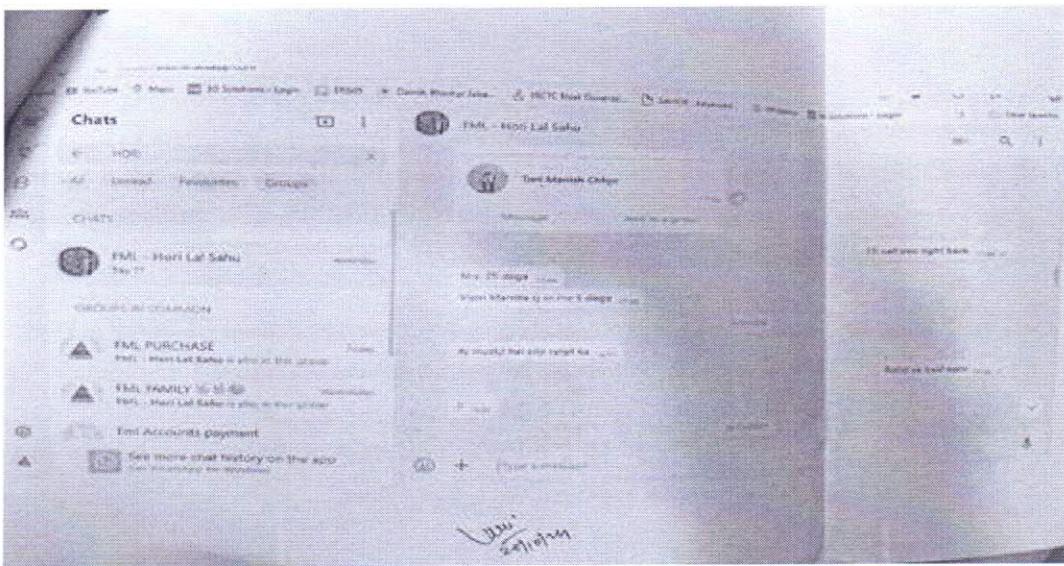
- He works as a caretaker and cook at Shri Rohit Singla's current residence in D-69, City of Dreams, Kachna, Raipur for the past 4 months in Raipur.
- He stated that the house (D-69, City of Dreams, Kachna, Raipur) is rented by Shri Rohit Singla, and he does not know the actual owner.
- He confirmed that the documents, tax invoices, bilties, weighment slips, etc., found during the search belonged to Shri Rohit Singla. The mobile phone found in the table drawer belonged to Shri Parth Singla.
- He stated that a photo of a register found on his mobile phone was from Shri Rohit Singla's diary, which was sent on the request of Shri Rohit Singla because he forgot the diary at home.
- According to him, Shri Rohit Singla and his son Shri Parth Singla are involved in the iron business, and the documents seized during the search on 19.10.2024 are related to their business.

4.11 During the search conducted at the declared principal place of business of the Notice No. 6 i.e. M/s Fortune Metaliks Limited at Village-Kapasda, Bilaspur Raipur



Highway, Dharsiwa, Raipur, Chhattisgarh, 493221, incriminating documents (2 separate ledgers) were recovered from the mobile phone of Shri Ravi Sharma, Finance Manager of the company. These ledgers contained details that purportedly indicated fictitious sales made by the Noticee No. 2 (M/s Rohit & Company, Punjab) to the Noticee No. 6. The first ledger namely "Rohit & Company" "A/c Fortune Metaliks Limited" detailed the corresponding payments made via RTGS by the Noticee No. 6 to Noticee No. 2 against the bills raised for the period 01.04.2023 to 23.02.2024 and the second ledger "RC" "A/c-Fortune Metaliks cash A/c" indicated subsequent repayment of these amounts in cash by the Noticee No. 2 to the Noticee No. 6. Shri Ravi Sharma's mobile phone, containing this evidence, was seized under Form INS-02, which was annexed with the panchnama dated 19/20.10.2024 (**RUD-9**).

4.12 The evidence such as whatsapp chat, Ledgers against the fictitious transactions made by the Noticee No. 2 with the Noticee No. 6 are as follows:



In the instant chat, between Shri Ravi Sharma, Manager Finance of the Noticee No. 6 and another staff Shri Hori lal Sahu FML of the Noticee No. 6, references such as "**NRA 25 dega**", "**Vipin Mandla rj ac me 5 dega**" were observed.

4.13 In the first ledger namely "Rohit & Company" "A/c Fortune Metaliks Limited" (part of RUD-14), records the amount credited from the Noticee No. 6 having narration "by RTGS" and the amount debited to the Noticee No. 6 under narration "To bill No." indicating the purported bills raised by the Noticee No. 2, during the period 01.04.2023 to 23.02.2024, the snapshot of the ledger "Rohit & Company" is reproduced below for reference:



| ROHIT & COMPANY | | COPY OF ACCOUNT | | From 01-04-2013 Until 31-03-2014 Page 1 | |
|--|--------------------------|-----------------|-------------|---|-----|
| FORTUNE METALIKS LTD 24 TH MILESTONE VILLAGE KAPASDA DHARMSAVA PAN : AABC03202D | | | | | |
| Date | Narration | Debit | Credit | Balance | D/C |
| 09-01-2024 | By RTGS | | | 2500000.00 | Cr |
| 10-01-2024 | To Bill No. RC2324-0027 | 41,060 | 1996032.00 | 2500000.00 | Cr |
| 10-01-2024 | By TDS 194-Q @ 0.10% | | 1642.00 | 2500000.00 | Cr |
| 11-01-2024 | By C | | 200000.00 | 2500000.00 | Cr |
| 12-01-2024 | To C | | 200000.00 | 2500000.00 | Cr |
| 02-02-2024 | By RTGS | | | 2500000.00 | Cr |
| 02-02-2024 | By RTGS | | | 25123610.00 | Cr |
| 05-02-2024 | By RTGS | | | 25123610.00 | Cr |
| 06-02-2024 | By RTGS | | | 25123610.00 | Cr |
| 06-02-2024 | By RTGS | | | 25123610.00 | Cr |
| 10-02-2024 | To Bill No. RC2324-00129 | 30,380 | 1362239.00 | 25123610.00 | Cr |
| 10-02-2024 | To Bill No. RC2324-00129 | 34,850 | 1562674.00 | 25123610.00 | Cr |
| 10-02-2024 | To Bill No. RC2324-00124 | 57,265 | 1670963.00 | 25123610.00 | Cr |
| 10-02-2024 | By TDS 194-Q @ 0.10% | | 1416.00 | 25123610.00 | Cr |
| 11-02-2024 | To Bill No. RC2324-00126 | 29,790 | 1365764.00 | 25123610.00 | Cr |
| 11-02-2024 | By TDS 194-Q @ 0.10% | | 1152.00 | 25123610.00 | Cr |
| 12-02-2024 | To Bill No. RC2324-00126 | 59,370 | 1316951.00 | 25123610.00 | Cr |
| 12-02-2024 | By TDS 194-Q @ 0.10% | | 1116.00 | 25123610.00 | Cr |
| 13-02-2024 | To Bill No. RC2324-00142 | 40,330 | 1632182.00 | 25123610.00 | Cr |
| 13-02-2024 | By TDS 194-Q @ 0.10% | | 1569.00 | 25123610.00 | Cr |
| 14-02-2024 | To Bill No. RC2324-00149 | 39,950 | 1638499.00 | 25123610.00 | Cr |
| 15-02-2024 | By TDS 194-Q @ 0.10% | | 1518.00 | 25123610.00 | Cr |
| 20-02-2024 | By RTGS | | | 2500000.00 | Cr |
| 20-02-2024 | To Bill No. RC2324-00172 | 30,240 | 1516536.00 | 2500000.00 | Cr |
| 20-02-2024 | By TDS 194-Q @ 0.10% | | 1281.00 | 2500000.00 | Cr |
| 23-02-2024 | To Bill No. RC2324-00172 | 16,705 | 654918.00 | 2500000.00 | Cr |
| 23-02-2024 | By TDS 194-Q @ 0.10% | | 750.00 | 2500000.00 | Cr |
| 24-02-2024 | By TDS 194-Q @ 0.10% | | | 16811664.00 | Cr |
| | TOTAL | 321,940 | 15268788.00 | 34670452.00 | |

FOR ROHIT & COMPANY
PAN : AABC03202D

Date : 27/02/2024

4.14 Further, in the second ledger named "RC" containing "A/c Fortune Metaliks (cash) A/c" (part of RUD-14), records the amount credited from the Noticee No. 6 having narration "by RTGS" (which is the same amount in both the ledgers bearing same date and month but only the year has been changed from 2024 to 2014 deliberately) and the amount debited / returned via cash to the Noticee No. 6 on various occasions under the narration "To C" during the period aforesaid period. The snapshot of the instant Ledger "RC", is reproduced below for reference:

| RC | | COPY OF ACCOUNT | | From 01-04-2013 Until 31-03-2014 Page 1 | |
|-----------------------------|-----------|-----------------|-------------|---|-----|
| Fortune Metaliks (cash) A/c | | | | | |
| Date | Narration | Debit | Credit | Balance | D/C |
| 06-01-2014 | To C | | 2500000.00 | 2500000.00 | Dr |
| 06-01-2014 | To C | | 2600000.00 | 2500000.00 | Dr |
| 09-01-2014 | By RTGS | | | 2500000.00 | Dr |
| 11-01-2014 | By RTGS | | | 2500000.00 | Dr |
| 12-01-2014 | To C | | 2890000.00 | 200000.00 | Dr |
| 15-01-2014 | By C | | 3000000.00 | 1690000.00 | Dr |
| 15-01-2014 | To C | | 4000000.00 | 1690000.00 | Dr |
| 20-01-2014 | To C | | | 5310000.00 | Dr |
| 22-01-2014 | By RTGS | | | 5000000.00 | Dr |
| 24-01-2014 | To C | | 2000000.00 | 3100000.00 | Dr |
| 27-01-2014 | To C | | 4500000.00 | 2310000.00 | Dr |
| 30-01-2014 | To C | | 4000000.00 | 6810000.00 | Dr |
| 31-01-2014 | To C | | 2700000.00 | 1010000.00 | Dr |
| 01-02-2014 | To C | | 550000.00 | 955000.00 | Dr |
| 02-02-2014 | By RTGS | | | 8000000.00 | Dr |
| 03-02-2014 | To C | | 1000000.00 | 8000000.00 | Dr |
| 05-02-2014 | By RTGS | | | 4350000.00 | Dr |
| 07-02-2014 | To C | | 3092000.00 | 6462000.00 | Dr |
| 08-02-2014 | By RTGS | | | 2000000.00 | Dr |
| 12-02-2014 | To C | | 4400000.00 | 8892000.00 | Dr |
| 13-02-2014 | To C | | 200000.00 | 11492000.00 | Dr |
| 16-02-2014 | To C | | 600000.00 | 11439200.00 | Dr |
| 20-02-2014 | To C | | 1904000.00 | 13345200.00 | Dr |
| 20-02-2014 | By RTGS | | | 5000000.00 | Dr |
| 21-02-2014 | To C | | 1000000.00 | 13345200.00 | Dr |
| 21-02-2014 | To C | | 1000000.00 | 12345200.00 | Dr |
| 22-02-2014 | To C | | 51576000.00 | 17295000.00 | Dr |

FOR ROHIT & COMPANY
PAN : AABC03202D

Date : 27/02/2024

4.15 On analysis of the above-mentioned ledgers, first titled "Rohit & Company" "A/c Fortune Metaliks Limited" and the second "RC" containing "A/c Fortune Metaliks (cash)



A/c", retrieved from the mobile phone of Shri Ravi Sharma, it is revealed that the credit entries in both the ledgers are same except the year i.e. the year of the transaction has been intentionally misrepresented as 2014 instead of 2024 in the second ledger. For instance, credit entries of Rs.25 lakhs dated 09.01.2024, Rs. 70 lakhs dated 11.01.2024, Rs. 50 lakhs dated 22.01.2024 in the ledger "Rohit & Company" has been misrepresented as Rs.25 lakhs dated 09.01.2014, Rs. 70 lakhs dated 11.01.2014, Rs. 50 lakhs dated 22.01.2014 in the second ledger "RC". Furthermore, the debit side of this second "RC" ledger, instead of a "Sale" entry, records **cash transactions with the narration "To C"**. This ledger thus meticulously documents the return of such RTGS amount received from the Noticee No. 6 in cash by the Noticee No. 2.

4.16 The above pattern of transactions, indicates a fraudulent arrangement between the Noticee No. 6 i.e. M/s Fortune Metaliks Limited and the Noticee No. 2 i.e. M/s Rohit & Company under which the banking payments have been made by the Noticee No. 6 to the Noticee No. 2 in order to legitimize the purported sales without supply of any underlying goods, only to be subsequently returned in cash. Thus, the ledger "RC" appears to be a parallel ledger of ledger "Rohit & Company" in which the actual date of transaction (2014 instead of 2024) has been altered intentionally, which has been created for concealing the fraudulent transactions and to keep track of cash returned against the RTGS payment.

4.17 Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur was recorded under Section 70 of the CGST Act, 2017 (**RUD-10**), wherein he inter alia deposed as under –

- i. *He has been working as a Finance Manager at M/s Fortune Metaliks Limited, Raipur, for approximately 18 years.*
- ii. *His responsibilities include filing GST returns, managing sales and purchases, generating e-way bills, and overseeing daily operations related to accounts.*
- iii. *M/s Fortune Metaliks Limited primarily manufactures MS strips and MS TMT.*
- iv. *Their main suppliers for raw materials like sponge iron include M/s IND Synergy Limited, M/s Rourkela Sponge LLP, M/s Rashmi Sponge Iron and Power Industries Pvt Ltd, M/s Bajrang Steel Company, and M/s Kanchan Sales.*
- v. *Their main customers for TMT supply are M/s Bajaj Trading Company, Raipur, M/s Gurunanak Iron, MP, M/s Nirman, Damoh, and M/s Shyam Baba Casting Pvt. Ltd., Maharashtra.*
- vi. *M/s Fortune Metaliks Limited began purchasing Iron Scrap from M/s RP Metal Manufacturing & Recycling (GSTN: 22ABIFR5689M1ZH) in June'2024.*



- vii. *The communication for purchases from M/s RP Metal Manufacturing & Recycling was conducted with Shri Rohit Singla (mobile number 7009290216).*
- viii. *They did not conduct any verification of M/s RP Metal Manufacturing & Recycling before purchasing from them; they considered the party genuine once GSTR-1 was filed and credit reflected in their GSTR-2B.*
- ix. *M/s RP Metal Manufacturing & Recycling have supplied goods to them on FOR basis, meaning M/s Fortune Metaliks Limited was not responsible for freight payments.*
- x. *All payments to M/s RP Metal Manufacturing & Recycling were made through banking channels.*
- xi. *On being told that the majority of suppliers M/s RP Metal Manufacturing & Recycling viz. M/s North East Steel Company, M/s Arvind Traders, and M/s Sky Resources were canceled and their business transactions appeared suspicious, as most of these GST registrations were cancelled due to fraud, wilful misstatement, or suppression of facts, he stated that he is unaware of their suppliers.*
- xii. *He perused and confirmed the chat printouts from his WhatsApp with "FML - Hori Lal Sahu" and ledgers from "NRA - Vicky Rai" which were found on his mobile, however, he did not provide any explanation regarding those chats.*
- xiii. *He expressed his full satisfaction with the Panchnama proceedings conducted at their premises on 19/20.10.2024.*

4.18 Subsequently, the data from the mobile phone of Ravi Sharma, that was seized during the search conducted at the declared principal place of business of M/s Fortune Metaliks Limited at Village-Kapasda, Bilaspur Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221, was retrieved on 19.11.2024 in his presence and the proceedings of the same has been recorded under panchnama dated 19.11.2024. (**RUD-11**). On-going through the retrieved data, same ledgers named "Rohit & Company", "RC" were found which contained suspicious banking and cash transactions of M/s Fortune Metaliks Limited with M/s Rohit and Company.

4.19 Further, during the course of investigation, it was also noticed that one of the suppliers of the Noticee No. 1 is the Noticee No. 2 i.e. M/s Rohit & Company (GSTIN: 03AEFPS0747H1ZM), in which Shri Rohit Singla is a proprietor and has also shown outward supplies to the Noticee No. 6 in their GSTR-1. However, on verification of



movement of vehicles as per e-way bills from the e-way bill portal in respect of such outward supplies made, no vehicle movements were noticed (**RUD-12**). Thus, it was revealed that the Noticee No. 2 also appears to be engaged in passing on of ineligible ITC without any underlying supply of goods therein to both the Noticee No. 1 as well as to the Noticee No. 6 i.e. both M/s RP Metal Manufacturing & Recycling and M/s Fortune Metaliks Limited, inasmuch as there was no movement of vehicles as per e-way bill Portal.

4.20 Accordingly, various summons were issued to the Shri Rohit Singla on 23.10.2024, 28.10.2024 and 20.11.2024 requiring his presence for tendering oral evidence and in compliance to above mentioned summons, he appeared at the office of DGGI, Raipur on 20.11.2024 and 22.11.2024 after repeated adjournments and significant delays. Shri Rohit Singla kept on dodging the matter and avoided the enquiry by sending his representative or citing various reasons. He finally made himself available on 20.11.2024 after the lapse of nearly one month from the date of initiation of the enquiry.

4.21 STATEMENT OF SHRI ROHIT SINGLA RECORDED ON 20.11.2024 AND 22.11.2024.

Statement of Shri Rohit Singla was recorded on 20.11.2024 (**RUD-13**) and 22.11.2024 (**RUD-14**) under section 70 of the CGST Act, 2017 and was confronted with the evidences gathered during the course of investigation, wherein he, inter-alia deposed as under –

- i. *He confirmed his satisfaction with the search proceedings conducted on 19.10.2024, at both of his business premises and at his residence.*
- ii. *He submitted that his partnership firm M/s RP Metal Manufacturing & Recycling is engaged in processing and trading of M.S. scrap. The factory is equipped with shredding, bundling, loading/unloading machines, and a tractor for scrap processing.*
- iii. *He submitted that apart from M/s RP Metal Manufacturing & Recycling (GSTIN: 22ABIFR5689M1ZH) he is associated with other firms such as his proprietorship firm M/s Rohit & Company (GSTIN: 03AEFPS0747H1ZM) which is engaged in trading of semi-finished iron and steel products since July 2017 and his other partnership firm M/s NRA Overseas LLP (GSTIN: 22AAPFN9812L1ZT).*
- iv. *He admitted to overseeing the business activities of his firms namely M/s RP Metal Manufacturing & Recycling and M/s Rohit & Company.*
- v. *No business activities are being conducted from the principal place of business of M/s RP Metal Manufacturing and Recycling for last 2-3 months and all current operations are being carried out from their plant at Plot No 19, Metal Park Area,*



Rawatbhata, Raipur, Chhattisgarh – 492001, which is also listed as an additional business address in their GST registration.

- vi. He does not personally know the suppliers of M/s RP Metal Manufacturing & Recycling and has never met them.
- vii. Goods from M/s North East Steel Company were purchased through brokers such as Ami (Mobile: 97611-22517), while goods from M/s Sky Resources and M/s Arvind Trader were purchased through broker Irfan (Mobile: 85709-10648).
- viii. Transportation for both the suppliers and buyers of M/s RP Metal Manufacturing & Recycling is on an FOR (Free on Road) basis. Suppliers are responsible for the transport and payment of goods purchased by them. Similarly, the cost for the transport of goods sold to its customers is borne by them.
- ix. He admitted that they have received invoices from M/s North East Steel Company, M/s Sky Resources, and M/s Arvind Traders without actual supply of goods.
- x. He stated that they had purchased scrap from local suppliers of Chhattisgarh and these local purchases were then combined with the fake bills to supply goods to various buyers like M/s Fortune Metaliks Limited and M/s Balaji Iron and Steel Traders.
- xi. He did not comment on the bogus nature of M/s North East Steel Company, M/s Sky Resources, and M/s Arvind Traders, claiming he didn't know them personally and relied on brokers.
- xii. On being asked about the documents seized from his son Parth Singla's mobile phone and the factory premises, he admitted that the seized weighment slips and register entries reflected purchase of scrap from local individual venders like Imran, Ashutosh, Amir and Shahid etc, which were then supplied to their buyers under the cover of bogus purchase invoices issued from M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company.
- xiii. He denied having any details of local individual venders.
- xiv. He could not comment on the seals/stamp of various companies/firms including M/s North East Steel Company, M/s Sky Resources etc., found at the factory/business premises of M/s RP Metal Manufacturing & Recycling and he denied operating any of these companies/firms, asserting that their bills were



arranged by brokers.

- xv. *He admitted that his proprietorship firm M/s Rohit & Company has issued invoices of TMT bar to M/s RP Metal Manufacturing & Recycling and invoices of MS Billet to M/s Fortune Metaliks Limited, without actual supply of underlying supply of goods, as indicated by movement of vehicles analyzed from e-way bill portal data.*
- xvi. *On being asked about the two ledgers named "Rohit & Company" and "RC" found on the mobile phone of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited, Raipur, during the search conducted by DGGI, Raipur Zonal Unit on 19.10.2024, at the factory premises of M/s Fortune Metaliks Limited, Raipur, he stated that the "Rohit & Company" ledger pertains to his firm, M/s Rohit & Company (GSTIN-03AEFPS0747H1ZM), from which he had issued bills against purported sale made and the "RC" ledger details the cash returned to M/s Fortune Metaliks Limited against RTGS payments against such bills raised.*
- xvii. *He further confessed that payments received via RTGS from M/s Fortune Metaliks Limited were subsequently returned back in cash.*
- xviii. *On being confronted regarding the availment and utilization/passing on of ineligible ITC of Rs 5,91,40,415/- on the strength of invoices issued by the four suppliers viz. M/s North East Steel Company, M/s Sky Resources, M/s Rohit & Company, M/s Arvind Traders without actual supply of underlying goods, he accepted the liability.*
- xix. *He further submitted that he has discharged GST liability of Rs.99,75,044/- voluntarily via DRC-03 dated 22.11.2024 and assured to discharge the balance liability of Rs.4,91,65,371/-, along with interest and penalty at the earliest.*

4.22 In the above statement, Shri Rohit Singla was confronted with the strong evidences gathered during the investigation, which clearly demonstrated his involvement in a scheme designed to pass on fraudulent ITC without any underlying supply of goods, thereby exposing a well devised modus-operandi envisaged to pass on fraudulent ITC without any underlying supply of goods to defraud the Government exchequer. Shri Rohit Singla admitted to overseeing business operations for both Noticee No. 1 and the Noticee No. 2. He further admitted that the Noticee No. 1 has purchased non-GST paid scrap from local vendors in Chhattisgarh and supplied the same to their customers under the cover of GST invoices and settled their GST liability using fake input invoices showing scrap purchases from entities in Uttar Pradesh and Punjab namely M/s North East Steel Company, M/s Sky Resources, M/s Rohit & Company and M/s Arvind Traders during the Financial Year 2024-



25 as detailed in the Table A below –

Table A

| Availment/ Utilization of fraudulent/ineligible ITC by M/s RP Metal Manufacturing & Recycling (the Noticee No. 1) | | |
|--|-------------------------------|------------------------------------|
| GSTIN of Supplier | Trade Name of Supplier | Total ITC involved (in Rs.) |
| 09DYYPK3223G1Z0 | M/s North East Steel Company | 3,09,15,350 |
| 09GAZPM2441C1ZD | M/s Sky Resources | 1,20,19,484 |
| 03AEFPS0747H1ZM | M/s Rohit & Company | 1,36,74,577 |
| 09FVVPK2060R1ZJ | M/s Arvind Traders | 25,31,004 |
| TOTAL | | 5,91,40,415 |

4.23 Further, on analysis of GSTR 2A of Rohit & Company (GSTIN-03AEFPS0747H1ZM), it is observed that M/s North East Steel Company (GSTIN - 09DYYPK3223G1Z0) has also passed on ineligible ITC of Rs.1,45,00,834/- to M/s Rohit & Company, Punjab in the F.Y. 2024-25 by way of issuing invoices without actual supply of underlying goods and the same is also corroborated from the e way bill portal as there is no vehicle movement between the source and destination in the corresponding e-way bills generated for showing purported supplies from M/s North East Steel Company to M/s Rohit & Company. The details of availment of ineligible ITC by M/s Rohit & Company on the strength of bogus invoices issued by M/s North East Steel Company is given in Table B below –

Table B

| Availment/ Utilization of fraudulent/ineligible ITC by M/s Rohit & Company (the Noticee No. 2) | | |
|---|-------------------------------|------------------------------------|
| GSTIN of Supplier | Trade Name of Supplier | Total ITC involved (in Rs.) |
| 09DYYPK3223G1Z0 | M/s North East Steel Company | 1,45,00,834 |
| TOTAL | | 1,45,00,834 |

4.24 Additionally, Shri Rohit Singla in his statement has also admitted that the Noticee No. 2 has issued only invoices to the Noticee No. 6 i.e. M/s Fortune Metaliks Limited without any actual underlying supply of goods therein, during F.Y. 2023-24 (January'2024 onwards) & F.Y. 2024-25, as detailed in Table B below: –

Table C

| Passing on of fraudulent/ineligible ITC by M/s Rohit & Company (the Noticee No. 2) to M/s Fortune Metaliks Limited (the Noticee No. 6) | | |
|---|----------------------------|------------------------------------|
| GSTIN of Buyer | Trade Name of Buyer | Total ITC involved (in Rs.) |
| 22AABCF3202D2ZL | M/s Fortune Metaliks Ltd. | 5,20,81,901 |
| Total | | 5,20,81,901 |

4.24 Further, Shri Rohit Singla, during the process of tendering oral statement under section 70(1) of the CGST Act, 2017 on 22.11.2024, accepted the lapses on his part and even voluntarily submitted the DRC-03 mentioning the payment of IGST of Rs.99,75,044/- discharged under section 73(5)/74(5) of the CGST Act, 2017 (**RUD-15**) in respect of the



bogus purchases made from the aforementioned Punjab & U.P based suppliers.

4.25. ARREST OF SHRI ROHIT SINGLA ON 22.11.2024:

In view of the above evidences and Shri Rohit Singla's own admission in his statement dated 22.11.2024, it is revealed that he is the key person behind the availment and utilization of fraudulent ITC of Rs. 5,91,40,415/- without any underlying receipt of goods on the strength of fake invoices arranged from firms/entities of Uttar Pradesh & Punjab, through the Noticee No. 1 and passing on of fraudulent ITC of Rs. 5,20,81,091/- without any underlying supply of goods through the Noticee No. 2 to the Noticee No. 6. Thus, he appeared to have committed offences under section 132(1)(b), section 132(1)(c) and section 132(1)(f) of the CGST Act, 2017, which are punishable with imprisonment for a term that may extend to five years along with a fine, as provided under section 132(1)(i) and accordingly, was arrested on 22.11.2024, on the directions of competent authority under section 69 of the CGST Act, 2017, for his involvement in availment of fraudulent Input Tax Credit (ITC) to the tune of Rs.11,12,22,316/- and utilizing/passing on of fraudulent ITC to the tune of Rs. 11,12,22,316/-.

4.26 Further, summon dated 25.11.2024 was issued to Shri Ravi Sharma, Finance Manager, of the Noticee No. 6, for confronting him regarding the evidences found in his mobile phone and to tender his oral evidence. In compliance, he along with the CEO of the company Shri Rajeshkumar Tejpal Gaur appeared at the office of DGGI, Raipur on 29.11.2024 (**RUD-16**) and his statement was recorded under Section 70 of the CGST Act, 2017 wherein he deposed inter-alia as under –

- i. *All purchase decisions for Fortune Metaliks Ltd. are made by the Head Office in Punjab, and no physical purchase orders are issued and orders are placed over the phone.*
- ii. *They have purchased scrap from M/s R P Manufacturing & Recycling and TMT scrap & MS Billet from M/s Rohit & Company. Rohit Singla was the contact person for both firms.*
- iii. *Special-grade MS Billets were procured from Mandi Gobindgarh (Punjab) despite local availability in Chhattisgarh, due to specific chemical composition needs and cost advantages even after including freight from Punjab to Chhattisgarh.*
- iv. *Spectro tests were used to verify MS Billet quality, but the company did not maintain records of these tests.*
- v. *All goods were received on FOR basis i.e. suppliers bore the freight cost.*



- vi. On being shown e-way bill data indicating no vehicle movement for e-way bills issued by M/s Rohit & Co., he stated that they have received the material from these parties and payments were made via bank, but failed to provide any explanation regarding vehicle movement.
- vii. On being shown some ledgers named "Rohit & Company", "RC", Fortune Metaliks new (tax) A/c" that has been retrieved from his mobile phone which indicated possible circular transactions i.e. RTGS payment followed by cash return, he acknowledged that the files were from his phone but denied awareness of cash dealings.
- viii. On being shown the statement of Shri Rohit Singla dated 22.11.2024 wherein he admitted the issuance of bills from M/s Rohit & Company without actual supply of goods, he stated that he don't know why Shri Rohit Singla has given such statement and insisted that they have received the goods.
- ix. On being asked to submit relevant purchase documents such as bilties, weighment slips, purchase invoice etc. in respect of M/s Rohit & Company, he sought 6 to 7 days.

4.27 During the course of further investigation, the following facts emerged –

- i. On scrutiny of transport related documents which were seized during the search proceedings revealed that many of the transporters shown to be engaged in purported inward supplies of the Noticee No. 1 have shown false/non-existent GST numbers in their transport bilties. Further, there appears to be no vehicle movement between source and destination shown in these transport bilties as per the e-way bill portal. The details of such transporters are as below -

| Sl. No. | Name of transporter | GSTIN/ PAN mentioned in Transport Bility | Remarks as per GSTN Backend Portal |
|--------------------|--|---|---|
| 1 | Super India Transport Company & Commission Agent | 09APBPN8514J1ZM | No Details Found |
| 2 | Super Transport Company & Commission Agent | DIAPG6785H | No Details Found |
| 3 | Shri Vinod Radha Transport Company | 09AHYPM8320N1ZD | No Details Found |
| 4 | Khabra Roadlines | 03DYYPK3223G1ZC | Details Found |
| 5 | New Gobinda Transport Service | LICPO8614C | No Details Found |
| 6 | Shri Nmo Transport | 03CDHPL0520E1ZE | No Details Found |



| | Company | | |
|---|-------------------|-----------------|------------------|
| 7 | Krishna Road Line | 03BODPS4242C1ZE | No Details Found |
| 8 | Keerat Roadlines | 03EQDPK8584E1ZQ | No Details Found |

- ii. One of the main suppliers of the Noticee No. 1 i.e. i.e. M/s North East Steel Company (the Noticee No. 7) has also shown outward supply of goods to M/s Rohit & Company, Punjab (the Noticee No. 2). However, no movement of vehicles has been noticed between the source and destination in respect of such supplies between the two parties on e-way bill portal.
- iii. A common mobile number (9876797500) belonging to Shri Jasvinder Singh (alias Vicky Rai) have been used in the GST registration of two of two main suppliers of the Noticee No. 1 namely, M/s North East Steel Company (the Noticee No. 7) & M/s Sky Resources (the Noticee No. 8).
- iv. GST returns of the two suppliers firms of the Noticee No. 1 namely, M/s North East Steel Company & M/s Sky Resources are being filed from the same IP addresses. The snapshot of the same is reproduced as below:

| Name of Taxpayer | GSTIN | Module | IP Address | ARN / Reference Number /CPIN | Activity Type | Return Period | Activity Date & Time |
|--------------------------|-----------------|--------|----------------|------------------------------|---------------------|---------------|----------------------|
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.58.154.73 | AA0905245372355 | Form GSTR -01 Filed | May-24 | 10-06-2024 12:56 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.58.185.118 | AC0905240498011 | Form GSTR -3B Filed | May-24 | 20-06-2024 23:23 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.59.187.197 | AA0906242104992 | Form GSTR -01 Filed | Jun-24 | 03-07-2024 13:33 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.59.188.76 | AC0906245822023 | Form GSTR -3B Filed | Jun-24 | 20-07-2024 20:16 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.59.184.22 | AA0907242154637 | Form GSTR -01 Filed | Jul-24 | 03-08-2024 17:13 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.59.187.150 | AB090724129861W | Form GSTR -3B Filed | Jul-24 | 16-08-2024 14:33 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.59.185.47 | AA090824267687F | Form GSTR -01 Filed | Aug-24 | 05-09-2024 12:41 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.58.185.47 | AA090824268172P | Form GSTR -3B Filed | Aug-24 | 05-09-2024 12:49 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.58.152.222 | AA0909243916770 | Form GSTR -01 Filed | Sep-24 | 07-10-2024 15:25 |
| North East Steel Company | 09DYYPK3223G1Z0 | Return | 152.58.152.222 | AA090924391924I | Form GSTR -3B Filed | Sep-24 | 07-10-2024 15:29 |
| Sky Resources | 09GAZPM2441C1Z0 | Return | 152.59.184.22 | AA0909242154637 | Form GSTR -01 Filed | Jul-24 | 03-08-2024 17:13 |
| SKY Resources | 09GAZPM2441C1Z0 | Return | 152.59.187.150 | AB090724129861W | Form GSTR -3B Filed | Jul-24 | 16-08-2024 14:31 |
| SKY Resources | 09GAZPM2441C1Z0 | Return | 152.59.185.47 | AA090824267687F | Form GSTR -01 Filed | Aug-24 | 05-09-2024 12:41 |
| SKY Resources | 09GAZPM2441C1Z0 | Return | 152.59.185.47 | AA090824268172P | Form GSTR -3B Filed | Aug-24 | 05-09-2024 12:49 |
| SKY Resources | 09GAZPM2441C1Z0 | Return | 152.58.152.222 | AA090924391677D | Form GSTR -01 Filed | Sep-24 | 07-10-2024 15:25 |
| SKY Resources | 09GAZPM2441C1Z0 | Return | 152.58.152.222 | AA090924391924I | Form GSTR -3B Filed | Sep-24 | 07-10-2024 15:29 |

- v. During the search conducted at the residential premises of Shri Rohit Singla under panchnama proceedings dated 19.10.2024, transport bilties of various transporters were recovered in triplicate having similar handwriting and signatures.
- vi. Further, it observed that M/s Rohit & Company has supplied MS Billets to various buyers in Chhattisgarh despite Chhattisgarh having significant



production of MS Billets, which also appears to be unjustified considering the higher freight charges involved in transporting MS Billets from Mandi Gobindgarh, Punjab, when MS Billets could be purchased locally in Chhattisgarh at a considerably lower freight cost.

- vii. It was revealed that the Shri Rohit Singla is a partner in two more firms i.e. M/s NRA Overseas LLP and M/s Manthan Minerals. M/s NRA Overseas LLP holds GST registrations in two states: Punjab (GSTIN: 03AAPFN9812L1ZT) (hereinafter referred to as "Noticee No. 3") and Chhattisgarh (GSTIN: 22AAPFN9812L1ZT) (hereinafter referred to as "Noticee No. 5") and M/s Manthan Minerals hold GST registration in Punjab (GSTIN: 03ABUFM5840K1ZT) (hereinafter referred to as "Noticee No. 4"). Scrutiny of the GST returns of the above-mentioned partnership firms of Shri Rohit Singla i.e. the Noticee No. 3 and the Noticee No. 4 revealed that these firms have shown majority of their outward supplies to M/s Fortune Metaliks Limited, Raipur and the Noticee No. 5 i.e. M/s NRA Overseas LLP, Raipur. However, verification of vehicle movement related to the e-way bills raised against the outward supplies made these firms (**RUD-17**) revealed no actual vehicle movement between the source and destination, indicating that Shri Rohit Singla is indulged in issuance of fake invoices without any actual supply of goods through these firms also.

4.28. STATEMENT OF SHRI ROHIT SINGLA RECORDED ON 13.12.2024.

In this regard, statement of Shri Rohit Singla was again recorded on 13.12.2024 (**RUD-18**) under Section 70 of the CGST Act, 2017 after due approval from Hon'ble CJM Court, while he was in judicial custody at Central Jail, Raipur, confronting him regarding the above observations, wherein he, inter-alia deposed as under –

- i. *He confirmed his satisfaction with the search proceedings conducted on 19.10.2024, at both the business premises and his residence.*
- ii. *He deposed that he is not satisfied with his statement tendered on 22.11.2024, claiming it was given by him under pressure. He stated that although the statement was tendered in presence of his CA/legal counsel, the questions were business-related and he had no involvement in these matters.*
- iii. *On being asked about the local suppliers of M/s RP Metal Manufacturing & Recycling, he stated he does not know individuals like Imran, Ashutosh, Ameer, Shahid, etc. and stated that these names might belong to individuals who provided vehicles used for internal sorting and movement of purchased goods i.e.*



scrap within the plant of M/s RP Metal Manufacturing & Recycling and this work is managed by his staff.

