

HC: Excess Stock Found During Search Invokes Proceedings Under Section 73/74, Not Confiscation Under Section 130

CA Prakash Chandra Jain

P.O. Brajrajnagar
Odisha- 768216
Cell: 94375-41690 / 70087-12242
Email: prakashchjain@yahoo.co.in



REFER THE DECISION OF THE HON'BLE ALLAHABAD HIGH COURT

Gopal Trading Company V/s State of U.P., decided on 7-5-2025

Key Issues:

Is excess stock found during a GST search enough for confiscation under Section 130?

Hon'ble High Court Judgement:

In cases where excess stock is discovered during a search at the assessee's premises, the statutory scheme mandates initiation of proceedings under Section 73/74, and not under Section 130, which pertains to confiscation.

Section 67, read with sections 73, 74 and 130, of Central Goods and Services Tax Act, 2017