

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 16848 OF 2025

M/s. Rollmet LLP ...Petitioner
Versus
1) The Union of India
2) Central Board of Indirect Tax and Customs
3) Office of the Commissioner of CGST Palghar
4) Office of the Joint Commissioner of State Tax ...Respondents

WITH
WRIT PETITION NO. 1495 OF 2026

1) Shemaroo Entertainment Limited ...Petitioner
Versus
1) The Union of India
2) Central Board of Indirect Tax and Customs
3) The Superintendent CGST CX,
4) Additional Commissioner CGST Central Excise,
5) Principal Commissioner of CGST and CX, Mumbai East
6) Commissioner (Appeals II) of CGST and CX Mumbai ...Respondents

WITH
WRIT PETITION NO. 1698 OF 2026

Uttam Movies ...Petitioner
Versus
1) The Union of India
2) Joint Commissioner CGST Excise,
3) Principal Commissioner of CGST and CX, Mumbai East
4) Commissioner (Appeals II) of CGST and CX Mumbai ...Respondents

WITH
WRIT PETITION NO. 1122 OF 2026

Everest Fleet Private Limited ...Petitioner
Versus
1) The Union of India
2) The State of Maharashtra
3) The Director General of GST Intelligence Mumbai
4) The Additional Commissioner Central Tax Palghar
Commissionerate
5) The Additional Commissioner of CGST and Central
Excise Mumbai Central Commissionerate ...Respondents

**WITH
WRIT PETITION NO. 1847 OF 2026**

- 1) M/S. Golden Bullion
2) Jakin Mahendra Kothari ...Petitioner
- Versus
- 1) Union Of India and Ors Thro. Centra Govt.
2) Additional Commissioner of Central Cgst and Cex,
Mumbai South Commissionerate
3) Joint Commissioner of Central Cgst and Cex,
Mumbai South Commissionerate ...Respondents

**WITH
WRIT PETITION NO. 1117 OF 2026**

- 1) M/S. Golden Bullion
2) Jakir Mahendra Kothari ...Petitioner
- Versus
- 1) Union Of India and Ors Thro. Centra Govt.
2) Additional Commissioner of Central Cgst and Cex,
Mumbai South Commissionerate
3) Joint Commissioner of Central Cgst and Cex,
Mumbai South Commissionerate ...Respondents

**WITH
WRIT PETITION NO. 2127 OF 2026**

- Ms JDS Motion Pictures ...Petitioner
- Versus
- 1) Union Of India
2) Joint Commissioner of CGST & Central Excise
3) Principal Commissioner of CGST and CX, Mumbai East
4) Commissioner Appeals II of CGST and CX, Mumbai ...Respondents

**WITH
WRIT PETITION NO. 2140 OF 2026**

- J.V.Media Solutions ...Petitioner
- Versus
- 1) The Union of India
2) Joint Commissioner of CGST & Central Excise
3) Commissioner (Appeals) of CGST and CX, Mumbai ...Respondents

**WITH
WRIT PETITION NO. 2202 OF 2026**

- Ms. Mangal Entertainment ...Petitioner
- Versus
- 1) The Union of India
2) Joint Commissioner of CGST & Central Excise

- 3) Principal Commissioner of CGST and CX,
4) Commissioner (Appeals) of CGST and CX, Mumbai ...Respondents

**WITH
WRIT PETITION NO. 3388 OF 2026**

- 1) CD Safety and Security Services LLP ...Petitioner
Versus
1) The Union of India
2) State of Maharashtra
3) Joint Commissioner of CGST & Central Excise
4) Principal Chief Commissioner of CGST and Central Excise,
5) Commissioner of CGST and Central Excise,
5) Commissioner of CGST and Central Excise
6) Superintendent Anti Evasion Office of Commissioner CGST
and Central Excise Belapur Commissionerate ...Respondents

**WITH
WRIT PETITION NO. 2031 OF 2026**

- 1) CTL Logistics India Private Limited
2) Commissioner, CGST and C Ex, Belapur ...Petitioner
Versus
1) The Union of India
2) Joint Commissioner of CGST & Central Ex Belapur
3) State of Maharashtra ...Respondents

**WITH
WRIT PETITION NO. 6359 OF 2025**

- 1) Mahavir Polyfilms Pvt. Ltd. ...Petitioner
Versus
1) The Union of India
2) Commissioner Of CGST & Central Excise
(Appeals -II) ...Respondents

**WITH
WRIT PETITION NO. 6902 OF 2025**

- 1) Renault India Pvt. Ltd. ...Petitioner
Versus
1) Union Of India
2) Joint Commissioner Central Goods and Services Tax Pune 1
3) Joint Commissioner Central Goods and Services Tax GST
Audit 1 Pune
4) State of Maharashtra
5) Central Board of Indirect Taxes and Customs ...Respondents

WITH

WRIT PETITION NO. 17159 OF 2025

- 1) TIPL JMMIPL JV Pvt Ltd ...Petitioner
Versus
1) Union of India Through the Revenue Secretary)
2) State of Maharashtra
3) Central Board of Indirect Taxes and Customs
4) Additional Commissioner CGST and C Ex, Raigad
5) Additional Director, DGGI, Zonal Unit, Mumbai ...Respondents

**WITH
WRIT PETITION NO. 10267 OF 2025**

- 1) State Bank of India Through its Authorized
Signatory Debabrata Bhowmick ...Petitioner
Versus
1) Union of India Through the Revenue Secretary)
2) State of Maharashtra
3) Additional Commissioner of Central GST and Central Excise
4) Joint Director, DGGI ...Respondents

**WITH
WRIT PETITION NO. 10274 OF 2025**

- 1) State Bank of India Through its Authorized
Signatory Debabrata Bhowmick ...Petitioner
Versus
1) Union of India Through the Secretary Department of Revenue
2) State of Maharashtra
3) Additional Director, DGGI Lucknow Zonal Unit, 1
4) Additional Commissioner of Central GST and Central Excise
5) Additional Commissioner of Central GST and Central Excise
...Respondents