- iv. On being asked about the details of the suppliers of M/s Rohit & Company, he stated that their business primarily conducted through brokers and he does not personally know all the suppliers or associated individuals.
- v. On being confronted about non-movement of vehicles from the supplier M/s North East Steel Company to M/s Rohit & Company, he stated that he is unable to comment on vehicle movement for goods as they have purchased goods on FOR basis.
- vi. He stated that the mobile number 9876797500, mentioned in the GST registration of M/s RP Metal Manufacturing & Recycling belongs to a person named Shri Jasvinder Singh, a consultant who handles their GST return filing.
- vii. On being told that the same phone number (9876797500) has been linked with the GST registration of his firm M/s RP Metal Manufacturing & Recycling and his supplier firm M/s Sky Resources (GSTIN -09GAZPM2441C1ZD), he stated that this number belongs to their consultant, Mr. Jaswinder, who likely handles GST related work for both the firms.
- viii. On being shown that the same IP address has been used for filing GST Returns of his supplier firms M/s North East Steel Company and M/s Sky Resources, he stated that he cannot comment on this matter as these firms are not related to him.
- ix. On being asked about the transport bilities related to purchase of goods by M/s RP Metal Manufacturing & Recycling found during the search, he stated that he does not personally know the transporters listed in the bilities recovered during the search, as all their transportation is arranged by brokers.
- x. He failed to comment on why GST numbers mentioned in the transport bilities of most of these transporters are invalid and why there is no vehicle movement on the e-way bill portal, stating that these transporters were arranged by brokers.
- xi. He could not explain why triplicate transport bilities with similar handwriting and signatures pertaining to different transporter firms were found at his residential premises, and submitted that these activities were being managed by his staff with the help of brokers, hence he does not have any idea in this regard.



- xii. He informed that in M/s NRA Overseas LLP (GSTIN: 22AAPFN9812L1ZT/03AAPFN9812L1ZT) and M/s Manthan Minerals (GSTIN: 03ABUFM5840K1ZT) are partnership firms and he along with Shri Deepak Bansal are in 50%-50% partnership in both of these firms. These firms deals in iron trade (billet, sponge iron, TMT). Currently, no business activities are being carried out from these firms and he informed that Shri Deepak Bansal manages all the business activities of both of these firms.
- xiii. The declared principal place of business of M/s NRA Overseas LLP (Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001) has been vacated 2-3 months prior as no business activities were being carried out. Another declared address is 4/12 bigha, Model Town, Tehsil Amloh, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301.
- xiv. He failed to provide details of buyers, suppliers, transportation arrangements, and freight payments details related to M/s NRA Overseas LLP and M/s Manthan Minerals stating that all the business activities of these firms are managed by his partner Shri Deepak Bansal.
- xv. He failed to comment on the lack of vehicle movement for e-way bills related to outward sales made by M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, stating that all the business activities of these firms are managed by his partner Shri Deepak Bansal.
- xvi. On being questioned on the relevance of purchase of MS Billet from Punjab and not from Chhattisgarh itself, where the same is in abundance, he explained that MS Billet is purchased from outside Chhattisgarh for special specifications not produced locally, as Chhattisgarh produces sponge-based billets while Punjab produces scrap-based MS Billet.

4.29 In his above statement dated 13.12.2024, although Shri Rohit Singla acknowledged his role as a partner in these partnership firms namely M/s NRA Overseas LLP and M/s Manthan Minerals, he claimed that the business activities of these firms are managed by his partner Shri Deepak Bansal. Accordingly, summons dated 13.12.2024, 20.12.2024, 06.01.2025, 20.01.2025 and 17.02.2025 have been issued to Shri Deepak Bansal for tendering his statement in this regard but he has not presented himself for the same. The details thereof are as follows:



| S. No. | Date of issuance of Summons | Date of compliance as desired in Summons | Schedule requested as in Summons | | Compliance by the party | | Reply submitted by the party |
|--------|-----------------------------|--|----------------------------------|--------------------------|-------------------------|-------------------------|---|
| | | | Submission of documents | To tender oral evidences | Submission of documents | To tender oral evidence | |
| 1 | 13.12.2024 | 19.12.2024 | Yes | Yes | No | No | Letter received on 20.12.2024 requesting time extension and ensuring appearance on 27.12.2024, but did not appear. |
| 2 | 20.12.2024 | 27.12.2024 | Yes | Yes | No | No | No reply submitted and did not appear. |
| 3 | 06.01.2025 | 10.01.2025 | Yes | Yes | No | No | Submitted reply vide letter dated 10.01.2025 wherein he is putting all blame on his business partner Shri Rohit Singla, but did not appear. |
| 4 | 20.01.2025 | 03.02.2025 | No | Yes | No | No | No reply submitted and did not appear. |
| 5 | 17.02.2025 | 21.02.2025 | No | Yes | No | No | Submitted reply vide letter dated 20.02.2025 wherein he is putting all blame on his business partner Shri Rohit Singla, but did not appear. |

4.30 However, in response to summons dated 06.01.2025 and 17.02.2025, Shri Deepak Bansal vide his letters dated 10.01.2025 and 21.02.2025 (**RUD-19**), has squarely placed all the blame on his business partner Shri Rohit Singla and has submitted the following –

- i. *Though he is partner in these concerned firms viz. M/s NRA Overseas LLP and M/s Manthan Minerals, but he was never involved in the business operations of these firms.*
- ii. *All the purchase, sales and banking operations were operated by his partner Shri Rohit Singla from the starting.*
- iii. *He was introduced in these already running businesses of Shri Rohit Singla by one of his uncles.*
- iv. *All the cheques and bank transfers were done with the signature and OTP of Shri Rohit Singla.*



- v. *Later, a dispute arose between him and Shri Rohit Singla as he did not share the business details with him. Further, Shri Rohit Singla asked him to discontinue with the firms and restricted him to enter in the office.*
- vi. *All the books of accounts related to both of these firms are with Shri Rohit Singla only.*
- vii. *Further, he also submitted the copy of FIR filed by Shri Rohit Singla against him where it was narrated that these firms and their operation belong to Shri Rohit Singla.*

4.31 On one hand, Shri Rohit Singla in his statement dated 13.12.2024 has alleged that the business operations of M/s NRA Overseas LLP and M/s Manthan Minerals are handled by his partner Shri Deepak Bansal, whereas on the other hand Shri Deepak Bansal through his submissions has alleged that Mr. Rohit Singla was solely responsible for the business operations of both of these firms. Therefore, the presence of Shri Deepak Bansal was ascertained as requisite for recording his statement and submission of documents pertaining to M/s NRA Overseas LLP and M/s Manthan Minerals, but Shri Deepak Bansal despite of issuance of several summons has not presented himself before the department and has not cooperated during the course of investigation. Accordingly, a complaint under section 208 & 210 of the Bharatiya Nyaya Sanhita, 2023 read with section 70 of the Central Goods and Services Tax Act, 2017 was filed in the court of the Chief Judicial Magistrate Raipur (C.G) (**RUD-20**) and a summon have been issued by the Hon'ble Court.

4.32 Further, during the course of recording of statement on 13.12.2025, on being asked about the transport bilities related to purchase of goods by M/s RP Metal Manufacturing & Recycling found during the search, Shri Rohit Singla denied knowing any of the transporters listed in the transport bilities, stating that all such transportations were arranged through brokers. Accordingly, various summons were also issued to the above-mentioned transporters on 04.12.2024, 20.12.2024 and 06.01.2025 (**RUD-21**), requiring their appearance for tendering oral evidences. However, almost all the summons returned back on account of either being person not found on the address mentioned in the bilities or incomplete address and hence none of the transporters came forward to record their statement till date.

4.33 Further, in his statement dated 29.11.2024, Shri Ravi Sharma, Finance Manager of M/s Fortune Metaliks Limited had requested for 6 to 7 days of time for submission of relevant purchase documents such as purchase invoice, transport bilities, weighment slips, etc. in respect of inward supplies from M/s Rohit & Company, but the same were not submitted even after a considerable span of time, accordingly, a summon dated 12.12.2024 was issued to him and in compliance of the same, he appeared on 18.12.2024 and his



statement (**RUD-22**) was recorded under Section 70 of the CGST Act, 2017, wherein he inter-alia deposed as under –

- i. *He reaffirmed his deposition as per his previous statements dated 20.10.2024 and 29.11.2024.*
- ii. *He stated that all decisions regarding purchase of goods by M/s Fortune Metaliks Ltd. (GSTIN: 22AABCF3202D2ZL) are taken by their Head Office located in Punjab. However, he could not provide the name of the concerned person and assured to provide the same within 2-3 days.*
- iii. *He reiterated that no purchase orders were issued by the company and all orders were placed over phone by the Head Office. He again could not provide the name of the person issuing such orders and sought time to provide the detail in this regard.*
- iv. *He stated that the special-grade MS Billets are used in manufacturing TMT bars and strips, which are supplied against specific orders to clients such as M/s Megha Engineering and M/s OFB Tech Pvt. Ltd and these are available in Punjab.*
- v. *He clarified that their company does manufacture special-grade MS Billets in Raipur, subject to the availability of quality raw materials such as DR Cello sponge or heavy/melting selected scrap. In absence of such materials, the billets are procured from outside sources, including Punjab-based firms.*
- vi. *On being asked about the ledgers found on his mobile, he identified "Vicky Rai" as a staff member of M/s NRA Overseas LLP, who had sent these ledgers in his WhatsApp.*
- vii. *He submitted available documents such as invoices, e-way bills, bility, weighment slips, and ledgers for M/s Rohit & Company.*
- viii. *On being shown GSTR-2A data reflecting purchases from M/s Manthan Minerals and M/s NRA Overseas LLP, he stated that he will verify the records and then only will be able to answer in this regard.*
- ix. *On being asked to submit the documents pertaining to purchase of goods from M/s Manthan Minerals and M/s NRA Overseas LLP, he stated that documents pertaining to such suppliers are sent annually to the Head Office in Punjab for audit and sought 15 days to retrieve and submit them.*



- x. On being confronted regarding the non-movement of vehicle as per the fastag/movement analysis data as per e-way bill portal, pertaining to purchase of goods from M/s Manthan Minerals and M/s NRA Overseas LLP, he reiterated that his company has physically received all goods and payments were made via banking channel after deducting TDS, and TDS certificates were issued.

4.34 Subsequently, summons dated 06.01.2025 and 20.01.2025 were issued again to Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited, Raipur for submission of requisite documents and for tendering of oral evidence. In compliance, Shri Ravi Sharma appeared at the office of DGGI, Raipur on 04.02.2025 and his statement (**RUD-23**) was recorded under Section 70 of the CGST Act, 2017 wherein he, inter-alia deposed as under –

- i. He reaffirmed that he had read and is satisfied with the contents of his earlier statements dated 20.10.2024, 29.11.2024, and 18.12.2024.
- ii. He reiterated that all purchase-related decisions for M/s Fortune Metaliks Ltd. (GSTIN: 22AABCF3202D2ZL) are taken by their Head Office located in Punjab, but again failed to provide the name of the concerned person and assured to provide the same after consultation with the head office.
- iii. He again failed to identify the person responsible for placing the orders in respect of M/s Fortune Metaliks Limited, Raipur.
- iv. He stated that they have purchased MS Billets, Sponge Iron, and TMT Scrap from M/s Manthan Minerals and M/s NRA Overseas LLP.
- v. All decisions regarding purchases from Manthan Minerals and NRA Overseas LLP were taken by the Punjab head office and that communication regarding payments was handled by an individual named Shri Ashwani (Mobile: 8579108852).
- vi. When asked about Input Tax Credit (ITC) reconciliation for FY 2021-22 to 2023-24, he informed that the details would be provided within a week.
- vii. He again assured to submit documents such as Bills/Invoices, transportation documents (e-way bills, bilities, weighment slips), banking transaction proofs, Ledgers pertaining to purchase of goods from Manthan Minerals and NRA Overseas LLP.

4.35 Further, upon analysis of the transportation documents seized from the premises of M/s RP Metal Manufacturing and Recycling and the purchase documents pertaining to M/s RP Metal Manufacturing and Recycling and M/s Rohit & Company submitted by M/s



Fortune Metaliks Limited revealed the following facts –

- i. M/s Khabra Roadlines (GSTIN-03DYYPK3223G1ZC) and M/s Keerat Roadlines (GSTIN 03EQDPK8584E1ZQ) are two major transport firms, which were alleged to be engaged in transportation of goods from Punjab and UP based firms to the firms located in Raipur i.e. M/s RP Metal manufacturing and Recycling and M/s Fortune Metaliks Limited.
- ii. Shri Mahinder Kumar is proprietor of M/s Khabra Roadlines and is also the proprietor of M/s North East Steel Company (GSTIN: 09DYYPK3223G1Z0), which is one of the major suppliers of M/s RP Metal Manufacturing and Recycling and M/s Rohit & Company.
- iii. Mobile Number mentioned in the transport bill of M/s Keerat Roadlines is 7696513581. On checking the GST number associated with this mobile number in the e-way bill portal, it has been noticed that this mobile number has also been used in generation of e-way bill of M/s Khabra Roadlines, which indicates that both the roadlines are being managed by the same person, i.e. Shri Mahinder Kumar.
- iv. GST number mentioned in the transport bill of M/s Keerat Roadlines i.e. 03EQDPK8584E1ZQ is found to be invalid and the corresponding PAN number i.e. EQDPK8584E belongs to one Amanpreet Kaur.
- v. GST number of M/s Khabra Roadlines has been suspended/cancelled with effect from 16.12.2024 and no statutory returns have been filed for the said GSTIN.
- vi. GST returns of the supplier firms i.e. M/s North East Steel Company and M/s Sky Resources are being filed from same IP addresses, which also indicates that both the firms are being managed by the same person.
- vii. M/s North East Steel Company has obtained GST registration in the month of May'2024 and have shown outward supplies having total taxable value of Rs.29.77 crores within a span of just 5 months (May'2024 to September'2024), which appears to be suspicious.

4.36 In view of the above, it was noticed that Shri Mahinder Kumar is the common person associated with the supplier firms (M/s North East Steel Company and M/s Sky Resources) and the transporter firms (M/s Khabra Roadlines and M/s Keerat Roadlines). Further, since repeated summons were issued to aforesaid firms at their registered place of



business had returned back, the details of residential address of Shri Mahindra Kumar were gathered from the Aadhar data available in the GST registration of M/s Khabra Roadlines. Accordingly, an enquiry under search mode was initiated at the residential address of Shri Mahinder Kumar located at House Number 89, Sector- 5B, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, India, 147301, in order to verify the genuineness of aforementioned supplier firms and transporter firms. Further, it was also noticed that three more transporters namely M/s Krishna Roadlines, M/s Shri NMO Transport Company, M/s New Gobinda Transport Service were also located in the vicinity of the address of Shri Mahinder Kumar at Mandi Gobindgarh as mentioned above, hence inquiry against these three transporters was also initiated under inspection mode.

4.37 During the course of search conducted on 11.02.2025 at the residential premises of Shri Mahinder Kumar located at House Number 89, Sector- 5B, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, India, 147301, incriminating documents related to M/s Khabra Roadlines and M/s Keerat Roadlines along with transport bilties of 4 other transporter firms namely Super India Transport Company Private Limited, Shri Vinod Radha Transport Company, Siddhu Transport Company and Krishna Roadlines were recovered and seized under INS-02 of panchnama dated 11.02.2025 (**RUD-24**).

4.38 Statement of Shri Mahinder Kumar (**RUD-25**), proprietor of M/s Khabra Roadlines and proprietor of M/s North East Steel Company was recorded under Section 70 of the CGST Act, 2017 on 11.02.2025, wherein he has deposed the following –

- i. *He is currently working as a daily wages labour in a Rolling Mill and prior to that he was working as supervisor at M/s Nandini Alloys during day time and during night he used to work as a security guard at Saint Farid School located in his neighborhood.*
- ii. *Although M/s Khabra Roadlines (GSTIN:03DYYPK3223G1ZC) and M/s North East Steel Company (GSTIN: 09DYYPK3223G1Z0) are registered in his name, he was never involved in any kind of work related to the above firms.*
- iii. *All the business activities of M/s Khabra Roadlines are seen and managed by his brother Shri Surinder Kumar.*
- iv. *He deposed that M/s North East Steel Company does not belong to him. This firm was opened in his name by a person named Shri Jasvinder Singh (alias Vicky Rai) in exchange for promised monthly amount of Rs.20,000/- Till date, he has only received Rs.10,000/- in cash from him and he has nothing to do with the business activity of this firm. He further informed that Shri Jasvinder Singh (alias Vicky Rai) works for Shri Rohit Singla in his firm.*



- v. *He has visited Prayagraj two times on the instance of Shri Jasvinder Singh and during both visits, he was accompanied with Shri Jasvinder Singh, for completing the formalities related to GST registration. However, he has no knowledge regarding the business activity of M/s North East Steel Company.*
- vi. *He further stated that all the queries related to business activities of M/s Khabra Roadlines (GSTIN:03DYYPK3223G1ZC) can be answered by his brother Shri Surinder Singh and that of M/s North East Steel Company (GSTIN: 09DYYPK3223G1Z0) can be answered by Shri Jasvinder Singh (Vicky Rai).*

4.39 Statement of Smt. Amanpreet Kaur (**RUD-26**), proprietor of M/s Keerat Roadlines was also recorded under Section 70 of the CGST Act, 2017 on 11.02.2025 wherein she has deposed the following –

- i. *She is a practicing Ayurvedic doctor and currently working at Guru Amardas Hospital, Ludhiana.*
- ii. *Although M/s Keerat Roadlines is a proprietorship firm in her name, but all the business activities related to this firm are handled and managed by her husband Shri Surinder Singh. Therefore, he is the responsible person to answer all the queries related to M/s Keerat Roadlines.*

4.40 In view of the above statement, it was revealed that Shri Surinder Kumar, brother of Shri Mahinder Kumar and husband of Smt. Amanpreet Kaur is the key person engaged in managing and looking after the business activities of M/s Khabra Roadlines and M/s Keerat Roadlines. Accordingly, statement of Shri Surinder Kumar (**RUD-27**), was recorded under Section 70 of the CGST Act, 2017 on 11.02.2025 wherein he has deposed the following –

- i. *He started a proprietorship firm namely M/s Khabra Roadways in the year 2020, in which he used to arrange local transport vehicles for various factories and firms located in Mandi Gobindgarh, for transporting their goods within Mandi Gobingarh or to nearby places such as Jammu, Jaipur, Hissar and Punjab etc. For this activity of arranging vehicles, M/s Khabra Roadways used to get commission income.*
- ii. *He started M/s Khabra Roadlines, a proprietorship firm in the name of his brother Shri Mahinder Kumar in January'2024 and another firm in the name of his wife Smt. Amanpreet Kaur in February'2024. He looks after all the complete business activities of both of these firms and stated that in these firms also, the similar*



activity of arranging vehicles for various factories and firms located in Mandi Gobindgarh is done by him in lieu of commission income.

- iii. The vehicles deployed by both these firms i.e. M/s Khabra Road Lines and M/s Keerat Roadlines transported only finished goods such as MS TMT, MS Pipe, MS Angle etc. from Mandi Gobindgarh to within Mandi Gobindgarh or from Mandi Gobindgarh to nearby places such as Ludhiana, Mohali, Hissar, Delhi, Ghaziabad.
- iv. He only does the work of arranging vehicles in these two firms from the local transporters which do not carry the goods very far. He does not have any truck/vehicle in his name or in the name of any of these three firms.
- v. He is not associated with any other transporter firms apart from the above mentioned three firms i.e. M/s Khabra Roadways, M/s Khabra Roadlines and M/s Keerat Roadlines.
- vi. His two firms namely M/s Khabra Roadways and M/s Khabra Roadlines are registered in GST and the GST returns of these firms are filed by a person named Mr. Jaswinder Singh (alias Vicky Rai) who is the staff of M/s Rohit & Company.
- vii. He knows Shri Jasvinder Singh (alias Vicky Rai) since 2022, who was working for M/s Rohit & Company from that time and he used to call him for arranging vehicles for transportation of goods from Mandi Gobindgarh to Jammu, Ludhiana, Mohali or locally.
- viii. Whenever he arranges a vehicle from his firms, they charge fare on per metric tonne basis from source to destination. Whenever the factory owner or the firm pays them the fare for transportation of goods in the vehicles arrange by them, they pay the same to the truck owner after deducting their commission which varies between Rs.300 to Rs.1000 depending on the distance of destination and per vehicle.
- ix. Both of his firms, M/s Keerat Roadlines and M/s Khabra Roadlines have never transported any goods beyond Punjab or neighboring states like Haryana, Jammu, Rajasthan or Uttar Pradesh. No goods have ever been transported to Raipur or Chhattisgarh in the vehicles arranged by him for any of the firms/factory located in Mandi Gobindgarh.
- x. In some cases, transport bilities in respect of transportation of goods related to M/s Rohit & Company, M/s NRA Overseas LLP and M/s Manthan Minerals are



either filled up by Vicky Rai or other staffs of these firms and 1 copy was provided to him later on.

- xi. He submitted that he has never heard the name of the firm M/s North East Steel Company. He has neither issued any transport bility in respect of transportation of goods from M/s North East Steel Company to M/s Rohit & Company and to M/s RP Metal Manufacturing and Recycling nor he has arranged any vehicles for transportation of goods between these firms.
- xii. On being asked why the empty transportation bilities of other 4 transporter firms namely M/s Super India Transport Company Private Limited, Mathura (U.P), M/s Shri Vinod Radha Transport Company, Kanpur (U.P), M/s Siddhu Transport Company and M/s Krishna Roadlines were found at his residential address, he deposed that the blank transport bilities of his firms M/s Khabra Roadlines, M/s Keerat Roadlines and M/s Khabra Roadways are kept with Shri Vicky Rai at the office of M/s Rohit & Company as he is doing business with him since 2021. About 1-1.5 months ago, when he met Mr. Jaswinder Singh (alias Vicky Rai), he had given him all these bility books of the transport firms and told him to keep them safely. He doesn't know anything about these firms and all queries in this regard can be answered by Mr. Jaswinder Singh (alias Vicky Rai) only.
- xiii. On being shown the transport bilities (in triplicate) of M/s Keerat Roadlines and M/s Khabra Roadlines which were attached with the purchase invoices of M/s RP Metal manufacturing and recycling, he deposed that he has neither filled up these transportation bilities nor the handwriting and signature on these belonged to him. He further, deposed that he had provided the triplicate copies of blank transport bilities to Shri Jaswinder Singh (alias Vicky Rai) and in exchange he has received Rs.150 for each transport bility. He further, deposed that these bilities are forged/fraud as his firms have never transported any goods to Raipur, Chhattisgarh.

4.41 Further, during the course of inspection conducted at the business premises of the other three transporters namely M/s Krishna Road Line, Amloh Road, Mandi Gobindgarh, Punjab – 147301, M/s New Gobinda Transport Service, Amloh Road, Near Petrol Pump, Mandi Gobindgarh, Punjab – 147301 and M/s Shri NMO Transport Company, Loha Bazar, Mandi Gobindgarh, Punjab – 147301, these transporters were found to be non-existent as the aforementioned business address of these transporters could not be located as per the corresponding visit reports (**RUD -28**).

4.42 Shri Mahinder Kumar in his statement dated 11.02.2025 has admitted that he had nothing to do with the business of M/s North East Steel Company and the firm was opened



activity of arranging vehicles for various factories and firms located in Mandi Gobindgarh is done by him in lieu of commission income.

- iii. The vehicles deployed by both these firms i.e. M/s Khabra Road Lines and M/s Keerat Roadlines transported only finished goods such as MS TMT, MS Pipe, MS Angle etc. from Mandi Gobindgarh to within Mandi Gobindgarh or from Mandi Gobindgarh to nearby places such as Ludhiana, Mohali, Hissar, Delhi, Ghaziabad.
- iv. He only does the work of arranging vehicles in these two firms from the local transporters which do not carry the goods very far. He does not have any truck/vehicle in his name or in the name of any of these three firms.
- v. He is not associated with any other transporter firms apart from the above mentioned three firms i.e. M/s Khabra Roadways, M/s Khabra Roadlines and M/s Keerat Roadlines.
- vi. His two firms namely M/s Khabra Roadways and M/s Khabra Roadlines are registered in GST and the GST returns of these firms are filed by a person named Mr. Jaswinder Singh (alias Vicky Rai) who is the staff of M/s Rohit & Company.
- vii. He knows Shri Jasvinder Singh (alias Vicky Rai) since 2022, who was working for M/s Rohit & Company from that time and he used to call him for arranging vehicles for transportation of goods from Mandi Gobindgarh to Jammu, Ludhiana, Mohali or locally.
- viii. Whenever he arranges a vehicle from his firms, they charge fare on per metric tonne basis from source to destination. Whenever the factory owner or the firm pays them the fare for transportation of goods in the vehicles arrange by them, they pay the same to the truck owner after deducting their commission which varies between Rs.300 to Rs.1000 depending on the distance of destination and per vehicle.
- ix. Both of his firms, M/s Keerat Roadlines and M/s Khabra Roadlines have never transported any goods beyond Punjab or neighboring states like Haryana, Jammu, Rajasthan or Uttar Pradesh. No goods have ever been transported to Raipur or Chhattisgarh in the vehicles arranged by him for any of the firms/factory located in Mandi Gobindgarh.
- x. In some cases, transport bilties in respect of transportation of goods related to M/s Rohit & Company, M/s NRA Overseas LLP and M/s Manthan Minerals are



either filled up by Vicky Rai or other staffs of these firms and 1 copy was provided to him later on.

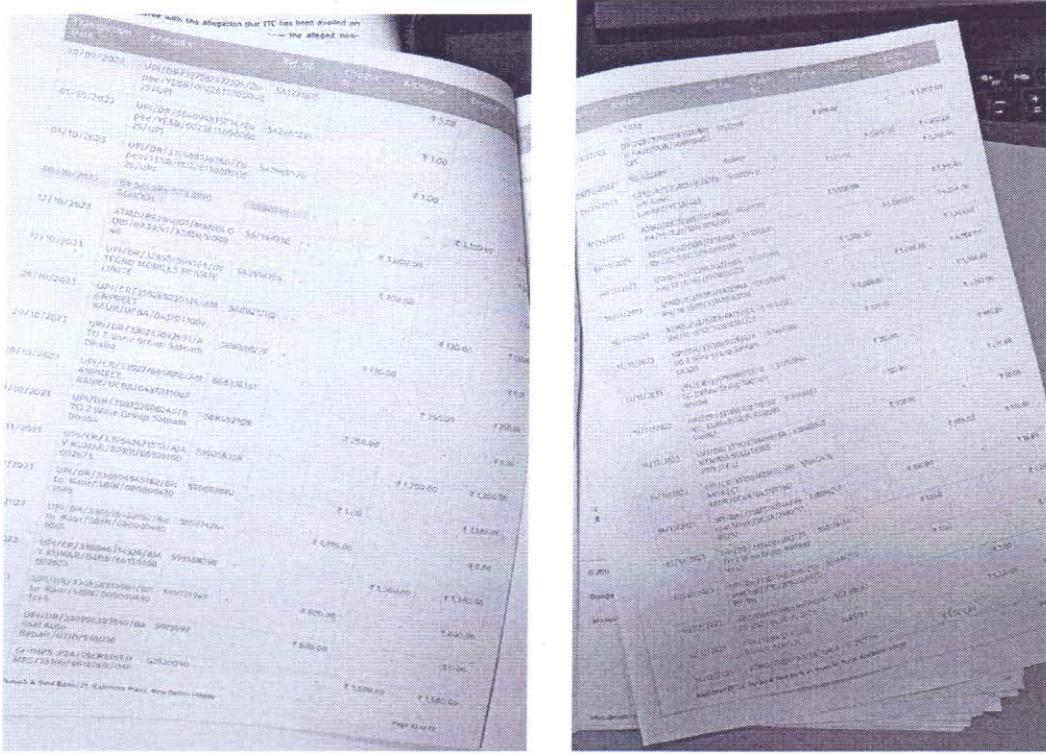
- xii. He submitted that he has never heard the name of the firm M/s North East Steel Company. He has neither issued any transport bility in respect of transportation of goods from M/s North East Steel Company to M/s Rohit & Company and to M/s RP Metal Manufacturing and Recycling nor he has arranged any vehicles for transportation of goods between these firms.
- xiii. On being asked why the empty transportation bilities of other 4 transporter firms namely M/s Super India Transport Company Private Limited, Mathura (U.P), M/s Shri Vinod Radha Transport Company, Kanpur (U.P), M/s Siddhu Transport Company and M/s Krishna Roadlines were found at his residential address, he deposed that the blank transport bilities of his firms M/s Khabra Roadlines, M/s Keerat Roadlines and M/s Khabra Roadways are kept with Shri Vicky Rai at the office of M/s Rohit & Company as he is doing business with him since 2021. About 1-1.5 months ago, when he met Mr. Jaswinder Singh (alias Vicky Rai), he had given him all these bility books of the transport firms and told him to keep them safely. He doesn't know anything about these firms and all queries in this regard can be answered by Mr. Jaswinder Singh (alias Vicky Rai) only.
- xiv. On being shown the transport bilities (in triplicate) of M/s Keerat Roadlines and M/s Khabra Roadlines which were attached with the purchase invoices of M/s RP Metal manufacturing and recycling, he deposed that he has neither filled up these transportation bilities nor the handwriting and signature on these belonged to him. He further, deposed that he had provided the triplicate copies of blank transport bilities to Shri Jaswinder Singh (alias Vicky Rai) and in exchange he has received Rs.150 for each transport bility. He further, deposed that these bilities are forged/fraud as his firms have never transported any goods to Raipur, Chhattisgarh.

4.41 Further, during the course of inspection conducted at the business premises of the other three transporters namely M/s Krishna Road Line, Amloh Road, Mandi Gobindgarh, Punjab – 147301, M/s New Gobinda Transport Service, Amloh Road, Near Petrol Pump, Mandi Gobindgarh, Punjab – 147301 and M/s Shri NMO Transport Company, Loha Bazar, Mandi Gobindgarh, Punjab – 147301, these transporters were found to be non-existent as the aforementioned business address of these transporters could not be located as per the corresponding visit reports (**RUD -28**).

4.42 Shri Mahinder Kumar in his statement dated 11.02.2025 has admitted that he had nothing to do with the business of M/s North East Steel Company and the firm was opened



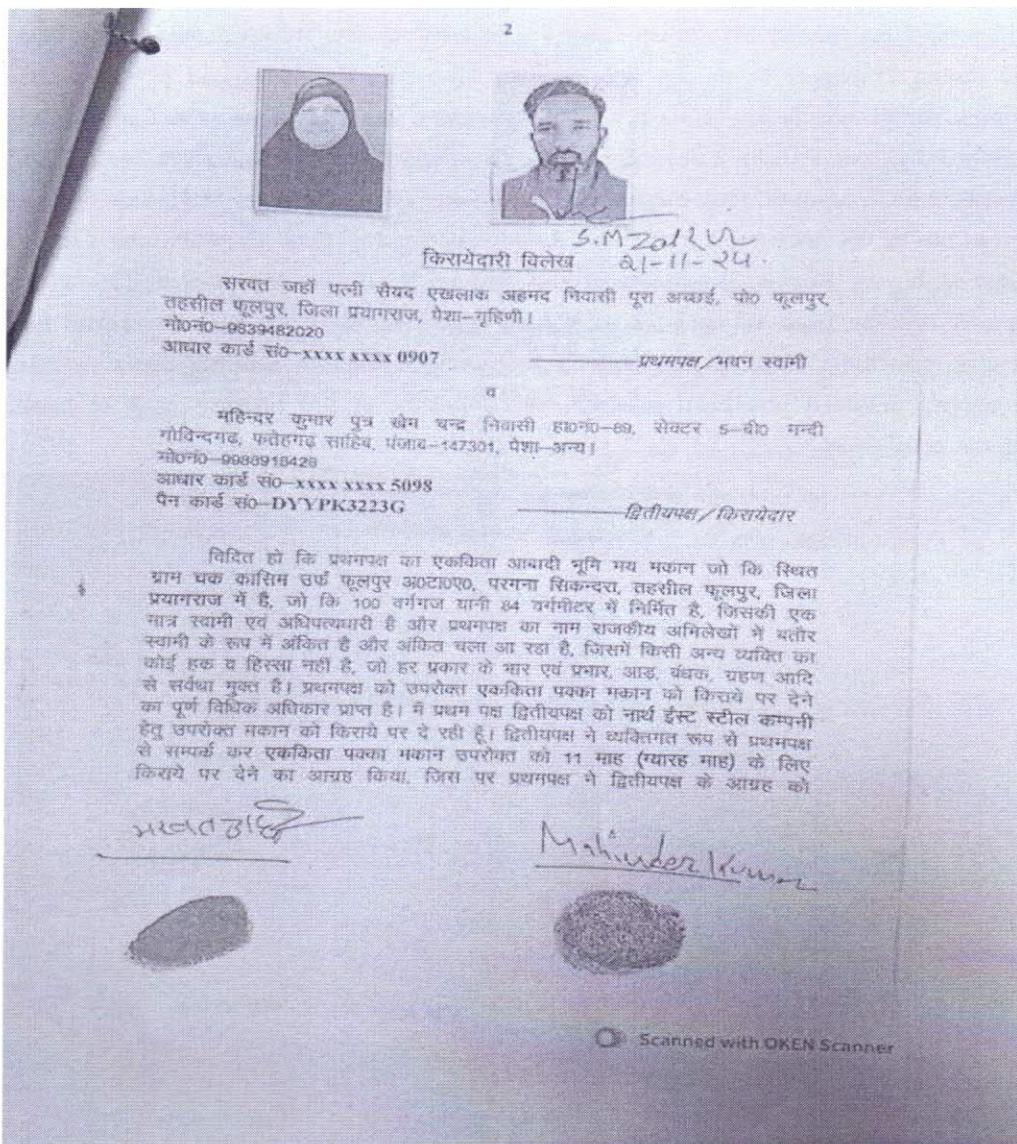
on the insistence of Shri Jasvinder Singh (alias Vicky Rai). Further, Shri Surinder Kumar, in his statement dated 11.02.2025 stated that he has never transported any goods for M/s North East Steel Company and all the transport bilties of M/s Khabra Roadlines and M/s Keerat Roadlines which were found attached with the purchase of M/s Rohit & Company and M/s RP Metal Manufacturing and Recycling appears to be fake. These bilties were in the custody of Shri Jasvinder Singh (alias Vicky Rai) who is a staff of M/s Rohit & Company and might have been filled by him or his colleagues. Further, the empty transport bilties of other transporters namely M/s Super India Transport Company Private Limited, M/s Shri Vinod Radha Transport Company, M/s Siddhu Transport Company and M/s Krishna Roadlines, which were found at his residential premises, were handed over to him by Shri Jasvinder Singh (alias Vicky Rai). Accordingly, summons dated 05.03.2025 & 24.03.2025 (**RUD-29**) were issued to Shri Jasvinder Singh (alias Vicky Rai) for tendering of oral evidence, but he did not comply with these summons issued till date. The submission made by Shri Mahinder Kumar, proprietor of the Noticee No. 7 i.e. M/s North East Steel Company, that he used to work as a security guard in St. Farid School, nearby his residence, is further corroborated by his bank statement, wherein monthly salary against such service provided has been received, the snapshot of the relevant page of bank statement is as below:

