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IN THE HIGH COURT OF DELHI AT NEW DELHI

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W.P.(C) 8713/2023

GUNJAN BINDAL AND ANR. Petitioner

Through: Mr Vineet Bhatia, Mr Aamnaya
Jagannath Mishra and Mr Bipin
Punia, Advocates.

versus

COMMISSIONER OF CGST, DELHI

WEST AND ORS. Respondents

Through: Mr R. Ramachandran, Senior
Standing Counsel for R-1, 3
and 4.
Mr Vijay Joshi, Senior Standing
Counsel for CBIC with Mr
Gurdas Singh Narula, Advocate
for R-2.

CORAM:

HON'BLE MR. JUSTICE VIBHU BAKHRU

HON'BLE MR. JUSTICE AMIT MAHAJAN

ORDER

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17.11.2023

1. The petitioners have filed the present petition, *inter alia*, praying that respondents be directed to release an aggregate amount of ₹1,15,00,000/- resumed/seized by respondent no.2.
2. The petitioners are brothers residing in separate floors of a building bearing the address 71, Engineers Enclave, Pitampura, Saraswati Vihar, New Delhi-110034. On 18.01.2020, a search was conducted at the residential premises of the petitioners under Section 67 of the Central Goods and Services Tax Act, 2017 (hereafter '**the CGST Act**'). The *panchnama* drawn by respondents indicates that amongst other articles, cash amounting to ₹14,50,000/- (Rupees Fourteen Lacs Fifty Thousand only) was found in the bedroom of petitioner no.1 located on the second floor of the premises, and cash amounting to ₹1,00,50,000/- (Rupees One Crore Fifty Thousand only)



was found from the bedroom of petitioner no.2 located on the fourth floor. The *panchnama* further records that since the petitioners were unable to provide any satisfactory explanation or any documentary evidence to support the source of the cash, the officers resumed the cash on the belief that it had resulted from unlawful activity or was sale proceeds of goods without proper accounting.

3. Thereafter, the petitioners repeatedly requested the respondents for release of the said amount but the said cash has not been released.

4. The petitioners contend that the concerned officers had no power to seize cash under Section 67 of the CGST Act on the ground that the same was not satisfactorily explained. Concededly, the issue is covered by the earlier decisions of this Court in ***Deepak Khandelwal Proprietor M/s Shri Shyam Metal v. Commissioner of CGST, Delhi West & Anr.: 2023: DHC: 5823-DB*** and ***Rajeev Chhatwal v. Commissioner of Goods and Services Tax (East): 2023: DHC: 6060-DB***.

5. Accordingly, the present petition is required to be allowed and the respondents are liable to refund the money seized.

6. The respondents state that the amounts so seized has been kept in a fixed deposit bearing interest.

7. Respondent no.2 is, accordingly, directed to remit the amount of ₹14,50,000/- along with accrued interest to the bank account of petitioner no.1, and remit ₹1,00,50,000/- along with accrued interest to the bank account of petitioner no.2.

8. The details of the bank accounts shall be provided by the petitioners to respondent no.2 within a period of one week from today. The respondents are directed to remit the amounts to the said bank accounts, as aforesaid, within a period of two weeks thereafter.



9. It is clarified that this would not preclude the Income Tax Department or any other authority from taking necessary steps in regard to the petitioners possessing such cash. Respondents are also not precluded from taking such steps under the relevant statute in accordance with law.

VIBHU BAKHRU, J

AMIT MAHAJAN, J

NOVEMBER 17, 2023
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