**WITH
WRIT PETITION (ST) NO. 18618 OF 2025**

- 1) Safe Climbers ...Petitioner
Versus
1) Union of India Through the Revenue Secretary)
2) State of Maharashtra
3) Joint Commissioner CGST and Central Excise Thane Rural
Commissionerate ...Respondents

**WITH
WRIT PETITION NO. 2017 OF 2026**

- 1) Safe Climbers ...Petitioner
Versus
1) The Additional Commissioner CGST and Central Excise, Nashik
2) Commissioner CGST and Central Excise, Nashik,
3) State of Maharashtra
4) The Union of India ...Respondents

**WITH
WRIT PETITION NO. 14606 OF 2025**

- 1) Prabodhan Bahu Uddeshiya Sanstha
2) Sunil Narayan Patil ...Petitioners
Versus
1) The Additional Commissioner Cgst and Central Excise and Ors
2) Commissioner CGST and Central Excise Nashik
3) State Of Maharashtra Through the Secretary Ministry
Of Finance Department of Revenue
4) The Union of India Through the Secretary Ministry
Of Finance Government of India ...Respondents

**WITH
WRIT PETITION NO. 16077 OF 2025**

- 1) Vishal Maruti Jadhav ...Petitioners
Versus
1) The Union of India
2) The Commissioner, CGST and CX
3) The Joint Commissioner, CGST and CX
4) State of Maharashtra ...Respondents

**WITH
WRIT PETITION NO. 15750 OF 2025**

- 1) Ms Oshmedics Healthcare LLP ...Petitioners
Versus
1) The Union of India
2) The Commissioner, CGST and CX
3) The Joint Commissioner, CGST and CX
4) State of Maharashtra ...Respondents

WITH

WRIT PETITION NO. 17765 OF 2025

- 1) Avisha Exim ...Petitioner
Versus
1) The Union of India
2) Assistant Commissioner Mumbai
South Commissionerate ...Respondents

WITH
WRIT PETITION NO. 779 OF 2026

- 1) Visen Industries Limited ...Petitioner
Versus
1) Union Of India
2) The Commissioner of CGST Palghar Commissionerate
3) The Additional Commissioner CGST and C Ex Palghar
Commissionerate
4) The Superintendent Anti Evasion CGST and CX Palghar
Commissionerate
5) The State of Maharashtra ...Respondents

ORDINARY ORIGINAL CIVIL JURISDICTION

WRIT PETITION NO. 246 OF 2026

- Sheth Creators Sun Vision Pvt. Ltd. ...Petitioner
Versus
1) The Union of India
2) The Commissioner of CGST Mumbai West Commissionerate
3) The Joint Commissioner of CGST, Mumbai West Commissionerate
4) The Joint Commissioner Audit III CGST Mumbai
5) The State of Maharashtra ...Respondents

WITH
WRIT PETITION NO. 1878 OF 2025

- Kala Daulat Mehta ...Petitioner
Versus
1) The Union of India
2) Additional Director DGGI
3) Additional Commissioner CGST ...Respondents

WITH

WRIT PETITION NO. 1659 OF 2025

Boostmetric Solutions Limited ...Petitioner
Versus
1) The Union of India
2) Additional Director DGGI
3) Additional Commissioner CGST ...Respondents

**WITH
WRIT PETITION NO. 1658 OF 2025**

Twinstar Industries Limited ...Petitioner
Versus
1) The Union of India
2) Additional Director, DGGI
3) Additional Commissioner CGST ...Respondents

**WITH
WRIT PETITION NO. 1656 OF 2025**

Originet Technologies Limited ...Petitioner
Versus
1) The Union of India
2) Additional Director DGGI
3) Additional Commissioner CGST ...Respondents

**WITH
WRIT PETITION (L) NO. 11901 OF 2025**

Stuti Comtrade Private Limited ...Petitioner
Versus
1) The Union of India
2) Additional Director DGGI
3) Additional Commissioner CGST ...Respondents

**WITH
WRIT PETITION (L)NO. 12468 OF 2025**

Min Chem India ...Petitioner
Versus
1) The Union of India
2) State of Maharashtra
3) Additional Commissioner CGST and Cex
4) Joint Commissioner, CGST and C Ex ...Respondents

WITH
WRIT PETITION NO. 4002 OF 2025

Maharashtra Housing and Area Development
Authority ...Petitioner
Versus
1) The Union of India
2) State of Maharashtra
3) Central Board of Indirect Taxes and Customs
4) Joint Commissioner CGST and CEx ...Respondents

WITH
WRIT PETITION (L) NO. 14256 OF 2025

Jeena And Company ...Petitioner
Versus
1) The Union of India
2) State of Maharashtra
3) Joint Commissioner CGST and CX, Mumbai East
4) Additional Commissioner of Central GST and Central Excise
5) Deputy Commissioner
6) Superintendent Range III Division III CGST and CX ...Respondents

WITH
WRIT PETITION (L) NO. 13604 OF 2025

State Bank of India ...Petitioner
Versus
1) The Union of India
2) State of Maharashtra
3) Additional Commissioner CGST and C EX,
Palghar Commissionerate
4) Joint Director, DGGI, Vishakhapatnam Zonal Unit ...Respondents

WITH
WRIT PETITION NO. 2021 OF 2025

HHM Shipping India Pvt. ...Petitioner
Versus
1) The Union of India
2) The Additional Commissioner, CGST and Central Excise,
Audit II, Mumbai ...Respondents

WITH

WRIT PETITION NO. 2608 OF 2025

Neelkanth Mansions & Infrastructure Pvt. Ltd. ...Petitioner

Versus

- 1) The Union of India
- 2) State of Maharashtra
- 3) The Assistant Commissioner Circle D, GST Audit II
- 4) The Superintendent of CGST Group 14,
- 5) The Additional Commissioner CGST Audit II
Mumbai