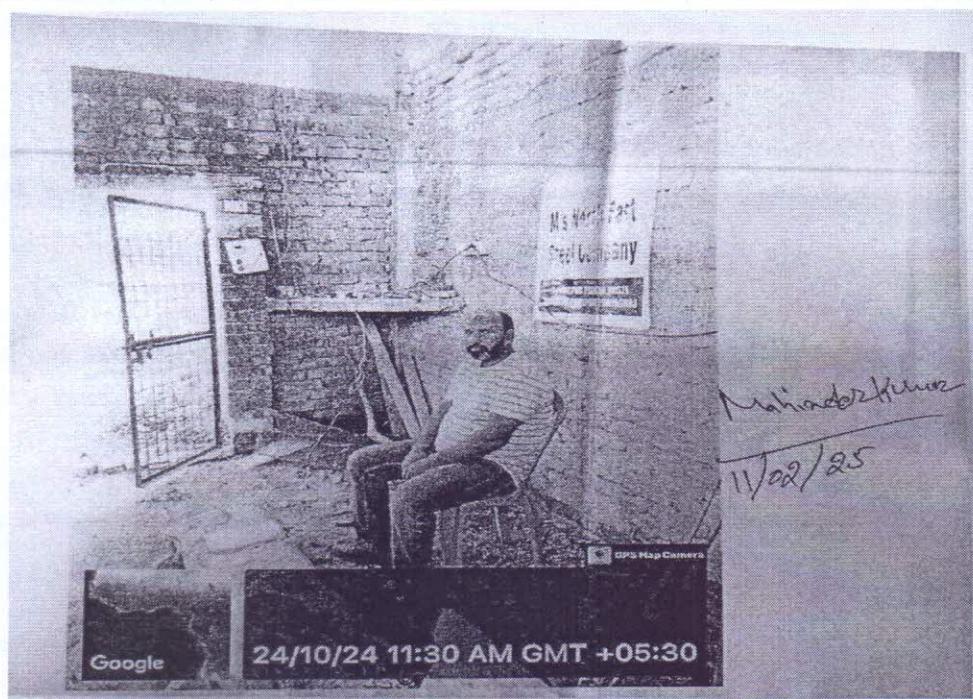
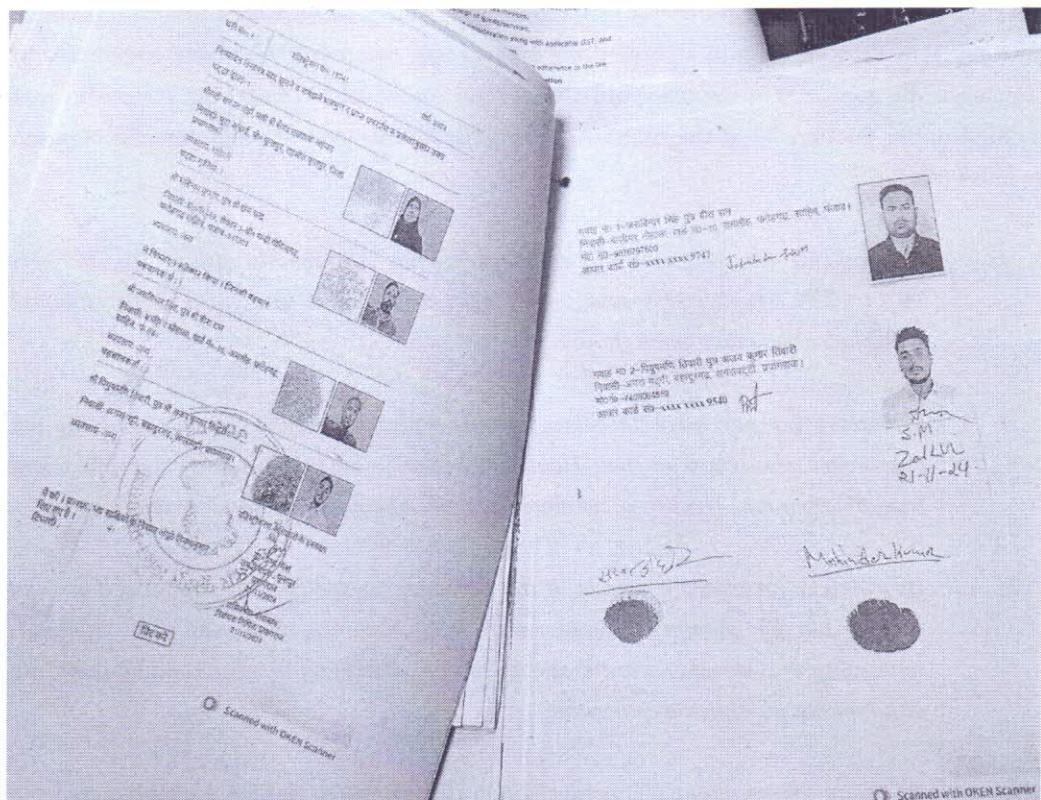


4.43 The submission of Shri Mahinder Kumar, proprietor of the Noticee No. 7 i.e. M/s North East Steel Company, that the instant company M/s North East Steel Company has been opened and operated by Shri Jasvinder Singh (alias Vicky Rai) and that he had visited



Prayagraj two times on the instance of Shri Jasvinder Singh and during both visits, he was accompanied with Shri Jasvinder Singh, for completing the formalities related to GST registration also gets reinforced by the rent agreement document uploaded in the GST portal by the Noticee No. 7, wherein one of the witness to the rent agreement was Shri Jasvinder Singh (alias Vicky Rai), the snapshot of the relevant pages of of the rent agreement are as below:





(Photograph of principal place of business of M/s North East Steel Company as provided by
Shri Mahinder Kumar)

4.44 Subsequently, summon dated 14.02.2025 was issued to Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited for confronting him with the above evidences. In compliance, he appeared at the office of DGII Raipur on 20.02.2025 and his statement was recorded under Section 70 of the CGST Act, 2017 (**RUD-30**) wherein he inter-alia deposed the following –

- i. *He showed his concurrence with his earlier statements dated 20.10.2024, 29.11.2024, 18.12.2024, and 04.02.2025 and stated that he is fully satisfied with the submission given therein.*
- ii. *He stated that purchase decisions for M/s Fortune Metaliks Ltd. are taken by the Purchase Department at their Head Office in Punjab, where staff changes occur from time to time. Therefore, no single person is responsible for decision-making.*
- iii. *He failed to provide the details of the person who specifically supervised or was responsible for purchase decisions in F.Y. 2021–22, 2022–23 and 2023–24, reiterating that decisions are made based on prevailing market conditions by the staffs of the purchase department.*
- iv. *On being asked about ITC reconciliation as committed earlier, he stated that the reconciliation is still pending due to the resignation and unavailability of the concerned accountant and promised to provide the data within a week.*
- v. *He submitted the available bills/invoices and transport documents (e-way bills, transport bility, weighment slips) pertaining to purchase of goods from M/s Manthan Minerals and M/s NRA Overseas LLP.*
- vi. *He stated that goods from suppliers viz. M/s Rohit & Company, M/s Manthan Minerals, and M/s NRA Overseas LLP were received on FOR basis and the company did not make any freight payments, as it was the responsibility of the suppliers.*
- vii. *All goods received from the above suppliers were either MS billets, Sponge iron, or TMT scrap.*
- viii. *On being shown that only two of the transporters in respect of purchase of goods from M/s Rohit & Company have been traced and the rest of the transporters have incorrect or unverifiable PAN/mobile numbers, he stated that he is unaware of these details since responsibility of transportation lies with their suppliers.*
- ix. *On being shown the statements of Shri Mahinder Kumar, Shri Surinder Kumar and Smt. Amanpreet Kaur claiming no transportation of goods to Raipur,*



Chhattisgarh by M/s Khabra Roadlines and M/s Keerat Roadlines, he reiterated that the company received goods on a FOR basis, and they did not verify transporters or their movements, as logistics were handled by their suppliers.

- x. *He informed that the current directors of the company are Shri Deep Bansal, Shri Saurabh Bansal, Shri Rajeshkumar Tejpal Gaur, and Shri Bhagwan Das Bansal. Among them, Shri Rajeshkumar Tejpal Gaur actively manages the business operations at the Raipur factory. He further stated that Shri Rajeshkumar Tejpal Gaur has been serving as CEO of the company since 2022 and was appointed as an Additional Director in February'2024.*

4.45 On analysis of purchase bills/invoices and transport documents (e-way bills, transport bility, weighment slips) pertaining to purchase of goods from M/s Manthan Minerals and M/s NRA Overseas LLP submitted by M/s Fortune Metaliks Limited, it was observed that the following transporters were engaged in purported supply of goods from M/s Manthan Minerals, Punjab and M/s NRA Oveseas LLP, Punjab to M/s Fortune Metaliks Limited, Raipur:

| Sl. No. | Name of Transporter | GSTIN/PAN | Address |
|---------|--------------------------------|-----------------|---|
| 1 | RAUNAK ROAD CARRIER | 19DBUPS0081R1ZH | HANDABAG DURGAPUR -713203 DIST - BURDWAN W.B. |
| 2 | KASHI VISHWANATH TRANSPORT CO. | MXNPS7989A | G.T Road, Mandi Gobindgarh (Pb.) |
| 3 | MAA GAYATRI ROAD LINES | BCNPS6347E | Shyama Building, Bhiringi, G.T Road, Durgapur, Paschim Bardhaman, W.B - 713213 |
| 4 | MAHABIR ROADWAYS | 20AUTPK0883G | ROOM NO- D-8 4TH FLOOR, CHANDRA TOWER, DIMNA ROAD, MANGO, JAMSHEDPUR -831018 |
| 5 | MUSKAN ROADLINES | 19BUWPK6043A1ZF | NILAM NAGAR, B BLOCK, GT ROAD DURGAPUR -713213 |
| 6 | MAA SHARDA ROADAWAS | | BHIRINGI MORE G.T ROAD, DURGAPUR W.B -713213 |
| 7 | JAY HANUMAN FREIGHT CARRIERS | 21ALVPL4501B2ZJ | JHUMPURA, KEONJHAR, ODISHA PIN -758031 |
| 8 | KANPUR BENGAL FREIGHT CARRIER | ACWPA7825R | 21/W2 DAMODAR NAGAR, J S COMPLEX, BY PASS ROAD, KANPUR |
| 9 | MANGALAM TRASPORT COMPANY | 20AQOPG0205D1ZR | ROOM NO-41, SHRMA BHAWAN, SLAG ROAD, NEAR HAWRAH BRIDGE, SAKCHI, JAMSHEDPUR -831001 |
| 10 | NEW HINDOWN GANGAPUR ROADLINES | 20EBYPS0138G1ZI | NH-33, Main Road, Kuju, Ramgarh (Jharkhand) |
| 11 | LAXMI ROADWAYS | 19ARFPR2981K1Z4 | Ma Kali Engg. Building, Near Samrat Hotel, Faridpur, Durgapur, Burdwan, W.B - 713213 |
| 12 | GOBIND TRASPORT COMPANY | 21BOHPK2082L3ZX | NEAR BIRUPPA TEMPLE KHATA NO 820/2290, PLOT NO-318 PS TANGI SAI VIHAR JAGATPUR, CUTTACK, ODISHA |
| 13 | NEW RAJDHANI TRASPORT COMPANY | 21AWIPB7531R1ZC | CHANDRABHANU COMPLEX BY PAAS CHOWK RAVI NAGAR DIST JHARSUGUDA -768203 |
| 14 | HINDOWN GANGAPUR ROADLINES | EDQPS2456PSD001 | NH-33, Main Road, Kuju, Ramgarh (Jharkhand) |



| | | | |
|----|-------------------------------|------------------|---|
| 15 | GANPATI CARGO MOVERS | 20ASMPR5621C1Z2 | NEW KALIMATI ROAD, SAKCHI JAMSEDPUR, JHARKHAND |
| 16 | PRAKASH TRASPORT | 09DWMPG3162C1ZM | 1/1 MOH LALITPURI MEERGANGJ BAREILLY, UTTAR PRADESH |
| 17 | PUNJAB RAJISTHAN ROAD LINES | 20ACJPY3734A1ZX | NH 33 BY PASS ROAD, SHRI RAM CHOWK, KUJU, RAMGARH JHARKHAND 825316 |
| 18 | AARYA ROADLINES | BEWPD6731E | NEAR RELINCE PETROL PUMP, KHUSHI BHawan, JINDAL ROAD, GORKHA RAIGARH CG |
| 19 | SAINATH TRANSWAYS | 20AVZPY8306R1ZD | GROUND FLOOR, GALI NO-3 KRISHNAPURI COLONY CHAS -827013 DIST BOKARO JHARKHAND |
| 20 | NEW SAINAATH TRASPORT SERVICE | 20AARFN0905C1ZU | KRISHNAPURI COLONY, CHAS -827013 DIST BOKARO JHARKHAND |
| 22 | BHARDWAJ ROADWAYS | | YADAV BHAWAN, 2ND FLOOR, NEAR CHNDRA HOTEL, KALIMATI ROAD SAKCHI JAMSHEDPUR -831001 |
| 23 | DHARMENDRA KUMAR | 20EQPKPK3452G1Z2 | TRASPORT NAGAR KUJU DIST RAMGARH [JHARKHAND] -825316 |
| 24 | Nishika Transport | 20MLJPS7115N1ZI | Near R.S.S. Hospital, M.E School, Road, Jugsalai, Jamshedpur-831006 (Jharkand) |

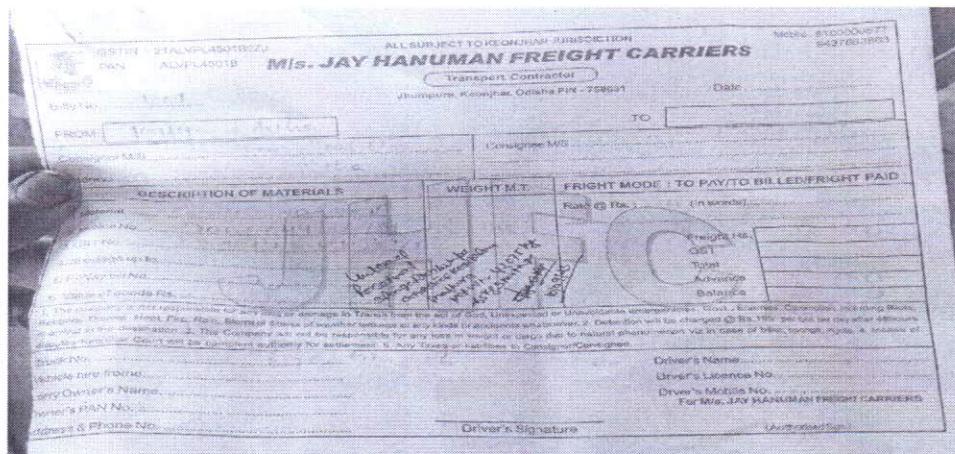
4.46 Further, as per e-way bill portal, no vehicle movement between the source and destination in respect of supply of goods from M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab to M/s Fortune Metaliks Limited, Raipur was observed. Accordingly, summons dated 13.03.2025 & 24.03.2025 were issued to the above mentioned transporters. In compliance to these summons issued, two transporters M/s Jai Hanuman Freight Carriers, Keonjhar, Odisha and M/s Arya Roadlines, Raigarh appeared in this office on 08.04.2025 and 14.04.2025 respectively. Accordingly, their statements were recorded, wherein the following have been deposed –

4.47. Statement tendered by Shri Abhijeet Lohani, proprietor of M/s Jai Hanuman Frieght Carriers, Keonjhar, Odisha dated 08.04.2025. (RUD-31A)

On being asked about the transportation of goods from M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab to M/s Fortune Metaliks Limited, Raipur against the transportation bilties submitted by M/s Fortune Metaliks Limited, Raipur to this office, Shri Abhijeet Lohani, proprietor of M/s Jai Hanuman Freight Carriers, Keonjhar, Odisha deposed that they have not provided any transportation services to M/s NRA overseas LLP but in the case of M/s Manthan Minerals they have arranged transportation of goods on 9 occasions. These goods were transported from M/s KJ Ispat Pvt. Ltd., Jajpur and M/s Maithan Ispat Limited, Jajpur and were unloaded at M/s GBA Steels and Metals Pvt. Ltd., Koshikala, Mathura. He denied transporting any goods to M/s Fortune Metaliks Limited, Raipur under the transportation bilties shown to him. Further, he submitted that he has never endorsed any of these bilties for transportation of goods to M/s Fortune Metaliks Ltd. Shri Abhijeet Lohani in support of his statement provided the copies of transport bilties as well as a copy of bilty in which receipt of goods at unloading point i.e.



M/s GBA Steels and Metals Pvt. Ltd., Koshikala, Mathura has been mentioned, the snapshot (part of RUD-31A) in this regard is as follows:



4.48. Statement tendered by Shri Rakesh Dwivedi, proprietor of M/s Aarya Roadlines, Raigarh. (RUD-31B)

On being asked about the transportation of goods from M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab to M/s Fortune Metaliks Limited, Raipur against the transportation bilties submitted by M/s Fortune Metaliks Limited, Raipur, Shri Rakesh Dwivedi, proprietor of M/s Aarya Roadlines, Raigarh deposed that they have not provided any transportation services to M/s NRA overseas LLP but in the case of M/s Manthan Minerals he has arranged transportation of goods on one occasion only. He stated that the goods shown in the above bilty were loaded from M/s Salasar Steels and Power Private Limited, Raigarh, but he could not recall where the goods were unloaded. However, he denied transporting these goods to M/s Fortune Metaliks Limited, Raipur under the said transportation bility. He further submitted that he has never endorsed this bility for transportation of goods to M/s Fortune Metaliks Ltd.

4.49 Further, various letters and e-mails were received from many transport firms informing that they have not provided any transportation service to M/s Fortune Metaliks Limited, Raipur, but they did not appear at the office of DGGI, Raipur for tendering oral evidence. Few transporters namely M/s Mahabir Roadways vide letter dated 20.03.2025, M/s Mangalam Transport Company vide email dated 21.03.2025, M/s Maa Gayatri Roadlines vide e-mail dated 28.03.2025, M/s Bhardwaj Roadways vide letter dated 24.03.2025, M/s Punjab Rajasthan Roadlines vide letter dated 26.03.2025 & 08.04.2025, M/s Hindown Gangapur Roadlines vide letter dated 03.04.2025, M/s New Hindown Gangapur Roadlines vide letter dated 03.04.2025, M/s Raunak Road Carrier vide letter dated 07.04.2025 (**consolidated RUD-32**) submitted that they have not provided any



service of transportation of goods to M/s Fortune Metaliks Limited, Raipur during the F.Y. 2022-23 and F.Y. 2023-24. However, in view of the statements tendered by the aforementioned two transporters and replies received from many transporter firms, it appeared that the transportation bilties have been fraudulently misused by M/s Fortune Metaliks Limited, Raipur for justifying their inward supplies from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab whereas the goods which have been purchased by both of these Punjab based firms namely M/s NRA Overseas LLP and M/s Manthan Minerals have been clandestinely sold at various locations across neighboring states.

4.50 Accordingly, in order to verify the above assertion that the transportation bilties have been fraudulently misused by M/s Fortune Metaliks Limited, Inspection under section 67(1) of the CGST Act, 2017 was carried out from 23.04.2025 to 26.04.2025 at the business premises of 5 major transporters located in Durgapur, District Burdwan, West Bengal and 5 major transporters located in Jamshedpur District, Jharkhand, involved in the purported inward supplies from M/s Manthan Minerals and M/s NRA Overseas LLP was initiated after taking approval from the competent authority.

4.51 During the course of inspection of the transporter firms namely M/s Raunak Road Carriers (GSTIN -19DBUPS0081R1ZH), M/s Laxmi Roadways (GSTIN - 19ARFPR2981K1Z4), M/s Maa Gayatri Road Lines (PAN - BCNPS6347E), M/s Muskan Roadlines (GSTIN - 19UWPK6043A1ZF), M/s Bhardwaj Roadways (GSTIN - 20BMYPS0225G1Z2), M/s Mahabir Roadways (GSTIN - 20AUTPK0883G1ZK), M/s Ganpati Cargo Movers (GSTIN - 20ASMPR5621C1Z2) and M/s Nishika Transport (GSTIN - 20MLJPS7115N1ZI), statements of their proprietor/ authorized representative were recorded under Section 70 of the CGST Act, 2017 and relevant documents were collected (**consolidated RUD-33**). The summary of statements tendered by the above 8 transporters have been summarized in the below table –

| Sl. No. | Name of Transporter/ GSTIN | Statement tendered by on Date | Gist of deposition made by the transporter |
|----------------|--|---|---|
| 1 | M/s Raunak Road Carriers (GSTIN - 19DBUPS0081R1ZH) | Shri Mithilesh Singh, proprietor dated 24.04.2025 | He admitted issuing transport bilty for goods transported from West Bengal to Punjab on behalf of M/s NRA Overseas LLP and M/s Manthan Minerals during F.Y. 2022-23 and 2023-24, based on instructions received from Shri Rohit Singla or his staff. He denied ever providing any transportation services to M/s Fortune Metaliks Ltd., Raipur, and stated there is no business relationship with them. On being shown bilty documents that were submitted by Fortune Metaliks Ltd. as proof of goods received, he acknowledged that the transport bilties were issued by his |



| | | | |
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| | | | firm but denied adding any endorsement stamps seen on them, claiming they were not made by his staff. He emphasized that goods were dispatched to Punjab only and that his firm received freight charges accordingly. |
| 2 | M/s Laxmi Roadways (GSTIN - 19ARFPR2981K1Z4) | Shri Manoj Kumar Ray, proprietor dated 24.04.2025 | He admitted issuing transport bilities for goods transported on behalf of M/s NRA Overseas LLP and M/s Manthan Minerals during F.Y. 2022-23 and 2023-24, based on instructions from Shri Deepak Bansal and Shri Vicky Rai. However, he categorically denied having ever transported goods to Chhattisgarh or rendering any service to M/s Fortune Metaliks Ltd., Raipur. On being shown bilities used by Fortune Metaliks Ltd. as proof of delivery, he acknowledged they were issued by his firm but stated that the endorsement stamps were not made by his firm and suspected misuse of his documents. He confirmed that goods were actually transported/delivered in Punjab, UP, or Haryana as instructed by the consignors and never reached Chhattisgarh, a fact supported by toll data and his own vehicle records. He asserted that his firm never endorsed bilities and suspected manipulation by the buyers/suppliers and also the goods transported were fresh finished goods as per consignor invoices. |
| 3 | M/s Maa Gayatri Road Lines (PAN - BCNPS6347E) | Shri Ramesh Kumar Singh, Proprietor dated 25.04.2025 | He admitted transporting goods from West Bengal to Punjab for M/s NRA Overseas LLP and M/s Manthan Minerals during F.Y. 2022-23 and 2023-24, based on the directions from Shri Rohit Singla or his staff. He denied any business with M/s Fortune Metaliks Ltd., Raipur, and confirmed that his firm has never transported any goods to Chhattisgarh as also confirmed by toll (Fastag) movement records. He acknowledged that the bilities shown to him were issued by his firm, but denied putting any endorsement stamps visible on them. He also stated that freight was paid for movement from Bengal to Punjab only which is much higher than the freight for Bengal to Chhattisgarh. He denied having any knowledge of why or how the same trucks and bilities were later shown as used to deliver goods to Raipur and admitted that the misuse of their documents by the suppliers or buyers. He also emphasized that the goods transported |



| | | | |
|---|---|--|--|
| | | | were finished goods as per the invoices. |
| 4 | M/s Muskan Roadlines (GSTIN - 19UWPK6043A1ZF) | Shri Mohammad Khalil dated 25.04.2025 | He stated that his firm has never provided any transportation service to M/s Fortune Metaliks Ltd., Raipur and acknowledged issuing transport bilties to M/s NRA Overseas LLP and M/s Manthan Minerals during F.Y. 2022-23 and 2023-24 based on instructions from Shri Sahil Thakur. The goods were dispatched to Mandi Gobindgarh or other locations in Punjab, U.P, or Haryana, as instructed by the consignors. Freight was paid for transport from West Bengal to Punjab, and relevant payments were received in his firm's bank account. He confirmed that while the bilties presented by Fortune Metaliks Ltd. were indeed issued by his firm, but the endorsement stamps on them were not made by him or his staff, suggesting misuse of his firm's documents. He categorically denied that any of the vehicles arranged by him ever entered Chhattisgarh, as also reflected by toll data. He informed that the goods transported were fresh finished goods as per supplier invoices, and reiterated that his firm never endorsed bilties or facilitated any transport to Chhattisgarh. |
| 5 | M/s Bhardwaj Roadways (GSTIN - 20BMYPS0225G1Z2) | Shri Rakesh Kumar Singh, Proprietor dated 26.04.2025 | He explicitly denied providing any transport services to M/s Fortune Metalics Ltd., Raipur, but confirmed services to M/s N.R.A. Overseas LLP and M/s Manthan Minerals in F.Y. 2022-23 and 2023-24, typically transporting goods to Mandi Gobindgarh, Punjab, or sometimes unloading them en-route in Uttar Pradesh or Punjab as per the instructions. He affirmed that the freight payments for these services were received in his bank account from the consignee parties (M/s N.R.A. Overseas LLP and M/s Manthan Minerals). While acknowledging that the transport bills shown by the authorities were issued by his firm, he denied any knowledge of the endorsement stamp on them and asserted that his vehicles never transported goods to Chhattisgarh, suggesting a misuse of his firm's bills. |
| 6 | M/s Mahabir Roadways (GSTIN - 20AUTPK0883G1ZK) | Shri Satish Kumar, Proprietor dated 26.04.2025 | He explicitly denied providing any transport services to M/s Fortune Metaliks Ltd., Raipur, asserting that his firm has no business relationship with them. However, he confirmed that M/s N.R.A. Overseas LLP, Punjab, and M/s Manthan Minerals |



| | | | |
|---|---|--|---|
| 8 | M/s Nishika Transport (GSTIN - 20MLJPS7115N1ZI) | Shri Kumar Nishant, Authorized representative dated 26.04.2025 | He explicitly denied providing any transport services to M/s Fortune Metalics Ltd., Raipur, stating no business relationship with them. However, he confirmed providing goods transport services to M/s Manthan Minerals in F.Y. 2022-23 and 2023-24 through Deepak Bansal. Goods were typically sent to Mandi Gobindgarh, Punjab, or sometimes unloaded en route in Uttar Pradesh or Punjab. Freight payments were received in his bank account from the consignee parties. He acknowledged that the transport bilities were issued by his firm but denied any knowledge of the endorsement stamp on them, asserting that his vehicles never transported goods to Chhattisgarh. He suspected that his firm's bills have been misused and forged. |
|---|---|--|---|

4.52 During the course of inspection the concerned person/ proprietor of 2 transporters namely M/s Maa Sharda Roadways, Durgapur and M/s M/s Mangalam Transport Company, Jamshedpur were not present in town. However, on being contacted over mobile, proprietors of both these firms stated that their firms has never provided any transportation services for M/s Fortune Metaliks Limited, Raipur and that the vehicles arranged by them have never transported any goods to Raipur, Chhattisgarh. They assured to submit the relevant documents through courier or email, and had later on submitted the following details as below –

| Sl. No. | Name of Transporter/ GSTIN | Letter/ Email Date | Gist of submissions made by the transporter |
|---------|-----------------------------------|--------------------|--|
| 1 | M/s Maa Sharda Roadways, Durgapur | 29.04.2025 | No transportation service provided to M/s Fortune Metaliks Limited during the F.Y. 2022-23 and 2023-24. |
| 2 | M/s Mangalam Transport Company | 21.03.2025 | No direct transportation service provided to M/s Fortune Metaliks Limited during the F.Y. 2022-23 and 2023-24. |

4.53 In view of the depositions made by the proprietors/authorized representatives of transporter firms involved in the purported supply of goods from M/s Manthan Minerals, Punjab and M/s NRA Resources LLP to M/s Fortune Metaliks Limited, Raipur and the documents submitted by these transporters following observations have been made –

- i. In case of M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab the transporters have issued transportation bilities for transportation of goods from



Jharkhand or West Bengal to Punjab only, as per the instructions of representatives of both of these firms. However, in some cases the goods have also been unloaded en-route in Haryana and Uttar Pradesh again as per the instructions of representatives of both of these firms. The above fact is also corroborated from the copy of register submitted by the partner of M/s Maa Gayatri Road lines, Durgapur, wherein against transportation services provided to both of these firm, they had maintained the place of loading as well as place of unloading of vehicles, which shows that these transported goods were unloaded en-route to Punjab in various places of Uttar Pradesh. As per the submission, the vehicles issued with transport bility no. 290, 291, 292, 293 were loaded from the Alaknanda Balmukund Ispat Private Limited, Bokaro all on 18.11.2023 and the goods were unloaded at Jhansi (U.P) in respect of transport bility no. 290 & 291, at carora/karora place in Lucknow (U.P) i.r.o transport bility no. 292 and at Rath (located in Hamirpur district, U.P) i.r.o transport bility no. 293. The sample snapshot (part of RUD-33) of the page from the register detailing Date, Truck No., Driver Mobile, Weight, A/c, Broker, Tare weight, unloading point etc., in respect of sample transport bilities no. 290, 291, 292, 293 issued by this transporter firm along with transport bility issued in this regard are as below:

| Sample Snapshot of Register Maintained by M/s Maa Gayatri Road Lines | | | | | | | | | |
|--|-----------------------|-----------------------|------------|--------|--------|-------------|---------------|--------------------|------------------|
| Date | Truck No. | Driver Name | Mobile No. | A/c | Broker | Tare Weight | Actual Weight | Place of Unloading | Place of Loading |
| 15/11/2023 | Alaknanda RT 1499 269 | 983567989 | 29-22 | 1750 | | | | | |
| " | RJ 1499 204 | 999612503 | 23-140 | 1700 | | | | | |
| 16/11/2023 | S.P.S UP 2275696 | 9129111739 | 83-110 | 1800 | | | | | |
| 16/11/2023 | Sava UP 317810 | 2039187248 | 50-080 | 1750 | | | | | |
| 17/11/2023 | S.P.S UP 4207330 | 9580544980 | 30-880 | 1750 | | | | | |
| " | UP 2097468 | 4007360871 | 34-190 | 1750 | | | | | |
| 17/11/2023 | Alaknanda RT 1499 38A | 9813867087 | 29-870 | 1700 | | | | | |
| 17/11/2023 | Alaknanda KT 149K582 | 9815612576 | 29-780 | 1700 | | | | | |
| 17/11/2023 | S.P.S UP 42CT124 | 70-7135799 | 34-040 | 1825 | | | | | |
| 17/11/2023 | Alaknanda KT 149K583 | 9588168915 | 29-990 | 1900 | | | | | |
| 17/11/2023 | Alaknanda RT 149K583 | 9813878533 | 29-970 | 1900 | | | | | |
| 18/11/2023 | Alaknanda RT 149K583 | 8457077837 | 30-000 | 1920 | | | | | |
| 18/11/2023 | Alaknanda RT 149K583 | 8304522949 | 30-170 | 1930 | | | | | |
| 18/11/2023 | Alaknanda UP 97AN885 | 8528293682 | 30-000 | 1920 | | | | | |
| 19/11/2023 | " | UP 31BT172 | 6207355870 | 93-070 | | | | | |
| " | " | RT 144NK584 | 9813223766 | 30-000 | 1950 | | | | |
| " | " | UP 31BT172 | 9715512015 | 30-000 | 1925 | | | | |
| " | " | Alaknanda ALD 1498857 | 830 224744 | 80-000 | 1920 | | | | |
| 20/11/2023 | R.P.J UP 30971700 | 6388664218 | 30-170 | 1750 | | | | | |
| 20/11/2023 | Alaknanda CT 5801778 | 766521088 | 29-870 | 1750 | | | | | |
| 20/11/2023 | Alaknanda CT 5801778 | 766521088 | 29-870 | 1750 | | | | | |

(Snapshot of relevant page of register maintained by M/s Maa Gayatri Road Lines)

No. 290/2022-24

FRIGHT CHALLAN
ALL SUBJECT TO DURGAPUR JURISDICTION
MAA GAYTRI ROAD LINES Date: 18/11/23
TRANSPORT CONTRACTOR & COMMISSION AGENT
SHYAMA BUILDING, BHIRINGI, G.T. ROAD, DURGAPUR - 713213, PASCHIM BARDHAMAN, W.B.
Enrollment : 198CNP56347E122

| | | | | | | |
|---|---|-----------------------|---|-------|---------|---------|
| PAN - BCNPS6347E | GST tax Through | Consignor | Consignee <input checked="" type="checkbox"/> | | | |
| TRUCK NO : AT-NSK5183 FORM : | BANKUK | TO : MANTHAN MINERALS | | | | |
| Consignor : Alka Sada Parimatra (PVT) LTD Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | Consignee : MANTHAN MINERALS Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | | | | | |
| GST | | | | | | |
| Quantity | Description of Goods | Quantity Weight | Rate | Total | Freight | Details |
| 1 | TMH GRL 72142-20 | 2000 | 56430 | 56430 | 9000 | |
| Driver Name : Address : E-way Bill No : Valid upto : Remarks : Signature of Consignor : DRIVER : Driver's Name : Driver's ID No : Check No : Engg No : For MAA GAYTRI ROAD LINES | | | | | | |

H : 8343934083, 8759020111
E-mail : rs395062@gmail.com

(Bilty No. 290, Vehicle No. RJ14GK5483 dt. 18.11.23)

No. 291/2022-24

FRIGHT CHALLAN
ALL SUBJECT TO DURGAPUR JURISDICTION
MAA GAYTRI ROAD LINES Date: 18/11/23
TRANSPORT CONTRACTOR & COMMISSION AGENT
SHYAMA BUILDING, BHIRINGI, G.T. ROAD, DURGAPUR - 713213, PASCHIM BARDHAMAN, W.B.
Enrollment : 198CNP56347E122

| | | | | | | |
|---|---|-----------------------|---|-------|---------|---------|
| PAN - BCNPS6347E | GST tax Through | Consignor | Consignee <input checked="" type="checkbox"/> | | | |
| TRUCK NO : K-4-NP527 FORM : | BANKUK | TO : MANTHAN MINERALS | | | | |
| Consignor : Alka Sada Parimatra (PVT) LTD Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | Consignee : MANTHAN MINERALS Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | | | | | |
| GST | | | | | | |
| Quantity | Description of Goods | Quantity Weight | Rate | Total | Freight | Details |
| 1 | TMH GRL 72142-20 | 2000 | 56430 | 56430 | 9000 | |
| Driver Name : Address : E-way Bill No : Valid upto : Remarks : Signature of Consignor : DRIVER : Driver's Name : Driver's ID No : Check No : Engg No : For MAA GAYTRI ROAD LINES | | | | | | |

H : 8343934083, 8759020111
E-mail : rs395062@gmail.com

(Bilty No. 291, Vehicle No. RJ14GP0575 dt. 18.11.23)

No. 292/2022-24

FRIGHT CHALLAN
ALL SUBJECT TO DURGAPUR JURISDICTION
MAA GAYTRI ROAD LINES Date: 18/11/23
TRANSPORT CONTRACTOR & COMMISSION AGENT
SHYAMA BUILDING, BHIRINGI, G.T. ROAD, DURGAPUR - 713213, PASCHIM BARDHAMAN, W.B.
Enrollment : 198CNP56347E122

| | | | | | | |
|---|---|-----------------------|---|-------|---------|---------|
| PAN - BCNPS6347E | GST tax Through | Consignor | Consignee <input checked="" type="checkbox"/> | | | |
| TRUCK NO : AT-NSK5189 FORM : | BANKUK | TO : MANTHAN MINERALS | | | | |
| Consignor : Alka Sada Parimatra (PVT) LTD Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | Consignee : MANTHAN MINERALS Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | | | | | |
| GST | | | | | | |
| Quantity | Description of Goods | Quantity Weight | Rate | Total | Freight | Details |
| 1 | TMH GRL 72142-20 | 2000 | 56430 | 56430 | 9000 | |
| Driver Name : Address : E-way Bill No : Valid upto : Remarks : Signature of Consignor : DRIVER : Driver's Name : Driver's ID No : Check No : Engg No : For MAA GAYTRI ROAD LINES | | | | | | |

H : 8343934083, 8759020111
E-mail : rs395062@gmail.com

(Bilty No. 292, Vehicle No. RJ14GK2949 dt. 18.11.23)

No. 293/2022-24

FRIGHT CHALLAN
ALL SUBJECT TO DURGAPUR JURISDICTION
MAA GAYTRI ROAD LINES Date: 18/11/23
TRANSPORT CONTRACTOR & COMMISSION AGENT
SHYAMA BUILDING, BHIRINGI, G.T. ROAD, DURGAPUR - 713213, PASCHIM BARDHAMAN, W.B.
Enrollment : 198CNP56347E122

| | | | | | | |
|---|---|-----------------------|---|-------|---------|---------|
| PAN - BCNPS6347E | GST tax Through | Consignor | Consignee <input checked="" type="checkbox"/> | | | |
| TRUCK NO : AT-HAKA9XZ10 FORM : | CARNAKA | TO : MANTHAN MINERALS | | | | |
| Consignor : Alka Sada Parimatra (PVT) LTD Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | Consignee : MANTHAN MINERALS Address : 10/10, Sector 1, Jharkhand GST : 10AAHAKA9XZ10 | | | | | |
| GST | | | | | | |
| Quantity | Description of Goods | Quantity Weight | Rate | Total | Freight | Details |
| 1 | TMH GRL 72142-20 | 2000 | 56430 | 56430 | 9000 | |
| Driver Name : Address : E-way Bill No : Valid upto : Remarks : Signature of Consignor : DRIVER : Driver's Name : Driver's ID No : Check No : Engg No : For MAA GAYTRI ROAD LINES | | | | | | |

H : 8343934083, 8759020111
E-mail : rs395062@gmail.com

(Bilty No. 293, Vehicle No. UP77AN6855 dated 18.11.23)

- ii. The transporters neither have any business relation with M/s Fortune Metaliks Limited, Raipur nor have transported any goods to M/s Fortune Metaliks Limited, Raipur. They have never transported any goods to Chhattisgarh for M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab which is also confirmed from the e-way bill portal as there is no vehicle movement towards Chhattisgarh in respect of transport bilties generated by these firms.
- iii. These transporters have dispatched the goods from West Bengal or Jharkhand to Punjab only, however, in some cases these goods were unloaded en-route in Uttar Pradesh and Haryana but all these transporters have received freight payment for transportation of goods from West Bengal or Jharkhand to Punjab (approx. 1600 kms) which is substantially higher (nearly double) than the freight for transportation of goods from West Bengal or Jharkhand to Chhattisgarh (approx. 600-800 kms) which can be confirmed from their Form 26AS.

