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CWP-31964-2026 (O&M)

Kuldeep Goyal Vs. Union of India and others

Present: Mr. N.S. Boparai, Sr. Advocate with
Mr. J.S. Bedi, Advocate,
Ms. Aakriti, Advocate and
Mr. Umang Goyal, Advocate for the petitioner.

Mr. Naman Jain, Sr. Standing Counsel for revenue.

Mr. Sourabh Goel, Sr. Standing Counsel with
Ms. Himanshi Gautam, Advocate for respondent No.4.

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1. This petition has been filed with the prayer to command the respondents to quash the arrest memo dated 24.09.2026 (Annexure P-19) as well as authorization for arrest dated 23.09.2026 (Annexure P-18), on the basis of grounds urged in the writ petition.

2. It transpires that CWP-18184-2026, was filed before this Court, wherein, following order was passed on 08.07.2026:-

> *"Contention is that since no show cause notice was issued and no proceedings had ever been initiated, which could justify the issuance of the show cause notice to the petitioner.*
>
> *Learned counsel for the revenue prays for and is allowed two weeks' time to obtain instructions.*
>
> *List on 23.07.2026."*

3. When the matter was taken up on the adjourned date i.e. 23.07,2026, notice of motion was issued. Thereafter, the writ petition was heard on 22.09.2026 and on behalf of the respondents, it was stated that the petitioner is not cooperating with the GST authorities in the investigation. Learned senior counsel for the petitioner had stated that all documents demanded by the respondents have already been furnished and the petitioner has already appeared before the authorities on several occasions and the allegations of non-cooperation

on the part of the petitioner, are factually incorrect. In the light of respective stands taken by the parties, this Court proceeded to pass the following order on 22.09.2026:-

> "*Faced with the objection raised by learned counsel for the revenue that the petitioner is not cooperating with the investigation, learned Sr. Counsel for the petitioner states that the petitioner shall appear before the Adjudcating Authorities tomorrow at 11:00 AM.*
>
> *If the petitioner does so and furnishes requisite information, the counsel for the revenue shall apprise the Court about the status of the matter.*
>
> *List again on 29.09.2026.*"

4. Today, learned senior counsel for the petitioner states that the petitioner appeared before the authorities in terms of directions issued by this Court and also produced all documents which had been desired by the authorities. It is at this juncture that the authorization has been issued by the authorities to arrest the petitioner and he has been illegally detained since 11:00 am dated 23.09.2026. The petitioner was made to sit in the office of the respondent the whole day and night and the time of arrest has been shown as 4:45 am the next morning i.e. on 24.09.2026. The authorization of arrest does not make any reference to the order passed by this Court in CWP-18184-2026, pursuant to which the petitioner had appeared before the authorities. Learned senior counsel submits that the summons were issued to the petitioner on 11.03.2026, pursuant to which, all documents desired therein have been made available to the authorities and the petitioner has appeared on multiple occasions before the authorities besides signed all the documents as desired by the authorities. It is, therefore, submitted that the action of the department in illegally detaining the petitioner and then showing his arrest at 4:45 am on 24.09.2026, is a brazen act of

interference in the administration of justice inasmuch as the respondents were not expected to arrest the petitioner when the appearance was pursuant to the orders of the Court and the directions to the authorities were to apprise the Court about the status of the matter on the next date i.e. 29.09.2026.

5. Our attention has been invited to Annexure P/16, as per which, the summons dated 23.09.2026, under Section 70 of the Central Goods and Service Tax Act, 2017, has been issued at 12:05 PM, requiring the petitioner to appear on the same day despite the fact that there was already a direction by this Court for the petitioner to appear at 11:00 am on 23.09.2026. It is also pointed out that DIN has been issued at 12:07 pm while the summons with the DIN issued subsequently is shown to have been issued at 12:05 pm. It is submitted that the Principal Commissioner, CGST, has indulged in manipulation of records with an intent to mislead the Court. It is also submitted that the action of the respondents in issuing summons by ante-timing the DIN is in teeth of the Circular dated 23.12.2019. It is urged that the arrest could not have been made after sun-set and detaining the petitioner from 11:00 am on 23.09.2026 and showing his arrest at 4:45 am on 24.09.2026, is a brazen act of violation of Article 21 of the Constitution of India. It is also highlighted that the manner in which the authorities have acted by showing scant regard to the orders passed by the Court, speaks volumes about the approach of the authorities.

6. Mr. Naman Jain, appearing for the revenue states that since there was no order staying the arrest of the petitioner and his anticipatory bail was already rejected, therefore, the action of the respondents in arresting the petitioner suffers from no illegality.