...Respondents

WITH

WRIT PETITION (L) NO. 20775 OF 2025

Sumangal Press Pvt. Ltd. ...Petitioner

Versus

1. The Union of India
2. State of Maharashtra
3. Additional Director DGGI Zonal Unit Pune.
4. Asst.Commissioner of State Tax
5. Commissioner of Customs

...Respondents

WITH

WRIT PETITION NO. 3352 OF 2025

Creative Business Associates ...Petitioner

Versus

1. The Union of India
2. Addl Commissioner CGST
Mumbai Central (Div.VII)

...Respondents

WITH

WRIT PETITION NO. 3755 OF 2025

GIA India Laboratory Pvt. Ltd. ...Petitioner

Versus

1. The Union of India
2. Addl Commissioner CGST C Ex.Audit -II Mumbai.
3. Joint /Addl.Commissioner CGST & C Ex. Mumbai East
Commissionerate
4. Commissioner of CGST & C Ex. Mumbai East

...Respondents

WITH

WRIT PETITION NO. 4894 OF 2024

Fidesta Logistics Pvt. Ltd. ...Petitioner
Versus
1. The Union of India
2. State of Maharashtra
3. Addl Commissioner of Central GST
& Central Excise ...Respondents

WITH
WRIT PETITION NO. 4279 OF 2025

Runwal Enterprises Ltd. ...Petitioner
Versus
1. The Union of India
2. The Commissioner of Central GST & C Ex. Mumbai East
Commissionerate
3. Addl. Commissioner of Central GST & C X Mumbai East
Commissionerate
4. Addl. Commissioner of Central GST & C X Mumbai East
Commissionerate
5. Addl. Commissioner of Central GST & C X Audit II
Commissionerate Mumbai
6. Municipal Commissioner, Municipal Corporation
of GR.Mumbai
7. State of Maharashtra ...Respondents

WITH
WRIT PETITION (L)NO. 36297 OF 2025

Oasis Realty ...Petitioner
Versus
1. The Union of India
2. State of Maharashtra
3. The Commissioner (Appeals- II)
4. The Pr. Commissioner CGST & Central Excise
5. Joint Commissioner CGST & Central Excise
6. The Asst. Commissioner Div. VII CGST & CX
7. The Addl. Director Directorate General of GST Intelligence
8. The Commissioner Office of the Commissioner
CGST and Central Excise ..Respondents

WITH
WRIT PETITION NO. 5271 OF 2025

Parinee Realty Pvt.Ltd. ...Petitioner
Versus
1. The Union of India
2. The Commissioner of Central GST
3. Joint Commissioner of Central GST ...Respondents

WITH
WRIT PETITION NO. 4279 OF 2025

Runwal Enterprises Ltd. ...Petitioner
Versus
1. The Union of India
2. The Commissioner of Central GST & C Ex. Mumbai East
Commissionerate
3. Addl. Commissioner of Central GST & C X Mumbai East
Commissionerate
4. Addl. Commissioner of Central GST
& C X Mumbai East Commissionerate ...Respondents

Mr. Arshad Hidayatullah, Senior Advocate with Ms. Shailaja Kher Hidayatullah,
Mr. Makarand Joshi, Ms. Chandni Tanna and Mr. Prathamesh Chavan i/b. India
Law Alliance for the Petitioner in WP/11701/2024

Mr. Abhishek A. Rastogi aw Ms. Pooja M. Rastogi aw Ms. Minal Songire aw
Ms.Aarya More for the Petitioner in WP/16848/2025, WP(ST)/1495/2026,
WP(ST)/1698/2026, WP(ST)/2127/2026, WP(ST)/2140/2026,
WP(ST)/2202/2026,

Mr. Prakash Shah, Senior Advocate aw Mr. Mihir Mehta aw Mr. Mohit Raval aw
Mr. Jas Sanghavi aw Mr. Vikas Poojary i/b PDS Legal for the Petitioner in
WP/15750/2025, WP/1122/2026, WP/779/2026, WP/16077/2025

Mr. Bharat Raichandani aw Ms. Bhagrati Sahu i/b UBR Legal Advocates for teh
Petitioner in WP(ST)/3388/2026 aw WP/2031/2026 aw WP/17159/2025 aw
WP/10267/2025 aw WP/10274/2025 aw WP(ST)/18618/2025

Mr. Brijesh Pathak aw Ms. Anjali Joshi for the Petitioner in WP(ST)/1847/2026,
WP/1117/2026, WP/6359/2025, WP/17765/2025

Mr. Mahir Chablani aw Mr. Prathamesh Gargate for the Petitioner in
WP/6902/2025

Mr. Keval Shailesh Shah for the Petitioner in WP/2017/2026, WP/14606/2025

Mr. Karan Adik aw Mr. Suman Kumar Das for Respondent in WP/16848/2025

Mr. Karan Adik aw Ms. Niyati Mankad aw Ms. Priyanka Singh for the Respondent
in WP(ST)/1847/2026, WP/1117/2026

