

DGGI arrests 3 persons in Rs 48 Cr GST fraud case

By TIOL News Service

NEW DELHI, OCT 27, 2021: THE

Surugram Zonal Unit (GZU) of Directorate General of GST Intelligence (DGGI) has arrested three persons under the provisions of the GST Act on charges of running multiple fake firms on the strength of fake documents in two different cases.

Two persons were arrested from Delhi on 5th and 9th October 2021 on charges of orchestrating a fake billing racket involving more than 20 fake firms where more than Rs 22 crore of fraudulent input tax credit was taken thereby defrauding the exchequer. Both persons were arrested and produced before CMM, Delhi, and were subsequently sent to 14 days Judicial Custody.

In another case of fake billing a resident of Pataudi, Haryana, was also arrested. He was found to be in possession of huge cache of incriminating documents like fake stamps of Government Departments, cheque books and ATMs of multiple fake firms, toll receipt book, "Dharam Kanta" or Weighing station booklets, fictitious transporters booklets etc. The same were being used to show evidence of fake supply goods on which fake input tax credit was generated and passed on through these slew of fake firms.

Based on the evidence, the person was arrested on 23rd October 2021 under the provisions of the GST Act on charges for defrauding the Government of more than Rs 26 crore of GST. The arrested person has been sent to 14 days Judicial Custody.

Further investigations in both the cases are underway.