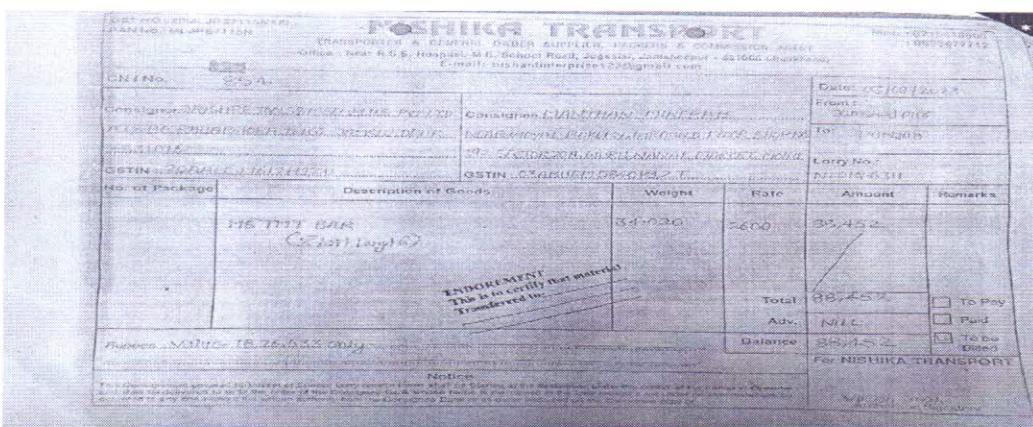


- iv. On being shown the transport bilities of their firms which have been submitted by M/s Fortune Metaliks Limited, all the transporters stated that they are seeing this type of endorsement stamp for the first time as they have never endorsed any of their transport bilities. Further, they also confirmed that the truck deployed by their firm for M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab never went to Chhattisgarh.
- v. Further, with regard to the invoice under which TMT (short length) is shown to be sold by M/s NRA Overseas LLP and M/s Manthan Minerals to M/s Fortune Metaliks Limited, Raipur, the transporters have stated that the goods which were loaded for transportation to M/s NRA Overseas LLP Punjab and M/s Manthan Minerals, Punjab were freshly manufactured finished goods and were dispatched for Punjab which were unloaded in Punjab, Haryana or Uttar Pradesh as per the instructions of consignee. They also submitted the copy of transport bilities that were available with them in this regard.
- vi. Further, on being shown the transport bility of M/s Nishika Trasnport which was submitted by M/s Fortune Metaliks Limited, Raipur, Shri Kumar Nishant, Authorized Representative of M/s Nishika Transport stated that the said bility appears to be forged as this bility is different from the original bility which have been issued by his firm. The authorized representative of M/s Nishika Transport in his submission have submitted the copy of original transport bility (part of RUD-33) issued by his firm in this regard and a copy of forged transport bility submitted by M/s Fortune Metaliks Limited both are shown below for comparison:

| GSTIN : 20MLJPS7115N1ZI PAN No.: MLJP7115N | | NISHIKA TRANSPORT TRANSPORTER & GENERAL ORDER SUPPLIER, PACKERS & COMMISSION AGENT Office : Near R.B.B. Hospital, M.L. School Road, Jharsuguda - 751006 (Orissa) E-mail: nishikainterpri123@gmail.com | | Mob.: 9236516500 965347712 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|---|-------------------------------|--|-------|------------|----------------|----------------------|--------|------|--------|---------|--|-----------|--------|-------|--------|--|--|--|--|-------|--------|---------------------------------|--|--|--|------|------|-------------------------------|--|--|--|---------|--------|--|-----------------------|--|--|--|--|--|--|--|--|--|--|--|
| CN / No. | 854 | Date: | 03/09/2023 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Consignor: | RAJSHRI IRON & STEEL LTD., RAIPUR A/C P.C. EXIM TRADING, RAIPUR, RAJASTHAN PIN-390016 | Consignee: | MANTHAN MINERALS INDUSTRIAL BOLELY, GROUND FLOOR, LIPPI M.G. SADAR MAHANUARAN, CHHATTISGARH PIN-495001 | GSTIN : 03ABQWLLPZC9ZT | | From: | JHARSUGUDA | No. of Package | Description of Goods | Weight | Rate | Amount | Remarks | | TMT REBAR | 34.020 | 26.00 | 884.52 | | | | | Total | 884.52 | <input type="checkbox"/> To Pay | | | | Adv. | 0.00 | <input type="checkbox"/> Paid | | | | Balance | 884.52 | <input checked="" type="checkbox"/> To Be Billed | For NISHIKA TRANSPORT | | | | | | <p>Rupees. Value - 884.52 only</p> <p>Notice The consignment covered by Present of Special Lorry receipt form can be started at the destination until the source of the transport Operator is mentioned so or to the order of the Consignee Party whose name is mentioned in the body receipt. It will under no circumstances be allowed to my side without the written authority from the Consignee Bank or be later endorsed by the Consignee Party.</p> <p>Vijay Singh Authorized Signatory</p> | | | | | |
| GSTIN : 03ABQWLLPZC9ZT | | From: | JHARSUGUDA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| No. of Package | Description of Goods | Weight | Rate | Amount | Remarks | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | TMT REBAR | 34.020 | 26.00 | 884.52 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Total | 884.52 | <input type="checkbox"/> To Pay | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Adv. | 0.00 | <input type="checkbox"/> Paid | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | Balance | 884.52 | <input checked="" type="checkbox"/> To Be Billed | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For NISHIKA TRANSPORT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Rupees. Value - 884.52 only</p> <p>Notice The consignment covered by Present of Special Lorry receipt form can be started at the destination until the source of the transport Operator is mentioned so or to the order of the Consignee Party whose name is mentioned in the body receipt. It will under no circumstances be allowed to my side without the written authority from the Consignee Bank or be later endorsed by the Consignee Party.</p> <p>Vijay Singh Authorized Signatory</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

(Original transport bility mentioning TMT REBAR & NO endorsement seal)





(Forged transport bilty mentioning MS TMT BAR (Short Length) and blank endorsement seal)

- vii. Further, they have taken name of Shri Rohit Singla, Shri Deepak Bansal, Shri Jasvinder Singh (alias Vicky Rai), Shri Deepak Sharma and Shri Sahil Thakur with whom communications with regard to transactions with M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab were made.
- viii. The transporters have also stated that the goods which were dispatched under these transport bilties were dispatched within 2 to 5 days from the issue of invoice/e-way bill. Therefore, it appears that M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab have later on, after a delay of 2-5 days have issued invoices/e-way bill to M/s Fortune Metaliks, Raipur after the goods were unloaded at locations in Punjab or en-route in Haryana or Uttar Pradesh and this fact is also established from the movement of vehicle from the e-way bill portal.
- ix. Further, on perusal of the purchase invoices of M/s NRA Overseas LLP and M/s Manthan Minerals, Punjab with the respect sales invoices issued by them to M/s Fortune Metaliks Limited, in many instances the price at which the goods were purchased is higher than the selling price. Further, the description of the goods mentioned in the sale invoice is different from purchase invoice, which is impossible if they are claiming that they have diverted the movement of goods towards Raipur for its delivery to M/s Fortune Metaliks Limited, Raipur by way of endorsement of transport bilties. The aforesaid is explained by the sample copy of purchase made by M/s Manthan Minerals indicating their higher cost of purchase and accordingly sale of the same purchased goods at a lower price by modifying the description of goods therein, to M/s Fortune Metaliks Limited is depicted by the snapshots of e-way bill portal & transport bilty as below:
- i. For example, on vehicle number UP42BT2357, e-way bill no. 861345264418 is generated on 19.09.2023, indicating sale of goods from M/s BDG METAL AND



POWER LTD., Kolkata to M/s Manthan Minerals, Punjab, having HSN 72149990, weight - 30.06 MTS and Invoice value - Rs.16,13,045/. In respect of this transaction, the transport bilty submitted by the transporter M/s Muskan Roadline also shows the goods description as TMT having weight of 30.06 MT and invoice value of Rs. 16,13,045/. But the movement of vehicle as per e-way bill portal shows the movement of vehicle from Kolkata (W.B) to some place in Uttar Pradesh indicating that the goods were unloaded somewhere in Uttar Pradesh. The snapshot of the e-way bill portal indicating actual movement of vehicle and corresponding original transport bilty submitted by the transporter is as below:

| Details of Eway-bill | | | | | | Details of Tolls Passed by Vehicle in Bharat Map | |
|----------------------|------------|---------------------------------|-----------------------------|--------------------------|--|--|--|
| E-Way Bill Details | | Dispatch From Place & Plate No. | Dispatch To Place & Pincode | GST Code & Description | Assessable Value and Tax Value (Rs.) | | |
| EWB No. | EWB Date | State/UT | | 72149990 - MANAKROADLINE | OTHER PARTS AND ROADS OF 166987.52 & 286027.76 | | |
| 961345264410 | 19-09-2023 | BENGALURU | 77262 | 14730 | | | |

(Actual time reported from the Eway system: 26-09-2023 19:10:05)

Vehicles entered for the E-way bill [Part G details of only Road are considered]

| Vehicle No. | Vehicle Country entry date in EWB | Next vehicle entry date in EWB (not vis) |
|-------------|-----------------------------------|--|
| UP942972357 | 19/09/2023 16:45:00 | NA |

Toll Details passed by Vehicle

| From | To | Date | State | |
|------------------|---------------------------|---------------------|---------------------|---------------|
| Below Toll Plaza | South | 20/09/2023 01:51:01 | BHARAT | |
| T2 | Shantiniketan Toll Plaza | South | 20/09/2023 08:33:16 | BHARAT |
| T3 | Ranekia Champa Toll Plaza | South | 20/09/2023 11:51:46 | BHARAT |
| T4 | Sankata Toll Plaza | South | 20/09/2023 16:36:44 | BHARAT |
| T5 | Sararan Toll Plaza | West | 20/09/2023 19:34:44 | BHARAT |
| T6 | Mohinda Toll Plaza | West | 20/09/2023 21:41:09 | BHARAT |
| T7 | Dalti Toll Plaza | South | 21/09/2023 05:47:12 | UTTAR PRADESH |
| T8 | Hajipur Toll Plaza | North | 21/09/2023 09:08:42 | UTTAR PRADESH |
| T9 | Bardia Kali Plaza | South | 21/09/2023 10:18:18 | UTTAR PRADESH |

| CN No.-MRI 43/23-24 | | All Subject to Durgapur Jurisdiction | |
|---|----------------------|--|--|
| MUSKAN ROADLINES TRANSPORTER, CONTRACTOR & COMMISSION AGENT Naini Nagar, B-Block, G.T. Road, Durgapur-713213, Dist.-Paschim Bardhaman Mob.: 8759116037 / 7001345190 GSTIN : 19BUWPK6043AZF | | <input type="checkbox"/> Consignor Copy <input type="checkbox"/> Consignee Copy <input type="checkbox"/> Driver Copy <input type="checkbox"/> Office Copy | |
| Owner Name..... | Address..... | From : | Permit No. |
| Driver Name..... | Address..... | Bengaluru (W.B) | Consignor's G.S.T. No. BAA CC B2-7 980122 |
| Lic. No. Mob. No. | Address..... | To : Mandi Gobind Singh (P.B) | Consignee G.S.T. No. 03 AB YEM 58408121 |
| | | Truck No. UP 42 BT-23 57 | Base of Booking FULL PAID TO BE BILLED TO PAY |
| | | Date : 19.09.2023 | |
| The Consigner's Name & Address M/s. B.D.G. Metal and Associates limited Address: Durgapur (W.B) The Consignee Name & Address M/s. Manthan Pitambar Churnamuk Market, Mandi Gobind Singh (P.B) | | | |
| No. of Packages | DESCRIPTION OF GOODS | Actual Weight | Rate Per M.T. |
| 1 0 0 5 E | -T.M.T | 30.060 | 1600 |
| | | Charged Weight | |
| | | | Freight 48086 |
| | | | Guarantee Charge |
| | | | GST Tax @ |
| | | | Other Charge @ |
| | | | Bility Charge |
| | | | Total Amount |
| | | | Advance |
| | | | Net Freight (To Pay) 413,796 |
| Total Pay Rs. Value Rs. 16,13,045,00 | | | |
| Signature For Muskan Roadlines | | | |

(Original Transport bilty submitted by Transporter, part of RUD-33)

- ii. Further on tracking the same vehicle number on e-way portal between the dates ranging from 20.09.2023 to 24.09.2023, it is observed that after 19.09.2023, two more e-way bill bearing no. e-way bill no. 491371791350 dated 23.09.2023 and e-



way bill no.391660562554 dated 23.09.2023 have been generated on the same vehicle, as shown below:

E - Waybill MIS System

Tracking vehicle movement between two dates

Vehicle No.: 491371791350 From: 23/09/2023 To: 24/09/2023 (Latest time reported from the fastag system: 20:00:2023 18:45:54)

List of Valid E-Way Bill

| E-Way Bill Details | EVN No. | EVN Date | VIN No. | Shipton Place & Postcode | Buyer Place & Postcode | HSN Code & Description | Assessable Value and Tax Value (Rs.) |
|--|------------|-----------------------------|---------------------|--------------------------------------|------------------------|------------------------|--------------------------------------|
| 391660562554 16:50:00 23/09/2023 | 23/09/2023 | KOLKATA 700001 | RAIPUR 493221 | 721499 - Other | 103296.81 | | |
| 491371791350 10:59:00 23/09/2023 | 23/09/2023 | Distt.- Barabanki 225126 | NUTANGANJ 722101 | 17011490 - CANE OR BEET SUGAR AND CH | 1150000.00 | | |

Details of Tolls Passed by Vehicle in Bharat Map

Vehicle movement at Toll Plazas between the dates

| S. No. | Toll Plaza | Direction | Date/Time | State |
|--------|-------------------|-----------|---------------------|-----------------|
| T1 | Belyad toll 28529 | South | 23/09/2023 01:51:01 | BIHAR/JHARKHAND |

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- iii. The first e-way bill no. 491371791350 generated on 10:59 AM dated 23.09.2023, have been generated for the movement of goods (HSN-17011490 - CANE OR BEET SUGAR AND CH) from Distt.- Barabanki 225126 (U.P) to NUTANGANJ 722101 (W.B) and appears to be genuine as the movement of vehicle as per FASTag toll data corroborates the same, as shown below:

E-Way Bill No.: 491371791350 (Latest time reported from the fastag system: 20:00:2023 18:45:54)

Details of Eway-bill

| E-Way Bill Details | EVN No. | EVN Date | VIN No. | Shipton Place & Postcode | Buyer Place & Postcode | HSN Code & Description | Assessable Value and Tax Value (Rs.) |
|--|------------|-----------------------------|---------------------|--------------------------------------|------------------------|------------------------|--------------------------------------|
| 491371791350 10:59:00 23/09/2023 | 23/09/2023 | Distt.- Barabanki 225126 | NUTANGANJ 722101 | 17011490 - CANE OR BEET SUGAR AND CH | 1150000.00 | | |

Vehicles entered for the E-way bill [Part B details of only Road are considered]

| Vehicle No. | Vehicle details entry date in EWB | Next vehicle details entry date in EWB |
|-------------|-----------------------------------|--|
| UR4787257 | 23/09/2023 10:59:00 | NA |

Toll Details passed by Vehicle

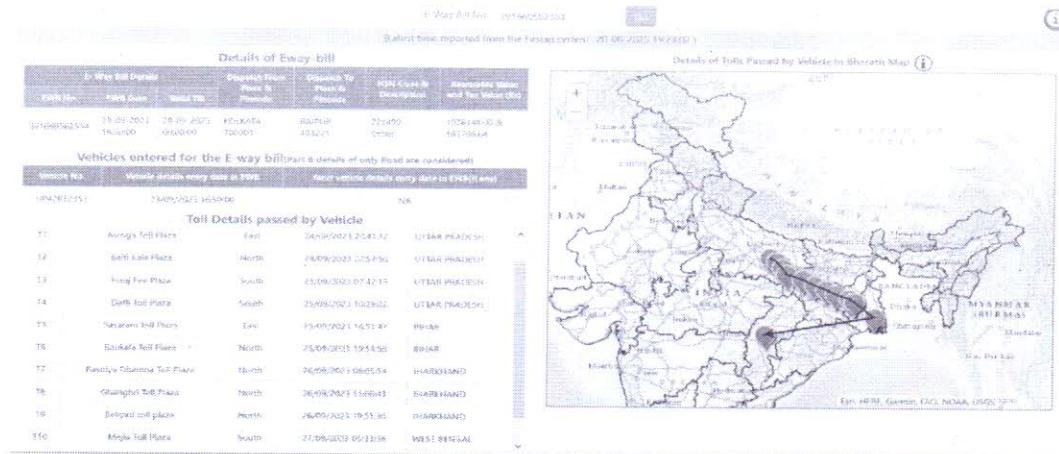
| T1 | Aroga Toll Plaza | East | 24/09/2023 09:41:12 | UTTAR PRADESH |
|-----|---------------------------|-------|---------------------|---------------|
| T2 | Bali Kala Plaza | North | 24/09/2023 22:07:59 | UTTAR PRADESH |
| T3 | Hajal Toll Plaza | South | 25/09/2023 07:48:19 | UTTAR PRADESH |
| T4 | Daffi Toll Plaza | South | 25/09/2023 19:29:22 | UTTAR PRADESH |
| T5 | Sapaura Toll Plaza | East | 25/09/2023 19:51:47 | BHARAT |
| T6 | Sardolia Toll Plaza | North | 25/09/2023 19:54:58 | BHARAT |
| T7 | Rasoliy Dhamra Toll Plaza | North | 26/09/2023 08:09:54 | JHARKHAND |
| T8 | Ghansoli Toll Plaza | North | 26/09/2023 11:08:43 | JHARKHAND |
| T9 | Belyad toll plaza | North | 26/09/2023 19:51:00 | JHARKHAND |
| T10 | Mojia Toll Plaza | South | 27/09/2023 09:03:36 | WEST BENGAL |

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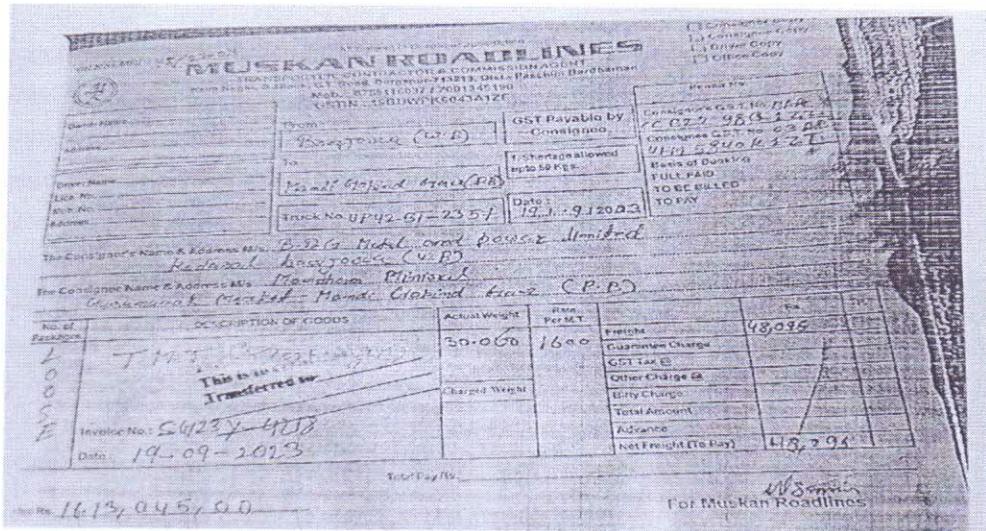
- iv. While the second e-way bill no. 391660562554 generated on 4:50 PM dated 23.09.2023 (from M/s Manthan Minerals, Punjab to M/s Fortune Metaliks, Raipur), have been generated for the movement of goods (721499 - Other) from KOLKATA 700001 to RAIPUR 493221 and appears to be fake as there appears to



be no movement of vehicle as per FASTag toll data to corroborates the same, as shown below:



- v. Further, the corresponding transport bily submitted by M/s Fortune Metaliks Limited in respect of this transaction also appears to be forged inasmuch as the goods description appears to be modified by making it "TMT (Short Length)", whereas in the original bily submitted by the transporter has mentioned goods description "TMT" only and no endorsement stamp/seal is placed on original transport bily, whereas the bily submitted by M/s Fortune Metaliks Limited bears a blank endorsement seal, as shown below:



(Transport bily submitted by M/s Fortune Metaliks Limited)

- vi. Also as per the e-way bill no. 861345264418 dated 19.09.2023 shown above and transport bily no. 48/23-24, the purchase price of goods (30.06MT) by M/s Manthan Minerals is Rs.16,13,045/-, whereas as per the corresponding sale invoice issued by M/s Manthan Minerals showing sale of same quantity of goods (30.06MT) to M/s Fortune Metaliks Limited but after modifying description of



goods to TMT (short length), the value of goods gets deliberately reduced to Rs.12,69,855/-, as per the invoice shown as below:

24/09/2023
Original Copy

| GSTIN : 03ABUFMSB40K1ZT | | TAX INVOICE | | | | | |
|---|------------------------------------|--|------------------------------------|---|--------------|----------|------------|
| MANTHAN MINERALS | | | | | | | |
| 192, GROUND FLOOR, SECTOR 10A, GURU NANAK NAGAR, MOTTA KHAN, MANDI GOBINDGARH, PUNJAB-147301 M. 8169660556, 2009290216 PAN: ANHUM5640E | | | | | | | |
| Invoice No. | MM/23-24/G/1266 | Transport | BY ROAD | | | | |
| Date | 13-09-2023 | Vehicle No. | UP42BT2357 | | | | |
| Mode of Supply | CHEMISTRIES (22) | Station | RAIPUR | | | | |
| Reverse Charge | N | E-Way Bill No. | 391660562554 | | | | |
| GSTR No. | FOR | PO No. | | | | | |
| Shipped To: | | | | | | | |
| FORTUNE METALIKS LTD. 24 TH MILESTONE, VILLAGE-KAPASDA, BILASPUR RAJPUR HIGHWAY, DHARSIWA RAJPUR-493221 | | FORTUNE METALIKS LTD. 24 TH MILESTONE, VILLAGE-KAPASDA, BILASPUR RAJPUR HIGHWAY, DHARSIWA RAJPUR-493221 | | | | | |
| GSTIN / UIN | 22AACB13202D22L | GSTIN / UIN | 22AACB13202D22L | Ack No. | 133160430920 | Ack Date | 23-09-2023 |
| INN | 90015259714933400001792041795733ed | INN | 90015259714933400001792041795733ed | Qty. | Price | IGST | Amount |
| Description of Goods | HSN/SAC Code | Unit | IGST Rate | Amount | | | |
| 1. TMT BAR-12X400 (CUTTING LENGTH) | 721499 | SD. KG | 18.00 % | 39376.64 | 12,69,854.64 | | |
| QUANTITY & RATE VERIFIED | | | | | | | |
| SIGN: _____ | | | | | | | |
| After Rounding Off (-) | | | | | | | |
| Grand Total 30,060 MT 12,69,854.64 | | | | | | | |
| 10,76,146.00 192,705.64 1,93,750.64 | | | | | | | |
| Rupees Twelve Lakh Sixty Nine Thousand Eight Hundred Fifty Five Only | | | | | | | |
| Bank Details : SBI BANK, A/C No. 41748297701, IFSC CODE : SBIN0005700 | | | | | | | |
| Term & Conditions | | E-Invoice QR Code | | Receiver's Signature | | | |
| 1. Goods price paid will not be taken 2. Advance @ 10% shall be charged 3. Interest @ 10% p.a. will be charged if the payment is not made within the stipulated time. 4. Subject to "Purulia" Jurisdiction only | | | | DEEPAK BANSAL Date: 2023-09-21 Authorised Signatory | | | |

vii. Hence, from the above, it is abundantly clear that the modus followed by these firms M/s Manthan Minerals or M/s NRA Overseas LLP are that they have purchased finished goods from supplier firms/companies located in various states such as West Bengal, Jharkhand, Odisha etc. and actually transported these goods to Punjab, but on many instances these goods were unloaded en-route in Haryana, U.P etc. (clandestinely) without cover of proper invoice, thereafter the sale invoice of the same goods were issued to M/s Fortune Metaliks Limited. They have also meticulously forged/created various supporting documents such as transport bilities, e-way bill, weighment slip etc to support their claim of transaction as genuine in the eyes of law.

4.54 Accordingly, to confront with the aforementioned observations/findings, summon was issued to Shri Rajeshkumar Tejpal Gaur, Additional Director, M/s Fortune Metaliks Limited for tendering oral evidences/statement in this regard, but vide e-mail dated 02.05.2025, Shri Rajeshkumar Tejpal Gaur submitted that he was scheduled to travel to United States, hence was unable to attend the same. Accordingly, summon was issued to Shri Saurabh Bansal, Director of M/s Fortune Metaliks Limited on 13.05.2025, to confront with the aforementioned observations/findings but vide letter dated 14.05.2025, Shri



Saurabh Bansal informed that he is unable to personally appear as he is also travelling abroad and further submitted that he is not involved in the day-to-day operations or procurement affairs of M/s Fortune Metaliks Limited, Raipur and authorized Shri Ravi Sharma, Finance Manager, M/s Fortune Metalikss Limited to appear on his behalf. Consequently, again summon was issued to Shri Rajeshkumar Tejpal Gaur, Additional Director, M/s Fortune Metaliks Limited on 27.05.2025, against which vide e-mail dated 31.05.2025, Shri Rajeshkumar Tejpal Gaur submitted that he has recently returned from United States on 28.05.2025 and has developed cold and general fatigue, making it difficult for him to appear for tendering oral evidence and requested to fresh date for appearance in coming days. Accordingly, again summons was then issued to Shri Rajeshkumar Tejpal Gaur on 06.06.2025 against which Shri Rajeshkumar Tejpal Gaur vide e-mail dated 11.06.2025 informed that his health condition has further deteriorated and he has been diagnosed with Type-2 Diabetes Mellitus and currently experiencing severe fluctuations in blood sugar levels along with flu symptoms. Further, he clarified that although he is primarily responsible for overseeing technical plant operations and not engaged in the day-to-day commercial functions of the company and requested further extensions of 1 month for appearance in on-going investigation. Thereafter, summon was issued to Shri Deep Bansal, Director of M/s Fortune Metaliks Limited on 12.06.2025 for tendering oral evidences in this regard, but vide letter dated 17.06.2025, Shri Deep Bansal informed that he is travelling to Italy for a period of 15 to 20 days due to prior commitments and was unable to appear on the assigned date. Further, he requested to reschedule the appearance on any date after 2nd week of July,2025. Accordingly, another summons was issued to Shri Deep Bansal on 07.07.2025 requiring his presence on 14.07.2025 for tendering oral evidences, but vide letter dated 10.07.2025, Shri Deep Bansal informed that day-to-day operations, procurement, statutory compliances of the company are overseen by Shri Rajeshkumar Tejpal Gaur and therefore he is best acquainted with the facts and documents sought in the enquiry. Further, letter of authorization in favour of Shri Rajeshkumar Tejpal Gaur was also furnished. Accordingly, summons was again issued to Shri Rajeshkumar Tejpal Gaur on 16.07.2025 requesting his presence on 23.07.2025 and in compliance to the same Shri Rajeshkumar Tejpal Gaur made himself available on the said date.

4.55 Statement of Shri Rajeshkumar Tejpal Gaur, CEO & Additional Director of M/s Fortune Metaliks Limited:

Statement of Shri Rajeshkumar Tejpal Gaur (RUD-34), the Chief Executive Officer and Additional Director of M/s Fortune Metaliks Limited, Raipur, was recorded on 23.07.2025, under section 70 of the Central Goods & Services Tax Act, 2017. In his deposition, he stated the following-

- i. *He is the CEO of M/s Fortune Metaliks Limited since the year 2022 and was appointed as an Additional Director in February'2024. His responsibilities include*



plant operations, administration, production planning and overall management of the company.

- ii. His company has purchased scrap of Iron and Steel, MS Billets and Sponge Iron from M/s Rohit & Company, M/s NRA Overseas and M/s Manthan Minerals. The single point of contact for all dealings with these three firms was Shri Rohit Singla, whom he described as a long-trusted and known supplier.
- iii. On being shown the statement of Shri Rohit Singla wherein he has admitted that he has provided only bills without the actual supply of underlying goods from his proprietorship firm M/s Rohit & Company, he claimed that his company had received the goods along with the corresponding invoices.
- iv. On being shown the ledgers named "Rohit & Company" and "RC" which were found in the mobile phone of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited containing details of cash returned against RTGS payments, he denied any knowledge of these documents or any involvement in such cash transactions. He maintained that all payments were made through banking channels against genuine receipt of goods.
- v. On being shown the statements from various transporters, all of whom had denied ever transporting goods to M/s Fortune Metaliks Limited in Raipur, and had alleged that their documents were misused and bilties were forged by the endorsement seal placed on it and that the vehicles listed on the invoices never transported any goods to Chhattisgarh, he consistently repeated that the goods were delivered on a Freight on Road (FOR) basis, meaning the supplier was responsible for transportation and delivery.
- vi. He denied knowing any person named Shri Jasvinder Singh alias Vicky Rai whose involvement in M/s North East Steel Company and M/s Sky Resources had been discovered and who was the person who handed over blank bilties of various transport firms to Shri Surinder Kumar, Shri Rajeshkumar Tejpal Gaur asserted that all their dealings were exclusively with Shri Rohit Singla.
- vii. He stated that he is unaware of the genuineness of the transport documents and that these documents might have been forged by the suppliers. He admitted that his staff might have overlooked details like blank endorsement stamps on the transport bilties because the goods were received from their trusted supplier.
- viii. On being questioned about the lack of evidence for the actual receipt of goods, as required by law and in compliance with the Hon'ble Supreme Court ruling in the



case of M/s Ecom Gill Coffee Trading Pvt. Ltd. case, Shri Gaur reiterated that the company had received the goods mentioned in the invoices. He stated that these purchases are accounted for in the company's audited books and can be verified through stock registers and production details. He also pointed out that since the transportation was the supplier's responsibility, his company did not have freight payment receipts. He reiterated against the receipt of goods, his company only has possession of invoice/bill, E-way bill and transportation bility.

- ix. *On being confronted with the evidences regarding the fact that his suppliers (M/s Manthan Minerals and M/s NRA Overseas) had purchased goods at higher prices than they sold them to M/s Fortune Metaliks Limited, he stated that he could not comment on the same.*

4.56 In the above statement, Shri Rajeshkumar Tejpal Gaur has consistently denied any wrongdoing, maintaining that M/s Fortune Metaliks Limited has genuinely received all goods from the firms/companies in question. He placed the responsibility for all the logistical and documentation irregularities, including potentially forged transport documents and non-movement of vehicles to his factory (in Chhattisgarh), squarely on the supplier, Shri Rohit Singla, citing the "FOR" basis of the delivery terms.

4.57 Statement of Shri Rohit Singla, proprietor of M/s Rohit & Company and partner of M/s RP Metal Manufacturing & Recycling, M/s NRA Overseas LLP and M/s Manthan Minerals tendered on 07.08.2025.

Statement of Shri Rohit Singla (RUD-35) was again recorded on 07.08.2025, under section 70 of the Central Goods & Services Tax Act, 2017, wherein he was confronted with the above-mentioned documentary evidences and the depositions of transporters and Shri Rajeshkumar Tejpal Gaur. In his deposition, he stated the following-

- i. *He is not completely satisfied with all the statements he had given earlier to this office.*
- ii. *He submitted that in his statement dated 20.11.2024, wherein he had informed that all business activities of his partnership firm M/s RP Metal Manufacturing & Recycling were looked after by him, he now submitted that besides him, the other partner, Shri Suresh Aggarwal is also equally involved in all the business activities of the firm and he is not solely responsible for all its business activities of this firm. Suresh Aggarwal also used to visit Raipur from Punjab regularly, and the work of this firm was also looked after and managed by him.*



- iii. Similarly, he submitted that in the earlier statement tendered by him on 22.11.2024, wherein he had stated that his firm M/s RP Metal Manufacturing and Recycling had received bills only from the suppliers M/s North East Steel Company, M/s Sky Resources and M/s Arvind Traders and that his firm had purchased non-GST raw material (scrap) from local vendors and supplied it to M/s Fortune Metaliks Limited and M/s Balaji Iron and Steel Trader, among others, against this he stated that his firm did receive iron scrap material from these suppliers firms/companies and the same material was sold further by his firm. They used to engage local vehicles in the plant for segregation and sorting of this scrap material and then sell it to their buyers. The names mentioned in the register seized from his plant, such as Shahid, Ashutosh, Aamir, Imran, etc., are those persons who had sent vehicles to his plant to get this sorting work done.
- iv. He further deposed that on 22.11.2024, he was under lot of pressure, so he could not present some facts correctly.
- v. He stated that he is completely satisfied with the statement given to this office on 13.12.2024.
- vi. His proprietorship firm M/s Rohit & Company, has actually supplied goods along with bills to M/s Fortune Metaliks Limited.
- vii. He has no information regarding the copies of the 2 ledgers, "Rohit & Company" and "RC," which were found on the mobile phone of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited. Regarding Jasvinder Singh (alias Vicky Rai), he stated that he is his GST consultant and have no information as to why he sent these ledgers to Ravi Sharma.
- viii. On being shown the letter dated 10.01.2025 and 20.02.2025 submitted by another partner of M/s NRA Overseas LLP and M/s Manthan Minerals, wherein he has stated that all work related to these firms are managed by Shri Rohit Singla and he has no role in the business activities of these firms, he expressed his disagreement and stated that both these firms were operated from Hisar, Haryana, and their CA (Jogesh Goyal) is also from Hisar. The bank accounts of both these firms are also operated from the SBI bank branch in Hisar and Deepak Bansal is a resident of Hisar. The business activities in both these firms started only after Deepak Bansal joined as a partner. In M/s NRA Overseas LLP, his wife, her uncle, her aunt, and he were partners. When Deepak Bansal became a partner on 01.04.2021, his wife, her uncle, and her aunt all retired on 31.03.2021, and business activity in this firm started only after 01.04.2021. Similarly, in M/s Manthan Minerals, his wife and Deepak Bansal were already partners, then on 31.03.2023, he became a partner in place of his wife, and the



business activity of this firm was being looked after by Deepak Bansal from the beginning. Since both M/s NRA Overseas LLP and M/s Manthan Minerals are partnership firms, their work was divided; Deepak Bansal looked after the entire work of both firms (sales, purchase, billing, transport, etc.), and since he had invested money in these firms, he looked after the financial/compliance part. The ICICI bank details provided by Deepak Bansal in his letter do not contain many business-related transactions for these two firms; most transactions were carried out from the SBI Account – 40127907438 (IFSC-SBIN0005700), which was operated by Deepak Bansal himself.