Mr. Subir Kumar aw Mr. Sangeeta Yadav aw Mr. Niyanta Trivedi aw Ms. Diksha

Pandey for the Respondent Nos.1 to 4 in WP/779/2026
Mr. Subir Kumar aw Ms. Mamta Omle aw Ms. Niyanta Trivedi aw Ms. Diksha Pandey for Respondents Nos.1,2 & 4 in WP/1122/2026
Mr. Jitendra B. Mishra aw Ms. Sangeeta Yadav for Resp No.3 in WP/1122/2026
Mr. Jitendra B. Mishra aw Mr. S.D. Deshpande aw Mr. Rupesh Dubey for Respondent No.5 in WP/1122/2026
Mr. Ram Ochani aw Ms. Sangeeta Yadav for Respondent in WP(ST)/1495/2026, WP(ST)/1698/2026, WP(ST)/2127/2026, WP(ST)/2140/2026, WP(ST)/2202/2026, WP/10267/2025, WP/10274/2025
Mr. Ram Ochani aw Mr. Harshad Shingnapurkar for Respondent Nos.2,3,4,5 in WP/17159/2025
Ms. Sangeeta Yadav for Respondent No.1/ UOI in WP/6359/2025
Ms. Maya Majumdar aw Ms. Miyati Mankad for Respondent in WP/15750/2025, WP/16077/2025
Ms. Maya Majumdar aw Mr. Abhishek Mishra for Respondent Nos.1 & 2 in WP/17765/2025
Ms. S.D.Vyas, Addl. G.P. aw Ms. D.S. Deshmukh, AGP aw Ms. Savita A. Prabhune, AGP aw Mr. Aditya R. Deolekar, AGP for the State
Mr. Prasad Paranjape a/w. Mr. Kumar Harshvardhan, Ms. Nidhi Doshi i/b. Lumiere Law Partners, for the Petitioner In WP/5271/2025.
Mr. Prakash Shah Senior Advocate, Mr. Jas Sanghavi, Mr. Mihir Mehta , Mr. Mohit Raval, Mr. Vikas Poapary, Mr. Kshitij Vishwanath i/b. PDS Legal, for the Petitioner In WP/246/2026 & WP/4279/2025.
Mr. Prasad Paranjape a/w Mr. Kevin Gogri, Ms. Sonakshi Singh i/b. Lumiere Law Partners, for the Petitioner In WP/3755/2025.
Mr. Darius Shroff Senior Advocate a/w. Mr. Mayank Jain, Ms. Sakshi Upadhyaya, Mr. Marmik Kamdar, i/b. Khaitan & Co., for the Petitioner In WP/2021/2025.
Mr. Bharat Raichandani a/w Mr. Bhagirati Sahu i/by UBR Legal Advocates in WPL/12468/2025, WP/4002/2025, WPL/14256/2025, WPL/13604/2025, WP/2608/2025, WPL/20775/2025, WP/4894/2024, WPL/36297/2025.
Mr. Brijesh Pathak a/w. Ms. Anjali Joshi, for the Petitioner In WP/1878/2025, WP/1659/2025, WP/1658/2025, WP(L)/11901/2025, WP/1656/2025.
Ms. Deepali Kamble a/w Mr. Gaurav Mhatre for the Petitioner In WP/3352/2025.
Ms. Maya Majumdar, a/w. Mr. Suman Kumar Das, for the Respondent In WP/2021/2025.
Mr. Karan Adik a/w Mr. Suman Kumar Das for the Respondent in WP/16848/2025.
Mr. Siddhartha Chandrashekar a/w Mr. Suman Kumar Das, for the Respondent In WP/1878/2025, WP / 1656 / 2025, WP/1659/2025, WP/1658/2025, & WP(L)/11901/2025.
Mr. Ram Ochani a/w. Ms. Sangeeta Yadav, for the Respondent In WP(L)/13604/2025.
Mr. Jitendra B. Mishra a/w. Mr. Abhishek Mishra, Mr. Rupesh Dubey, for the

Respondent No. 1 & 5 In WP(L)/20775/2025.

Mr. Jitendra B. Mishra a/w. Ms. Megha S Bajoria, Mr. Rupesh Dubey, for the Respondent No. 1,2,3 & 4 In WP/246/2026.

Mr. Jitendra B. Mishra a/w. Ms. Niyati Mankad, Mr. Rupesh Dubey, for the Respondent No. 4,5 & 6 In WP(L)/36297/2025.

Ms. Jyoti Chavan, Addl GP, for State of Maharashtra In WP/4002/2025, WP(L)/13604/2025, WP/2608/2025, WPL/20775/2025 , WP/4894/2024, WP/4279/2025 & WP(L)/36297/2025.

Mr. Amar Mishra, AGP, for State of Maharashtra In WP/246/2026 & WP(L)/12468/2025.

Mr. Himanshu Takke AGP, for State of Maharashtra In WP/1657/2025, & WP(L)/14256/2025.

Ms. Shruti Vyas a/w Ms. Niyati Mankad , for the Respondent No. 2 & 4 In WP/3755/2025.

Mr. Subir Kumar a/w. Ms. Niyanta Trivedi, Ms. Diksha Pandey, for the Respondent In WP/3352/2025.

Mr. Saket R. Ketkar for Respondent No. 2, 3 & 4 in WP/4279/2025.

**CORAM: G. S. KULKARNI &
AARTI SATHE, JJ.**

DATE: 17 APRIL 2026

P. C.:

1. In this batch of petitions the primary issue raised by the petitioners relates to the issuance of a single consolidated show-cause notice under Section(s) 73/74 of the Central Goods and Services Tax Act, 2017 (for short, the “CGST ACT”) bunching multiple financial years. It is the Petitioners’ contention that the same is against the mandate of Section 73(10) and 74(10) of the CGST Act, inasmuch as according to the Petitioners, the statutory scheme requires period-wise self-assessment and a year-wise limitation, thereby rendering a composite show-cause notice without jurisdiction.

