

GIB/GJ/SANJAY PRAHLADBHAI/26.04.2021/HC-213

High Court Category : BAIL APPLICATION

State : Gujarat

Order No.: GIB/GJ/SANJAY PRAHLADBHAI/26.04.2021/HC-213

Name of Entry :
SANJAY PRAHLADBHAI PATEL

Date : 26-04-2021

Breif Issue :

FACTS AND ISSUE OF THE CASE:

In this case it is submitted that the applicant is arrested in connection with the alleged demand by the GST authorities without determining the extent liability of the said alleged demand. It is submitted that the arrest of the applicant in the alleged offence is effected only on the ipse dixit of the Tax Department and in colourable exercise of powers under section 69 of the Act. It is submitted that the very basis for arriving at a quantified sum of Rs.6.31 crores of the alleged tax evasion is obscure and no detail whatsoever has been provided in support thereof, which clearly shows that the same is a result of figment of imagination of the tax authorities.

It is submitted that in absolutely unprecedented manner, the department has clubbed demands and liabilities in respect of 13 different entities, for making out a case of evasion against the applicant, which is absolutely foreign to tax law. It is also submitted that though the demands in respect of 13 different entities were clubbed to arrive at alleged amount of tax evasion of Rs.6.31 crores against the accused, nevertheless separate complaint is filed against the accused, wherein some of the accused are even shown as witnesses in the chargesheet.

It is submitted that the present applicant is one of the kingpin and mastermind of the whole racket involving 13 fictitious firms leading to evasion of tax to the tune of ? 6.31 cores.

Decision of Advance Ruling Authority :

DECISION:

Keeping in view nature of allegations, gravity of offences, role attributed to the accused, without discussing the evidence in detail, at this stage, this Court is inclined to grant regular bail to the applicant.

The applicant shall deposit an amount of ₹ 2,00,000/- before the State Tax Officer and on depositing the aforesaid amount and producing appropriate document with regard to the depositing of the amount the applicant is ordered to be released on regular bail and further the applicant shall also file an undertaking to deposit the remaining amount of ₹ 13,00,000/- within the period of eight weeks - application allowed.