Deepak Goyal v. Commissioner CGST, Delhi East

Whether currency seized from a residence during a GST search can be retained.

Date of Order: November 8, 2024
Case Law No: GIB-DHC-2024-27
Source: GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

Background

Rs 9,90,000 in cash was seized from the petitioner's residential house under a panchnama of 25.11.2020. He sought its release with interest and a declaration that the panchnama was arbitrary and illegal.

Final Verdict

The Court held that the power of the GST authorities to seize currency is no longer res integra and is settled by Deepak Khandelwal, where it was held that **Section 67 does not permit seizure of currency or valuable assets merely because they represent unaccounted wealth**, the purpose of the Act not being to proceed against unaccounted wealth or to recover tax. Even otherwise, items not relied on in the notice must be returned under Section 67(3).

The writ petition was allowed, the seizure was annulled and the currency was directed to be returned forthwith.

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