

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

**CRM-M No.20055 of 2025 (O&M)
Date of Decision: 28.04.2025**

Ripan Jain

..... Petitioner

Versus

Additional Directorate General of GST Intelligence, Zonal Unit, Ludhiana
and another

..... Respondents

CORAM: HON'BLE MR. JUSTICE MAHABIR SINGH SINDHU

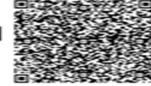
Present:- Mr. Aman Bansal, Advocate for the applicant/petitioner.

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

MAHABIR SINGH SINDHU, J.

CRM-15777-2025

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



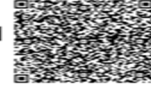
MAIN CASE

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

(2) Allegations are that petitioner created three Firms, namely, M/s Disha Enterprises, Sarthak Enterprises and Kashbhi Accessories Point and he used to do trading on the basis of false invoices without actually supplying the underlying goods.

(3) Contends that petitioner has been falsely implicated in the present case. Further contends that petitioner is neither proprietor; nor partner of any Firm(s) and he has no role in the commission of alleged crime. Also contends that no complaint has been supplied to the petitioner; nor to any other co-accused. Lastly contends that petitioner is ready to join the proceedings, but he be protected.

(4) Although, there is no formal notice of motion in the case, however, Mr. Sourabh Goel, learned Senior Standing Counsel for the respondents has appeared and produced statements dated 27.01.2025 & 28.01.2025 of Saurabh Goyal, Director-cum-Authorized Signatory of M/s Jay Kay Hosiery Mills Private Limited, Ludhiana before Additional Assistant



Director, DGGI, Ludhiana Zonal Unit under Section 70 of the Central Goods and Services Tax Act, 2017 (*for short 'CGST Act'*), which are taken on record as Mark 'X' & Mark 'Y', respectively.

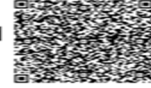
(5) Learned Senior Standing Counsel for the respondents submits that during investigation, it surfaced that several persons, including Saurabh Goyal (Director, M/s Jay Kay Hosiery Mills Private Limited), to whom various Invoices & Bills were supplied by the petitioner, has stated that it is the petitioner, who had provided them with the account number(s) and GST number(s) of the Firms, namely, M/s Disha Enterprises, Sarthak Enterprises and Kashbhi Accessories Point and on the basis of these Invoices, money was transferred in his favour.

(5.1) Further submits that petitioner manages the affairs of aforementioned Firm(s) and despite four repeated notices, he is not coming forward; rather deliberately evading the process of law. Thus, petitioner does not deserve the concession of pre-arrest bail.

(6) Heard both sides and perused the paper-book.

(7) Perusal of aforesaid statements (Mark 'X' & 'Y') reveals that petitioner used to do trading on the Invoices without actually supplying the goods. Also discernible that on the basis of these Invoices, he availed income tax rebate of Rs.84.19 Crore. For reference, question Nos.7, 8, 10, 13, 14, 16, 17, 18, 19 & 22, put to said Saurabh Goyal with answers thereof (Mark X) (*supra*), being relevant, are recapitulated as under:-

Question : 7 *Who were the dealing persons of the above mentioned firms?*

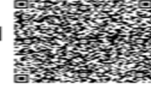


Answer: I used to deal with a person named Mr. Ripan Kumar Jain and he used to personally provide me the GST invoices of the above mentioned GST firms. Mr. Ripan Kumar Jain manages three firms namely M/s Sarthak Enterprises (Prop. Sarthak Jain S/o Sh. Ripan Kumar Jain) GST-03APYPJ2569Q1ZY, M/s Disha Enterprises (Partnership Firm Sarthak Jain and Disha Jain W/o Sh. Sarthak Jain) GST-03AAQFD2947K1Z6 and M/s Kashbhi Accessories Point GST 03CFDPJ7189F1ZF. All the firms are operated from the registered address of M/s Disha Enterprises i.e. B-24/2724/1, Diamond Complex. First Floor, Opp. First Lane Hosiery, Ludhiana. His mobile numbers are 6280676781, 6239319590, and 8591855555. I am not sure about the exact residential address of Mr. Ripan Kumar Jain but he lives in some rented accommodation in Haibowal Kalan, Ludhiana. I am providing you the copy of the images of Mr. Ripan Kumar Jain and Mr. Sarthak Jain and I have put my dated signature on the same.

Question: 8 What did you do with the fake ITC availed on the basis of fake invoices issued by the above mentioned firms and provided by Mr. Ripan Kumar Jain.

