Sushant Goel vs Directorate General of GST Intelligence & Ors.

Whether arrest and judicial remand under the CGST Act are illegal where the grounds of arrest are not annexed to the arrest memo, bear no DIN, are not communicated to the arrestee's family, and the remand order is passed mechanically — sustained on a wr

Date of Order:	May 13, 2026
Case Law No:	GIB-AHC-2026-62
Source:	GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

Background

The petitioner was arrested on 31.10.2025 by GST Intelligence as the alleged mastermind of a fake billing racket involving fraudulent availment and passing on of Input Tax Credit, with GST evasion stated to exceed Rs. 5 crore (an offence treated as cognizable and non-bailable). He was remanded to judicial custody by the CJM, Meerut on 01.11.2025. Having first filed and withdrawn a Criminal Misc. Writ Petition on 08.05.2026, he then moved this habeas corpus petition seeking his release and quashing of the remand order, contending that the mandatory safeguards governing arrest were violated.

Facts

The arrest memo dated 31.10.2025 did not annex the grounds of arrest, and there was no contemporaneous acknowledgment that the grounds were furnished as an annexure at the time of service. The grounds of arrest carried no Document Identification Number (DIN), which the Department's own circulars treat as rendering the document as never issued. Intimation to the petitioner's wife, Mrs. Parul Goel, was not served at the time of arrest — the arrest memo did not bear her signature, and she received the intimation only by post on 08.11.2025; even that intimation did not set out the grounds of arrest. The grounds also failed to disclose any necessity for arrest or custodial interrogation, merely reciting the amount involved and the "mastermind" label. No place of arrest was recorded in the arrest memo, and the "Jama-Talasi" memo was left blank as to what was recovered, with only a signature taken without endorsement of receipt. The petitioner argued parity with co-accused Hari Shankar Sharma, whose habeas corpus petition (HC WP No. 369 of 2026) had been allowed on identical infirmities. The Department contended that the grounds were part of the arrest memo, sharing the same DIN, and that remand was passed after due application of mind.

Court's Observations (verbatim)

"After hearing the rival submissions and considering averments made in the counter affidavit... we find that there is no mention of any annexure of 'grounds of arrest' in the 'arrest memo'. The 'grounds of arrest' has been separately filed in the counter affidavit with endorsement of the petitioner that he has received the same... However, in the present case, no DIN is mentioned on the grounds of arrest, nor it has been shown to be annexed with the arrest memo."

"There is no place of arrest mentioned in the arrest memo issued by the CGST official while arresting the petitioner, which is in clear violation of the principles laid down by the Apex Court in the case of D.K. Basu... It does not bears any recital to the effect that the 'grounds of arrest' have been supplied to the petitioner as an annexure to the 'memo of arrest'."

"Remand Magistrate has not considered anything and has only mentioned that there are allegations against the petitioner... The Remand Magistrate has not considered whether the 'grounds of arrest' were served on the petitioner by the respondents or not and has passed the order in most casual manner... once it is found that the remand order has been passed mechanically and without application of mind[,] [t]he habeas corpus writ petition becomes maintainable..."

Final Verdict

The remand order dated 01.11.2025, and the detention and arrest of the petitioner, were held illegal and quashed. The petition was allowed and the petitioner ordered to be released forthwith, leaving it open to the respondents to proceed afresh in accordance with law.

Cases Referred by the Court

- Radhika Agarwal v. Union of India, (2025) 6 SCC 545
- Vihaan Kumar v. State of Haryana & Anr., 2025 SCC OnLine SC 269
- Arnesh Kumar v. State of Bihar
- Satendra Kumar Antil v. Central Bureau of Investigation, 2026 SCC OnLine SC 162
- D.K. Basu v. State of West Bengal, 1997 SCC (Cri) 92
- Mihir Rajesh Shah v. State of Maharashtra, (2026) 1 SCC 500
- Gautam Navlakha v. NIA, AIR Online 2021 SC 246

Pagariya Auto Private Limited vs. Union of India & Others