2. The Petitioners have contended that a co-ordinate Bench of this Court at

Goa, in the case of **Milroc Good Earth Developers vs. Union of India**¹ (for short 'Milroc') has held that there is no provision in the CGST Act to club various tax periods in issuance of a show cause notice, hence, a consolidated show cause notice issued to the petitioners by clubbing the different periods/financial years, was held to be invalid and without jurisdiction. It is hence contended that the impugned notices deserve to be quashed and set aside. It is contended by the petitioners that, such view of the Division Bench in Milroc is followed by a co-ordinate Bench of this Court at Nagpur, in the case of M/s **Paras Stone Industries Vs. Union of India & Ors**², and **Rite water solutions (India) Ltd. Vs. Joint Commissioner, CGST & Central Excise, Nagpur and Ors**³. The learned counsel for the Petitioners would submit that a similar view is taken by the Kerala, Madras and Karnataka High Courts. In this context, reference is made to the decisions in **Titan Company Ltd. vs. JC, GST & Central Excise**⁴; **Bangalore Golf Club vs. AC, Commercial Taxes**⁵; **Veremax Technologies vs. AC, Central Tax Bengaluru**⁶; **UNO Minda vs. Joint Commissioner of GST & Central Excise**⁷; **Chimney Hills Education Society vs. AC, Central Tax**⁸; **Gopi Chand vs. DC, Commercial Taxes (Audit)-1**⁹; **Lakshmi Mobiles vs. Joint Commissioner**¹⁰; **Joint Commissioner vs. Laxmi Mobile**¹¹; **X.L Interiors vs. DC (Intelligence), SGST Department, Ernakulam**¹²; **Tharayil Medicals**

1 [2026] 104 GSTL 45 (Bombay)[09-10-2025]

2 W.P. 7718/ 2025- Bombay High Court, Nagpur

3 2025-VIL-1378-BOM

4 [(2024) 15 CENTAX 118 (Mad.)]

5 [WP/16500/2024] - Karnataka HC

6 [2024 167 taxmann.com 332] - Karnataka HC

7 [WP/27776/2024] - Madras HC

8 [(2024) 24 CENTAX 9 (Kar.)] - Karnataka HC

9 [2025 27 CENTAX 288] - Karnataka HC

10 [WP/2911/2025] - Kerala HC

11 [WA/258/2025] - Kerala HC

12 [2025: KER:10722] - Kerala HC

vs. The Deputy Commissioner¹³; R.A. and Co. vs. AC of Central Taxes, Chennai South¹⁴; R. Ashaarajaa vs. Senior Intelligence Officer, DGGI¹⁵; Oriental Lotus Hotel Supplies Pvt. Ltd. vs. JC¹⁶; S. J Constructions vs. AC (ST), Vishakhapatnam¹⁷; Pramur Homes And Shelters vs. The Union of India¹⁸.

3. Per contra, the Delhi High Court has taken a different view in the case of **Mathur Polymers v. Union of India**¹⁹ and **Ambika Traders v. Commr.**²⁰. Also the Allahabade High Court in **M/s. S.A.Aromatics Pvt. Ltd. And Another Vs. Union of India**²¹. In such decisions, the Division Bench of these High Courts has categorically held that a consolidated show-cause notice for various financial years can be issued and there is no jurisdictional error on the part of the designated officer in issuing such show-cause notice. The decisions of the Delhi High Court in the case of **Ambika Traders vs. Additional Commissioner**²² and **Mathur Polymers vs. UOI & Ors** (supra) were carried to the Supreme Court. The Supreme Court by an order dated 1st September 2025 dismissed the Special Leave Petitions preferred against the said decision in **Ambika Traders** (supra) as the Petitioners therein did not wish to press the aforesaid petition. Further, the Supreme Court by an order dated 07th November 2025 in the case of **Mathur Polymers** (supra) dismissed the Special Leave Petition preferred by the Petitioner and held as follows:-

13 [WA/627/2025] - Kerala HC
 14 [(2025) 33 CENTAX 14 (Mad.)] - Madras HC
 15 [(2025) 32 CENTAX 453] - Madras HC
 16 [2025-VIL-870-MAD] -Madras HC
 17 [(2025) 35 CENTAX 165]- Andhra Pradesh HC
 18 [(2025) 37 Centax 324(Kar)] - Karnataka HC
 19 2025 SCC OnLine Del 6892
 20 (2025) 148 GSTR 1
 21 2026 SCC OnLine All 191
 22 [(2025) 33 CENTAX 189]

ORDER

1. *Delay condoned*
2. *However, we find no good ground and reason to interfere with the impugned judgment/order passed by the High Court [2025-VIL-909-DEL].*
3. *The special leave petition is, accordingly, dismissed.*
4. *Pending application(s), if any, shall stand disposed of.*
(emphasis supplied)

4. On the backdrop of the above decisions rendered by the various High Courts and Co-ordinate benches of this Court, it is clear that there is a cleavage of opinion on the issue, whether a consolidated show-cause notice for multiple financial years, could be issued by the Department.

5. When the present batch of Petitions were taken up for hearing, the Petitioners on one hand argued that these Petitions need to be allowed following the decision of the co-ordinate Bench in *Milroc* (supra), whereas on the other hand, on behalf of the Revenue, it was urged that considering the orders passed by the Supreme Court dismissing Special Leave Petitions in the case of **Mathur Polymers** (supra) being law of the land under Article 141 of the Constitution, as also considering the order passed by the Supreme Court in **Ambika Traders** (supra), the issue requires a re-consideration, including to examine whether the decision in *Milroc* (supra) lays down the correct position in law.

6. We have heard learned Senior counsel, Mr. Hidayatullah, Mr. Darius Shroff, Mr. Prakash Shah and Mr. Rohan Shah, and learned Advocates Mr. Bharat Raichandani, Mr. Abhishek Rastogi on behalf of the Petitioners and Mr. Karan Adik, Ms. Jyoti Chavan Addl.GP, Ms. Maya Majumdar, Mr. Jitendra Mishra and Mr. Subir Kumar learned counsel on behalf of the Respondent-Department.