Answer: I state that the I used to do the trading of fake invoices without actual supply of underlying goods. I used to issue the parallel invoices in respect of such fake invoices to the following firms :-

Party Name	GSTIN
<i>Oasis Knitwears</i>	<i>03AADFO8465A1ZK</i>
<i>Kaur Sain Spinning Mills</i>	<i>03AADFK0688B1ZX</i>
<i>Nagpal Exports</i>	<i>03AACFN3695C1ZK</i>
<i>Thukral Fabrics</i>	<i>03AADFT3137C1ZS</i>
<i>S A oswal</i>	<i>03AEKFS8922B1Z5</i>
<i>Woolworth Knitwears</i>	<i>03AALPN5941LIZE</i>
<i>Royal Impex Private Limited</i>	<i>03AAF3220H2ZV</i>



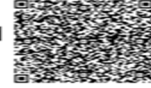
<i>Harish International</i>	<i>03AAEFH9378J1Z1</i>
<i>Star Spintex Pvt Ltd</i>	<i>03AAOCS1082K1Z7</i>
<i>Emmy Knitwears</i>	<i>03AEKPG1583J1ZK</i>
<i>Starlight Hosiery Mills</i>	<i>03AFYPK7882B2Z2</i>
<i>Unimax Apparels</i>	<i>03AFSPJ5524P1ZY</i>

Question 10: *Did you use to deal directly with the buyers of such fake invoices?*

Answer: *It is stated that I did not deal directly with the buyers of the fake invoices. It was Ripan Kumar Jain, who used to collect the fake invoices from me and provide the same to the buyers.*

Question 13: *On checking the above mentioned suppliers on GSTIN, it has been observed that the following suppliers are cancelled from the date prior to the date on which you have made purchases from them for the reasons as detailed in the table below. Please comment on the same.*

<i>Sr No.</i>	<i>TRADE NAME</i>	<i>GSTIN</i>	<i>Sum of Taxable Value</i>	<i>Sum of Total tax</i>
<i>1</i>	<i>A D ENTERPRISES</i>	<i>07BIGPT7065M2ZH</i>	<i>2,50,52,260</i>	<i>30,06,271</i>
<i>2</i>	<i>MS TREDING CO</i>	<i>070FQPS3299L220</i>	<i>2,31,85,950</i>	<i>27,82,314</i>
<i>3</i>	<i>RADHEY KRISHNA</i>	<i>03LCPPK8123G1ZD</i>	<i>1,69,27,150</i>	<i>11,12,806</i>
<i>4</i>	<i>TEYHAR KNITWEARS</i>	<i>03AAHCT7882R1ZF</i>	<i>1,10,50,658</i>	<i>7,02,049</i>
<i>5</i>	<i>Vivek Enterprises</i>	<i>03EXYPP6573G1ZP</i>	<i>82,56,482</i>	<i>6,93,299</i>
<i>6</i>	<i>PK ENTERPRISES</i>	<i>03JFFPK8904A1ZQ</i>	<i>65,14,265</i>	<i>6,06,000</i>
<i>7</i>	<i>Balaji Trading CO</i>	<i>03CGVPG2734G1ZF</i>	<i>65,08,225</i>	<i>6,05,383</i>
<i>8</i>	<i>KV TRADER</i>	<i>03GXWPK5190L1ZO</i>	<i>1,19,34,000</i>	<i>5,96,700</i>
<i>9</i>	<i>PANJAB ENTERPRISES</i>	<i>03NNBP54532L1ZM</i>	<i>1,13,63,560</i>	<i>5,68,178</i>
<i>10</i>	<i>C.K TRADERS</i>	<i>03GHTPS2371LIZN</i>	<i>45,29,290</i>	<i>5,73,215</i>

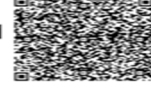


11	SAI ENTERPRISES	03DUWPA1415G1ZY	1,05,52,710	5,27,636
12	VIKASH ENTERPRISES	03HRFPK4599K1Z7	1,01,61,510	5,08,076
13	C.S. TRADERS	03NCSPS6105M1ZT	78,14,000	3,90,700
14	VOICETELE SOLUTIONS	03AAICV2738D1ZK	69,58,550	3,47,928
15	JG ENTERPRISES	03BPUPK9661K1Z5	65,99,485	3,29,974
16	KASHMIRA SINGH & CO	03CJKPS078G1ZZ	31,17,400	1,55,870
17	SHIV SHAKTI ENTERPRISES	03HECPS9422F1ZG	27,94,176	1,39,709
			17,33,19,671	1,36,46,108

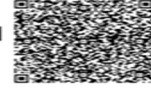
Answer: It is stated that I have seen the above table and have completely understood the same. I state that we have taken ITC of Rs. 1,36,46,108/- on the basis of the invoices raised by these suppliers and provided to me by Mr. Ripan Kumar Jain without the actual supply of the underlying goods and further issued the parallel invoices to the firms as detailed in answer to Question No. 8.