- ix. *He perused all the statement of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited and stated that he is satisfied with his statement as far as the business with regard to the relationship between his firm M/s Rohit & Company and M/s Fortune Metaliks Limited. However, with regard to his partnership firms, M/s NRA Overseas LLP and M/s Manthan Minerals (whose work is looked after by Deepak Bansal), he stated that all communication with M/s Fortune Metaliks Limited regarding these firms were made by Deepak Bansal. Therefore, he doesn't have much information about the business relationship of these firms with M/s Fortune Metaliks Limited.*
- x. *His firm M/s Rohit & Company has actually supplied goods like sponge iron, billets, etc., and M/s RP Metal Manufacturing & Recycling has actually supplied short-length TMT to M/s Fortune Metaliks Limited, Raipur and other buyers.*
- xi. *On being asked about the transporters whose bilities were annexed with the invoices raised by his firm M/s Rohit & Company to M/s Fortune Metaliks Limited, he stated that all communication with all the above transport firms were managed by his staff and whenever these transport firms were engaged by his firm Rohit & Company to send goods to Raipur (either to M/s RP Metal Manufacturing & Recycling or M/s Fortune Metaliks Limited), they were paid freight amount through banking channels or cash, and TDS was also deducted on it. However, when any goods were sent to M/s RP Metal Manufacturing & Recycling by M/s North East Steel Company or any other firm through these transport firms, he doesn't have any information about that because this material came on FOR basis, meaning the responsibility of such transport lies with the selling firm.*
- xii. *On being asked about the wrong PAN/GSTIN mentioned in the transport bilities of these transport firms except M/s Keerat Roadlines and M/s Khabra Roadlines, he stated that he have never communicated with any of the above transport firms*



directly and this task was managed by my staff, so he cannot offer any comment in this regard.

- xiii. On being asked how transporters such as M/s Krishna Road Line, M/s Shri NMO Transport Company, M/s New Gobinda Transport Service, which were found non existent during the course of investigation, have delivered goods to M/s Fortune Metaliks Limited, Raipur by his firm M/s Rohit & Company, he stated that he have proof of the freight payment made by his firm M/s Rohit & Company to the above transport firms, and he will present the same in a few days.
- xiv. On being shown the statement of Shri Mahinder Kumar, Proprietor, Khabra Roadlines, Ms. Amanpreet Kaur, Proprietor M/s Keerat Roadlines and Shri Surinder Kumar, Key person of M/s Khabra Roadlines and M/s Keerat Roadlines, they have stated that no goods from these two firms, M/s Khabra Roadlines and M/s Keerat Roadlines, have ever been transported outside Punjab, Jammu, Haryana, Rajasthan, or Uttar Pradesh and no goods have ever been sent by him to Raipur or Chhattisgarh, he stated that these firms have transported goods from Mandi Gobindgarh to Raipur for his firm. He failed to explain why they have given such statements.
- xv. On being confronted that regarding the statement of Mr. Surinder Kumar that he knew Jasvinder Singh (Vicky Rai) since 2022 as an employee of Rohit & Company and he had met Shri Rohit Singla personally several times in his office and was given transport work for all of his firms, Shri Singla admitted to knowing Surinder Kumar and meeting him regarding transport work. However, he once again repeated his claim that Jasvinder Singh was only his GST consultant, not his staff.
- xvi. On being confronted with the facts that his supplier firm M/s North East Steel Company was registered in the name of Mahinder Kumar, a daily wage laborer who previously worked as a school watchman. Mahinder Kumar testified that Jasvinder Singh (Vicky Rai) had set up the GST registration in his name in exchange for a promised payment of Rs. 20,000 per month and that he had no knowledge of this firm's business, Shri Singla denied having any knowledge of these arrangements, stating that in his trade, purchases are made through brokers. He claimed to have no information about Jasvinder Singh's connection to these supplier firms and insisted Jasvinder was only his GST consultant.
- xvii. He also failed to explain why the stamp seals of his supplier firms namely M/s North East Steel Company, M/s Sky Resources etc. which were found at factory premises of M/s RP Metal Manufacturing and Recycling.



- xviii. *Shri Rohit Singla was shown evidence from a search at the residential premises of Surinder Kumar, key person of M/s Khabra Roadlines and M/s Keerat Roadlines and the statement of Shri Surinder Kumar wherein he had admitted to providing blank, triplicate transport bills from his firms (Khabra and Keerat Roadlines) to Jasvinder Singh (Vicky Rai) in exchange for Rs. 150 per bill and confirmed that the bilties of his firms that were used for showing transportation of goods to M/s RP Metal Manufacturing and Recycling and M/s Fortunbe Metaliks Limited, he stated that these bilties were not issued by him and had been misused. Furthermore, he was also shown theblank bilties of four other transporters which were also found at the residential premises of Shri Surinder Kumar, which he claimed to have been given by Jasvinder Singh to him for safekeeping. In this regard, Shri Singla stated that he is unable to comment on why Surinder Kumar have made these statements and repeated that his firms, NRA Overseas and Manthan Minerals, had genuinely sent goods with the invoices. He attributed the entire process to his staff and brokers, calling it a common business practice. He denied any knowledge of why the other blank bilties of other transporters were at the house of Surinder Kumar and again reiterated that Jasvinder Singh was only his consultant.*
- xix. *On being shown the statement of transporters engaged in transportation of goods from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited, Raipur, wherein all of them admitted that they never had any business relationship with M/s Fortune Metaliks Limited, Raipur and also affirmed that they had never delivered or transported any goods to them in Raipur. They all had deposed that goods loaded from various locations of Jharkhand/Odisha/West Bengal were destined for Punjab but often unloaded enroute in Haryana or Uttar Pradesh as per the instructions received from representatives of M/s NRA Overseas LLP and M/s Manthan Minerals, the endorsement stamps on the bills shown to them were fake etc. Shri Rohit Singla failed to provide any satisfactory explanation and stated that his staff coordinated with the transporters, and that for NRA and Manthan Minerals, Deepak Bansal handled all transport-related work, so he can't comment in this regard. He claimed the endorsement stamps were applied after "talking to the transporters" and the blank ones were due to "staff negligence". Regarding the forged bilties, he stated that he doesn't have technical knowledge, all these matters were handled by his staffs*
- xx. *On being shown the FASTag toll movement data in respect of all the vehicles used in the alleged supplies from all three of Mr. Singla's firms to M/s Fortune Metaliks Limited, Raipur, according to which none of these vehicles had ever entered*



Chhattisgarh, he stated that the above discrepancy could be a "technical error". His only defense was that he had proof of freight payment to the transporters and had received payment for the goods from M/s Fortune Metaliks Limited, Raipur, and he has no idea why these toll data did not show the vehicles' movement.

- xxi. *On being pointed out that the "technical error" is highly improbable for every single vehicle across hundreds of transactions and fails to register on the toll data system upon entering Chhattisgarh, he reiterated that he paid the freight and received payment for supply of goods. However, he couldn't provide any satisfactory explanation about the missing toll data.*
- xxii. *He was shown a specific e-way bill generated by M/s NRA Overseas as a sample wherein the e-way bill was showing a vehicle transporting TMT from Barbil, Odisha to Raipur, Chhattisgarh between Oct 26th and 29th, 2022. However, another e-way bill and the vehicle's actual Fastag data proved that during that exact same period, the same vehicle was transporting sand from Allahabad to Jharkhand. In this regard, he again failed to provide any satisfactory explanation and reiterated that that he paid the freight and received payment for supply of goods.*
- xxiii. *On being confronted with the statement of Rajeshkumar Tejpal Gaur, the CEO of Fortune Metaliks Limited, wherein he had insisted his company genuinely received the goods and placed the entire responsibility for any transport irregularities (forged bills, non-movement of vehicles) on the supplier, as the goods were purchased on an F.O.R. (Freight on Road) basis and explicitly named Rohit Singla as his sole point of contact for all transactions with all three firms i.e. M/s Rohit & Company, M/s NRA Overseas LLP and M/s Manthan Minerals, he admitted that he was the contact person for M/s RP Metal Manufacturing & recycling and M/s Rohit & Company, but claimed Deepak Bansal was the contact for NRA Overseas LLP and Manthan Minerals. He said he didn't know why Mr. Gaur would name only him. He acknowledged the transport issues but could only repeat that he had no idea why the FASTag data was missing or why transporters gave adverse statements, especially since he had paid them.*
- xxiv. *On being asked why his firms have paid freight at the rate that was nearly double, for delivery of goods to Raipur, he stated that all the transportation related matters were looked after by Shri Deepak Bansal for his firms, M/s NRA resources LLP and M/s Manthan Minerals. He further stated that they might have simply paid the high rate quoted by the transporters because they were their regular transporters.*



xxv. On being asked why in many instances, his firms had sold goods to Fortune Metaliks Limited at a rate lower than their own purchase price, he described this as a normal business practice in the volatile iron and steel market. He explained that due to price fluctuations, it is sometimes necessary to sell at a loss to liquidate stock and save on other accumulating costs like bank interest and halting charges.

4.58 Shri Rohit Singla, in his statement dated 07.08.2025, retracted from his earlier admissions. He claimed that his prior statements were made under pressure and stated that his firm has actually received iron scrap from these suppliers and the seized registers with names like Shahid, Imran, Aamir etc. were for individuals who sent vehicles to the plant for the segregation and sorting of this scrap material, not for local purchases. He also retracted his statement that he was solely responsible for the firm's activities and claimed his partner, Suresh Aggarwal, was equally involved. These claims are very much contradicted by documentary evidences and oral evidences recorded by the transporters and other individuals, suggesting a calculated attempt to evade legal consequences. His claims in his statement dated 07.08.2025 clearly appears to be an afterthought and are not plausible inasmuch as –

- i. He had initially himself admitted to purchasing non-GST paid scrap from various local vendors but later on claimed that these local suppliers were the individuals who had sent vehicles for sorting of scrap in the factory, which is a significant and unsubstantiated change in his story.
- ii. He also retracted his admissions regarding the fraudulent ledgers such as "RC" and "Rohit & Company" found in the mobile phone of Shri Ravi Sharma, Finance Manager of M/s Fortune Metaliks Limited, Raipur claiming he had no knowledge of them, even though such ledgers were related to his firm and the same were shared by Shri Jasvinder Singh alias Vicky Rai who he claims to be his GST Consultant.
- iii. He failed to explain the voluntary reversal of ineligible ITC of IGST amounting to Rs.99,75,044/- submitted by him on 22.11.2024, made vide two different DRC-03s [utilizing cash ledger for Rs.65,00,000/- (ARN-AD221124020525R) and ITC ledger for Rs.34,75,044/- (ARN-AD2211240198801)] against his accepted liability.
- iv. He failed to explain why the stamp seals of his supplier firms, such as M/s North East Steel Company and M/s Sky Resources, etc., were found at his factory. This evidence strongly suggests he through his firms was actively involved in fabricating documents.



- v. His claims of genuine supply are directly refuted by multiple transporters. They all stated they never delivered goods to Raipur for his firms and that the goods were instead unloaded en route in Haryana or Uttar Pradesh. The key person of two transport firms, Shri Surinder Kumar, confessed to selling blank bilties to Shri Jasvinder Singh, a person Shri Singla claims is only his GST consultant.
- vi. He directly contradicted with the submission of the CEO of M/s Fortune Metaliks, Shri Rajeshkumar Tejpal Gaur, who had stated that Shri Rohit Singla was the sole point of contact for all transactions with all of his firms.
- vii. He also failed to explain why a firm was registered in the name of a daily wage laborer by his supposed "consultant" Shri Jasvinder Singh (alias Vicky Rai).
- viii. His claim of genuine supplies is definitively disproven by the FASTag toll data for every single vehicle used in the alleged supplies. The data shows that none of these vehicles ever entered Chhattisgarh. His defense that this could be a "technical error" is highly improbable given that the same discrepancy was found across hundreds of transactions.
- ix. When confronted with a specific e-way bill showing a vehicle transporting TMT to Raipur, he was unable to explain why another e-way bill and the vehicle's FASTag data proved the same vehicle was transporting sand to a different state during the exact same time period.
- x. He provided no satisfactory explanation for why his firms had sold goods at a price lower than their purchase price or why they paid double the freight charges for deliveries that never occurred. His explanation of it being a "normal business practice" is weak, especially when combined with the other evidence of a systematic fraud.
- xi. Despite all evidence pointing to Shri Jasvinder Singh (alias Vicky Rai) as a central figure in the fraudulent activities (setting up firms in others' names, providing blank bilties to transporters, sending fraudulent ledgers to the buyer), Shri Rohit Singla repeatedly insists he was only a GST consultant. This denial is not credible and appears to be an attempt to distance himself from the actions of a key accomplice.
- xii. Further, in respect of the purchase documents of M/s NRA Overseas LLP, Raipur, from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab, both the partners i.e. Shri Rohit Singla and Shri Deepak Bansal kept



shifting the responsibility on each other and failed to produce any single document in this regard. The deliberate non-submission of documents by the partners of the firm and no movement of vehicles between source and destination as per the e-way bill raised in this regard and as per the FASTag analysis of vehicle movements as per e-way bill portal, which was further corroborated with the statements of various transporter firms of W.B and Jharkhand who have equivocally submitted that no goods were transported to Raipur, Chhattisgarh for these firms i.e M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab by them.

- xiii. Summon was issued on 12.08.2025 to Shri Suresh Aggarwal for tendering oral evidences in regards to the new claim by Shri Rohit Singla, wherein he deposed that Shri Suresh Agrawal also looked after the business activity of their partnership firm (earlier Shri Rohit Singla in his statement dated 20.11.2024 & 22.11.2024 had claimed that he looked after the complete business activity of M/s RP Metal Manufacturing & Recycling), and in reply letter received through e-mail dated 16.08.2025, Shri Suresh Aggarwal has submitted that Shri Rohit Singla solely handled all the day-to-day operations, management and all business decisions of their partnership firm.

5. ANALYSIS OF STATEMENTS/EVIDENCES AND DOCUMENTS:

5.1 On analysis of documentary and digital evidence gathered during the course of investigation and the statements recorded under Section 70 of the CGST Act, 2017 as discussed above, there is sufficient reason to believe that all these entities namely M/s RP Metal Manufacturing and Recycling, M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals, M/s Fortune Metaliks Limited are involved in a well-orchestrated fraudulent scheme in order to avail and pass on ineligible Input Tax Credit (ITC) in contravention to the various provisions of GST Law.

5.2 The conditions required to be fulfilled for availment of ITC by the registered taxable person is governed by the provisions of section 16 of the CGST Act, 2017. While possession of a tax invoice is one of the conditions for availment of ITC, the non-negotiable condition for a valid claim of ITC is the actual receipt of goods or services by the registered taxable person. Any transaction that does not involve a genuine "supply" as defined under Section 7 of the CGST Act, 2017 is ineligible for ITC. In the instant case, the goods have purportedly shown to be supplied under the guise of fake documents i.e. invoices, transport bilities, etc. whereas in actual no movement of goods have taken place between the source and destination. Further, as per Section 155 of the CGST Act, 2017 the burden of proving the genuineness of ITC lies on the taxpayer, who have claimed the ITC. The following analysis



indicates a systematic fabrication of documents to create a paper trail. Furthermore, rubber stamps of the purported supplier firms (M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company) were found at the business premises, indicating that M/s RP Metal Manufacturing and Recycling fabricated documents in-house to make local scrap purchases appear legitimate.

- iv. The supplier firms namely M/s North East Steel Company and M/s Sky Resources were found to share a common mobile number (9876797500) in their GST registrations and filed their GST returns from the same IP addresses, indicates that these firms were being controlled and operated by a single person.
- v. GST registrations of M/s North East Steel Company and M/s Arvind Traders have been canceled on account of being fraud/suppression/wilfull mis-statement of facts.
- vi. Shri Mahinder Kumar, the proprietor of M/s North East Steel Company, was found to be a daily wage laborer. He, in his statement dated 11.02.2025 has admitted that the firm was opened in his name by Shri Jasvinder Singh (alias Vicky Rai, an associate of Shri Rohit Singla) for a promised monthly payment of ₹20,000, and that he had absolutely no knowledge of the firm's business.
- vii. Shri Surinder Kumar, the key person for the transporter's M/s Khabra Roadlines and M/s Keerat Roadlines, stated in his deposition dated 11.02.2025 that his firms never transported any goods to Raipur for M/s RP Metal Manufacturing and Recycling. He confessed that he had provided blank, triplicate copies of transport bilties to Shri Jasvinder Singh (Vicky Rai) in exchange for ₹150 per bilty, which were then fraudulently filled out to create the appearance of transportation. He further, stated that he has not received any payments for such transportation of goods.
- viii. Shri Ravi Sharma and Shri Rajeshkumar Tejpal Gaur in their depositions have consistently stated that all goods were received by them from M/s RP Metal manufacturing and Recycling on FOR basis i.e. the responsibility of payment of freight was of the supplier of goods. Further, Shri Rohit Singla also stated that they have received goods from their supplier i.e. M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company on FOR basis. Further, Shri Rohit Singla also claimed to have not known any of these firms personally and that all goods from these firms were procured through broker namely Ami and Irfan, but he failed to provide any verifiable details of such persons.



- ix. Further, during the course of investigation, it was revealed that the proprietor of M/s North Steel and Company (one of the suppliers) and the transporter firm M/s Khabra Roadlines is common i.e. Shri Mahinder Singh. Shri Mahinder Singh stated that M/s North Steel and Company was opened on the behest of a person named Shri Jasvinder Singh (alias Vicky Rai) who is staff of Shri Rohit Singla. Further, it was revealed that empty bilties of his transporter firms i.e. M/s Khabra Roadlines and M/s Keerat Raodlines were being managed by Shri Jasvinder Singh (alias Vicky Rai) only. Furthermore, transport bilities of other transporters registered in other states were also found at the residential place of M/s Mahinder Kumar. On being confronted that why he is keeping the transport bilties of other transporter firms, he stated that these transport bilties were handed over to him by Shri Jasvinder Singh (alias Vicky Rai) for safekeeping. Also, the facts that GST Returns of M/s North Steel and Company and M/s Sky Resources being filed from same IP Address, mobile number of Shri Jasvinder Singh (alias Vicky Rai) i.e. 98767-97500 being found common in the GST registrations of M/s RP Metal Manufacturing & Recycling and M/s Sky Resources indicates the involvement of Shri Rohit Singla in managing and fabricating documents related to these supplier and transporter firms through his staff Shri Jasvinder Singh (alias Vicky Rai) so as to make the inward supplies of M/s RP Metal manufacturing and Recycling look genuine.
- x. Shri Rohit Singla in his statement dated 22.11.2024 has categorically stated that his firm M/s R P Metal manufacturing and Recycling received invoices from M/s North East Steel Company, M/s Sky Resources, and M/s Arvind Traders without any actual supply of goods. He confessed that these bogus invoices were used as a cover to legitimize outward supplies of non-GST paid scrap that was procured from local, unregistered vendors in Chhattisgarh. He identified some of these local vendors as Imran, Ashutosh, Amir, and Shahid, whose names were also found in registers and documents seized during the search conducted at their premises.
- xi. Shri Rohit Singla in his statement dated 22.11.2024 explicitly admitted that his firm M/s RP Metal manufacturing and Recycling has availed ineligible ITC on the strength of bogus invoices raised from M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit and Company without any actual supply of goods, which is also confirmed from the e-way bill portal inasmuch as there is no movement of vehicle between the source and destination depicted in these invoices.



xii. In his subsequent statements dated 13.12.2024 and 07.08.2025, Shri Rohit Singla retracted from his earlier admissions. He claimed that his prior statements were made under pressure and stated that his firm has actually received iron scrap from these suppliers and the seized registers with names like Aamir, Shahid, Imran etc. were for individuals who sent vehicles to the plant for the segregation and sorting of this scrap material, not for local purchases. He also retracted his statement that he was solely responsible for the firm's activities and claimed his partner, Suresh Agrawal, was equally involved. These claims are very much contradicted by documentary evidences and oral evidences recorded by the transporters and other individuals, suggesting a calculated attempt to evade legal consequences. His claims in his statement dated 07.08.2025 clearly appears to be an afterthought and are not plausible inasmuch as discussed above.

5.3.1 In light of the above facts, evidences, and statements, it is conclusively established that M/s RP Metal Manufacturing & Recycling fraudulently availed ineligible Input Tax Credit (ITC) amounting to ₹5.91 crore on the strength of bogus invoices issued by non-existent or collusively operated entities namely, M/s Rohit & Company, M/s Arvind Traders, M/s North East Steel Company, and M/s Sky Resources, without any actual receipt of goods. The said ITC was utilized to discharge GST liability on outward supplies of scrap that were sourced from local unregistered vendors without invoices and without payment of tax. The systematic fabrication of transport documents, control over fictitious supplier and transporter firms through his staff Shri Jasvinder Singh (alias Vicky Rai), seizure of fake bilities and rubber stamps, and corroborated confessional statements from Shri Rohit Singla, clearly demonstrate a deliberate and premeditated scheme to create a false paper trail of purchases for the sole purpose of availing and passing on fraudulent ITC in contravention of Section 16 of CGST Act, 2017. Further, M/s Rohit & Company, M/s Arvind Traders, M/s North East Steel Company, and M/s Sky Resources has also rendered themselves liable for penalty under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 inasmuch as they have issued invoices without supply of goods to M/s RP Metal Manufacturing & Recycling and M/s Rohit & Company and have falsified financial records and furnished false information in the statutory returns in violation of the provisions of CGST Act, 2017 read with CGST Rules, 2017 read with Circular No. 171/03/2022-GST dated 06.07.2022.

5.4 Passing on of ineligible ITC by M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals and Availment of ineligible ITC by M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur:



Investigation conducted has revealed that M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals are engaged in purchasing goods from various suppliers from eastern states such as Jharkhand, West Bengal, Odisha and selling them to the various buyers located in northern states such as Uttar Pradesh, Haryana, Punjab etc. without any cover of invoice. Further, it is revealed that all these firms i.e. M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals have availed ITC on goods purchased from various suppliers from these eastern states and passed on the same to M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur by issuing the fraudulent invoices without any actual underlying supply of goods. The ITC thus passed on by M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals and availed by M/s Fortune Metaliks Limited Raipur and M/s NRA Overseas LLP, Raipur appears to be inadmissible in terms of Section 16 of the CGST Act, 2017 inasmuch as they have been fraudulently availed on the basis of bogus invoices without any actual supply of underlying goods. These facts have been established on the basis of the following grounds –

- i. On analysis of movement of vehicles from the e-way bills raised in respect of invoices issued by M/s Rohit & Company, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab for showing purported supply of goods to M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur, no vehicle movement between the source and destination of goods mentioned in the corresponding e-way bill and invoices have been noticed.
- ii. Shri Rohit Singla, the proprietor of M/s Rohit & Company, in his statement dated 22.11.2024 himself had admitted issuing only invoices of MS Billets, Sponge etc. to M/s Fortune Metaliks Limited, Raipur without any actual supply of goods.
- iii. This fact is corroborated from the digital evidence such as ledger named "Rohit & Company" and a second ledger named "RC" retrieved from the mobile phone of Shri Ravi Sharma, the Finance Manager of M/s Fortune Metaliks Ltd., during the search premises of M/s Fortune Metaliks Limited, Raipur. Shri Ravi Sharma, despite being confronted with this evidence, denied any knowledge of cash dealings but acknowledged that the files were from his phone. However, Shri Rohit Singla on being confronted with above mentioned ledgers named "Rohit & Company" and "RC" stated that the "Rohit & Company" ledger pertained to his firm, and the "RC" ledger detailed cash returned to M/s Fortune Metaliks Limited against RTGS payments. He confessed that payments received via RTGS from M/s Fortune Metaliks Limited were subsequently returned in cash.



- iv. On perusal of transport bilties were submitted by Fortune Metaliks Limited, Raipur as proof of receipt of goods from M/s Rohit & Company, it has been noticed that majority of these transportation bilties contained similar handwriting and signatures, as well as false or non-existent transporter GSTINs, indicating a systematic fabrication process to create a paper trail.
- v. Shri Surinder Kumar, the key person for the transporter's M/s Khabra Roadlines and M/s Keerat Roadlines, stated in his deposition dated 11.02.2025 that his firms never transported any goods to Raipur to M/s Fortune Metaliks Limited, Raipur. He confessed that he had provided blank, triplicate copies of transport bilties to Shri Jasvinder Singh (Vicky Rai) in exchange for ₹150 per bility, which were then fraudulently filled out to create the appearance of transportation. He further, stated that he has not received any payments for such transportation of goods.
- vi. Further, Shri Surinder Kumar, the key person for the transporter's M/s Khabra Roadlines and M/s Keerat Roadlines also stated that the empty transport bilties of his transporter firms i.e. M/s Khabra Roadlines and M/s Keerat Raodlines were being managed by Shri Jasvinder Singh (alias Vicky Rai) only. Furthermore, transport bilities of other transporters registered in other states were also found at the residential place of M/s Surinder Kumar. On being confronted that why he is keeping the transport bilties of other transporter firms, he stated that these transport bilties were handed over to him by Shri Jasvinder Singh (alias Vicky Rai) for safekeeping. Since, Shri Jasvinder Singh (alias Vicky Rai) is staff of Shri Rohit Singla, it indicates the involvement of Shri Rohit Singla in managing and fabricating documents related to his firm M/s Rohit & Company and transporter firms through his staff Shri Jasvinder Singh (alias Vicky Rai) so as to make the inward supplies of M/s Fortune Metaliks Limited, Raipur look genuine.
- vii. Out of 24 transporters whose bilties were submitted by M/s Fortune Metaliks Limited, Raipur as proof of receipt of goods from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab statements of 10 transporters were recorded under Section 70 of the CGST Act, 2017 wherein all of them have confirmed that they have transported goods for M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, but the destination of these goods were always in Punjab, Haryana, or Uttar Pradesh and goods were never sent to Chhattisgarh. Further, all of them denied putting any endorsement stamps on the bilties issued by them and the bilties submitted by M/s Fortune Metaliks Limited Raipur appears to be forged, suggesting manipulation by the recipient to show diversion of goods to Raipur. This fact is also corroborated form the copies of



- original bilities submitted by these transporters in support of their claim, wherein destination of goods has been shown as Punjab. Further, they have also submitted the copy of Form 26AS which showed the payment of freight charges in accordance to the transportation charges mentioned in transport bilty issued for transportation of goods to Punjab.
- viii. Additionally, few more transporters have provided their submission vide email/letters that neither have any business relation with M/s Fortune Metaliks Limited, Raipur nor they have transported any goods to Chhattisgarh for M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab.
 - ix. The representative of one of the transporter M/s Nishika Transport provided a copy of the original bility issued by his firm, which was different from the forged bility submitted by M/s Fortune Metaliks Limited, providing direct proof of document fabrication.
 - x. The investigation found that as per the corresponding purchase invoices of M/s NRA Overseas LLP, Punjab and M/s Manthan Manthan Minerals, Punjab, the prices of purchased goods are higher than their selling price of the goods under same transporter bilities by putting a false blank endorsement stamp on it to M/s Fortune Metaliks Limited, which is commercially non-sensical. Furthermore, the description of goods on the purchase invoices (freshly manufactured finished goods) differed from the sale invoices (TMT short length), which is impossible if the goods were merely diverted in transit.
 - xi. Both the Finance Manager, Shri Ravi Sharma, and the CEO, Shri Rajeshkumar Tejpal Gaur, offered a weak and repetitive defense: that the goods were received on a "Freight on Road (FOR) basis," and the supplier was responsible for transport. This does not absolve them of their statutory obligation under Section 16(2)(b) to ensure the actual receipt of goods.
 - xii. They consistently failed to identify any specific individual at their Head Office responsible for these purchase decisions.
 - xiii. On being confronted with the evidence regarding the non-movement of goods to Chhattisgarh by these transporters, both the Finance Manager, Shri Ravi Sharma, and the CEO, Shri Rajeshkumar Tejpal Gaur failed to provide any satisfactory explanation citing only that they have received the goods on FOR basis and transportation was responsibility of the supplier.



- xiv. Shri Rohit Singla claimed that his partner, Shri Deepak Bansal, managed the business activities of M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab. However, Shri Deepak Bansal denied this, stating that Shri Rohit Singla was solely responsible for all operations, including purchases, sales, and banking. He even submitted an FIR where Shri Rohit Singla had allegedly stated the firm's operations belonged to him. Therefore, it appears that both the partners are deliberately resorting to blame-shifting on each other to escape the consequences regarding passing of ineligible ITC by their firm.
- xv. Further in most of the cases the e-way bill generated by M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab to M/s Fortune Metaliks Limited is after a lag/gap of 3 – 5 days after their corresponding purchase invoice and e-way bill have been generated by their West Bengal, Jharkhand, Odisha based suppliers which further gives impetus to the allegation that documents such as transport bilities have been fabricated and the goods were actually supplied to Punjab, Haryana, Uttar Pradesh instead of Chhattisgarh.
- xvi. Further, in respect of the purchase documents of M/s NRA Overseas LLP, Raipur, from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab, both the partners i.e. Shri Rohit Singla and Shri Deepak Bansal kept shifting the responsibility on each other and failed to produce any single document in this regard. The deliberate non-submission of documents by the partners of the firm and no movement of vehicles between source and destination as per the e-way bill raised in this regard and as per the FASTag analysis of vehicle movements as per e-way bill portal, which was further corroborated with the statements of various transporter firms of W.B and Jharkhand who have equivocally submitted that no goods were transported to Raipur, Chhattisgarh for these firms i.e M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab by them.
- xvii. In his statement dated 07.08.2025, Shri Rohit Singla retracted from his earlier admissions. He denied any knowledge of the fraudulent ledgers and claimed his proprietorship firm, M/s Rohit & Company, had made genuine supplies. He also shifted the blame for all transactions related to M/s NRA Overseas LLP and M/s Manthan Minerals to his partner, Shri Deepak Bansal, stating that Deepak Bansal managed all transport and communication for these firms from Hisar, Haryana. These claims are very much contradicted by documentary evidences and oral evidences recorded by the transporters and other individuals, suggesting a calculated attempt to evade legal consequences. His claims in his statement dated 07.08.2025 clearly appear to be an afterthought and are not plausible inasmuch as discussed above.



5.5 In view of the above findings, it is conclusively established that M/s Fortune Metaliks Limited, Raipur have availed ineligible ITC on the strength of bogus invoices issued by M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Raipur have availed ineligible ITC on the strength of bogus invoices issued by M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab without any actual supply of goods. The investigation revealed that M/s Rohit & Company, M/s NRA Overseas LLP, and M/s Manthan Minerals purportedly procured the goods from eastern states like Jharkhand, West Bengal, and Odisha and sold to buyers located in northern states without documentation. Further, they have availed ITC on such purchases and fraudulently passed it to M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur by issuing invoices without actual supply of goods. This fraudulent practice is corroborated by e-way bill analysis inasmuch as there is no vehicle movement between the source and destination, statements of transporters where they have denied any transportation of goods to M/s Fortune Metaliks, Raipur, fake and blank endorsement stamp on transport bilties, forged transport bilties, mismatches in freight records and goods descriptions, and evidence of cash refunds against RTGS payments. Moreover, the use of fabricated documents orchestrated with the help of Shri Jasvinder Singh (alias Vicky Rai), staff of Shri Rohit Singla, and the deliberate failure of key individuals—including the finance manager and CEO of M/s Fortune Metaliks—to verify receipt of goods. All these facts establish the fact that M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur have availed ineligible ITC on the strength of invoices issued by M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab in violation of Section 16 of the CGST Act, 2017 and the same is recoverable from them in terms of Section 74/74A of the CGST Act, 2017. Further, M/s Rohit & Company, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab has also rendered themselves liable for penalty under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 inasmuch as they have issued invoices without supply of goods to M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur and have falsified financial records and furnished false information in the statutory returns in violation of the provisions of CGST Act, 2017 read with CGST Rules, 2017 read with Circular No. 171/03/2022-GST dated 06.07.2022.

5.6 From the above analysis, it is evident that Shri Rohit Singla and Shri Deepak Bansal are the key persons and masterminds behind the entire fraudulent operation involving the passing on of ineligible ITC. Shri Rohit Singla, being the proprietor of M/s Rohit & Company and actively involved in the affairs of M/s NRA Overseas LLP and M/s Manthan Minerals, orchestrated the issuance of bogus invoices and coordinated with his staff, notably Shri Jasvinder Singh (alias Vicky Rai), to fabricate transport documents and manipulate backend compliance processes. His direct involvement is proven by his own confessional



statements, his admittance regarding return of cash against RTGS payment received from M/s Fortune Metaliks Limited, Raipur and the consistent use of fake bilties sourced from known accomplices. Shri Deepak Bansal, though denying his operational role, has been identified by Shri Rohit Singla as the person managing business activities of M/s NRA Overseas LLP and M/s Manthan Minerals. The statements given by the transporters of M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab have also confirmed the involvement of Shri Deepak Bansal in the business activities of these firms. However, conflicting statements between Shri Rohit Singla and Shri Deepak Bansal clearly reflect a deliberate attempt to shift blame and to avoid consequences. The overall evidence, including document control, cash trail, coordination with transporters, and use of proxy firms such M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders, and other fake transporter firms also establishes that both Shri Rohit Singla and Shri Deepak Bansal acted in close conspiracy and were instrumental in planning, executing, and concealing the fraudulent availment and passing of ineligible ITC, making them the key persons behind the tax evasion racket.

