

CASH AND SILVER BARS CANNOT BE SEIZED DURING GST SEARCH AS THEY MERELY REPRESENT UNACCOUNTED WEALTH: HC

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THE HON'BLE DELHI HIGH COURT IN THE CASE OF Nand Kishore Gupta V/s Additional Director General, decided on 17-12-2024

Issue:

Can Cash and Silver Bars be Seized During GST Search?

The Hon'ble High Court Judgement: -

Cash and silver bars cannot be seized during search operations under Section 67 of the Central Goods and Services Tax (CGST) Act, as they merely represent unaccounted wealth. Although the proper officer has the power to seize currency and other valuable assets under Section 67, these items are required to be returned, especially when the notice issued later did not rely upon them.

Cash (Indian currency) is explicitly excluded from the definition of 'goods' under the CGST Act and is classified under the definition of money.

Relevant Sections:

- **Section 67** (Power to arrest and seize goods)
- **Section 2(52)** (Definition of goods)
- **Section 2(75)** (Definition of money)

Thus, under the current legal framework, cash and silver bars are not subject to seizure during a GST search operation unless they are related to a specific violation linked to the GST law.