Question 14: In addition to the above 17, you have availed ineligible ITC from on the basis of the invoices issued by the following units without supply of the underlying goods. Please comment on the same.

Sr. No.	TRADE NAME	GSTIN	Sum of Taxable Value	Sum of Total tax
1	MEERAJ KNITWEAR	03AALCM0973A1ZV	1,32,97,083	9,38,842
2	AASTHA INTERNATIONAL	03AIJPJ6957E2Z7	84,62,290	4,58,193



3	SARTHAK ENTERPRISES	03APYPJ2569Q1ZY	3,07,35,844	15,36,792
4	JAI DURGA TRADERS	03EEOPR4688B1Z6	1,46,30,385	9,91,142
5	B.S CLOTH AND YARN TRADERS	03HGCP59725K1ZV	44,93,181	5,39,182
6	R. K TRADERS	03GKLPR0149Q1ZJ	1,62,75,925	11,14,779
7	J S ENTERPRISES	03EMDPR1169C1ZC	1,06,01,025	7,90,766
8	DISHA ENTERPRISES	03AAQFD2947K1Z6	1,74,26,031	8,71,302
9	D S ENTERPRISES	03OVYPK7306E1Z3	54,33,786	6,52,054
10	A M ENTERPRISES	03DOEPG5859C2Z5	8,89,960	1,06,795
11	R.D YARN TRADERS	03BJPPR6396R1ZZ	2047570	102378.5
12	SHUBH ARAMBH INDUSTRIES	03JTOPS5303G1ZH	68,55,215	3,42,761
13	SHUBH ARAMBH INDUSTRIES	03JTOPS5303G1ZH		
14	SKY HIGH INTERNATIONAL	07AGPPG1224P1Z5	To be determined	To be determined
15	SUHAAS YARN	NA		
	Total		13,11,48,295	84,44,987

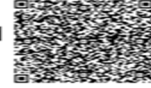


Answer: It is stated that I have seen the above table and have completely understood the same. I state that we have taken ITC of Rs. 84,44,987/-on the basis of the invoices raised by these suppliers and provided to me by Mr. Ripan Kumar Jain without the actual supply of the underlying goods and further issued the parallel invoices to the firms as detailed in answer to Question No. 8.

Question 16. Do you purchase fake invoices from the 32 (17+15) suppliers mentioned in the answer to Question 13 and 14 above in M/s Jay Kay Hosiery Mills too?

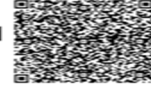
Answer: It is stated that I deal in purchase of fake invoices without actual supply of underlying goods from the below mentioned 23 suppliers:-

Sr. No.	GSTIN	Legal Name	Sum of Taxable Value	Total ITC availed
1	03AAHCT7882R1ZF	TEYHAR KNITWEARS PRIVATE LIMITED	5249349	410802
2	03AAICV2738D1ZK	VOICETELE SOLUTIONS PRIVATE LIMITED	6295020	314751
3	03AALCM0973A1ZV	MEERAJ KNITWEAR PVT. LTD.	5264562	362362
4	03AAQFD2947K1Z6	DISHA ENTERPRISES	39141377	2048251
5	03AIJPJ6957E2Z7	AASTHA INTERNATIONAL	8098982	404949
6	03APYPJ2569Q1ZY	SARTHAK ENTERPRISES	41944194	2112619
7	03BJPPR6396R1ZZ	R.D YARN TRADERS	7220841	361042
8	03BPUPK9661K1Z5	JG ENTERPRISES	14406005	844001
9	03CJKPS0786G1ZZ	KASHMIRA SINGH CO	1894200	94710



10	03DOEPG5859C2Z5	AM ENTERPRISES	865800	103896
11	03DUWPA1415G1ZY	SAI ENTERPRISES	6861160	343058
12	03EEOPR4688B1Z6	JAI DURGA TRADERS	6648900	761328
13	03EMDPR1169C1ZC	J S ENTERPRISES	6605250	756930
14	03GKLPR0149Q1ZJ	R. K TRADERS	6690900	764688
15	03GXWPKS190L1ZO	KV TRADER	2783250	139163
16	03HECPS9422F1ZG	SHIV SHAKTI ENTERPRISES	2794624	139731
17	03HGCP59725K1ZV	B.S CLOTH AND YARN TRADERS	2582455	309895
18	03HRFPK4599K1Z7	VIKASH ENTERPRISES	10001283	500064
19	03LCPPK8123G1ZD	RADHEY KRISHNA ENTERPRISES	5610600	673272
20	03NCSPS6105M1ZT	CS. TRADERS	7859525	392976
21	03NNBPS4532L1ZM	PANJAB ENTERPRISES	5420790	271040
22	07BIGPT7065M2ZH	AD ENTERPRISES	10382795	519140
23	070FQPS3299L2Z0	M S TREDING CO	16866800	1460726
	Total		22,14,88,661	1,40,89,393

It is stated that the same were sold to the buyers mentioned in the answer to Question 8 through Mr. Ripan Kumar Jain from M/s Jay Kay Hosiery Mills too. All the transactions are dealt in the similar way as stated in the foregoing answer in respect of M/s Jay Kay Hosiery Mills Pvt. Ltd.



