

DGGI Meerut Officials bust a massive syndicate involving 102 fake entities with a staggering turnover of Rs. 1,481 crore, four held

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In a significant breakthrough, the Directorate General of Goods and Services Tax Intelligence (DGGI), Meerut Zonal Unit, has accomplished a major feat by cracking down on a large-scale fake invoicing syndicate that issued invoices with a taxable turnover of Rs. 1,481 crore, resulting in passing on of fraudulent Input Tax Credit of Rs. 275 crore through 102 fake firms to over 1,000 beneficiary companies.

Through meticulous data mining and application of mind, the DGGI Meerut Zonal Unit has successfully dismantled a major syndicate operated by four masterminds. One of them, working in a placement consultancy firm, was responsible for arranging PAN, Aadhaar, electricity bill, address proof, and other documents required for GST registration. To achieve this, the mastermind enticed candidates with modest financial perks in exchange for surrendering their KYC documents. These KYC documents were then passed on to the other two masterminds, who used them to create fictitious companies. These individuals were also in charge of opening bank accounts, managing cash flow, and overseeing all financial transactions of these sham enterprises. The fourth accused mastermind covertly managed a secret office where crucial operational activities, such as invoice generation, e-way bill creation, GST returns filing, and maintaining sale-purchase ledgers of the fraudulent firms, took place. To aid in their operations, the syndicate recruited several assistants. Further, the syndicate maintained connections with numerous middlemen who provided essential information for generating counterfeit invoices to benefit the ultimate beneficiaries. As the investigation unfolds, it has also revealed the involvement of bank officials in the establishment of bank accounts under the names of fictitious firms.

During the operation, DGGI officers conducted coordinated raids at multiple locations and seized a vast cache of incriminating evidence, including Laptops, desktops, Electronic Storage Devices, PAN Card, Aadhar Card, Cheque-Books, more than 25 mobiles, SIM Cards used for receiving OTPs, rubber Stamps of shell entities.

All four accused individuals were presented before the Economic Offence Court in Meerut on 04.11.2023 and have been remanded in judicial custody until 17.11.2023.