

## **SCN issued after 6 months from date of the order of prohibition is not invalid: Delhi HC**

GST : Sub-section (2) of section 67 merely provides that, in search cases, if no notice is issued within stipulated period after order of prohibition is rejected, goods seized are liable to be returned; it does not postulate that such a notice issued after six months is invalid

Search and seizure - Show cause notice after rejection of order of prohibition - Proper officer seized goods on 5-12-2018 - Thereafter, an order of prohibition was passed - Assessee had challenged said order on ground that there was nothing to indicate that goods covered under order of prohibition were secreted - HELD : Although sub-section (7) of section 67 refers to seizure of goods under sub-section (2), it is clear from scheme of sub-section (2) of section 67 that an order of prohibition, is for all intents and purposes, an order of seizure - However, instead of physically seizing goods, taxpayer is directed not to part with or deal with said goods if it is not practicable to seize same - Sub-section (2) of section 67 merely provides that, in search cases, if no notice is issued within stipulated period after order of prohibition is rejected, goods seized are liable to be returned, it does not postulate that notice, issued after six months of order of prohibition is rejected, is invalid [Section 67 of Central Goods and Services Tax Act, 2017/Delhi Goods and Services Tax Act, 2017 - Rule 139 of Central Goods and Services Tax Rules, 2017/Delhi Goods and Services Tax Rules, 2017] [Para 14] [In favour of revenue]

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