



Ministry of Finance

The Directorate General of GST Intelligence Hqrs. arrests one person in connection with the taking by two firms ITC fraudulently to the tune of more than Rs.16 Crore

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The Directorate General of GST Intelligence Hqrs. (DGGI Hqrs.) has arrested one person, namely, Sh. Munish Kumar, Partner of M/s Sushil Kumar Munish Kumar, Hisar, Haryana and controller of M/s Sushil Kumar Munish Kumar & Co., Ahmedabad. Both of the said firms had taken ITC fraudulently to the tune of more than Rs.16 Crore involving invoice value of Rs.322 Crore on the strength of invoices issued by non-existent fake firms. The said two firms thereafter, passed on such fraudulently taken ITC to some of the well established Cotton Yarn Spinners who availed of the same to discharge their GST liability against the outward supply, with an ulterior motive to defraud the Government Exchequer. Shri Munish Kumar has during the investigations conducted by the DGGI Hqrs. admitted that both of the said firms had taken ITC fraudulently on the invoices issued by non-existent fake firms and then passed on such ITC to the various Spinners. Thus, Sh. Munish Kumar has committed offences under the provisions of Sections 132(1)(b) and 132(1)(c) of the CGST Act, 2017; which are cognizable and non-bailable offences under Section 132(5) of the CGST Act, 2017, being punishable under Section 132(1)(i) of the CGST Act, 2017. Consequently, Sh. Munish Kumar was arrested on 21.06.2019 under Section 69(1) of the CGST Act, 2017, following which he was produced before the CMM, New Delhi at Patiala House Courts. The CMM has consigned Sh. Munish Kumar to judicial custody of 14 days. During the investigations conducted so far into the fake billing racket in the cotton industry, the DGGI Hqrs. has recovered an amount of Rs.28 Crore towards the GST evaded. Further investigations in the matter are in progress.

DSM/RM/KMN

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