7. Learned counsel on behalf of the Petitioners have made its following submissions:-

i. Consolidated show-cause notices cannot be issued inasmuch as Sections 73(1)(3) and 74(1)(3) and Sections 73(10) and 74(10) are required to be conjointly read to mean that each financial year is a separate financial year and the return as defined in Section 2(97) of the CGST Act must be a return for every financial year, along with the audited financial statement.

ii. The term “tax period” as defined in Section 2(106) of the CGST Act also contemplates furnishing of Annual Returns, defined as the period for which the return is required to be furnished, which contemplates the provision for an “annual return”. Section 44 of the CGST Act, which may include reconciling the value of supplies declared in the return furnished for the financial year with the annual audited financial statement, with every financial year.

iii. Section 73(10) and 74(10) of the CGST Act provide for a period of limitation in passing orders, being of 3 years and 5 years respectively. Hence, once such limitation is prescribed, show-cause notices cannot be issued by clubbing multiple years. Such position is accepted by this Court in the case of Milroc (supra) and other decisions .

iv. The decision of the co-ordinate Bench would govern the field, and would be binding, in the context of the principle of uniformity and certainty in law. Hence, this Court is bound to follow the decision rendered on this issue in the case of Milroc (supra) and thereafter followed in Paras Stones (supra) and Rite Water Solutions (supra). There could not be any other divergent view that could

therefore be taken by a co-ordinate Bench. Also, the Division Bench has considered the decisions of the Delhi High Court and have distinguished the same in the case of Milroc (supra), Paras Stones (supra) and Rite Water Solutions (supra). In such context, reliance was sought to be placed in the case of **Sant Lal Gupta v/s Modern Co-operative Group Housing Society Limited** and **Panjumal Hassomal Advani v/s Harpal Singh**, to support the above proposition.

v. It is next contended that the scheme of the GST Law and specifically the CGST Act, 2017 does not contemplate issuance of a single consolidated show cause notice for multiple years. In such context, it is submitted that the concept of 'assessment' under Section 2(11) of the Act means the determination of tax liability and includes self-assessment, re-assessment, provisional assessment, summary assessment and best judgment assessment. The term 'return' under Section 2 (97) is assigned a definite connotation as return prescribed or otherwise required to be furnished by or under this Act or the rules made thereunder and therefore the definition of 'return' needs to be read with the definition of the term 'tax period', to mean the period for which the return is to be furnished. It is hence submitted that the notice needs to be issued for any 'tax period' based on filing of return namely, monthly or annual return and if it is based on annual returns, it can be only for the tax period within the relevant financial year. The Act does not contemplate assessment beyond the financial year, hence, once the Act mandates issuance of notice in a particular manner, it has to be only in such manner and in no other way. Therefore, the issuance of a consolidated show cause notice for multiple financial years was not justified.

vi. It was also contended that the provisions of Section 16(4) of the CGST Act, specify the year-bound nature of availing ITC, hence, the limitation as prescribed under Sections 73(10) and 74(10) of the CGST Act, would apply and a single consolidated show cause notice for multiple financial years cannot be issued. This view finds support in the decision of the Madras High Court in Pramur Home and Shelters (supra).

8. On the other hand, the Respondents/ Department has contended as follows:-

i. That the issuance of a consolidated show-cause notice is firmly grounded in the legal provisions, as the limitation period is prescribed for each financial year. The consolidation of proceedings does not operate to extend or alter the limitation period prescribed for each individual year. Each financial year is treated as a separate and distinct period for the purposes of limitation and even in such cases, the notices/orders have been issued within the prescribed limitation

ii. The issuance of a composite show-cause notice does not in any way breach any of the provisions of the CGST Act or in any manner prejudice the rights of the assessee. A consolidated show-cause notice when issued, does not disturb/override the statutory timeline set for each financial year, as the limitation period is reckoned separately and strictly adhered to in respect of each of the years. Hence, each year stands on its own for the purpose of calculating the limitation.

iii. On a plain and conjoint reading of Section 73(1) and Section 73(3), as also Section 74(1) and Section 74(3) of the CGST Act, it is clear that the Statute does not prescribe any restriction/limitation on issuing a composite/consolidated show-

cause notice covering multiple periods under assessment, if they are otherwise within the statutory framework, (which includes the prescribed period of limitation). Thus for example when notices are required to be issued for assessment years within five years because the maximum time available to the department to issue the aforesaid notices is five years from the date of filing the return by the assesseees.

iv. The transactions leading to the issuance of a composite/consolidated show cause notice are usually a maze of transactions, prima facie interconnected with each other, spread over a period of time. Both Sections 73(2) and 74(2) specify and indicate that notices should be issued at least 3 months prior to the time limit specified in Sections 73(10) and 74(10) respectively for issuance of orders. The word used in both the sections is “at least”, therefore there is no fetter on the power of the department to issue a show-cause notice as long as the said show cause notice is issued within the period of limitation, and therefore, no prejudice is caused to the Assesseees in issuing a consolidated show cause notice.

v. The issuance of a consolidated show-cause notice does not create any bar in applying or availing of amnesty schemes under Section 128A and Section 138 of the CGST Act. Section 160(1) of the CGST Act protects all notices from defect, omission or mistake.

vi. Also there is no embargo on the department to issue a consolidated show-cause notice even on a plain purport of Section 73(10) and Section 74(10) of the CGST Act which contemplates that the authorities have three years and five years respectively, to pass an order, as Section 73(9) and Section 74(9) of the CGST Act

would postulate, which do not deal with or restrict the power of the officer in clubbing more than one year and/or issuing a consolidated show-cause notice under the Act.

vii. The judgment of the Division Bench in the case of *Milroc* (supra) is *per incuriam* and *sub-silentio*, considering that the said judgment, according to the Respondents does not give any reason for taking a view that a show-cause notice issued under the correct provisions of Sections 73 and 74 of the CGST Act for different tax periods is a jurisdictional issue.

viii. The view taken by the Division Bench in **Milroc** (supra) is on the reliance on the judgment of the Madras High Court in the case of **R.A & Co. v. Additional Commissioner of Central Taxes**²³, which *inter alia* has relied upon the judgment of the Supreme Court in **State of Jammu and Kashmir vs Caltex India**²⁴. It is the submission of the Respondent, that the Madras High Court in relying on the said judgment of the Supreme Court in *Caltex India* (supra) itself was an unacceptable proposition, considering the issue in question. According to the respondents, this has resulted in bringing about an incongruous position in law, rendering the judgment in **Milroc** (supra) to be *per incuriam*. It is submitted that the judgment of the Supreme Court in *Caltex India* (supra) was dealing with a case of one common assessment order passed for various years. The said judgment categorically held that if a part of the assessment order is valid and some part of the assessment order is invalid, then the entire assessment order cannot be set aside.