7. We are not impressed by the plea taken by the respondents inasmuch as this Court was already ceased of the matter and had directed the petitioner to

appear at 11:00 am on 23.09.2026, with an intent to secure cooperation in the investigation. The matter was adjourned to 29.09.2026, by when the authorities were to inform the Court with regard to complain of non-cooperation on the part of the petitioner. The least that was expected on the part of the authorities was to have apprised the Court of any development and to proceed against the petitioner with the leave of the Court particularly when the matter was pending consideration and was specifically listed for 29.09.2026 for the authorities to report the status of the investigation. The undue hot haste which has been shown in detaining the petitioner at 11:00 am on 23.09.2026 and arrested him on the next date at 4:45 in the morning, *prima-facie*, indicates brazen violation of Article 21 of the Constitution of India.

8. Prima-facie, we are of the view that approach of the authorities otherwise amounted to overreaching the pending proceedings before the Court. In such circumstances, we direct the Principal Commissioner, GST, who has authorized the arrest of the petitioner as well as the Officer who has arrested the petitioner, to remain present before the Court at 02:00 PM today itself along with the record. This order has been passed in the presence of counsel for the revenue / department, who shall immediately communicate this order to the officers concerned.

9. Now, put up at 02:00 PM.

(ASHWANI KUMAR MISHRA)
CHIEF JUSTICE

(ROHIT KAPOOR)
JUDGE

25.09.2026
rajesh

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CWP-31964-2026 (O&M)

Kuldeep Goyal Vs. Union of India and others

Present: Mr. N.S. Boparai, Sr. Advocate with
Mr. J.S. Bedi, Advocate,
Ms. Aakriti, Advocate,
Mr. Surya Pratap Singh, Advoate,
Mr. Ankit Jangra, Advocte,
Mr. Sumer Singh Boparai, Advocate and
Mr. Umang Goyal, Advocate for the petitioner.

Mr. Naman Jain, Sr. Standing Counsel for revenue.

Mr. Sourabh Goel, Sr. Standing Counsel with
Ms. Himanshi Gautam, Advocate for respondent No.4.

Mr. Sugrive Meena, Principal Commissioner, CGST, Commissionerate, Ludhiana and Mr.Mohmad Saleem, SIO, CGST, Commissionerate, Ludhiana, in person.

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Post Lunch Proceedings:

1. Petitioner in the present writ petition is the 'Karta' of 'HUF', who is running business in the trade name of M/s Ansh Steel Alloys (hereinafter referred to as 'the firm') which is registered under the CGST/PGST Act, 2017, having GSTN No.03AANHK1750J1Z9.

2. The present writ petition has been filed by Kuldeep Goyal, through his wife, Ms. Ekta Goyal, with the prayer to set aside the arrest memo dated 24.09.2026 (Annexure P-19) as well as authorization for arrest dated 23.09.2026 (Annexure P-18), primarily on the ground that the arrest is contrary to Article 21 of the Constitution of India and is also in teeth of the orders passed by this Court in CWP-18184-2026.

3. We have heard learned counsel for the parties.

4. Pursuant to orders passed in pre-lunch session, the Officer who has authorized the arrest of the petitioner as also the Officer who has issued the

summons, have appeared and tried to justify their action of arresting the petitioner on the ground that his statement was recorded when he appeared on 23.09.2026, at 11:00 am, pursuant to orders passed by this Court and since his replies were evasive, as such, the competent authority took the decision to arrest the petitioner.

5. In the facts of the case, we find the action of the respondents department to be a brazen act of highhandedness where the constitutional safeguards available to a citizen have not been adhered to. As has already been noticed by us in the pre-lunch session, the firm had already approached this Court challenging the attachment of its bank account on the ground that no show cause notice was issued and opportunity of personal hearing was denied.

6. The said writ petition was entertained and orders were passed from time to time. When the matter was taken up on 22.09.2026, an objection was taken by the counsel for the respondents – department that the petitioner has not been cooperating in the investigation. This objection of the revenue was strongly opposed by the learned senior counsel for the petitioner, who submitted that not only all documents were produced before the authorities but the petitioner had been visiting the office of the respondents on multiple occasions and the plea that the petitioner is not cooperating, is factually incorrect.

7. It was in this context that we proceeded to pass order dated 22.09.2026, requiring the petitioner to appear before the authority on 23.09.2026, at 11:00 am. This direction was issued as the Court wanted to test the bona fide of the petitioner. The matter was then adjourned to 29.09.2026, by when the respondents were required to apprise the Court about the proceedings which occurred on appearance of the petitioner. It was very clearly understood between the parties that the Court would be apprised of the status and the petitioner was to

cooperate in the investigation. Once the Court had adjourned the matter for 29.09.2026, what was reasonably expected was that the Court would be informed of the outcome of the proceedings, so that, appropriate action as per law be taken in the matter.

