

**GIB/MP/Shailesh Rajpal/31-10-2019/HC-36**

**High Court Category :** Others

**State :** Madhya Pradesh

**Order No.:** GIB/MP/Shailesh Rajpal/31-10-2019/HC-36

**Name of Entry :**  
Shailesh Rajpal

**Date :** 31-10-2019

**Breif Issue :**

**Issues Involved:**

Whether looking to alleged huge tax evasion by assessee and keeping in view that investigation was going on, bail application deserved to rejected?

**Fact of the Case:**

- The Applicant runs M/s Sai Sun, a Proprietorship Firm engaged in supply of services of recruitment and supply of Manpower services, cleaning services, housekeeping services etc. to its various clients.
- The Applicant has not paid GST since 1st July 2017 against the payments received by the firm in accordance to the GST law and procedure and also not paid service tax before applicability of GST.
- The Applicant was arrested on 17/9/2019 in connection with Crime No.01/2019 registered at Commissioner, for the offences punishable under Sections 132(1)(d) of Central Goods and Service Tax Act, 2017 and Sections 471 and 120-B of the IPC.
- The Learned Counsel of respondent argued that even after knowing tax liability the applicant has deliberately suppressed their turnover to evade the GST amount collected by him from his clients.
- The Learned Counsel of respondent further argued that the applicant has the history of forgery and submission of fake documents to the public authorities.

**Decision of Advance Ruling Authority :**

**Consideration and Decision: -**

- It was found that the applicant has intentionally evaded huge amount of tax and the contention of the learned counsel of the respondent and keeping in view that the investigation is going on and apprehensions of applicant tampering with the evidence cannot be ruled out.
- Court is not inclined to grant bail to the applicant at this stage. Hence, the bail

application of the applicant is rejected.

- The total liability of the applicant towards short payment of GST, interest payable on it and penalty payable under section 122 of GST Act is Rs.62,08,48,909/-.
- It is concluded from the above ruling that non-payment of tax and non-filing of return will lead to an offence as per GST Law.