6. QUANTIFICATION OF LIABILITY:

6.1 Passing on of ineligible ITC (of IGST) by M/s North East steel Company, M/s Sky Resources M/s Arvind Traders and M/s Rohit & Company to M/s RP Metal Manufacturing and Recycling and availment & utilization of Ineligible ITC by M/s RP Metal Manufacturing and Recycling:

Investigation conducted has revealed that M/s RP Metal Manufacturing and Recycling appears to have fraudulently availed ineligible ITC amounting to **Rs.5,91,40,415/-** (of IGST) on the strength of bogus invoices from M/s Rohit & Company, M/s Arvind Traders, M/s Northeast Steel Company, and M/s Sky Resources without any corresponding receipt of goods and thereby utilizing the aforesaid ineligible ITC of Rs.5,91,40,415/- for discharging their GST liability on the supply of scrap which were purchased from local unregistered venders without invoices and without payment of any tax. The abstract of such wrongly availed ITC by the M/s RP Metal Manufacturing and Recycling without receipt of goods and services and utilizing the same for discharging their GST liability on the supply of scrap which were purchased from local unregistered venders without invoices and without payment of any tax are detailed in the Table-D below: -

Table-D

| Availment/ Utilisation of fraudulent ineligible ITC of IGST by M/s RP Metal Manufacturing & Recycling during the F.Y. 2024-25 | | |
|--|-------------------------------|------------------------------------|
| GSTIN of Supplier | Trade Name of Supplier | TOTAL ITC involved (in Rs.) |
| 09DYYPK3223G1Z0 | M/s North East Steel Company | 3,09,15,350 |



| | | |
|-----------------|---------------------|--------------------|
| 09GAZPM2441C1ZD | M/s Sky Resources | 1,20,19,484 |
| 03AEFPS0747H1ZM | M/s Rohit & Company | 1,36,74,577 |
| 09FVVPK2060R1ZJ | M/s Arvind Traders | 25,31,004 |
| TOTAL | | 5,91,40,415 |

As calculated above, GST amounting to Rs.5,91,40,415/- (IGST) appears liable for demand from the Noticee No. 1 along with appropriate Interest under section 50 and Penalty under section 74/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017. Out of the aforesaid GST liability, the Noticee No. 1 has voluntarily deposited GST amounting to Rs.99,75,044/- through various DRC-03s till date (RUD-15), as detailed hereunder: -

| Sl. No. | Date of Payment | Debit Entry / ARN No. | IGST Paid (Rs.) |
|--------------|-----------------|--------------------------------------|--------------------|
| 1 | 22/11/2024 | DC2211240045540 / AD221124020525R | 65,00,000/- |
| 2 | 22/11/2024 | DI2211240046989 / AD2211240198801 | 34,75,044/- |
| Total | | | 99,75,044/- |

6.2 Passing on of ineligible ITC (of IGST) by M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals and Availment of ineligible ITC by M/s Fortune Metaliks Limited, Raipur and by M/s NRA Overseas LLP, Raipur:

Investigation conducted has revealed that M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals are engaged in purchasing goods from various suppliers from eastern states such as Jharkhand, West Bengal, Odisha etc. and selling them to the various buyers located in northern states such as Uttar Pradesh, Haryana, Punjab etc. without any cover of invoice and thereafter passed on the ineligible ITC (IGST) of **Rs.19,84,28,820/-** to M/s Fortune Metaliks Limited Raipur and ineligible ITC (IGST) of **Rs.7,09,63,325/-** to M/s NRA Overseas LLP, Raipur by issuing the fraudulent invoices without any actual supply of goods. The abstract of such wrongly availed ITC by the M/s Fortune Metaliks Limited Raipur and M/s NRA Overseas LLP, Raipur without receipt of goods and services and utilizing the same for discharging their GST liability are detailed in the Table-E & F below: -



Table-E

| Availment/ Utilisation of fraudulent ineligible ITC of IGST by M/s Fortune Metaliks Limited | | | |
|---|------------------------------|--------------|-----------------------------|
| GSTIN of Supplier | Trade Name of Buyer | F.Y. | Total ITC involved (in Rs.) |
| 03AEFPS0747H1ZM | M/s Rohit & Company, Punjab | 2023-24 | 92,61,118 |
| | | 2024-25 | 4,28,20,783 |
| | | Total | 5,20,81,901 |
| 03AAPFN9812L1ZT | M/s NRA Overseas LLP, Punjab | 2021-22 | 1,41,48,806 |
| | | 2022-23 | 6,58,46,854 |
| | | 2023-24 | 1,49,79,427 |
| | | Total | 9,49,75,087 |
| 03ABUFM5840K1ZT | M/s Manthan Minerals, Punjab | 2023-24 | 5,13,71,832 |
| | | Total | 5,13,71,832 |
| GRAND TOTAL | | | 19,84,28,820 |

Table-F

| Availment/ Utilisation of fraudulent ineligible ITC of IGST by M/s NRA Overseas LLP, Raipur, Chhattisgarh | | | |
|---|------------------------------|--------------|-----------------------------|
| GSTIN of Supplier | Trade Name of Buyer | F.Y. | Total ITC involved (in Rs.) |
| 03AAPFN9812L1ZT | M/s NRA Overseas LLP, Punjab | 2022-23 | 3,58,28,218 |
| | | Total | 3,58,28,218 |
| 03ABUFM5840K1ZT | M/s Manthan Minerals, Punjab | 2022-23 | 2,30,84,454 |
| | | 2023-24 | 1,20,50,653 |
| | | Total | 3,51,35,107 |
| GRAND TOTAL | | | 7,09,63,325 |

The above mentioned total ITC amounting to **Rs.19,84,28,820/-** thus passed on by M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab, M/s Manthan Minerals, Punjab and availed as well as utilized by M/s Fortune Metaliks Limited Raipur, similarly ITC amounting to **Rs.7,09,63,325/-** thus passed on by M/s NRA Overseas LLP, Punjab, M/s Manthan Minerals, Punjab and availed as well as utilized by M/s NRA Overseas LLP, Raipur appears to be inadmissible in terms of Section 16 of the CGST Act, 2017 inasmuch as they have been fraudulently availed on the basis of bogus invoices without any actual supply of underlying goods Thus, the ITC of **Rs.19,84,28,820/-** and **Rs.7,09,63,325/-** appears liable for demand from M/s Fortune Metaliks Limited Raipur and M/s NRA Overseas LLP, Raipur respectively along with appropriate Interest under section 50 and Penalty under section 74/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017.



6.3 Penalty under Section 122 for issuance of invoices without supply of goods by the supplier firms namely M/s North Steel Company, M/s Sky Resources, M/s Arvind Traders, M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab

As discussed above, the supplier firms M/s North Steel Company, M/s Sky Resources, M/s Arvind Traders, M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab have rendered themselves liable for penalty under Section 122(1)(ii) for issuing any invoice without supply of goods and Section 122(1)(x) for falsifying financial records and producing fake documents in order to pass on the ineligible ITC as detailed in the Table-G below –

Table-G

| S. No. | Trade Name of Purported Supplier | Trade Name of Purported Buyer | Period | Amount of ITC passed on |
|--------------|--|---|---------|-------------------------|
| 1 | M/s North East Steel Company, Prayagraj (GSTN - 09DYYPK3223G1Z0) | M/s RP Metal Manufacturing & Recycling, Raipur (GSTN - 22ABIFR5689M1ZH) | 2024-25 | 3,09,15,350 |
| | | M/s Rohit & Company, Punjab (GSTN - 03AEFPS0747H1ZM) | 2024-25 | 1,45,00,834 |
| Total | | | | 4,54,16,184 |
| 2 | M/s Sky Resources, Prayagraj (GSTN - 09GAZPM2441C1ZD) | M/s RP Metal Manufacturing & Recycling, Raipur (GSTN - 22ABIFR5689M1ZH) | 2024-25 | 1,20,19,484 |
| Total | | | | 1,20,19,484 |
| 3 | M/s Arvind Traders, Ghaziabaad (GSTN - 09FVVPK2060R1ZJ) | M/s RP Metal Manufacturing & Recycling, Raipur (GSTN - 22ABIFR5689M1ZH) | 2024-25 | 25,31,004 |
| Total | | | | 25,31,004 |
| 4 | M/s Rohit & Company, Punjab (GSTN - 03AEFPS0747H1ZM) | M/s Fortune Metaliks Limited Raipur (GSTN - 22AABCF3202D2ZL) | 2023-24 | 92,61,118 |
| | | | 2024-25 | 4,28,20,783 |
| | | M/s RP Metal Manufacturing & Recycling, Raipur (GSTN - 22ABIFR5689M1ZH) | 2024-25 | 1,36,74,577 |
| Total | | | | 6,57,56,478 |
| 5 | M/s NRA Overseas LLP, Punjab (GSTN - 03AAPFN9812L1ZT) | M/s Fortune Metaliks Limited Raipur (GSTN - 22AABCF3202D2ZL) | 2021-22 | 1,41,48,806 |
| | | | 2022-23 | 6,58,46,854 |
| | | | 2023-24 | 1,49,79,427 |



| | | | | |
|--------------|---|--|---------|---------------------|
| | | M/s NRA Overseas LLP, Raipur (GSTN-22AAPFN9812L1ZT) | 2022-23 | 3,58,28,218 |
| Total | | | | 13,08,03,305 |
| 6 | M/s Manthan Minerals, Punjab (GSTN - 03ABUFM5840K1ZT) | M/s Fortune Metaliks Limited Raipur (GSTN - 22AABCF3202D2ZL) | 2023-24 | 5,13,71,832 |
| | | | 2022-23 | 2,30,84,454 |
| | | M/s NRA Overseas LLP, Chhattisgarh | 2023-24 | 1,20,50,653 |
| Total | | | | 8,65,06,939 |

7. OUTCOME OF INVESTIGATION:

7.1 In the instant case, **the Noticee No. 1** i.e. M/s RP Metal Manufacturing & Recycling has availed ineligible Input Tax Credit (ITC) amounting to **Rs.5,91,40,415/- (of IGST)** on the strength of invoices issued by M/s Rohit & Company (the Noticee No. 2), M/s North Steel Company (the Noticee No. 7), M/s Sky Resources (the Noticee No. 8) and M/s Arvind Traders (the Noticee No. 9) without any actual underlying supply of goods therein and in contravention to section 16(2) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017. This gets established from the fact that the GST registrations of M/s North East Steel Company and M/s Arvind Traders, the supplier firms of M/s RP Metal Manufacturing & Recycling, have been canceled on account of being fraud/suppression/wilfull mis-statement of facts and also there was no vehicle movement between the source and destination as mentioned in the invoices issued by the above supplier firms, as per the analysis of FASTag movement of vehicles in the e-way bill portal. The documentary evidences such as register detailing purchase of local non-GST paid scrap, fabricated transport bilities, stamp seals of these bogus U.P based suppliers firms, and WhatsApp communications retrieved from the mobile phone of Shri Parth Singla, during the search conducted at his residential and business premises clearly demonstrate that these firms were engaged in fabricating documents so as to make the fraudulent transactions genuine in the eyes of law, under the direct supervision of Shri Rohit Singla.

7.1.2 Also, the proprietor of one of the key suppliers of M/s RP Metal Manufacturing & Recycling, Raipur and M/s Rohit & Company, Punjab i.e. M/s North East Steel Company, was found to be a daily wage laborer named Shri Mahinder Kumar, who through his statement has submitted that he had no knowledge regarding the business activities of this firm and this firm was opened by Shri Jasvinder Singh (alias Vicky Rai), staff of Shri Rohit Singla. Shri Mahinder Kumar was also found to be associated with M/s Khabra Roadlines in which he was proprietor and M/s Keerat Roadlines in which his sister-in-law was proprietor, but both these firms were handled by his brother Shri Surinder Kumar. M/s Khabra Roadlines and M/s Keerat Roadlines were amongst the major transporter firms



shown to be engaged in transportation of goods for M/s Rohit & Company and M/s RP Metal Manufacturing and Recycling. In this regard, Shri Surinder Kumar in his statement recorded had confessed to never have transported any goods for these firms to Raipur, Chattisgarh and submitted that he had provided blank triplicate transport bilties to Shri Jasvinder Singh (alias Vicky Rai), staff of Shri Rohit Singla for ₹150 per transport bilty, which were then fraudulently used to show movement of goods to Raipur, Chhattisgarh that never had occurred, which further corroborated from the fact that these triplicate copies of transport bilties with similar handwriting and false GSTINs were seized from Shri Rohit Singla's residence, pointing to a systematic creation of a false paper trail to legitimize the outward supply of this locally-sourced scrap to avail fraudulent ITC.

7.1.3 Further, the GST returns of M/s North Steel Company and M/s Sky Resources were found to have been filed from the same IP address, indicating a collusive operation orchestrated and managed by Shri Rohit Singla along with the help of Shri Jasvinder Singh (alias Vicky Rai). Further, Shri Rohit Singla in his statement dated 22.11.2024, himself admitted that his firm had purchased non-GST paid scrap locally from vendors like Imran, Ashutosh, Amir, and Shahid etc., from the local market without invoices and supplied the same under the cover of invoices and to discharge GST liability he has availed ineligible ITC on the strength of bogus invoices issued from the entities namely M/s Rohit & Company (the Noticee No. 2), M/s North Steel Company (the Noticee No. 7), M/s Sky Resources (Noticee No. 8) and M/s Arvind Traders (the Noticee No. 9) without actual supply of goods.

7.2 Further, **the Noticee No. 5** i.e. M/s NRA Overseas LLP, Raipur have availed fraudulent ineligible input tax credit amounting to **Rs.7,09,63,325/- (of IGST)** on the strength of invoices issued by M/s NRA Overseas LLP, Punjab (the Noticee No.3) and M/s Manthan Minerals, Punjab (the Noticee No. 4) without any actual supply of goods therein and in contravention to section 16(2) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017. The investigation revealed that M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab had purportedly procured the goods from eastern states like Jharkhand, West Bengal, and Odisha etc., and sold these goods to the buyers located in northern states (Punjab, Haryana, other states en-route) without documentation or proper invoices. Further, they have availed ITC on such purchases and fraudulently passed it to M/s NRA Overseas LLP, Raipur by issuing invoices without actual supply of goods. This gets established from the fact that there was no vehicle movement between the source and destination as mentioned on the corresponding e-way bill raised against such sale invoices issued, as per the FASTag movement analysis of vehicles in the e-way bill portal. Further, combined with the evidence and statements of the transporters who denied ever delivering goods to Raipur, Chhattisgarh for these Punjab-based firms, indicates that the Noticee No. 5 was working on a similar model as that of the Noticee No. 1, by availing ineligible / fraudulent ITC without any actual receipt of goods.



7.2.2 Both the partners Shri Deepak Bansal and Shri Rohit Singla, holding 50%-50% equal stake in these firms, resorted to a strategy of mutual blame-shifting on each other to mislead the investigation. On one hand, Shri Deepak Bansal, through his written submissions, was putting all the blame on Shri Rohit Singla, claiming that he was never involved in the business operations of these partnership firms and that Shri Rohit Singla handled all the purchases, sales, and banking transactions of these partnership firms from the very beginning, while on the other hand, Shri Rohit Singla claimed that Shri Deepak Bansal managed all the business activities of both of these partnership firms, including sales, purchases, billing, and transport, and that all the operations of these partnership firms were handled from Hisar, Haryana, where Shri Deepak Bansal resides.

7.2.3 The deliberate non-submission of documents by the partners of both of these firms and the claims made by both of these partners gets contradicted by the documentary evidences and oral evidences recorded from the transporters during the course of investigation and other individuals, wherein it gets established that both the partners were equally involved in the operations, management of these firms, suggesting a calculated attempt to evade legal consequences by both of them at their individual level. This was further supported by the confession of Shri Rohit Singla, who is a partner in all these firms and admitted to orchestrating these fictitious transactions in his statement.

7.3 Similarly, **the Noticee No. 6** i.e. M/s Fortune Metaliks Limited, Raipur have availed ineligible Input Tax Credit amounting to **Rs.19,84,28,820/- (of IGST)** on the strength of invoices issued by M/s Rohit & Company (the Noticee No. 2), M/s NRA Overseas LLP, Punjab (the Noticee No.3) and M/s Manthan Minerals, Punjab (the Noticee No. 4) without actual supply of goods therein and in contravention to section 16(2) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017. Analysis of the e-way bill portal showed no vehicle movement between the suppliers and M/s Fortune Metaliks Limited as per the FASTag movement of vehicles mentioned in the e-way bill raised corresponding to sale invoices issued by these firm to M/s Fortune Metaliks Limited, Raipur. Although the Noticee no. 6, claimed that they received the goods under the invoices issued by there Punjab based supplier firms, namely, M/s Rohit & Company, Punjab, M/s NRA Overseas, Punjab and M/s Manthan Minerals, Punjab, but they failed to provide any explanation regarding the fact that if as per the e-way bill and FASTag data for hundreds of transactions, none of the vehicles listed on these invoices entered Chhattisgarh during the said period, then how these goods were received by them.

7.3.2 Further, as per the transport bilties submitted by them, statements of at-least 10 transporters were recorded, and all of them have unanimously and categorically denied to have provided transportation of goods anywhere in Raipur, Chhattisgarh and confirmed that the goods were actually delivered/unloaded at various locations in Punjab, Uttar Pradesh, or Haryana. Further, these transporters have also provided the original bilties



issued by them and on comparing the same with transport bilties submitted by M/s Fortune Metaliks Limited, stark difference (fake endorsement stamp/seal and in some instances altered description of goods) in many of these bilties were noticed, proving that M/s Fortune Metaliks Limited was engaged in fabrication of documents to prove their receipt of goods. Another crucial evidence in this regard are the two ledgers namely "Rohit & Company" and "RC", retrieved from the mobile phone of Shri Ravi Sharma, Finance Manager of Fortune Metaliks Limited, which clearly demonstrates that RTGS payments made by M/s Fortune Metaliks Limited against the bogus purchase invoices issued by these firms were returned in cash as detailed in a parallel ledger "RC", a modus operandi which was also confirmed and accepted by their supplier Shri Rohit Singla in his statement dated 22.11.2024, who as per Shri Rajeshkumar Tejpal Gaur, CEO of M/s Fortune Metaliks Limited, Raipur was the single point of contact for placing orders with all these three punjab based firms. The sole defense offered by the Additional Director of the Noticee No. 6, was that the goods were received on a "Freight on Road (FOR) basis," meaning the supplier was responsible for transportation. They used this argument to claim ignorance about the non-movement of vehicles and forged documents. However, this defense is legally untenable as Section 155 of the CGST Act, 2017, places the burden of proving the actual receipt of goods squarely on the taxpayer claiming the ITC. They not only provided the forged documents but also failed to provide the original and complete supporting documents such as transport bilties, weighment slips etc. in support of their claim.

7.3.3 Also, during the course of investigation, on issuing summons to Shri Saurabh Bansal and Shri Deep Bansal, the Directors and Shri Rajeshkumar Tejpal Gaur, CEO and Additional Director, of the Noticee No. 6, they actively avoided to appear for tendering the oral evidence citing one or the other reason including shifting the role and responsibility of looking after the day-to-day activity of Raipur plant on others. This coordinated effort by the directors to be unavailable for questioning demonstrates a clear intention to run away from their responsibility and evade the investigation.

7.4 The Noticee No. 1, 5 & 6 on their part could not provide any considerable proof in respect of receipt of goods apart from afore-discussed fabricated/bogus transport bilties, invoices, e-way bill. Further, it appears that all these Noticees have taken ineligible input tax credit on the strength of tax invoices issued by the aforementioned suppliers without actual receipt of goods and had used this ineligible input tax credit for discharging their outward tax liability. These all Noticees were well aware that their acts of entering into fraudulent transactions without the underlying supply of any goods had been documented, were illegal and had thus defrauded the exchequer knowingly and wilfully with intent to evade payment of GST. This was further substantiated with the statement of Shri Rohit Singla dated 22.11.2024, the partner of the Noticee No. 1 & 5 and the proprietor of the Noticee No. 2, who was when confronted with the strong evidences gathered during the course of investigation, which clearly revealed the well-designed & well-thought scheme to



pass on fraudulent ITC without any underlying supply of goods, thereby exposing a well devised modus-operandi envisaged to pass on fraudulent ITC without any underlying supply of goods to defraud the Government exchequer, was accepted by Shri Rohit Singla.

7.5 Section 16 of the CGST Act, 2017 provides eligibility conditions for taking input Tax Credit.

The relevant portion of the Section 16 of CGST Act, 2017:

"(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,"

- a) *he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;*
- b) *he has received the goods or services or both.*

[Explanation. For the purposes of this clause, it shall be deemed that the registered person has received the goods or services, as the case may be, "

(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person.]

- c) *Subject to the provisions of Section 41, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and*

he has furnished the return under Section 39."

7.6 On plain reading of the provisions of Section 16 of CGST Act, 2017, it emerges that for availing ITC on a supply, following conditions has to be mandatorily fulfilled by availer of



ITC:

- a) there must be '***supply of goods or services***', which are intended to be used in furtherance of business.
- b) the availer of the ITC had actually received the Goods/Services.
- c) the tax charged in respect of such supply is actually paid to the Government and he has furnished return under Section 39.

In the instant case, the above conditions are not fulfilled, as explained hereinbelow: -

7.6.1 Whether there was 'Supply' of goods or services?

7.6.1.1 The first and essential condition for availing Input Tax Credit is that there must be supply of goods as mentioned in Para 1 of Section 16 of the CGST Act 2017 and the same is reproduced as below: -

- “*Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any **supply of goods** or services or both to him which are used or intended to be used in the course or furtherance of his business”*
- ‘**Supply**’ is defined under Section 7 of the CGST Act, 2017 – “(a) all forms of supply of goods or services or both such as ***sale, transfer, barter, exchange, license, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;***”
- ‘**Sale**’ is not defined in the GST Act, 2017, however The Sale of Goods Act, 1930 defined the law relating to the sale of goods. Sub Section 1 of Section 4 of the sale of Goods Act defined the contract of sale of goods when there is contract of transfer the property in goods from seller to buyer for a price. Sub section 2 of Section 5 states that such contract may be written or through word of mouth or partly written and partly word of mouth. The relevant sections are reproduced below:
- Sub Section 1 of Section 4 of the Sale of Goods Act, 1930 – “*A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price.”*
- Sub section 2 of Section 5 of the Sale of Goods Act, 1930 – “*Subject to the provisions of any law for the time being in force, a contract of sale may be made in writing or by word of mouth, or partly in writing and partly by word of mouth or may be implied from the conduct of the parties.”*



- Seller is defined under sub section 13 of Section 2 of the Sale of Goods Act, 1930
 - “seller” means a person who sells or agrees to sell goods;

7.6.1.2 From the above, it is apparent that for the sale to be said as complete, *inter alia* there must be a seller who is selling the goods and there must be contract either oral or written between the buyer and seller for the transfer of property in goods at an agreed price. In the instant case, in respect of the Noticee No. 1, there has been no movement of goods from the source to the destination as per the FASTag data (vehicle movement data) available in the e-way bill portal in respect of supplier entities M/s North East Steel Company, M/s Rohit & Company, M/s Sky Resources and M/s Arvind Traders. Also, the transporter firms have denied of having provided any transportation services in regards to transportation of goods from U.P/Punjab to Raipur. Further, in the case of the Noticee No. 5 & 6 i.e. M/s NRA Overseas LLP, Raipur and M/s Fortune Metaliks Limited, Raipur, there has been no movement of goods from the source to the destination as per the FASTag data (vehicle movement data) available in the e-way bill portal in respect of supplier entities M/s Rohit & Company, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab. Also, similarly the transporter firms have denied of having provided any transportation services in regards to transportation of goods from West Bengal/Jharkhand/Odisha to Raipur.

7.6.1.3 Therefore the transaction between the Noticee No. 1 and their purported suppliers as well as between the Noticee No. 5 & 6 and their purported suppliers entites does not qualify as ‘Supply’, the Noticee No. 1, 5 & 6 does not appear to be eligible for availing input tax credit on the strength of invoices claimed to be issued to them as per the provisions of Sub section 1 of Section 16 of the CGST Act, 2017 read with section 20 of the IGST Act, 2017.

7.6.2 Whether the goods supplied by supplier were received by the Noticee?

7.6.2.1 The essential condition for availing the ITC is that the goods should be received by the availer of ITC.

Para 2(b) of Section 16 of the CGST Act 2017 stipulates:

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,

a)

b) he has received the goods or services or both.

[Explanation.] For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-

i) where the goods are **delivered by the supplier** to a recipient or any other person on the direction of such registered person, whether acting as an agent



or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

- ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person.]*

7.6.2.2 The above explanation specifically mentioned that such goods should be actually delivered by the supplier to the recipient. In the instant case, the movement of the goods from supplier entities i.e., M/s North East Steel Company, M/s Rohit & Company, M/s Sky Resources and M/s Arvind Traders in the case of the Noticee No. 1 and from supplier entities M/s Rohit & Company, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab in the case of the Noticee No. 5 & 6 are totally inconsistent with the invoices issued / e-way bill generated by these supplier firms, and infact the movement of goods analysed through FASTag data (vehicle movement data) available in the e-way bill portal corroborates the statement / submission given by the transporter firm in all these cases, that there is no movement of vehicles/goods towards the destination/recipient i.e. Raipur. Hence, question of supply of goods from these supplier entities itself does not arise. The Noticee No. 1, 5 & 6, themselves have submitted that they have received goods on FOR basis, hence they are not in possession of proof of receipt of goods other than transport bilities which as per the submission of transport firms appears to be forged. Therefore, the Noticee No. 1, 5 & 6 were not able to produce any evidence during the entire period of investigation that the goods have been actually received by them.

7.6.3 Whether the tax charged in respect of such supply is actually paid to the Government?

7.6.3.1 The important condition for availing ITC is that the “*tax charged in respect of such supply should have been actually paid to the Government*”. Para 2(c) of Section 16 of the CGST Act 2017 stipulates:

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless,”

- a)*
- b)*

*c) ‘subject to the provisions of section 41, the tax charged in respect of **such supply has been actually paid to the Government**, either in cash or through utilization of input tax credit admissible in respect of the said supply;*

7.6.3.2 The tax to the Government can be paid either through cash ledger or through ITC ledger. When tax liability is paid through ITC ledger, it is imperative to see that such ITC was genuine i.e., such ITC should have been availed by following all the provisions, as



stipulated in Section 16 of the CGST Act, 2017. Investigation conducted has established that M/s RP Metal Manufacturing & Recycling, Raipur (the Noticee No.1) has fraudulently availed ineligible ITC amounting to ₹5.91 crore. The firm's modus operandi was to procure non-GST paid scrap from local unregistered vendors and legitimize its subsequent sale by using fake purchase invoices from entities like M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and M/s Rohit & Company. This allowed them to offset their actual GST liability using fraudulent ITC. Evidence, including seized registers of local purchases, fabricated transport documents, and a confessional statement from the partner of M/s RP Metal Manufacturing & Recycling i.e. Shri Rohit Singla dated 22.11.2024, confirms that the firm never received the goods mentioned in the invoices. This constitutes a direct contravention of Section 16(2)(b) of the CGST Act, 2017, which mandates the actual receipt of goods for claiming ITC and hence the ITC availed in the GSTR-3B by the Noticee No. 1 is illegal and inadmissible to them and have utilized such illegal and inadmissible ITC validating the sale of local non-GST paid purchased scrap from various vendors.

7.6.3.3 Further, investigation conducted also established that the Noticee No. 5 i.e. M/s NRA Overseas LLP, Raipur and the Noticee No. 6 i.e. M/s Fortune Metaliks Limited, Raipur, have also fraudulently availed ineligible ITC of ₹7.09 crore and ₹19.84 crore respectively, by receiving invoices without any corresponding supply of goods from the firms operated by Shri Rohit Singla and Shri Deepak Bansal namely M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab. The investigation confirmed this through a complete lack of vehicle movement on e-way bill and FASTag portals, and statements of multiple transporters denying ever delivering goods to Raipur, Chhattisgarh. Digital evidence such as ledgers retrieved from the mobile phone of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, also corroborated that, payments made against the invoices raised by these Punjab based firms via banking channels were returned in cash. By claiming ITC on these fictitious transactions, M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur have violated Section 16(2)(b) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017 and hence the ITC availed in the GSTR-3B by the Noticee No. 5 & 6, are illegal and inadmissible to them.

7.6.3.3 In the instant case, the departmental investigation has established that the initial suppliers are physically non-existent entities. Such bogus/non-existent firms cannot and have not been able to satisfy various conditions, as stipulated in Section 16 of CGST Act, 2017, some of which are as under;

- (i) it is unable to establish 'supply';
- (ii) it cannot establish delivery of goods from supplier to recipient;
- (iii) it cannot establish whether tax (supply on which they availed ITC) was actually paid to the Government inasmuch as the GST liability has been discharged utilizing the ineligible ITC by the Noticee's.



7.7 Further, as per the provision of Section 155 of the CGST Act, 2017, it is the responsibility of the availer of ITC, to prove that he was eligible to avail ITC on a supply. The said provisions stipulate:

"Section 155: Burden of proof – Where any person claims that he is eligible for input tax credit under this Act, the burden of proving such claim shall lie on such person."

In the instant case, the Noticee No. 1, 5 & 6 have not proved their eligibility of ITC in the light of aforesaid conditions enumerated in Section 16 of the CGST Act, 2017.

7.8 Further, the Hon'ble Supreme Court in the case of The State of Karnataka Vs M/s Ecom Gill Coffee Trading Private Limited, Civil Appeal No. 230 OF 2023 (arising from SLP(Civil) No. 2572/2022) has addressed the pivotal issue of burden to prove the genuineness of transactions in respect of receipt of goods and thereby entitlement to ITC, wherein it has been affirmed that the burden of proof lies squarely with the purchasing dealer (Ecom Gill). This burden cannot shift to the Government and merely producing tax invoices or showing payment via cheque doesn't suffice to meet this burden. Further, the Hon'ble court has observed that the taxpayer for availing ITC must possess documents/evidences which demonstrate actual movement and receipt of goods such as Name and address of supplier of goods (which confirms legitimacy of supplier), vehicle details used for delivery of goods (confirms physical movement), freight payment receipts in respect of purchases made (shows cost flow and delivery), acknowledgment of receipt of goods (proof of actual receipt) along with tax invoices and related payment documents which are basic documentary trail.

7.9 In the instant case, the Noticee No. 1 & 6, have submitted photocopy of all invoices, with some corresponding e-way bills, transport bilties and weighment slips. Further, the investigation has already revealed that the e-way bill generated for corresponding sale invoices doesnot show vehicle movement between the source and destination in any case, also the transport bilty appears to be forged/fabricated by embossing endorsement seal on those bilties and in some cases by manipulating the description of goods contained in these original transport bilties. Also, the submission of transporters in respect of goods received from all these Noticee's i.e. the Noticee No. 1, 5 & 6 clearly establish that the purchases made from supplier firms i.e. the Noticee No. 2, 3, 4, 7, 8 & 9 are fictitious and non-genuine. Thus, the Noticee No. 1, 5 & 6, have failed to discharge their burden of proof as mandated by Section 155 of the CGST Act, 2017 and affirmed by the Hon'ble Supreme Court in State of Karnataka vs. M/s Ecom Gill Coffee Trading Pvt. Ltd. The evidence establishes a complete absence of actual movement of goods, as corroborated by e-way bill and FASTag data and transporter statements denying delivery to Raipur; the use of



fabricated transport documents with forged endorsement stamps; and the absence of freight payment records. Further, ledgers recovered from the mobile phone of Shri Ravi Sharma, Finance Manager of M/s Fortune Metaliks Limited and the confession of Shri Rohit Singla confirms that banking payments were merely returned in cash, creating a circular money trail rather than genuine trade. The suppliers themselves were found to be non-existent or fraudulently registered, with stamp seals of such firms recovered from the Noticees' premises. Although Shri Rohit Singla later attempted to retract his admissions, such retraction is an afterthought and contradicted by overwhelming oral and documentary evidence. In light of these facts, it is evident that the Noticees have only produced invoices and proof of banking transactions, but have utterly failed to prove the actual receipt and movement of goods—the core requirement laid down in the aforesaid Supreme Court judgment. Accordingly, their claim for ITC is ineligible.

7.10 In view of the discussions in foregoing paras, it appears that the Noticee No. 1 have fraudulently availed ineligible ITC amounting to **Rs.5,91,40,415/-** on the strength of bogus invoices from M/s Rohit & Company, M/s Arvind Traders, M/s Northeast Steel Company, and M/s Sky Resources without any corresponding receipt of goods and thereby utilizing the aforesaid ineligible ITC of Rs.5,91,40,415/- for discharging their GST liability on the supply of scrap which were purchased from local unregistered venders without invoices and without payment of any tax. Similarly from the investigation conducted, it has revealed that M/s Rohit & Company, M/s NRA Overseas LLP, M/s Manthan Minerals are engaged in purchasing goods from various suppliers from eastern states such as Jharkhand, West Bengal, Odisha etc. and selling them to the various buyers located in northern states such as Uttar Pradesh, Haryana, Punjab etc. without any cover of invoice and thereafter passed on the ineligible ITC of **Rs.19,84,28,820/-** to the Noticee No. 6 i.e. M/s Fortune Metaliks Limited Raipur and ineligible ITC of **Rs.7,09,63,325/-** to the Noticee No. 5 i.e. M/s NRA Overseas LLP, Raipur by issuing the fraudulent invoices without any actual supply of goods. These ineligible ITC availed by the Noticee No. 1, 5 & 6 contravenes the statutory provisions of the CGST Act, 2017 and rule made there under and hence the same appears liable to be disallowed and recovered from them under the provisions of Section 74/74A of the CGST Act, 2017 read with section 20 of the IGST Act, 2017 along with applicable interest and penalty.

7.10 As discussed in the foregoing paras, the supplier firms i.e. The Noticee No. 2 i.e. M/s Rohit & Company, Punjab, the Noticee No. 3 i.e. M/s NRA Overseas LLP, Punjab, the Noticee No. 4 i.e. M/s Manthan Minerals, Punjab, the Noticee No. 7 i.e. M/s North Steel Company, the Noticee No. 8 i.e. M/s Sky Resources, the Noticee No. 9 i.e. M/s Arvind Traders, have rendered themselves liable for penalty under Section 122(1)(ii) for issuing any invoice without supply of goods and Section 122(1)(x) for falsifying financial records and producing fake documents in order to pass on the ineligible ITC as detailed in the Table-G supra.



8. **STATUTORY PROVISIONS:**

8.1 Relevant Statutory provisions of the Central Goods and Services Tax Act, 2017 as well as the Central Goods and Services Tax Rules 2017 made thereunder:

(i) **Section 2. Definitions. -**

In this Act, unless the context otherwise requires –

(62) "input tax" in relation to a registered person, means the central tax, State tax, integrated tax or Union territory tax charged on any supply of goods or services or both made to him and includes-

- (a) the integrated goods and services tax charged on import of goods;*
- (b) the tax payable under the provisions of sub-sections (3) and (4) of section 9;*
- (c) the tax payable under the provisions of sub-sections (3) and (4) of section 5 of the Integrated Goods and Services Tax Act;*
- (d) the tax payable under the provisions of sub-sections (3) and (4) of section 9 of the respective State Goods and Services Tax Act; or*
- (e) the tax payable under the provisions of sub-sections (3) and (4) of section 7 of the Union Territory Goods and Services Tax Act,*

but does not include the tax paid under the composition levy;

(ii) **Section 7. Scope of supply -**

(1) *For the purposes of this Act, the expression - "supply" includes-*

(a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;

(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment or other valuable consideration.

Explanation. -*For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another;*



(b) import of services for a consideration whether or not in the course or furtherance of business; ²[and]

(c) the activities specified in Schedule I, made or agreed to be made without a consideration;

(iii) **Section 16: Eligibility and conditions for taking input tax credit. -**

(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in Section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.

(2) Notwithstanding anything contained in this section, no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless, -

(a) he is in possession of a tax invoice or debit note issued by a supplier registered under this Act, or such other tax paying documents as may be prescribed;

(aa) the details of the invoice or debit note referred to in clause (a) has been furnished by the supplier in the statement of outward supplies and such details have been communicated to the recipient of such invoice or debit note in the manner specified under Section 37;

(b) he has received the goods or services or both.

Explanation. - For the purposes of this clause, it shall be deemed that the registered person has received the goods or, as the case may be, services-

(i) where the goods are delivered by the supplier to a recipient or any other person on the direction of such registered person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to goods or otherwise;

(ii) where the services are provided by the supplier to any person on the direction of and on account of such registered person;]

(ba) the details of input tax credit in respect of the said supply communicated to such registered person under section 38 has not been restricted;]



(c) subject to the provisions of Section 41, the tax charged in respect of such supply has been actually paid to the Government, either in cash or through utilisation of input tax credit admissible in respect of the said supply; and

(d) he has furnished the return under Section 39:

Provided that where the goods against an invoice are received in lots or instalments, the registered person shall be entitled to take credit upon receipt of the last lot or instalment:

Provided further that where a recipient fails to pay to the supplier of goods or services or both, other than the supplies on which tax is payable on reverse charge basis, the amount towards the value of supply along with tax payable thereon within a period of one hundred and eighty days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient shall be paid by him along with interest payable under section 50], in such manner as may be prescribed:

Provided also that the recipient shall be entitled to avail of the credit of input tax on payment made by him to the supplier of the amount towards the value of supply of goods or services or both along with tax payable thereon.

(3) Where the registered person has claimed depreciation on the tax component of the cost of capital goods and plant and machinery under the provisions of the Income tax Act, 1961 (43 of 1961), the input tax credit on the said tax component shall not be allowed.

(4) A registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the [sixth] day of November] following the end of financial year to which such invoice or debit note pertains or furnishing of the relevant annual return, whichever is earlier.

Provided that the registered person shall be entitled to take input tax credit after the due date of furnishing of the return under Section 39 for the month of September, 2018 till the due date of furnishing of the return under the said section for the month of March, 2019 in respect of any invoice or invoice relating to such debit note for supply of goods or services or both made during the financial year 2017-18, the details of which have been uploaded by the supplier under sub-section (1) of Section 37 till the due date for furnishing the details under sub-section (1) of said section for the month of March, 2019.]

(iv) **Section 35. Accounts and other records -**



(1) Every registered person shall keep and maintain, at his principal place of business, as mentioned in the certificate of registration, a true and correct account of—

- (a) production or manufacture of goods;
- (b) inward and outward supply of goods or services or both;
- (c) stock of goods;
- (d) input tax credit availed;
- (e) output tax payable and paid; and
- (f) such other particulars as may be prescribed:

(v) **Section 38- Communication of details of inward supplies and input tax credit.**

(1) The details of outward supplies furnished by the registered persons under sub-section (1) of Section 37 and of such other supplies as may be prescribed, and an auto-generated statement containing the details of input tax credit shall be made available electronically to the recipients of such supplies in such form and manner, within such time, and subject to such conditions and restrictions as may be prescribed.