This ratio of the said decision of the Supreme Court could not have been relied

²³ [2025] 176 taxmann.com 731/ 111 GST 104/101 GSTL 21 (Madras)

²⁴ AIR 1966 SC 1350

upon by the Madras High Court in the case of **Titan Company Ltd. Vs. Joint Commissioner of GST & Central Excise**.²⁵ Further, in **R.A & Company**(supra) & **Titan Company Ltd.** (supra), the issues arose in the context of an attempt on part of the department, to revive a period which had otherwise expired, through consolidated notices issued under Section 74 of the CGST Act. It is in such context, the Madras High Court held that a consolidated show-cause notice could not have been used in respect of the period for which limitation has expired. This has not been considered in the decision rendered in **Milroc** (supra).

ix. It is not in dispute that various Writ Petitions filed by the Petitioners concern fraudulent/ wrongful availment of ITC and if the department acts under the show-cause notice creating a cascading effect qua the GST returns of the relevant period, in such event, within the framework of law issuance of a show cause notice for multiple financial years, was perfectly permissible, valid and justified.

x. The Karnataka High Court in the case of **Pramur Homes and Shelters vs Union of India**²⁶ was persuaded to take a view that a consolidated show-cause notice for multiple financial years would disentitle the Petitioner to take a ground of limitation under Section 73 of the CGST Act again relying upon the judgment in **Titan Company Ltd.** (supra) which *inter alia* relied upon the judgment of Supreme Court in the case of **State of Jammu and Kashmir vs Caltex India** (supra) which proceeded on a very different context and circumstances, and rather upheld the validity of assessment orders passed for different assessment years by the

²⁵ [2024] 159 taxmann.com 162 (Madras).

²⁶ [2025] 181 taxmann.com 541 (Karnataka)[11-12-2025]

department when the same were within the prescribed limitation. The Supreme Court in such case upheld the assessment order, with the rider that part of the assessment order for a certain tax period, which is barred by law, would not make the entire assessment order invalid in law. Hence, the decisions relied upon by the Petitioners and more particularly in Milroc (supra) which *inter alia* rely upon the judgment of the Supreme Court would not assist the Petitioners.

xi. It is hence submitted that the Division Bench of this Court in Milroc (supra) when is based on the judgment of the Madras High Court, in R.A.& Company (supra) and Titan Company Ltd. (supra) which according to the Respondents could not have relied upon the judgment of the Supreme court in the case of **State of Jammu and Kashmir vs Caltex India** (supra), Milroc would not lay down the correct position in law. It is submitted that this Court in **Milroc** (supra), also did not consider the effect of Section 74(10) *vis-a-vis* the scope of Section 74(1) and 74 (3), thus also on such ground, the judgment in the case of Milroc (supra) does not lay down the correct position in law. Further the said judgment is in conflict with the constitution bench judgment in the case of **Smt. Ujjam Bai vs. State of Uttar Pradesh.**²⁷

xii. The Central Board of Indirect Taxes and Customs, for the Financial Years 2019- 2020 and 2020-21 extended the time limit/ due date to furnish the annual return and in view of the same, the show-cause notice which has been issued does not seek to revive any period which has elapsed.

xiii. The judgment of the Supreme Court in the case of **Union of India and**

27 1962 SCC OnLine SC 8

Another vs Rajeev Bansal and Another²⁸, has held that the expression “assessment” comprehends the entire procedure for ascertaining and imposing liability upon taxpayers. In paragraph 28 of the said decision, the Supreme Court has defined jurisdiction to mean the power of court, tribunal, and the authority to hear and determine the cause or exercise any judicial power concerning such cause. Also, the Supreme Court in paragraph 33 of the said decision explained the principle of strict interpretation and workability. It is held that a strict interpretation of a statute does not encompass strict literalism, which leads to absurdity or goes against the express legislative intent. What is important in the said judgment is the finding of the Supreme court in paragraphs 36-38 which held that "*in a taxing statute, the charging section has to be construed strictly, but the machinery provision must be interpreted in accordance with the ordinary rules of statutory interpretation. The purpose is to give effect to the clear intent of the legislature*" It further held that while interpreting the provision that set up the machinery of assessment, the rule is that construction should be preferred in a way which makes the machinery workable.

xiv. The determination of tax under Section 74 of the CGST Act is a provision meant for adjudication and is a provision where a complete mechanism is provided for adjudication. If at every stage, the proceedings are being challenged by the Petitioners, which is not contemplated under the said provision, the adjudication of show-cause notice under Section 74 will become unworkable. The Court hence needs to take a purposive view and not follow the judgment in the case of Milroc

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(supra), which according to the respondents is *per incuriam* and *sub-silentio*, not only being contrary to the statutory provisions but also the position in law as recognized by the Supreme Court in *Mathur Polymers* (supra), as it has failed to take note of various Supreme Court judgments, including on interpretation of the machinery provisions, also it has further failed to follow the distinction between the power to issue the show-cause notice having jurisdiction, with wrongful exercise of power to issue a show-cause notice.

(xv) The Respondents have also relied on the clarification issued by the GST Policy Wing dated 16th September 2025 on the issuance of a consolidated show-cause notice. In the said policy document, it is categorically stated that the clubbing of several financial years in one show-cause notice does not compromise the timelines prescribed in Section 73(10) and Section 74(10) of the CGST Act and does not result in an indirect extension in the limitation period, contrary to judicial precedents. Instead, a single notice/order covering multiple years is bound by the limitation for each financial year individually, by issuing an order/show-cause notice within the prescribed time limit.