Question 17: *It has been observed that you have claimed ITC on the basis of Invoices raised by certain firms registered in Delhi. However, e-waybill analysis depicts that there is no movement of goods as no toll is crossed or the vehicle has movement in some other state. Screenshots of some sample e-waybills are attached under. From, this it is evident that these two suppliers have only raised the invoices without actual supply of the underlying goods. What are your comments on the same.*

Answer: *I have perused the above table and the screenshots and have completely understood it. As stated earlier, I was just purchasing the fake invoices from these firms like other mentioned firms without actual supply of underlying goods through Mr. Ripan Kumar Jain. Since, there was no actual supply of the underlying goods, there was no toll movement of the vehicles mentioned in the Ewaybills,*

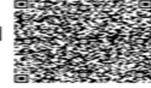
Question 18: *Who use to generate the e-waybills of all such fake invoices?*

Answer: *It is stated that in the case of both M/s Jay Kay Hosiery Mills Pvt. Ltd. And M/s Jay Kay Hosiery Mills, the e-waybills for the purchase side was generated by the supplier firms and provided to me by Mr. Ripan Kumar Jain and for the sale side, the e-way bill was generated by us and we provided the same to Mr. Ripan Kumar Jain alongwith the invoices.*

Question 19: *How and when you met Mr. Ripan Kumar Jain and whether you were engaged in any cash transactions with him?*

Answer: *Mr. Ripan Jain has been one of the accessories supplier to M/s Jay Kay Hosiery Mills since long. I used to meet him frequently. Thereafter, when I was facing losses I never dealt with him in Cash transaction. All the transactions have been carried out through bank accounts.*

Question 22: *You are being shown the following invoices:-*

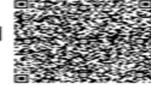


<i>Sr. No.</i>	<i>Name of the Supplier</i>	<i>Name of the Buyer</i>	<i>Invoice No. & Date</i>	<i>Description of Goods</i>	<i>Qty. (kg)</i>	<i>Unit Price</i>	<i>Total Value</i>	<i>Tax</i>	<i>Total Amount</i>
1	Teyhar Knitwears Private Limited	Jay Kay Hosiery Mills	TKPL/215 dated 09-02-2024	Spun Polyester	3490	200	698000	83760	781760
2	Teyhar Knitwears Private Limited	Jay Kay Hosiery Mills	TKPL/220 dated 10-02-2024	Spun Polyester	3482	205	713810	85657	799467
3	Jay Kay Hosiery Mills	Vihan International	GST-2142 dated 10-02-2024	Spun Polyester	3490	215	750350	90042	840392
4	Jay Kay Hosiery Mills	Vihan International	GST-2146 dated 10-02-2024	Spun Polyester	3482	208	724256	86910	811166

In this case, although the quantity of goods as per fake purchase invoices and fake sale invoices match but the unit price and total amount of fake sale purchases are higher than corresponding/parallel fake purchase invoices. However, in answer to the foregoing questions you have stated that you have not availed any commission/profit on the trading of fake invoices. Please comment.

Answer: I have seen the above mentioned invoices and have put my dated signatures on the same as a token of having seen and understood them. It is stated that the unit price of the sale invoices were decided by Mr. Ripan Kumar Jain. However, the amount received from the buyer of the fake invoices and sent to the seller of the fake invoices was not on invoice to invoice basis. The same was received and transferred in round figures as told by Mr. Ripan Kumar Jain. I have supplied you the signed copies of ledger account of M/s Vihaan International.

I further state that I am providing you signed copies (4 pages) listing the details of the missing sale invoices (2 pages) and purchase invoices (2 pages)



of M/s Jay Kay Hosiery Mills Private Limited. I undertake to provide the same by tomorrow positively.”

(8) From perusal of the above extract, *prima facie*, complicity of the petitioner is well apparent; therefore, his custodial investigation would be very much necessary to unearth the truth.

(9) Consequently, there is no option except to dismiss the petition.

(10) Ordered accordingly.

(11) The above observations be not construed as an expression of opinion on merits of the case.

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

28th April, 2025
Gagan

(MAHABIR SINGH SINDHU)
JUDGE

<i>Whether speaking/reasoned</i>	<i>Yes/No</i>
<i>Whether Reportable</i>	<i>Yes/No</i>