

**In the High Court for the States of Punjab and Haryana
At Chandigarh**

CRM-M-48204-2021 (O&M)
Date of Decision:-4.8.2022

Vipul Jindal ... Petitioner

Versus

State of Haryana ... Respondent

CORAM: HON'BLE MR. JUSTICE GURVINDER SINGH GILL

Present:- Mr. Parminder Singh, Advocate for the petitioner.

Mr. Rajiv Sidhu, DAG, Haryana.

GURVINDER SINGH GILL, J. (Oral)

1. The petitioner has approached this Court seeking grant of regular bail in respect of a case registered vide FIR No.571 dated 4.6.2019, Police Station Chandani Bagh, Panipat, District Panipat, under Sections 419, 420, 467, 468, 471, 120-B and 259 of Indian Penal Code.
2. The instant FIR was lodged at the instance of ASI Vinod Kumar wherein it has been alleged that on 4.6.2019 when he along with other police officials was present near grain market bridge in connection with patrolling, then he received a secret information to the effect that one Rajesh Mittal, Inder Partap Singh and Manish are committing huge loss to the exchequer on account of fraudulent and bogus transactions. The information was further to the effect that the said accused float bogus firms and by entering into bogus

transactions with bigger firms, they were getting huge amounts deposited in the bank accounts of the bogus firms so floated and were eventually facilitating the big firms to save on GST in fraudulent manner and thus, deprived the State Exchequer of the GST which was legitimately due. It was informed that the said accused were moving about in Hyundai 'i20' car bearing registration No. HR-06AJ-2474 while carrying laptops and were waiting for someone near T-point railway line, Grain Market.

3. It is the case of prosecution that pursuant to receipt of said information, the police conducted raid at the nominated place and was able to apprehend the accused Rajesh Mittal, Inder Partap Singh and Manish and from whose possession, laptops, cheque books, fake rubber stamps of ETO and of DTC and various files of bogus firms were recovered. The car in which the accused were travelling was found to be registered in the name of Vipul Jindal, brother-in-law of Rajesh Mittal. During investigation, it was revealed that it is Rajesh Mittal, who is the kingpin of the racket of evasion of GST and who had prepared forged bills purported to have been issued by M/s Lalit Trading Company which was infact previously a defunct company. As per the said bogus bills issued in favour of 18 firms which had been constituted and registered by the accused themselves for the purpose of commission of offences, sale of yarn by M/s Lalit Trading Company was shown to have been made to the said 18 firms. Upon investigation, it was found that the said 18 firms had been incorporated/registered by associating persons of limited means like rickshaw pullers etc. and were actually not businessmen. Upon investigation, it further transpired that the 18 firms so constituted by the accused had further issued bills in favour of 421 different industrial units based in Panipat and the said industrial units of Panipat, on

the basis of such bills which also reflected payment of GST had inflated their expenditure and payment of GST though infact such expenditure had never been actually incurred. In other words, such industrial units of Panipat were evading payment of a substantial amount of GST on the ground that the initial supplier i.e. M/s Lalit Trading Company had already charged GST. Although, the payments by the said industrial units used to be made by the aforesaid bogus 18 firms by way of banking transactions but the said amount used to be withdrawn from the accounts of the said firms by the accused and used to be given back to the industrial units of Panipat after retaining a certain percentage. It is the case of prosecution that fraudulent transactions of colossal amount of more than Rs.1325 crores had been effected ultimately leading to a loss of about Rs.80 crores to the State Exchequer in the shape of evasion of payment of GST.

4. The learned counsel representing the petitioner has submitted that there is no concrete evidence worth credence to establish his involvement in the alleged scam and that he has falsely been implicated in the instant case. The learned counsel has further submitted that it is infact a case of double jeopardy wherein the petitioner is also being prosecuted separately in a complaint lodged under provisions of Section 132 of GST wherein he has already been granted bail. The learned counsel has further submitted that although the case of the prosecution is that the accused had caused a loss to State Exchequer to the tune of about Rs.80 crores but infact the entire loss has already been made good by the industrial units of Panipat who infact were the beneficiaries and were infact the real accused. It has further been submitted that the petitioner, in any case, has been behind bars since the last more than 1½ years and, in these circumstances, deserves the concession of bail,

particularly when the amount allegedly defrauded has already been recovered back. Learned counsel for the petitioner submitted that several other co-accused including the main accused Rajesh Mittal have already been granted bail.

5. Opposing the petition, the learned State counsel has submitted that the present FIR has been lodged in respect of the allegations of cheating and forgery which are not part of the complaint lodged under provisions of Section 132 of the GST Act and that as such, the instant FIR can very well separately proceed and it cannot be termed to be a case of double jeopardy. The learned State counsel has further submitted that during the course of investigation, the police has been able to collect definite information which clearly shows that the 18 firms in question had been constituted and registered by the petitioners as at the time of registration of several of these 18 firms, the e-mail ID, telephone numbers and other particulars are same and infact even the bank accounts in respect of several of the firms are also being operated by the same person, being authorized signatory.
6. Learned State counsel has further submitted that the petitioner is brother-in-law of the main accused Rajesh Mittal and that it is the petitioner, who had forged all the documents pertaining to constitution of 18 fake firms pursuant to which the fraud was committed and that during the course of investigation fake bills and invoices and other documents pertaining to bogus firms had been recovered from the petitioner, which would clearly point towards his complicity in the matter. Learned State counsel has, however, informed that the petitioner as on date has been behind bars since 2.2.2021, when production warrants were issued in respect of the present case while he was

already in custody in connection with the complaint under GST Act. It has been informed that the petitioner otherwise is not involved in any other case.

7. Though the police does seem to have collected some evidence, which could point towards the complicity of petitioner, but at the same time this Court cannot lose sight of the fact that the petitioner has been in custody since the last more than 1½ years. Several other co-accused including the main accused Rajesh Mittal have already been granted bail. Conclusion of trial is likely to consume time inasmuch as 22 PWs have been cited and none has been examined so far.
8. Having regard to all the aforesaid facts and circumstances, the petition is accepted and the petitioner is ordered to be released on regular bail on his furnishing bail bonds/surety bonds to the satisfaction of learned Trial Court/Chief Judicial Magistrate/Duty Magistrate concerned.

4.8.2022

pankaj

**(Gurvinder Singh Gill)
Judge**

Whether speaking /reasoned

Yes / No

Whether Reportable

Yes / No