

F.No. GST/INV/Arrest-caveat/18-19
Government of India
Ministry of Finance
Department of Revenue
Central Board of Indirect Taxes and Customs
GST Investigation Wing

Dated: 29th May, 2019

INSTRUCTION: 01/2019-20

Subject: Arrest under GST - Filing of Caveat in Hon'ble Supreme Court-reg.

It has been observed that in many cases of issuance of fake invoices and availment of ITC on the basis of fake invoices, the persons who have orchestrated/perpetuated these fraudulent acts are seeking judicial intervention through Hon'ble High Courts especially by challenging the power of arrest in terms of Section 69 of the CGST Act, 2017. SLPs are also being filed in the matter when the petitioners fail to obtain relief from the Hon'ble High Courts.

2. In this regard, vide the most recent judgment passed on 27.05.2019, the Hon'ble Supreme Court has dismissed an SLP filed against the judgment dated 18.04.2019 in WP No. 4764/2019 passed by Hon'ble High Court for the State of Telangana [SLP (CrI.) 4430/2019 etc.]. In this SLP, the petitioner had raised the point as to whether the power of arrest provided under Section 69 of the CGST Act, 2017 can be exercised by the Commissioner without issuance of notice under Section 73(1) of the said Act; whether the authorities under the GST Act, 2017 have the power to arrest; as to whether the officers under the GST Act, 2017 are police officers, along with other points.

3. In view of the aforementioned judgment, it is directed that caveat(s) shall be immediately filed in the Hon'ble Supreme Court in all such cases wherein the Hon'ble High Court(s) have not granted relief to the petitioner(s) challenging the 'Power to Arrest' under GST.

4. A report with regard to the action taken in the matter may be sent to Board immediately.

5. This issues with the approval of Member (Investigation).



Neeraj Prasad ..

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To: Pr. DG, DGGI / Pr. Chief Commissioner/Chief Commissioner of CGST, (All Zones)