(2) The auto-generated statement under sub-section (1) shall consist of—

- (a) details of inward supplies in respect of which credit of input tax may be available to the recipient; and
- (b) details of supplies in respect of which such credit cannot be availed, whether wholly or partly, by the recipient, on account of the details of the said supplies being furnished under sub-section (1) of Section 37,—
 - (i) by any registered person within such period of taking registration as may be prescribed; or
 - (ii) by any registered person, who has defaulted in payment of tax and where such default has continued for such period as may be prescribed; or
 - (iii) by any registered person, the output tax payable by whom in accordance with the statement of outward supplies furnished by him under the said sub-section during such period, as may be prescribed, exceeds the output tax paid by him during the said period by such limit as may be prescribed; or
 - (iv) by any registered person who, during such period as may be prescribed, has availed credit of input tax of an amount that exceeds the credit that can be availed by him in accordance with clause (a), by such limit as may be prescribed; or



(v) by any registered person, who has defaulted in discharging his tax liability in accordance with the provisions of sub-section (12) of Section 49 subject to such conditions and restrictions as may be prescribed; or
(vi) by such other class of persons as may be prescribed.]

(vi) **Section 39 - Furnishing of returns**

(1) Every registered person, other than an Input Service Distributor or a non-resident taxable person or a person paying tax under the provisions of Section 10 or Section 51 or Section 52 shall, for every calendar month or part thereof, furnish, a return, electronically, of inward and outward supplies of goods or services or both, input tax credit availed, tax payable, tax paid and such other particulars, in such form and manner, and within such time, as may be prescribed:

(vii) **Section 50: Interest on delayed payment of tax -**

(1) Every person who is liable to pay tax in accordance with the provisions of this Act or the rules made thereunder, but fails to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay, on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council:

Provided that the interest on tax payable in respect of supplies made during a tax period and declared in the return for the said period furnished after the due date in accordance with the provisions of section 39, except where such return is furnished after commencement of any proceedings under Section 73 or Section 74 in respect of the said period, shall be levied on that portion of the tax that is paid by debiting the electronic cash ledger.]

(2) The interest under sub-section (1) shall be calculated, in such manner as may be prescribed, from the day succeeding the day on which such tax was due to be paid.

(3) Where the input tax credit has been wrongly availed and utilised, the registered person shall pay interest on such input tax credit wrongly availed and utilised, at such rate **not** exceeding twenty-four per cent. as may be notified by the Government, on the recommendations of the Council, and the interest shall be calculated, in such manner as may be prescribed]

(viii) **Rule 36 of the CGST Rules 2017 – Documentary requirements and conditions for claiming input tax credit.-**



(1) The input tax credit shall be availed by a registered person, including the Input Service Distributor, on the basis of any of the following documents, namely, -

- a) an invoice issued by the supplier of goods or services or both in accordance with the provisions of Section 31;
- b) an invoice issued in accordance with the provisions of clause (f) of sub-section (3) of Section 31, subject to the payment of tax;
- c) a debit note issued by a supplier in accordance with the provisions of Section 34;
- d) a bill of entry or any similar document prescribed under the Customs Act, 1962 or rules made thereunder for the assessment of integrated tax on imports;
- e) an Input Service Distributor invoice or Input Service Distributor credit note or any document issued by an Input Service Distributor in accordance with the provisions of sub-rule (1) of Rule 54.

(ix) **Section 155: Burden of proof** — Where any person claims that he is eligible for input tax credit under this Act, the burden of proving such claim shall lie on such person. The taxpayer has failed to produce documents like invoices and ledgers required for availing input tax credit without which the eligibility of Input Tax credit availed could not be determined.

(x) **Section 74 - Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilized by reason of fraud or any willful misstatement or suppression of facts.**

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilized by reason of fraud, or any willful mis statement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilized input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under Section 50 and a penalty equivalent to the tax specified in the notice.

(xi) **Section 74A. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason pertaining to Financial Year 2024-25 onward. -**

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been



made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder:

(xii) **Section 122 - Penalty for certain offences.**

(1) Where a taxable person who—

(i) supplies any goods or services or both without issue of any invoice or issues an incorrect or false invoice with regard to any such supply;

(ii) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act or the rules made thereunder;

.....
(vii) takes or utilizes input tax credit without actual receipt of goods or services or both either fully or partially, in contravention of the provisions of this Act or the rules made thereunder;

.....
(x) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information or return with an intention to evade payment of tax due under this Act;

he shall be liable to pay a penalty of ten thousand rupees or an amount equivalent to the tax evaded or the tax not deducted under section 51 or short deducted or deducted but not paid to the Government or tax not collected under section 52 or short collected or collected but not paid to the Government or input tax credit availed of or passed on or distributed irregularly, or the refund claimed fraudulently, whichever is higher.

(1A) Any person who retains the benefit of a transaction covered under clauses (i), (ii), (vii) or clause (ix) of sub-section (1) and at whose instance such transaction is conducted, shall be liable to a penalty of an amount equivalent to the tax evaded or input tax credit availed of or passed on.

(2) Any registered person who supplies any goods or services or both on which any tax has not been paid or short-paid or erroneously refunded, or where the input tax credit has been wrongly availed or utilised, -

(a)



(b) for reason of fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty equal to ten thousand rupees or the tax due from such person, whichever is higher.

(3) Any person who-

- (a) aids or abets any of the offences specified in clauses (i) to (xxi) of subsection (1);
- (b) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;
- (c) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;
- (d) fails to appear before the officer of central tax, when issued with a summon for appearance to give evidence or produce a document in an inquiry;
- (e) fails to issue invoice in accordance with the provisions of this Act or the rules made thereunder or fails to account for an invoice in his books of account, shall be liable to a penalty which may extend to twenty-five thousand rupees.

(xiv) SECTION 20 of IGST Act, 2017 – Application of provisions of Central Goods and Services Tax Act. — Subject to the provisions of this Act and the rules made thereunder, the provisions of Central Goods and Services Tax Act relating to,—

- (i) scope of supply;
- (ii) composite supply and mixed supply;
- (iii) time and value of supply;
- (iv) input tax credit;
- (v) registration;
- (vi) tax invoice, credit and debit notes;
- (vii) accounts and records;
- (viii) returns, other than late fee;
- (ix) payment of tax;
- (x) tax deduction at source;
- (xi) collection of tax at source;
- (xii) assessment;
- (xiii) refunds;
- (xiv) audit;
- (xv) inspection, search, seizure and arrest;
- (xvi) demands and recovery;
- (xvii) liability to pay in certain cases;
- (xviii) advance ruling;
- (xix) appeals and revision;



- (xx) presumption as to documents;
- (xxi) offences and penalties;
- (xxii) job work;
- (xxiii) electronic commerce;
- (xxiv) transitional provisions; and
- (xxv) miscellaneous provisions including the provisions relating to the imposition of interest and penalty,

shall, mutatis mutandis, apply, so far as may be, in relation to integrated tax as they apply in relation to central tax as if they are enacted under this Act:

Provided that in the case of tax deducted at source, the deductor shall deduct tax at the rate of two per cent. from the payment made or credited to the supplier:

Provided further that in the case of tax collected at source, the operator shall collect tax at such rate not exceeding two per cent, as may be notified on their commendations of the Council, of the net value of taxable supplies:

Provided also that for the purposes of this Act, the value of a supply shall include any taxes, duties, cesses, fees and charges levied under any law for the time being in force other than this Act, and the Goods and Services Tax (Compensation to States) Act, if charged separately by the supplier:

Provided also that in cases where the penalty is leviable under the Central Goods and Services Tax Act and the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act, the penalty leviable under this Act shall be the sum total of the said penalties.

[Provided also that where the appeal is to be filed before the Appellate Authority or the Appellate Tribunal, the maximum amount payable shall be fifty crore rupees and one hundred crore rupees respectively.

(xv) SECTION 132. Punishment for certain offences.-

(1) [Whoever commits, or causes to commit and retain the benefits arising out of, any of the following offences], namely:-

- (a) supplies any goods or services or both without issue of any invoice, in violation of the provisions of this Act or the rules made thereunder, with the intention to evade tax;*
- (b) issues any invoice or bill without supply of goods or services or both in violation of the provisions of this Act, or the rules made thereunder leading to wrongful availment or utilisation of input tax credit or refund of tax;*
- (c) ²/avails input tax credit using the invoice or bill referred to in clause (b) or fraudulently avails input tax credit without any invoice or bill;]*



(d) collects any amount as tax but fails to pay the same to the Government beyond a period of three months from the date on which such payment becomes due;

(e) evades tax or fraudulently obtains refund and where such offence is not covered under clauses (a) to (d);

(f) falsifies or substitutes financial records or produces fake accounts or documents or furnishes any false information with an intention to evade payment of tax due under this Act;

(h) acquires possession of, or in any way concerns himself in transporting, removing, depositing, keeping, concealing, supplying, or purchasing or in any other manner deals with, any goods which he knows or has reasons to believe are liable to confiscation under this Act or the rules made thereunder;

(i) receives or is in any way concerned with the supply of, or in any other manner deals with any supply of services which he knows or has reasons to believe are in contravention of any provisions of this Act or the rules made thereunder;

(l) attempts to commit, or abets the commission of any of the offences mentioned in 7[clauses (a) to (f) and clauses (h) and (i)] of this section,

shall be punishable-

(i) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds five hundred lakh rupees, with imprisonment for a term which may extend to five years and with fine;

(ii) in cases where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds two hundred lakh rupees but does not exceed five hundred lakh rupees, with imprisonment for a term which may extend to three years and with fine;

(iii) in the case of ⁸[an offence specified in clause (b),] where the amount of tax evaded or the amount of input tax credit wrongly availed or utilised or the amount of refund wrongly taken exceeds one hundred lakh rupees but does not exceed two hundred lakh rupees, with imprisonment for a term which may extend to one year and with fine;

(iv) in cases where he commits or abets the commission of an offence specified in clause

(f) he shall be punishable with imprisonment for a term which may extend to six months or with fine or with both.

(2) Where any person convicted of an offence under this section is again convicted of an offence under this section, then, he shall be punishable for the second and for every subsequent offence with imprisonment for a term which may extend to five years and with fine.

(3) The imprisonment referred to in clauses (i), (ii) and (iii) of sub-section (1) and sub-section (2) shall, in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the Court, be for a term not less than six months.

(4) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences under this Act, except the offences referred to in sub-section (5) shall be non- cognizable and bailable.

(5) The offences specified in clause (a) or clause (b) or clause (c) or clause (d) of sub-section (1) and punishable under clause (i) of that sub-section shall be cognizable and non-bailable.



(6) A person shall not be prosecuted for any offence under this section except with the previous sanction of the Commissioner.

(xvi) Section 137. Offences by companies.-

(1) Where an offence committed by a person under this Act is a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

(3) Where an offence under this Act has been committed by a taxable person being a partnership firm or a Limited Liability Partnership or a Hindu Undivided Family or a trust, the partner or karta or managing trustee shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly and the provisions of sub-section (2) shall, mutatis mutandis , apply to such persons.

(4) Nothing contained in this section shall render any such person liable to any punishment provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

Explanation.-For the purposes of this section,-

(i) "company" means a body corporate and includes a firm or other association of individuals; and

(ii) "director" , in relation to a firm, means a partner in the firm.

9. CONTRAVENTIONS

In the light of above, by their various act of omission(s) and commission(s), it appears that the Noticee No. 1, 5 & 6 have contravened the provisions of CGST Act, 2017 read with CGST Rules, 2017 and section 20 of the IGST Act, 2017 as under: -

- a) Section 35(1) of CGST Act, 2017 read with Rule 56 of CGST Rules, 2017 inasmuch as that the Noticee No. 1, 5 & 6 have failed to maintain properly the record of inward supply of goods. The Noticees created fraudulent entries in their Registers, Ledgers, Books of Accounts in order to avail ITC fraudulently on the basis of invoices without actually receiving the goods from their supplier and used such fraudulently availed ITC for discharging the outward tax liability, which they otherwise would be required to discharge in cash.

- b) Section 16(1) of CGST Act, 2017 inasmuch as the Noticee No. 1, 5 & 6 have availed ITC on the transaction not falling under the scope of 'Supply' as per Section 7 of the CGST Act, 2017 and hence they have not satisfied the conditions specified in Section 16 of CGST Act, 2017, for availment and utilization of ITC;
- c) Section 16(2)(b) of CGST Act, 2017 inasmuch as the Noticee No. 1, 5 & 6 have availed ITC on invoices without any actual receipt of goods from the supplier firms as discussed in the aforesaid paras. Hence, it appears that the Noticee No. 1, 5 & 6 does not satisfy the conditions specified in Section 16 of CGST Act, 2017 for availing ITC;
- d) Section 38 of CGST Act, 2017 inasmuch as the Noticee No. 1, 5 & 6 have failed to furnish the correct factual and true account of the Inward Taxable supplies in their GSTR-3B returns.
- e) Section 39 of CGST Act 2017 inasmuch as the Noticee No. 1, 5 & 6 have submitted a fabricated and fraudulent account of their taxable supplies in the form GSTR-3B during the relevant months, wherein they used the fraudulently availed inadmissible ITC in their Electronic Liability Register to discharge their liability of their outward taxable supplies.
- f) Section 122(1)(ii) of the CGST Act, 2017, inasmuch as the Noticee No. 2, 3, 4, 7, 8 & 9 have passed on fraudulent ITC to the Noticee No. 1, 5 & 6 by way of filing wrong details in GSTR-1 returns in contravention of the provisions of this Act or Rules made thereunder.
- g) Section 122(1)(vii) of the CGST Act, 2017, inasmuch as the Noticee No. 1, 5 & 6 have fraudulently availed and utilized GST Input Tax Credit without actual receipt of goods, in contravention of the provisions of this Act or Rules made thereunder.
- h) Section 122(1)(x) of the CGST Act, 2017, inasmuch as the Noticee No. 1, 2, 3, 4, 5, 6, 7, 8 & 9 have fraudulently passed on / or availed and utilized GST Input Tax Credit without actual receipt of goods, by falsifying or substituting financial records or by furnishing any false information or return with an intention to evade payment of tax due under this Act in contravention of the provisions of this Act or Rules made thereunder.
- i) Section 122(1A) of the CGST Act, 2017, inasmuch as Shri Rohit Singla, Shri Deepak Bansal and the Noticee No. 6 i.e. M/s Fortune Metaliks Limited, Raipur through their act of commission and / or omission have appeared to retain the benefit such well-orchestrated fraudulent scheme in order to avail and pass on ineligible Input Tax Credit (ITC) in contravention to the various provisions of GST Law.



- j) Section 122(3) of the CGST Act, 2017, inasmuch as Shri Jasvinder Singh (alias Vicky Rai) through his act of facilitating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued through firms being operated by him (M/s North East Steel Company & M/s Sky Resources) and through his role in arranging transport bilties (in respect of M/s Khabra Roadlines & M/s Keerat Roadlines) and fabricating other supporting documents for the purpose of facilitating these fictitious transactions look genuine in the eyes of the law.
- k) Section 132 of the CGST Act, 2017 read with section 137 of the CGST Act, 2017, inasmuch as Shri Rohit Singla being the key person in respect of M/s RP Metal Manufacturing & Recycling, Raipur M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab, M/s NRA Overseas LLP, Raipur, M/s Manthan Minerals, Punjab has been found to be the mastermind involved in orchestrating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued without any genuine purchase of goods and utilizing the same either for discharging of GST liability against the supply of goods which were purchased from local venders or for passing on the ineligible ITC to down chain taxpayers by way of issuing fake invoice from his proprietorship/partnership firms without making any actual underlying supply therein. Further, Shri Deepak Bansal, being key person in respect of M/s NRA Overseas LLP, Punjab, M/s NRA Overseas LLP, Raipur, M/s Manthan Minerals, Punjab has also been found to be the co-conspirator/mastermind involved in orchestrating fictitious transactions for passing on the ineligible ITC to down chain taxpayers by way of issuing fake invoice from his partnership firms without making any actual underlying supply therein. Further, M/s Fortune Metaliks Limited, Raipur being a legal person in the instant case appears to be in collusion with both of these conspirators/masterminds in orchestrating fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued without any genuine purchase of goods and utilizing the same for discharging of GST liability.

10. INVOCATION OF EXTENDED PERIOD UNDER PENAL PROVISIONS:

Section 74 of the CGST Act, 2017 provides for invoking the extended period for issue of a show cause notice to a taxable person where tax has not been paid or where input tax credit was wrongly availed by reason of fraud or any wilful misstatement or suppression of facts to evade tax. Explanation 2 under Section 74 explains the meaning of the word suppression as under –



Explanation 2. —For the purposes of this Act, the expression “suppression” shall mean non-declaration of facts or information which a taxable person is required to declare in the return, statement, report or any other document furnished under this Act or the rules made thereunder, or failure to furnish any information on being asked for, in writing, by the proper officer.

10.2 In the scheme of self-assessment, the GST Department comes to know about the goods supplied and payment made by the tax payer only during the scrutiny of the statutory returns filed by the tax payer. Thus, regime of self-assessment of tax casts a burden on the Noticee to declare the assessable value, tax payable / paid thereon, correctly, and timely to the Department. In absence or such information, the department has no means to verify the assessment carried out by the Noticee. In the present case, the Noticee has contravened various provisions of law as mentioned in the foregoing paras with the intent to evade payment of tax, as they have intentionally availed ineligible ITC on the strength of Invalid invoices in fraudulent manner, without actual movement of goods and concealed the said information from the department.

10.3 The Noticee No. 1, 5 & 6 have taken the credit of such fraudulent ITC in the Electronic Credit Ledger and used this balance of ITC in the Electronic Credit Ledger to discharge the GST payment towards outward taxable supplies. The Noticees, thus have indulged in availing the fraudulent ITC on the basis of paper invoices issued by the Noticee Noticee No. 2, 3, 4, 7, 8 & 9 and defrauding the government exchequer by wilfully suppressing the above material facts with the sole intention of evading the payment of GST.

10.4 It is a cardinal principle of law that “fraud vitiates even the most solemn act”. In the instant case, it is clear from the depositions of the transporters that they have not supplied any goods to the Noticee No. 1, 5 & 6. This implies that, these Noticees in consonance with the Noticee No. 2, 3, 4, 7, 8 & 9 have made fraudulent transactions by means of fraud, wilful mis-statement and suppression of facts, and this finding gets further bolstered with the vehicle movement analysis done in this regard through FASTag movement analysis available in the e-way bill portal, therefore, these supplies can't be accepted as a valid supply as defined under CGST Act, 2017.

10.5 From the above investigation, it has been revealed and established that the inward supplies claimed to have been received by the Noticee No. 1, 5 & 6 from the Noticee No. 2, 3, 4, 7, 8 & 9 appears to be ineligible based on the aforesaid findings and with an intention to take advantage of fraudulent ITC, which amounts to committing fraud against the department and the public exchequer.



11. ROLE PLAYED BY KEY PERSONS/MASTERMINEDS

11.1 SHRI ROHIT SINGLA:

In view of the discussions and findings, supra, and evidences gathered, it is apparently clear that Shri Rohit Singla is the key person and mastermind involved in orchestrating fictitious transactions by way of creating fake invoices and fake documents from his firms discussed above, in order to show their inward and outward supplies legitimate in the eyes of law and thereby executing the offence to defraud revenue of the exchequer. Shri Rohit Singla exercised effective control over several entities including M/s RP Metal Manufacturing & Recycling, M/s Rohit & Company, M/s NRA Overseas LLP, and M/s Manthan Minerals and with the help of these firms, he has issued fake invoices without any underlying supply of goods, thereby facilitating fraudulent availment and utilization of ITC.

The primary modus operandi adopted in the case of his partnership firm M/s RP Metal manufacturing and Recycling was to procure non-GST paid scrap from various local unregistered vendors in Chhattisgarh and legitimize its sale by fabricating purchase documents from firms of Uttar Pradesh and Punjab namely M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders and his own proprietorship firm M/s Rohit & Company, Punjab. Documentary evidence such as registers of local scrap purchases, fabricated transport bilities, stamp seals of bogus suppliers, and WhatsApp communications retrieved from the mobile phone of his son, Shri Parth Singla during the search conducted at his residential and business premises clearly demonstrate that these firms were engaged in fabricating documents so as to make the fraudulent transactions genuine, under his direct supervision. Rohit Singla, himself, in his statement dated 22.11.2024 admitted that his partnership firm M/s R P Metal Manufacturing and Recycling have received only invoices from suppliers like M/s North East Steel Company, M/s Sky Resources, and M/s Arvind Traders without any actual receipt of goods and these fake invoices were used to cover the outward supply of scrap purchased locally from vendors like Imran, Ashutosh, Amir, and Shahid. He also admitted that through his proprietorship firm M/s Rohit & Company he had raised invoices on M/s Fortune Metaliks Limited, Raipur without any actual supply of goods. These facts of issuance of only invoice without actual supply of underlying goods was also corroborated by the absence of e-way bill/FASTag movement between the source and destination as per the e-way bill portal. Further, ledgers retrieved from the mobile phone of the Finance Manager of M/s Fortune Metaliks Limited, Raipur revealed that RTGS payments made by M/s Fortune Metaliks Limited, Raipur against purported purchase were returned in cash which was detailed in a parallel ledger "RC", a modus operandi also confirmed by Shri Rohit Singla in his statement dated 22.11.2024. Also, the proprietor of one of the key suppliers of both M/s RP Metal Manufacturing & Recycling, Raipur and M/s Rohit & Company, Punjab i.e. M/s North East Steel Company, was found to be a daily wage laborer named Shri Mahinder Kumar, who through his



statement has submitted that he had no knowledge regarding the business activities of this firm and this firm was opened by Shri Jasvinder Singh (alias Vicky Rai), staff of Shri Rohit Singla. Shri Mahinder Kumar was also found to be associated with M/s Khabra Roadlines in which he was proprietor and M/s Keerat Roadlines in which his sister-in-law was proprietor, but both the firms were handled by his brother Shri Surinder Kumar. M/s Khabra Roadlines and M/s Keerat Roadlines were amongst the major transporter firms engaged in transportation of goods for M/s Rohit & Company and M/s RP Metal Manufacturing and Recycling. In this regard, Shri Surinder Kumar confessed to have never transported any goods for these firms to Raipur, Chattisgarh and submitted that he had provided blank triplicate transport bilties to Shri Jasvinder Singh (alias Vicky Rai), staff of Shri Rohit Singla for ₹150 per transport bility, which were then fraudulently used to show movement of goods that never occurred, which further corroborated from the fact that these triplicate copies of transport bilties with similar handwriting and false GSTINs were seized from Rohit Singla's residence, pointing to a systematic creation of a false paper trail.

Shri Rohit Singla through his proprietorship/partnership firms namely **M/s Rohit & Company, Punjab, M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab** was also found to be engaged in issuance of fake invoices to beneficiaries like **M/s Fortune Metaliks Limited, Raipur** (the Noticee No. 6) and **M/s NRA Overseas LLP, Raipur** (the Noticee No. 5) without any underlying supply of goods. This allowed the beneficiaries to fraudulently avail massive amounts of fraudulent ITC amounting to ₹19.84 crore by M/s Fortune Metaliks Limited and ₹7.09 crore by M/s NRA Overseas, Raipur, which was corroborated from the analysis of e-way bill and FASTag data which conclusively proved that none of the vehicles listed on the invoices for these transactions never entered Chhattisgarh and were not delivered to M/s Fortune Metaliks Limited, Raipur. Further, many of the transporters whose bilties were used for showing purported supply of goods from M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited Raipur and M/s NRA Overseas LLP, Raipur, have categorically denied that to have transported any goods to M/s Fortune Metaliks in Raipur under the transport bilties issued by their firms. They confirmed that the goods were actually delivered to locations in Punjab, Uttar Pradesh, or Haryana for M/s Manhtan Minerals and M/s NRA Overseas LLP, Punjab on the instruction of Shri Rohit Singla, Shri Deepak Bansal or his staffs and that the endorsement stamps/seal on the bilties submitted by Fortune Metaliks were forged. On one occasion a transporter even provided a copy of an original bility, which was starkly different from the forged version submitted by Fortune Metaliks, providing direct proof of fabrication.

Further, after his initial confession and arrest, Shri Rohit Singla retracted from his statement tendered on 22.11.2024 and in his subsequent statements dated 13.12.2024, and 07.08.2025, he attempted to twist the facts by stating that the register showing names like Shahid and Imran etc, that were seized from his business premises were not related to



local purchases but for individuals who sent vehicles for "sorting and segregation" of scrap that was genuinely received from Punjab and Uttar Pradesh Based firms and subsequently supplied to M/s Fortune Metaliks Limited, Raipur, which is clearly contradicted by the material evidence gathered and the statement of various transporters recorded during the course of investigation. Further, he attempted to shift the blame for the operations of M/s NRA Overseas LLP and M/s Manthan Minerals entirely to his partner, Shri Deepak Bansal, stating that he managed all the sales, transport, and communication from Hisar, Haryana which is clearly contradicted by the submissions of Shri Deepak Bansal, statements of transporters and most importantly that of the CEO of M/s Fortune Metaliks Limited, Shri Rajeshkumar Tejpal Gaur, who explicitly named Shri Rohit Singla as their sole point of contact for all three supplier firms, including M/s NRA Overseas LLP and M/s Manthan Minerals. He, repeatedly attempted to dismiss the role of his key staff/accomplice, **Shri Jasvinder Singh (alias Vicky Rai)**, insisting he was merely a "GST consultant" but the investigation has revealed that Shri Jasvinder Singh (alias Vicky Rai) was central to the fraud. He set up the dummy firm M/s North East Steel Company in a laborer's name, procured and distributed blank transport bilties, and was the one who sent the fraudulent "RC" ledger on whatsapp chat to Shri Ravi Sharma, Finance Manager of M/s Fortune Metaliks Limited. Shri Rohit Singla's attempt to distance himself is a clear effort to disassociate from his accomplice.

When confronted with the complete absence of FASTag movement data in respect of any of the hundreds of vehicles shown carrying outward supplies from M/s Rohit & Company, Punjab, M/s NRA Overseas, LLP, Punjab, M/s Manthan minerals, Punjab to M/s Fortune Metaliks Limited, Raipur, M/s NRA Overseas LLP, Raipur, he dismissed the same calling it as a "technical error" which is untenable inasmuch as a "technical error" would not affect each and every single movement transaction of these vehicles spread across multiple years, while simultaneously allowing other genuine e-way bills on these same vehicles to be tracked, which is statistically impossible and illogical.

In view of the above, it appears that Shri Rohit Singla was actively involved in the fraudulent availment and passing on of ineligible ITC amounting to **Rs.32,85,32,560/-** (i.e. availment of ineligible ITC amounting to **Rs.5,91,40,415/-** through his partnership firm M/s RP Metal Manufacturing & Recycling showing purported inward supplies from firms namely M/s North East Steel Company, M/s Sky Resources, M/s Arvind Traders, M/s Rohit & Company; passing on of ineligible ITC amounting to **Rs.19,84,28,820/-** through his proprietorship firm M/s Rohit & Company and partnership firms M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited, Raipur; passing on of ineligible ITC amounting to **Rs.7,09,63,325/-** through his partnership firms M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to his partnership firm M/s NRA Overseas LLP, Raipur, in contravention to section 16(2)(b) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017. His retraction of earlier confessional statement



is a deliberate and calculated ploy to mislead the investigation and evade penal consequences. In view of the above, Shri Rohit Singla is liable for prosecution under Sections 132(1)(b), 132(1)(c), and 132(1)(f) of the CGST Act, 2017 for offences committed and also for monetary penalty under **Section 122(1A)** for retaining the benefit of transactions involving issuance of invoices without supply of goods and facilitating wrongful availment and passing of ITC i.e. offence under section 122 (1)(ii), 122 (1)(vii) & 122 (1)(x) of the CGST Act, 2017, read with section 20 of the IGST Act, 2017. Further, in this regard, prosecution under section 132 of the CGST Act, 2017 read with section 20 of the IGST Act, 2017, was initiated against Shri Rohit Singla in compliance with Instruction No. 04/2022-23 [GST-Investigation] dated 01.09.2022 in the Hon'ble court CJM, Raipur vide criminal complain dated 20.01.2025 [RUD-36].

11.2 ROLE PLAYED BY SHRI DEEPAK BANSAL:

In view of the discussions and findings, supra, and evidences gathered, it is abundantly clear that Shri Deepak Bansal is the co-conspirator/mastermind involved in orchestrating fictitious transactions by way of creating fake invoices and fake documents from his firms discussed above, in order to show their inward and outward supplies legitimate in the eyes of law and thereby executing the offence to defraud revenue of the exchequer. While Deepak Bansal attempted to mislead the investigation by shifting the blame entirely on Shri Rohit Singla, evidences gathered during the course of investigation and statements from various transporters establish his active involvement alongside his partner Shri Rohit Singla, in the fraudulent passing on of ineligible Input Tax Credit (ITC) by his partnership firms M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab, where he held a 50% stake with Shri Rohit Singla.

Both the partners Shri Deepak Bansal and Shri Rohit Singla resorted to a strategy of mutual blame-shifting on each other to mislead the investigation. On one hand, Shri Deepak Bansal, through his written submissions, was putting all the blame on Shri Rohit Singla, claiming that he was never involved in the business operations of these partnership firms and that Shri Rohit Singla handled all the purchases, sales, and banking transactions of these partnership firms from the very beginning, while on the other hand, Shri Rohit Singla claimed that Shri Deepak Bansal managed all the business activities of both of these partnership firms, including sales, purchases, billing, and transport, and that all the operations of these partnership firms were handled from Hisar, Haryana, where Shri Deepak Bansal resides.

Further, statements from multiple transporters namely M/s Laxmi Roadways, M/s Nishika Transport, M/s Ganpati Cargo Movers etc. that they have issued transport bilties based on the instructions from Shri Deepak Bansal and his staffs which directly implicates Shri Deepak Bansal in the operational management of these firms, corroborating his active role in the fraudulent scheme by managing the transportation of goods from States like



West Bengal, Odisha, Jharkhand etc. to Punjab which were may times unloaded en-route in Uttar Pradesh and Haryana as per his instructions only. Thereafter, sale invoices of these goods were issued by his partnership firms M/s Manthan Minerals, Punjab and M/s NRA Overseas LLP, Punjab to M/s Fortune Metaliks Limited Raipur by annexing these transport bilities and fake blank endorsement seal with these invoices without any actual supply of underlying goods therein. Digital signature of Shri Deepak Bansal on many of these sale invoices of M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited, Raipur also confirms his involvement in the operations of these firms.

Shri Deepak Bansal deliberately and repeatedly evaded the proceedings and did not appear for questioning or to tender oral evidence, despite several summons dated 13.12.2024, 20.12.2024, 06.01.2025, 20.01.2025, and 17.02.2025, issued to him. Instead of appearing in person, he responded only to the summons dated 06.01.2025 and 17.02.2025 via letters, in which he made his counter-allegations against Shri Rohit Singla, which shows that he was aware of the proceedings but actively chose not to cooperate with the department and face questioning. Due to his persistent non-cooperation and failure to comply with the summons issued under Section 70 of the CGST Act, 2017, a formal complaint was also filed against Shri Deepak Bansal in the court of the Chief Judicial Magistrate, Raipur (C.G), under section 208 & 210 of the Bharatiya Nyaya Sanhita, 2023, read with section 70 of the CGST Act, 2017, and accordingly he has been summoned by the Hon'ble Court in the matter.

Thus, while Shri Deepak Bansal attempted to portray himself as a silent partner with no operational role, evidence gathered from transporters proves his direct involvement in the fraudulent activities of M/s NRA Overseas LLP and M/s Manthan Minerals. His refusal to honour multiple summons of the department and the deliberate evasion of the investigation, which necessitated the filing of a court complaint, further underscores his culpability and his attempts to conceal his role as a co-mastermind in the tax evasion racket.

Accordingly, it appears that Shri Deepak Bansal alongside Shri Rohit Singla was also actively involved in the passing on of ineligible ITC amounting to **Rs.14,63,919/-** through his partnership firms M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to M/s Fortune Metaliks Limited, Raipur and passing on of ineligible ITC amounting to **Rs.7,09,63,325/-** from his partnership firms M/s NRA Overseas LLP, Punjab and M/s Manthan Minerals, Punjab to his partnership firm M/s NRA Overseas LLP, Raipur, in contravention to section 16(2)(b) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017. Further, Shri Deepak Bansal is also liable for action under section 132(1)(b), 132(1)(c), and 132(1)(f) of the CGST Act, 2017 for the offences committed and also for monetary penalty under **Section 122(1A)** for retaining the benefit of these transactions involving issuance of invoices without supply of goods and facilitating wrongful availment



and passing of ITC i.e. offence under section 122 (1)(ii), 122 (1)(vii) & 122 (1)(x) of the CGST Act, 2017, read with section 20 of the IGST Act, 2017.

11.2 ROLE PLAYED BY M/S FORTUNE METALIKS LIMITED:

The investigation carried out and findings suggest that M/s Fortune Metaliks Limited, Raipur (the Noticee no. 6) is the key player and beneficiary in the instant significant financial fraud and appears to be engaged in colluding with the other conspirators/masterminds Shri Rohit Singla and Shri Deepak Bansal. M/s Fortune Metaliks Limited, Raipur have been allegedly involved in orchestrating a series of fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued by the firms operated by Shri Rohit Singla and Shri Deepak Bansal, namely M/s Rohit & Company, M/s NRA Overseas LLP and M/s Manthan Minerals without any genuine purchase of goods and utilizing the same for discharging of their GST liability in contravention to section 16(2) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017.

The most crucial evidence in this regard are two ledgers namely "**Rohit & Company**" and "**RC**", found on the mobile phone of **Shri Ravi Sharma**, Finance Manager of Fortune Metaliks Limited, which clearly demonstrates that RTGS payments made by M/s Fortune Metaliks Limited against the bogus purchase invoices issued by these firms were returned in cash as detailed in a parallel ledger "RC", a modus operandi also confirmed by their supplier Shri Rohit Singla in his statement dated 22.11.2024.

Although M/s Fortune Metaliks Limited claimed that they received the goods under the invoices issued by M/s Rohit & Company, Punjab, M/s NRA Overseas, Punjab and M/s Manthan Minerals, Punjab, but they failed to provide any explanation regarding the fact that if as per the **e-way bill and FASTag data** for hundreds of transactions, **none of the vehicles** listed on these invoices entered Chhattisgarh, then how come these goods were received by them. Further, as per the transport bilties submitted by them, statements of at-least 10 transporters were recorded, and all of them have unanimously and categorically denied to have provided transportation of goods to M/s Fortune Metaliks Limited in Raipur and confirmed that the goods were actually delivered/unloaded at various locations in Punjab, Uttar Pradesh, or Haryana. Further, these transporters have also provided the original bilties issued by them and on comparing the same with transport bilties submitted by M/s Fortune Metaliks Limited, stark difference (fake endorsement stamp/seal and in some instances altered description of goods) in many of these bilties were noticed, proving that M/s Fortune Metaliks Limited was clearly hand-in-gloves with both the conspirators Shri Rohit Singla and Shri Deepak Bansal and have used these forged documents to prove the receipt of the purported inward supplies from the firms operated by both these individuals.



The transport bilties submitted by M/s Fortune Metaliks Limited had **fake endorsement stamps** applied on them to create the false impression of receipt of goods. Their defense in this stance, that they "overlooked" these blank or forged stamps on hundreds of documents is not credible. Further, in many instances, the supplier firms sold goods to Fortune Metaliks at a **price lower than their own purchase price**. This makes no commercial sense and strongly indicates that the transactions were not genuine but were merely paper entries to facilitate the transfer of fraudulent ITC.

When repeatedly questioned about who was responsible for making these high-value purchase decisions, both the Finance Manager, Ravi Sharma, and the CEO, **Shri Rajeshkumar Tejpal Gaur**, failed to provide a straight answer. They vaguely claimed that decisions were made by the "**Head Office in Punjab**" but could not name a single individual responsible. Shri Rajeshkumar Tejpal Gaur stated that "staff changes occur from time to time" and "no single person is responsible." Thus, failure to providing a clear answer regarding the procurement of goods worth crores of rupees is a clear tactic to obstruct the investigation and avoid personal accountability.