8. However, the facts which have emerged before the Court would reveal that the respondents authorities considered the order of the Court as a charter to proceed in the manner, they deemed appropriate. The authorities have shown scant regard for the orders passed by the Court as would be clearly reflected from the fact that in the order where reasons to believe are recorded, there is no reference to the order passed by this Court in CWP No.18184-2026. What is further shocking is that on 23.09.2026, summons were issued directing the petitioner to appear at 12:05 pm on 23.09.2026 despite the fact that the petitioner was already present since 11:00 am pursuant to the orders of this Court. Learned senior counsel for the petitioner also pointed out that when the order of the Court was shown, the Officers simply kept the same aside and then proceeded not only to detain the petitioner but to formally arrest him on the next morning at 4:45 am.

9. Prima-facie we find manipulation in the summons issued where the DIN is generated at 12:07 pm while the summons containing reference of such DIN mention the time of appearance as 12:05 pm. If the time for appearance was 12:05 pm, then the DIN ought to have been issued sometime prior to 12:05 pm. In case there was any bona fide apprehension on the part of the respondents with regard to the petitioner, it was for the authorities to have apprised such facts to the Court on the date fixed i.e. 29.09.2026.

10. The undue hot haste shown by the authorities in issuing summons on 23.09.2026, after the petitioner had appeared before the authorities and

showing his arrest at 4:45 am in the next morning on 24.09.2026, prima-facie is an act of violation of Article 21 of the Constitution of India. So far as the reasons to believe are concerned, the authorization to arrest contains the following reasons:-

(i) to prevent him from committing any further offence under the CGST Act, 2017.

(ii) to ensure proper and unhindered investigation of the case; and

(iii) to prevent him from tampering with evidence, or from making any inducement, threat or promise to any witness so as to dissuade such witness from disclosing the true facts before the investigating authority.

11. Prima-facie we find the reasons for authorizing petitioner's arrest to be wholly misplaced inasmuch as the petitioner was already present before the authorities with all records and was willing to cooperate with the investigation under the orders of this Court. This Court was otherwise seized of the matter. The authorization for arrest neither records the orders passed by this Court nor the fact that the petitioner has already appeared along with records to facilitate investigation in the matter. The routine manner in which the authorization to arrest the petitioner is issued by the department leaves much to be desired. We, otherwise, find the action of the respondents to be an attempt to overreaching the proceedings of the Court.

12. When the summons were served upon the petitioner, he while receiving it made an endorsement that he has appeared in compliance of the orders passed by this Court on 22.09.2026 and the said fact is evident from Annexure P/16, however, there is neither any reference to the orders passed by this Court in the authorization for arrest, nor in any other documents of the respondents, which prima-facie, indicates that there was deliberate intent on the part of the officers to

overreach the orders passed by the Court. We may also take note of the fact that instances of the present kind, apparently have been brought to the notice of the Principal Commissioner, CGST, Chandigarh, who has issued a circular on 24.08.2026 with regard to grievance raised by trade association regarding enforcement proceedings. Various safeguards have also been suggested.

13. We may also indicate that during the course of hearing on 22.09.2026, the apprehension expressed by the petitioner's counsel that the petitioner might be arrested, was dispelled by observing that the issue is sub-judice before this Court and, therefore, the petitioner must cooperate with the investigation before it can expect any relief in the matter. The respondents were already represented through their counsel, who were well aware of the oral observations made by the Court during the course of hearing. The authorities, however, have shown scant regard for the judicial process. We are inclined to record the conduct of the Officers for appropriate examination by the disciplinary authorities but before we do so, it would be appropriate to grant an opportunity of hearing to the said officers. Accordingly, Mr. Sugrive Meena, Principal Commissioner, CGST, Commissionerate, Ludhiana, is permitted to be impleaded in his personal capacity as respondent No.5, while Mr.Mohmad Saleem, SIO, CGST, Commissionerate, Ludhiana, is permitted to be impleaded in his personal capacity as respondent No.6. Both the officers are present in Court and are issued notices calling upon them to explain their conduct and to clarify as to why appropriate observations be not made against them, recommending to the disciplinary authority to take appropriate action against them.

14. Considering the fact that action of the respondents is found to be prima-facie, violative of Article 21 of the Constitution of India, we direct the Chief Judicial Magistrate, Ludhiana to forthwith release the petitioner. The petitioner, however, shall surrender his passport and not leave the country without the permission of the Court and would inform the concerned Commissioner of Police

before he leaves the District by providing his whereabouts and mobile number. The Registry is directed to do the needful. The release of the petitioner pursuant to the present order shall be purely as an interim measure and shall not be construed as an expression of opinion on the merits of the proceedings pending against him.

15. List on 29.09.2026.

16. As requested, a copy of this order passed in pre-lunch and post-lunch session, be supplied to learned senior counsel for the petitioner, under signatures of the Bench Secretary.

(ASHWANI KUMAR MISHRA)
CHIEF JUSTICE

(ROHIT KAPOOR)
JUDGE

25.09.2026
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