



सत्यमेव जयते

कार्यालय मुख्य आयुक्त

केंद्रीय जीएसटी और केंद्रीय उत्पाद शुल्क, वडोदरा जोन
द्वितीय तल, जीएसटी भवन, रेसकार्स सर्कल, वडोदरा – 390007 (गुजरात)

Office of the Chief Commissioner

Central GST and Central Excise, Vadodara Zone
2nd Floor, GST Bhavan, Race Course Circle, Vadodara – 390007 (Gujarat)
Phone No. 0265-2331002, Fax No. 0265-2339226
Email ID: ccu-cexvdr@nic.in, ccotech@rediffmail.com

F.No. IV/16-02/CIU/2020

Dated: 09.12.2020

To
Shri Vivek Johri
Zonal Member
Central Board of Indirect Taxes & Customs,
North Block,
New Delhi.

Respected Sir,

Sub : CIU Intelligence Report:CIU/VZ/9/2020 dated 07.12.2020 - Detection of availment and passing of fake ITC to the tune of Rs.154 Crores by issuance of fake invoices to the tune of Rs.1101 Crores by 206 units sprawling all over India-Regarding.

The officers of Central Intelligence Unit (CIU) of Vadodara Zone, through an intensive data mining and detailed investigations of series of taxpayers, have busted All India Racket of 206 fake entities, sprawling over 10 states and 23 Commissionerates in India, who have illegally issued fake invoices to the tune of Rs.1101 Crores and passed on the fake Input Tax Credit of about Rs.154 Crores.

2. The officers of CGST Surat Commissionerate under Vadodara Zone, acting on this intelligence, proceeded against 40 fake units in Surat Commissionerate and arrested a person, Shri Karan Pratapbhai Dodiya. The investigations revealed that 206 fake registrations contained the bank account number operated by Shri Karan Pratapbhai Dodiya, and in Surat CGST Commissionerate, 11 firms have taken ineligible fake credit to the tune of Rs.7.17 Crores and passed on illegal fake credit to the tune of Rs.4.91 Crores.

3. The investigations revealed that these 206 fake entities have been created by a mastermind and kingpin in 10 States and 23 Commissionerates. The officers of Surat CGST have also booked a case of fake invoices and fake Input Tax Credit by M/s. Dasrath Trading, in which Rs.7.98 Crores of illegal GST credit availed had been passed on. The

arrested person also has been investigated and found to be a link in passing on the ineligible ITC in the case of M/s. Dasrath Trading and other firms.

4. The illegal fake entities had been filing the GSTR-1 returns without discharging the duty liability in GSTR-3B returns. In this process, this all India racket had issued the fake invoices of more than Rs.1101 Crores, and thus, passed on fake credit to the tune of about Rs.154 Crores to the various users.

5. The person Shri Karan Pratapbhai Dodiya in the capacity of operator of these 206 fake firms has been arrested today under Section 69 of the CGST Act, 2017, as he appeared to have committed the offences under Section 132(1)(b) and 132(1)(c) of the CGST Act and punishable under Section 132(1)(i) of the CGST Act and the said offences under Section 132(5) are cognizable and non-bailable. The arrested person was sent for conducting rapid test of Corona, and thereafter was produced before the competent Chief Judicial Magistrate, who has remanded for his 14 days judicial custody.

6. Further investigations in the case countrywide are in progress.

Yours faithfully,


07.12.2020
(ASHOK KUMAR MEHTA)
Chief Commissioner

Copy to:

1. Shri Sandeep Mohan Bhatnagar, Member (Investigation), Central Board of Indirect Taxes & Customs, North Block, New Delhi.
2. Shri O.P. Dadhich, Principal Director General, Directorate General of GST Intelligence, West Block 8, Wing No.6, 2nd Floor, R.K. Puram, New Delhi-110 066.
3. Shri Rahul Raja, OSD to Chairman, Central Board of Indirect Taxes & Customs, North Block, New Delhi for information.