The sole defense offered by the company's management was that the goods were received on a "**Freight on Road (FOR) basis**," meaning the supplier was responsible for transportation. They used this argument to claim ignorance about the non-movement of vehicles and forged documents. However, this defense is legally untenable as **Section 155 of the CGST Act, 2017**, places the burden of proving the **actual receipt of goods** squarely on the taxpayer claiming the ITC. They not only provided the forged documents but also failed to provide the original and complete supporting documents such as transport bilties, weightment slips etc. in support of their claim.

Further, on issuing summons to **Shri Saurabh Bansal and Shri Deep Bansal**, the Directors of M/s Fortune Metaliks Limited, Raipur and Shri **Rajeshkumar Tejpal Gaur**, CEO and Additional Director of M/s Fortune Metaliks Limited, Raipur, they actively avoided to appear for tendering the oral evidence citing one or the other reason including shifting the role and responsibility of looking after the day-to-day activity of Raipur plant on others. When summoned, CEO **Rajeshkumar Tejpal Gaur** first claimed he was traveling to the United States, upon his return, he cited health issues like cold, fatigue, and Type-2 Diabetes to request a one-month extension and that he does not look after the day-to-day operations of the company. However, later in his statement he accepted that he is responsible for day-to-day operations and management of the company, which was also confirmed by Shri Ravi Sharma, Finance Manager of the Company. This coordinated effort by the directors to be unavailable for questioning demonstrates a clear intention to run away from their responsibility and evade the investigation.



and passing of ITC i.e. offence under section 122 (1)(ii), 122 (1)(vii) & 122 (1)(x) of the CGST Act, 2017, read with section 20 of the IGST Act, 2017.

11.2 ROLE PLAYED BY M/S FORTUNE METALIKS LIMITED:

The investigation carried out and findings suggest that M/s Fortune Metaliks Limited, Raipur (the Noticee no. 6) is the key player and beneficiary in the instant significant financial fraud and appears to be engaged in colluding with the other conspirators/masterminds Shri Rohit Singla and Shri Deepak Bansal. M/s Fortune Metaliks Limited, Raipur have been allegedly involved in orchestrating a series of fictitious transactions for the purpose of availing ineligible input tax credit (ITC) on the strength of fake invoices issued by the firms operated by Shri Rohit Singla and Shri Deepak Bansal, namely M/s Rohit & Company, M/s NRA Overseas LLP and M/s Manthan Minerals without any genuine purchase of goods and utilizing the same for discharging of their GST liability in contravention to section 16(2) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017.

The most crucial evidence in this regard are two ledgers namely "**Rohit & Company**" and "**RC**", found on the mobile phone of **Shri Ravi Sharma**, Finance Manager of Fortune Metaliks Limited, which clearly demonstrates that RTGS payments made by M/s Fortune Metaliks Limited against the bogus purchase invoices issued by these firms were returned in cash as detailed in a parallel ledger "RC", a modus operandi also confirmed by their supplier Shri Rohit Singla in his statement dated 22.11.2024.

Although M/s Fortune Metaliks Limited claimed that they received the goods under the invoices issued by M/s Rohit & Company, Punjab, M/s NRA Overseas, Punjab and M/s Manthan Minerals, Punjab, but they failed to provide any explanation regarding the fact that if as per the **e-way bill and FASTag data** for hundreds of transactions, **none of the vehicles** listed on these invoices entered Chhattisgarh, then how come these goods were received by them. Further, as per the transport bilties submitted by them, statements of at-least 10 transporters were recorded, and all of them have unanimously and categorically denied to have provided transportation of goods to M/s Fortune Metaliks Limited in Raipur and confirmed that the goods were actually delivered/unloaded at various locations in Punjab, Uttar Pradesh, or Haryana. Further, these transporters have also provided the original bilties issued by them and on comparing the same with transport bilties submitted by M/s Fortune Metaliks Limited, stark difference (fake endorsement stamp/seal and in some instances altered description of goods) in many of these bilties were noticed, proving that M/s Fortune Metaliks Limited was clearly hand-in-gloves with both the conspirators Shri Rohit Singla and Shri Deepak Bansal and have used these forged documents to prove the receipt of the purported inward supplies from the firms operated by both these individuals.



In view of the above, as a "**legal person and substantial beneficiary**" the company appears to be engaged in colluding with the conspirators/masterminds and has been allegedly involved in orchestrating a series of fictitious transactions for the purpose of availing ineligible input tax credit (ITC) amounting to **Rs.19,84,28,820/-** on the strength of fake invoices issued without any genuine purchase of goods and utilizing the same for discharging of GST liability. In view of the above, M/s Fortune Metaliks Limited, Raipur, being a separate legal entity, is liable for action under section 132(1)(c), and 132(1)(f) of the CGST Act, 2017 read with section 137 of the CGST Act, 2017, for fraudulently availing ineligible ITC on the strength of fake invoices and also for monetary penalty under **Section 122(1A)** for committing offences under section 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017.

11.4 ROLE PLAYED BY SHRI JASVINDER SINGH (ALIAS VICKY RAI):

Investigation conducted has revealed that Shri Jasvinder Singh (alias Vicky Rai) is a key facilitator and abettor who executed the operational aspects of the fraudulent scheme. While he may not have been the ultimate beneficiary of the entire scam, his actions were indispensable for creating the fictitious paper trail that allowed the masterminds, Shri Rohit Singla and Shri Deepak Bansal, to perpetrate the fraud along with M/s Fortune Metaliks Limited, Raipur. Despite Shri Rohit Singla's repeated attempts to downplay his role by labeling him a mere "GST consultant," the evidence overwhelmingly proves his deep and active involvement.

The registered proprietor of M/s North East Steel Company, **Shri Mahinder Kumar**, was found to be a daily wage laborer who previously worked as a security guard. He stated that Shri Jasvinder Singh (alias Vicky Rai) opened & operated the firm in his name in exchange for a promised monthly payment of ₹20,000 and that he had no knowledge of its business activities. He also confirmed that Shri Jasvinder Singh personally accompanied him to Prayagraj to complete the GST registration formalities on two occasions. This is further corroborated by the rent agreement uploaded to the GST portal, which lists **Shri Jasvinder Singh as one of the witness**.

Shri Surinder Kumar, the key person of M/s Khabra Roadlines and M/s Keerat Roadlines, also confessed that he provided **blank, triplicate transport bilties** to Shri Jasvinder Singh (alias Vicky Rai) in exchange for **₹150 per bilty**. He confirmed these bilties were then fraudulently used to show movement of goods from Punjab to Raipur, that never occurred as corroborated from the FASTag movement analysis of vehicles as per the e-way bill portal. He also stated that Shri Jasvinder Singh gave him blank transport bilty books of four other transport companies namely, M/s Super India Transport Company Private Limited, Mathura (U.P), M/s Shri Vinod Radha Transport Company, Kanpur (U.P), M/s Siddhu Transport Company and M/s Krishna Roadlines for "safekeeping," indicating that



Shri Jasvinder Singh had access to and was managing fake transport documents of various bogus transporter firms to be used for fabrication as needed.

Further, Shri Jasvinder Singh was the direct link for communicating and sharing incriminating financial data between the supplier (Rohit Singla's firms) and the beneficiary (M/s Fortune Metaliks Limited). The fraudulent parallel ledger named "RC," which detailed the returning of cash against the RTGS payment made by M/s Fortune Metaliks Limited against the bogus purchase invoices issued by the firms of Shri Rohit Singla and Shri Deepak Bansal, was found in the WhatsApp chats of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited. Shri Ravi Sharma identified that the ledger was sent to him by one "Vicky Rai" from M/s NRA Overseas LLP. This directly connects Shri Jasvinder Singh (alias Vicky Rai) to the core conspiracy of concealing the fraudulent transactions.

Other incriminating evidences such as his mobile number (9876797500) was used in the GST registration of both M/s RP Metal Manufacturing & Recycling and their bogus supplier firm M/s Sky Resources; filing of GST registrations of M/s North East Steel Company and M/s Sky Resources from the same IP addresses, filing of GST registrations of transporters namely M/s Khabra Roadlines by Shri Jasvinder Singh (alias Vicky Rai) also establish the fact that he was actively involved in managing the fraudulent activities for Shri Rohit Singla and Shri Deepak Bansal. He also deliberately dishonoured the summon dated 05.03.2025 for tendering oral evidence.

In view of the above, it appears that Shri Jasvinder Singh (alias Vicky Rai) deliberately created fake entities and fabricated a complete paper trail of non-existent transactions and thus rendered himself liable for penalty under Section 122(3) of the CGST Act, 2017 inasmuch as he aided and abetted the firms of Shri Rohit Singla and Shri Deepak Singla by way of issuing invoices without supply (an offence under Section 122(1)(ii)) and by arranging fake transport documents to facilitate the fraudulent availment of ITC (an offense under Section 122(1)(vii) and Section 122(1)(x) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017).

12. ISSUANCE OF FORM DRC-01A AS PER RULE 142 OF CGST ACT 2017:

12.1 An intimation of tax ascertained as payable was issued to the Noticee No. 1 in Form DRC-01A dated 14.08.2025 [RUD-37] advising them to pay the tax liability amounting to Rs.5,91,40,415/- (IGST) under Section 74/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017 and in terms of rule 142(1A)/(2A) of the CGST Rules, 2017, as tax wrongly availed without receipt of underlying goods along with applicable Interest and Penalty by 21.08.2025.



12.2 An intimation of tax ascertained as payable was issued to the Noticee No. 5 in Form DRC-01A dated 14.08.2025 **[RUD-38]** advising them to pay an amount of Rs.7,09,63,325/- (IGST) under Section 74/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017 and in terms of rule 142(1A)/(2A) of the CGST Rules, 2017, as tax wrongly availed without receipt of underlying goods along with applicable Interest and Penalty by 21.08.2025.

12.3 An intimation of tax ascertained as payable was issued to the Noticee No. 6 in Form DRC-01A dated 14.08.2025 **[RUD-39]** advising them to pay an amount of Rs.19,84,28,820/- (IGST) under Section 74/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017 and in terms of rule 142(1A)/(2A) of the CGST Rules, 2017, as tax wrongly availed without receipt of underlying goods along with applicable Interest and Penalty by 21.08.2025.

12.4 In compliance, the Noticee No. 1, 5 vide their reply dated 20.08.2025 and the Noticee No. 6 vide their reply dated 19.08.2025, have submitted similar replies, wherein they have denied the allegations of wrongful availment of Input Tax Credit (ITC) on the basis of bogus invoices issued to them, without any underlying supply of goods and have claimed to have adhered to all conditions of specified under Section 16 of the CGST Act, 2017, by possessing valid invoices, receiving the goods, paying consideration with GST, and reflecting these transactions in their GST returns. They asserted that the allegation of wrongful availment is unfounded and that they possess documentary evidence—including invoices, goods receipt notes, transport documents, and payment records—to substantiate the genuineness of the supplies. They contended that no case of fraud, collusion, or willful misstatement exists and requests that the proposed action under Section 74(5) of the CGST Act, 2017 may be dropped.

12.5 The above reply/claim made by the Noticee No. 1, 5 & 6 are not acceptable in terms of the findings of the investigation conducted and discussed supra. The investigation unearthed substantial evidences contradicting their submissions. Their claim of having a valid documentary trail is not acceptable inasmuch as the documents such transport bilties appears to be forged and fraudulent. They failed to submit any concrete evidence regarding genuine vehicle movement to support their claim that they have received the goods. The FASTag records pertaining to the e-way bill generated for these transactions also shows no movement between the source and destination (infact no vehicle entering the state of Chhattisgarh). The transport documents (bilties) provided by the Noticees were found to be forged, and transporters have confirmed they had not delivered goods to Raipur, Chhattisgarh weakening the Noticee's claim of physical movement of goods. Further, digital evidence recovered from the mobile phone of Shri Ravi Sharma, Finance Manager, M/s Fortune Metaliks Limited, Raipur also showed that payments made via banking channels against these fraudulent purchase transactions were subsequently returned to the M/s



Fortune Metaliks Limited in cash, indicating a circular flow of money to create a fake paper trail rather than genuine purchases. Shri Rohit Singla being a key person of the supplier of M/s Fortune Metaliks Limited, involved in the fraud has also confessed and corroborated to this arrangement in his statement dated 22.11.2024. Also, some suppliers of M/s R P Metal Manufacturing and Recycling, such as M/s North East Steel Company and M/s Arvind Traders had their GST registrations canceled due to fraud/suppression/wilfull misstatement of facts. The presence of forged documents and the involvement of fake suppliers prove a clear intent to mislead authorities and fabricate a trail of genuine transactions, making Noticees contention that the allegation is "unfounded" demonstrably false.

12.6 Also, intimation of liability ascertained as payable was also issued to all the other Noticee's i.e. the Noticee No. 2, 3, 4, 7, 8 & 9 in Form DRC-01A dated 18.08.2025 [RUD-40] advising them to pay an penalty amount as ascertained under Section 122 of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017 and in terms of rule 142(1A)/(2A) of the CGST Rules, 2017, for passing on of ineligible ITC without actual supply of goods, by 21.08.2025. But no reply has been received from these Noticee's till date.

13. OPERATIVE PART- NOTICE TO SHOW CAUSE:

13.1 Now, therefore, the Noticee No. 1 i.e. M/s RP Metal Manufacturing & Recycling (GSTN- 22ABIFR5689M1ZH) having declared place of business at Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority') within 30 (thirty) days from the date of receipt of this notice as to why:-

- (i) Availment and utilization of input tax credit of GST amounting to **Rs.5,91,40,415/-** (Rupees – Five Crore Ninty One Lakh Fourty Thousand Four Hundred Fifteen only) without receipt of underlying goods during thr F.Y 2024-25, in contravention of Section 16(2) of the Central Goods and Services Act 2017 should not be considered as an offence and should not be demanded and recovered under the provisions of Section 74(1)/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017. Further, amount of Rs.99,75,044/- already paid through various DRC-03s mentioned above should not be appropriated from the total demand;
- (ii) Interest on the wrongly availed ITC as mentioned in Sr. No. (i) above should not be demanded and recovered under Section 50 of the CGST Act. 2017 read with Section 20 of the IGST Act 2017;



- (iii) Penalty should not be imposed under Section 74(1)/74A(5)(ii) of the CGST Act, 2017 and/ or Section 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with Section 20 of IGST Act, 2017, for fraudulently availing and utilizing fake ITC without underlying supply of any goods with intent to evade payment of GST.

13.2 The Noticee No. 5 i.e. M/s NRA Overseas LLP, GSTIN – 22AAPFN9812L1ZT, Shop No 101, Bhagat Plaza, Mahatma Gandhi Ward No 25, Pandri, Raipur, Chhattisgarh, 492001 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority') within 30 (thirty) days from the date of receipt or this notice as to why: -

- (i) Availment and utilization of input tax credit of GST amounting to **Rs.7,09,63,325/-** (IGST) (Rupees – Seven Crore Nine Lakh Sixty-Three Thousand Three Hundred Twenty-five only) without receipt of underlying goods during the F.Y 2022-23 & 2023-24, in contravention of Section 16(2) of the Central Goods and Services Act 2017 should not be considered as an offence and should not be demanded and recovered under the provisions of Section 74(1)/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017;
- (ii) Interest on the wrongly availed ITC as mentioned in Sr. No. (i) above should not be demanded and recovered under Section 50 of the CGST Act. 2017 read with Section 20 of the IGST Act 2017;
- (iii) Penalty should not be imposed under Section 74(1)/74A(5)(ii) of the CGST Act, 2017 and/ or Section 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with Section 20 of IGST Act, 2017, for fraudulently availing and utilizing fake ITC without underlying supply of any goods with intent to evade payment of GST.

13.3 The Noticee No. 6 i.e. M/s Fortune Metaliks Limited, GSTIN – 22AABCF3202D2ZL, Village-Kapasda, Bilaspur-Raipur Highway, Dharsiwa, Raipur, Chhattisgarh, 493221 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority') within 30 (thirty) days from the date of receipt or this notice as to why: -

- (i) Availment and utilization of input tax credit of GST amounting to Rs.19,84,28,820/- (IGST) (Rupees – Nineteen Crore Eighty-Four Lakh Twenty-Eight Thousand Eight Hundred Twenty only) without receipt of underlying goods F.Y 2021-22 to 2024-25, in contravention of Section 16(2) of the Central Goods and Services Act 2017 should not be considered as an offence and should not be demanded and recovered under



the provisions of Section 74(1)/74A of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017;

- (ii) Interest on the wrongly availed ITC as mentioned in Sr. No. (i) above should not be demanded and recovered under Section 50 of the CGST Act, 2017 read with Section 20 of the IGST Act 2017;
- (iii) Penalty should not be imposed under Section 74(1)/74A(5)(ii) of the CGST Act, 2017 and/ or Section 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with Section 20 of IGST Act, 2017, for fraudulently availing and utilizing fake ITC without underlying supply of any goods with intent to evade payment of GST.
- (iv) Should not be punished under the provisions of Sections 132(1)(c), and 132(1)(f) of the CGST Act, 2017 of the Act read with Section 137 of the CGST Act, 2017 ibid, for offences committed and also for monetary penalty under Section 122(1A) for committing offences under section 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017.

13.4 The Noticee No. 2 i.e. M/s Rohit & Company (GSTN – 03AEFPS0747H1ZM) Old Central Street Road, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii), 122(1)(vii) and 122(1)(x) of the CGST Act, 2017 read with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s RP Metal Manufacturing & Recycling (GSTN- 22ABIFR5689M1ZH) during the F.Y 2024-25 and to M/s Fortune Metaliks Limited (GSTN- 22AABCF3202D2ZL) during the F.Y 2023-24 & 2024-25 and for availment and utilization of ineligible ITC in respect of the incorrect and false invoices without actual supply of goods, issued by M/s North East Steel Company, during the F.Y 2024-25, in violation of the provisions of the Act or the rules made thereunder.

13.5 The Noticee No. 3 i.e. M/s NRA Overseas LLP (GSTN – 03AAPFN9812L1ZT) 4/12 Bigha, Model Town, Tehsil Amloh, Mandi Gobindgarh, Fatehgarh Sahib, Punjab, 147301 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s NRA Overseas LLP, Raipur (GSTN- 22AAPFN9812L1ZT) during the F.Y 2022-23 and to M/s Fortune Metaliks Limited



(GSTN- 22AABCF3202D2ZL) during the F.Y 2021-22 to F.Y 2023-24 in violation of the provisions of the Act or the rules made thereunder.

13.6 The Noticee No. 4 i.e. M/s Manthan Minerals (GSTN – 03ABUFM5840K1ZT) Ground Floor, Shop No. 344/4-5, Sector 20B, Main Road, Subhash Nagar, Block B13-A-1, Mandi Govindgarh, Fatehgarh Sahib, Punjab, 147301 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s NRA Overseas LLP, Raipur (GSTN- 22AAPFN9812L1ZT) during the F.Y 2022-23 & F.Y 2023-24 and to M/s Fortune Metaliks Limited (GSTN- 22AABCF3202D2ZL) during the F.Y 2023-24 in violation of the provisions of the Act or the rules made thereunder.

13.7 The Noticee No. 7 i.e. M/s North East Steel Company (GSTN – 09DYYPK3223G1Z0) Phulpur Sikandra Road, Phulpur, Prayagraj, Uttar Pradesh, 212402 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s RP Metal Manufacturing & Recycling (GSTN- 22ABIFR5689M1ZH) during the F.Y 2024-25 in violation of the provisions of the Act or the rules made thereunder.

13.8 The Noticee No. 8 i.e. M/s Sky Resources (GSTN – 09GAZPM2441C1ZD) 951/824, Mutthiganj, Allahabad, Prayagraj, Uttar Pradesh, 211003 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s RP Metal Manufacturing & Recycling (GSTN- 22ABIFR5689M1ZH) during the F.Y 2024-25 in violation of the provisions of the Act or the rules made thereunder.

13.9 The Noticee No. 9 i.e. M/s Arvind Traders (GSTN – 09FVVPK2060R1ZJ) GF-15, A-14, Devika Chamber, RDC, Raj Nagar, Ghaziabad, Uttar Pradesh, 201001 is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as



"Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed under Section 122(1)(ii) and 122(1)(x) of the CGST Act, 2017 with Section 20 of IGST Act, 2017, for issuing incorrect and false invoices without actual supply of goods with regard to M/s RP Metal Manufacturing & Recycling (GSTN-22ABIFR5689M1ZH) during the F.Y 2024-25 in violation of the provisions of the Act or the rules made thereunder.

13.10 The Noticee No. 10 i.e. Shri Rohit Singla, (AADHAR No.- 8639-4906-7810) Proprietor of M/s Rohit & Company (GSTIN: 03AEFPS0747H1ZM), Partner in M/s RP Metal Manufacturing & Recycling (GSTIN: 22ABIFR5689M1ZH), Partner in M/s NRA Overseas LLP, Punjab (GSTIN: 03AAPFN9812L1ZT), Partner, M/s NRA Overseas LLP, Raipur (GSTIN: 22AAPFN9812L1ZT) & Partner in M/s Manthan Minerals (GSTIN: 03ABUFM5840K1ZT), residential address - 202, Main Road, Near Market, Sector 2, Panchkula, Haryana, 134109, is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why:-

- (i) Personal Penalty should not be imposed on him, under Section 122(1A) read with Section 20 of IGST Act, 2017, for the contravention of various provisions of Section 122(1)(ii), 122(1)(vii) & 122(1)(x) of the CGST Act, 2017 read with section 20 of the IGST Act, 2017 in as much he has orchestrated and perpetuated the offences specified.
- (ii) he should not be punished under the provisions of Sections 132(1)(b), 132(1)(c), and 132(1)(f) of the CGST Act, 2017 of the Act ibid, for offences committed and also for monetary penalty under Section 122(1A) for retaining the benefit of transactions involving issuance of invoices without supply of goods and facilitating wrongful availment and passing of ITC in contravention of the various provisions of CGST Act, 2017 / IGST Act 2017.

13.11 The Noticee No. 11 i.e. Shri Deepak Bansal, (AADHAR No.- 8343-7015-7692) Partner in M/s NRA Overseas LLP, Punjab (GSTIN: 03AAPFN9812L1ZT), Partner, M/s NRA Overseas LLP, Raipur (GSTIN: 22AAPFN9812L1ZT) & Partner in M/s Manthan Minerals (GSTIN: 03ABUFM5840K1ZT), residential address - Colony 113A, H. No. 2140, Ward No. 2, Sector- 14P, Hisar, Haryana – 125001, is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why:-

- (i) Personal Penalty should not be imposed on him, under Section 122(1A) read with Section 20 of IGST Act, for the contravention of various provisions of Section



122(1)(ii), 122(1)(vii) & 122(1)(x) of the CGST Act, 2017 in as much he has orchestrated and perpetuated the offences specified.

(ii) he should not be punished under the provisions of Sections 132(1)(b), 132(1)(c), and 132(1)(f) of the CGST Act, 2017 of the Act ibid, for offences committed and also for monetary penalty under Section 122(1A) for retaining the benefit of transactions involving issuance of invoices without supply of goods and facilitating wrongful availment and passing of ITC in contravention of the various provisions of CGST Act, 2017/ IGST Act 2017.

13.12 The Noticee No. 12 i.e. Shri Jasvinder Singh (alias Vicky Rai), Bazigar Mohala, Ward No. – 10, Amloh, Fatehgarh Sahib, Punjab, Mobile – 98767-97500, is hereby called upon to show cause to the Additional Commissioner of CGST, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal – 462011 (hereinafter referred to as 'Adjudicating Authority") within 30 (thirty) days from the date of receipt or this notice as to why penalty should not be imposed on him, under Section 122(3) read with section 20 of IGST Act, 2017, for abetting and aiding the offences prescribed under clauses (i) to (xxi) of subsection (1) of the section 122 of the CGST Act, 2017, inasmuch as he has orchestrated and perpetuated the offences specified as described supra.

14. The Noticees are required to produce at the time of showing cause all the evidences upon which they intend to rely in support of their defence.

15. The Noticees should also indicate in their written explanation as to whether they wish to be heard in person before the case is posted for hearing. If no mention to this effect is made, it will be presumed that they do not desire personal hearing.

16. If no cause is shown against the actions proposed to be taken within 30 (Thirty) days of receipt of these notices or if they do not appear before the Adjudicating Authority when the case is posted for hearing in their defence, the case will be decided ex-parte on the basis of facts and merits of the evidences available on record.

17. This notice is issued without prejudice to any other action may be taken against the Noticees or any other persons concerned with the acts of commissions and omissions, whether mentioned in this Notice or not, under the CGST Act, 2017, IGST Act, 2017 read with Section 20 of the IGST Act, 2017 and the Rules made there under or any other law for the time of being in force, in Republic of India.

18. The Department reserves the right to conduct further enquiry and issue the demand, if any, within the period of limitation as provided under Section 74/74A of the CGST Act, 2017 and under the proviso thereto.



19. The proceeding undertaken in the instant show cause Notice has the protection as provided in the Section 174 of the CGST Act, 2017.

20. The documents/records relied upon in this Show Cause Notice are listed here-in below: -

| Sl. No. | Description | RUD |
|----------------|--|------------------------|
| 1 | Analysis of movement of vehicles as per e-way bill Portal in respect of inward supplies of M/s RP Metal Manufacturing & Recycling from M/s North East Steel Company, M/s Rohit & Company, M/s Sky Resources, M/s Arvind Traders during the F.Y. 2024-25. | RUD-1 (Pg 1 – 607) |
| 2 | Register detailing purchase of scrap from local vendors/suppliers seized under INS-02 of panchnama dated 19.10.2024 at the factory premises of M/s RP Metal Manufacturing & Recycling. | RUD-2 (Pg 1 – 106) |
| 3 | Copy of Panchnama along with INS-02 dated 19.10.2024 in respect of search conducted under section 67(2) of the CGST Act, 2017 at the factory premises of M/s RP Metal Manufacturing & Recycling. | RUD-3 (Pg 1 – 9) |
| 4 | Statement of Shri Dhanesh Kumar Dewangan, an accountant at M/s RP Metal Manufacturing & Recycling recorded under section 70 of the CGST Act, 2017 on 19.10.2024. | RUD-4 (Pg 1 - 5) |
| 5 | Incriminating chats, documents and images found in the mobile phone of Shri Parth Singla (son of Shri Rohit Singla) indicating purchase of scrap from local vendors seized under INS-02 of panchnama dated 19.10.2024 at residential premises. | RUD-5 (Pg 1 -110) |
| 6 | Other incriminating documents such as transport bilties in triplicates seized from the residential premises of Shri Rohit Singla under INS-02 of the Panchnama dated 19.10.2024. | RUD-6 (Pg 1 – 131) |
| 7 | Copy of Panchnama along with INS-02 dated 19.10.2024 in respect of search conducted under section 67(2) of the CGST Act, 2017 at the residential premises of Shri Rohit Singla, partner in M/s RP Metal Manufacturing & Recycling. | RUD-7 (Pg 1 - 7) |
| 8 | Statement of Shri Ramesh Kumar Sarki, staff of Shri Rohit Singla present at the residential premises recorded under section 70 of the CGST Act, 2017 on 19.10.2024. | RUD-8 (Pg 1 - 5) |
| 9 | Copy of Panchnama along with INS-02 dated 19/20.10.2024 in respect of search conducted under section 67(2) of the CGST Act, 2017 at the factory premises of M/s Fortune Metaliks Limited. | RUD-9 (Pg 1 – 7) |
| 10 | Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 20.10.2024. | RUD-10 (Pg 1 – 6) |
| 11 | Copy of Panchnama dated 19.11.2024 in respect of data retrieval process conducted for the mobile phone of Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur. | RUD-11 (Pg 1 – 3) |
| 12 | Analysis of movement of vehicles as per e-way bill Portal in respect of inward supplies of M/s Fortune Metaliks Limited from M/s Rohit & Company, Punjab during the F.Y. 2023-24 & 2024-25. | RUD-12 (Pg 1 – 421) |
| 13 | Statement of Shri Rohit Singla recorded under Section 70 of the CGST Act, 2017 on 20.11.2024. | RUD-13 (Pg 1 – 6) |
| 14 | Statement of Shri Rohit Singla recorded under Section 70 of the CGST Act, 2017 on 22.11.2024 along with copies of documents perused. | RUD-14 (Pg 1 – 419) |



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| 15 | Copy of Voluntarily submitted DRC-03 detailing the payment of IGST of Rs.99,75,044/- under section 74(5) of the CGST Act, 2017 by Shri Rohit Singla in respect of M/s RP Metal Manufacturing & Recycling. | RUD-15 (Pg 1 – 4) |
| 16 | Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 29.11.2024. | RUD-16 (Pg 1 – 9) |
| 17 | Analysis of movement of vehicles as per e-way bill Portal in respect of inward supplies of M/s Fortune Metaliks Limited, Raipur and M/s NRA Overseas LLP, Raipur from M/s NRA Overseas LLP, Punjab during the F.Y. 2021-22 to 2024-25 and from M/s Manthan Minerals during the period F.Y 2023-24. | RUD-17A (Pg 1 – 503) RUD 17B (Pg 1 – 651) |
| 18 | Shri Rohit Singla recorded under Section 70 of the CGST Act, 2017 under judicial remand on 13.12.2024 along with copies of documents perused. | RUD-18 (Pg 1 – 171) |
| 19 | Letters dated 10.01.2025 (RUD-19A) and 21.02.2025 (RUD-19B) received from Shri Deepak Bansal. | RUD-19A (Pg 1 – 51) RUD 19B (Pg 1 – 255) |
| 20 | Copy of complaint filed in the court of Chief Judicial Magistrate Raipur under section 208 & 210 of the Bharatiya Nyaya Sanhita, 2023 read with section 70 of the Central Goods and Services Tax Act, 2017. | RUD-20 (Pg 1 – 59) |
| 21 | Copies of summons issued to various transporters on 04.12.2024, 20.12.2024 and 06.01.2025 in respect of transport of goods to M/s RP Metal Manufacturing & Recycling & M/s Fortune Metaliks against purchase made from M/s Rohit & Company and M/s North East Steel Company. | RUD-21 (Pg 1 – 153) |
| 22 | Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 18.12.2024. | RUD-22 (Pg 1 – 10) |
| 23 | Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 04.02.2025. | RUD-23 (Pg 1 – 5) |
| 24 | Copy of Panchnama along with INS-02 dated 11.02.2025 in respect of search conducted under section 67(2) of the CGST Act, 2017 at the residential premises of Shri Mahinder Kumar, proprietor of M/s Khabra Roadlines and M/s North East Steel Company. | RUD-24 (Pg 1 – 5) |
| 25 | Statement of Shri Mahinder Kumar, proprietor of M/s Khabra Roadlines and M/s North East Steel Company recorded under Section 70 of the CGST Act, 2017 on 11.02.2025. | RUD-25 (Pg 1 – 9) |
| 26 | Statement of Smt. Amanpreet Kaur, proprietor of M/s Keerat Roadlines recorded under Section 70 of the CGST Act, 2017 on 11.02.2025. | RUD-26 (Pg 1 – 7) |
| 27 | Statement of Shri Surinder Kumar, key person of M/s Khabra Roadlines & M/s Keerat Roadlines recorded under Section 70 of the CGST Act, 2017 on 11.02.2025. | RUD-27 (Pg 1 – 13) |
| 28 | Visit Report in respect of transporters namely, M/s Krishna Road Line, M/s New Gobinda Transport Service and M/s Shri NMO Transport Company found to be non-existent at declared place of business. | RUD-28 (Pg 1 – 5) |
| 29 | Summon issued to Shri Jasvinder Singh (alias Vicky Rai) on | RUD-29 (Pg 1 – 5) |



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| 30 | Statement of Shri Ravi Sharma, Finance Manager at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 20.02.2025. | RUD-30 (Pg 1 – 8) |
| 31 | Statement tendered by Shri Abhijeet Lohani, proprietor of M/s Jai Hanuman Freight Carriers, Keonjhar, Odisha under Section 70 of the CGST Act, 2017. | RUD-31A (Pg 1 – 17) |
| 32 | Statement tendered by Shri Rakesh Dwivedi, proprietor of M/s Aarya Roadlines, Raigarh under Section 70 of the CGST Act, 2017. | RUD-31B (Pg 1 – 11) |
| 33 | Transporters namely M/s Mahabir Roadways letter dated 20.03.2025, M/s Mangalam Transport Company email dated 21.03.2025, M/s Maa Gayatri Roadlines e-mail dated 28.03.2025, M/s Bhardwaj Roadways letter dated 24.03.2025, M/s Punjab Rajasthan Roadlines letter dated 26.03.2025 & 08.04.2025, M/s Hindown Gangapur Roadlines letter dated 03.04.2025, M/s New Hindown Gangapur Roadlines letter dated 03.04.2025, M/s Raunak Road Carrier letter dated 07.04.2025 wherein they had informed that no business activity had even been carried out by them for M/s Fortune Metaliks Limited, Raipur. | RUD-32 (Pg 1 – 18) |
| 34 | Statements of Proprietor/Authorized Representatives of M/s Raunak Road Carriers, M/s Laxmi Roadways, M/s Maa Gayatri Road Lines, M/s Muskan Roadlines, M/s Bhardwaj Roadways, M/s Mahabir Roadways, M/s Ganpati Cargo Movers and M/s Nishika Transport (GSTIN – 20MLJPS7115N1ZI) recorded under section 70 of the CGST Act, 2017 along with sample copies of register/transport bilties provided by these transport firms. | RUD-33 (Pg 1 – 111) |
| 35 | Statement of Shri Rajeshkumar Tejpal Gaur, Additional Director and CEO at M/s Fortune Metaliks Limited, Raipur recorded under Section 70 of the CGST Act, 2017 on 23.07.2025. | RUD-34 (Pg 1 – 10) |
| 36 | Statement of Shri Rohit Singla recorded under Section 70 of the CGST Act, 2017 on 07.08.2025. | RUD-35 (Pg 1 – 13) |
| 37 | Prosecution under section 132 of the CGST Act, 2017 read with section 20 of the IGST Act, 2017, filed against Shri Rohit Singla in compliance with Instruction No. 04/2022-23 [GST-Investigation] dated 01.09.2022 in the Hon'ble court CJM, Raipur dated 20.01.2025. | RUD-36 (Pg 1 – 23) |
| 38 | Intimation of tax ascertained as payable was issued to M/s RP Metal Manufacturing & Recycling in Form DRC-01A dated 14.08.2025. | RUD-37 (Pg 1 – 3) |
| 39 | Intimation of tax ascertained as payable was issued to M/s NRA Overseas LLP, Raipur in Form DRC-01A dated 14.08.2025. | RUD-38 (Pg 1 – 3) |
| 40 | Intimation of tax ascertained as payable was issued to M/s Fortune Metaliks Limited, Raipur in Form DRC-01A dated 14.08.2025. | RUD-39 (Pg 1 – 3) |

(Pankaj Kumar)
Additional Director
DGGI, Raipur Zonal Unit

Copy to-

1. The Additional Commissioner, CGST & CX, 35-C, New GST Bhawan, Administrative Area, Arera Hills, Bhopal - 462011 along with all relied upon documents for adjudication please.
2. The Additional Commissioner, CGST & CX, GST Bhawan, Tikrapara, Raipur for information.
3. The Commissioner, State Tax, Chhattisgarh, Naya Raipur for information.
4. The Pr. Commissioner/Commissioner, Central GST & Central Excise, Ludhiana, Punjab, Central Excise House, F-Block, Income Tax Quarters, Rishi Nagar, Ludhiana, Punjab 141001- for information please.
5. The Commissioner, Punjab State Tax, Bhupindra Road, Excise and Taxation Department, Patiala, Punjab 147001 for information.
6. The Pr. Commissioner/Commissioner, Central GST & Central Excise, Prayagraj, Uttar Pradesh, 38, Mahatma Gandhi Marg, Civil Lines, Prayagraj, Uttar Pradesh 211001 - for information please.
7. The Pr. Commissioner/Commissioner, Central GST & Central Excise, Ghaziabad, Uttar Pradesh, CGO Complex - II, Kamla Nehru Nagar, Ghaziabad, Uttar Pradesh 201002 - for information please.
8. The Deputy/Assistant Commissioner, Division-I, CGST & Central Excise, CGST Raipur Commissionerate, Tikrapara, Division-I, Raipur for information.
9. The Deputy/Assistant Commissioner, Division-II, CGST & Central Excise, CGST Raipur Commissionerate, Central Revenue Building, Civil Lines, Raipur for information.
10. Guard File for records.

(Pankaj Kumar)
Additional Director
DGGI, Raipur Zonal Unit