Analysis

9. Having heard the Learned Counsel on behalf of the parties, we are of the opinion that although the Court would be bound by the decision of the coordinate bench in *Milroc* (supra), however, there are significant legal issues as raised by the Respondent-Department, including to rely on the decisions of the Supreme Court, which in our opinion deserve due consideration by a larger bench. Such issues, we find are not the subject matter of an express contention and

consideration of the Division Bench in the case of Milroc (supra), as also in the other decisions, which have taken a similar view that a single consolidated show-cause notice cannot be issued for multiple financial years.

10. In the context of the GST law which is evolving and considering the nature in which it operates, and its legal characteristics, in our opinion not only on first principles as also on the plain application of law and on the principles on which GST law is founded, there ought not to be any embargo on the department to issue a consolidated show cause notice covering different periods. The following discussion would aid our conclusion:

11. At the outset it would be imperative to examine the relevant provisions of the CGST Act to decide the aforesaid issue.

Section 2(11)

assessment.— *assessment means determination of tax liability under this Act and includes self-assessment, re-assessment, provisional assessment, summary assessment and best judgment assessment;*

Section 2(97)

return.— *return means any return prescribed or otherwise required to be furnished by or under this Act or the rules made thereunder;*

Section 2(106)

tax period.— *tax period means the period for which the return is required to be furnished;*

Section 73: Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any willful-misstatement or suppression of facts.—

(1) Where it appears to the proper officer that “any tax” has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon

under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3) Where a notice has been issued **for any period** under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised **for such periods** other than those covered under sub-section (1), on the person chargeable with tax.

(4) The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that the grounds relied upon **for such tax periods** other than those covered under sub-section (1) are the same as are mentioned in the earlier notice.

(5) The person chargeable with tax may, before service of notice under subsection (1) or, as the case may be, the statement under sub-section (3), pay the amount of tax along with interest payable thereon under section 50 on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment.

(6) The proper officer, on receipt of such information, shall not serve any notice under sub-section (1) or, as the case may be, the statement under sub-section (3), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder.

(7) Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(8) Where any person chargeable with tax under sub-section (1) or sub-section (3) pays the said tax along with interest payable under section 50 within thirty days of issue of show cause notice, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

(9) The proper officer shall, after considering the representation, if any, made by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent. of tax or ten thousand rupees, whichever is higher, due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund.

Section 74 : Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised by reason of fraud or any wilful misstatement or suppression of facts.—

*(1) Where it appears to the proper officer that **any tax** has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised by reason of fraud, or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty equivalent to the tax specified in the notice.*

(2) The proper officer shall issue the notice under sub-section (1) at least six months prior to the time limit specified in sub-section (10) for issuance of order.

*(3) Where a notice has been issued for **any period** under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised **for such periods** other than those covered under sub-section (1), on the person chargeable with tax.*

(4) The service of statement under sub-section (3) shall be deemed to be service of notice under sub-section (1) of section 73, subject to the condition that the grounds relied upon in the said statement, except the ground of fraud, or any wilful-misstatement or suppression of facts to evade tax, for periods other than those covered under subsection (1) are the same as are mentioned in the earlier notice.

(5) The person chargeable with tax may, before service of notice under sub-section (1), pay the amount of tax along with interest payable under section 50 and a penalty equivalent to fifteen per cent. of such tax on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment.

(6) The proper officer, on receipt of such information, shall not serve any notice under sub-section (1), in respect of the tax so paid or any penalty payable under the provisions of this Act or the rules made thereunder.

(7) Where the proper officer is of the opinion that the amount paid under sub-section (5) falls short of the amount actually payable, he shall proceed to issue the notice as provided for in sub-section (1) in respect of such amount which falls short of the amount actually payable.

(8) Where any person chargeable with tax under sub-section (1) pays the said tax along with interest payable under section 50 and a penalty equivalent to twenty-five per cent. of such tax within thirty days of issue of the notice, all proceedings in respect of the said notice shall be

deemed to be concluded.

(9) The proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and penalty due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within a period of five years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within five years from the date of erroneous refund.

(emphasis supplied)

12. At the outset, we may observe that Sections 73 and 74 are part of the demand and recovery provisions falling under Chapter XV, titled as “Demand and Recovery”. Section 73 provides for “*Determination of tax pertaining to the period upto Financial Year 2023-24, not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilized for any reason “other than fraud or any wilful misstatement or suppression of facts”*”. It is in such context, sub-section (1) thereof provides that the proper officer shall serve notice in such circumstances, on the person chargeable with tax, as to why he should not pay the amount specified in the notice, along with interest payable thereon under section 50, and a penalty leviable under the provisions of this Act or the rules made thereunder. Sub-section (2) provides that the proper officer shall issue notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of an order. Sub-section (3) provides that when such show cause notice has been issued for “any period” under sub-section (1), the proper officer may serve a statement, containing the details of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilized for such periods other than those covered under sub-section (1), on the person chargeable with tax. Sub-section (4)

to sub-section (8) are the provisions which determine the further course of action, which includes the situation as contemplated in sub-section (5) that a person chargeable with tax may, before service of notice under sub-section (1) or, as the case may be, the statement under sub-section (3), pay the amount of tax along with interest payable thereon under section 50 on the basis of his own ascertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment. The proper officer, in such case, in accordance with the provisions of sub-sections (6), (7) and (8) is required to consider whether the tax paid is adequate or they fall short of the actual payment which is required to be made.

13. It is in the aforesaid context, the effect of sub-sections (9) and (10) of Section 73 is required to be considered. Sub-section (9) of the said provisions ordains that the proper officer shall, after considering the representation, if any, made by the person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent, of tax, or ten thousand rupees, whichever is higher, due from such person and issue an order. In passing such order, the prescribed limitation as provided in sub-section (10) becomes applicable which provides that the proper officer shall issue the order under sub-section (9) "within three years from the due date for furnishing of annual return for the financial year" to which the tax not paid or short paid or input tax credit wrongly availed or utilized relates to or within three years from the date of erroneous refund.

14. Similar is the provision of Section 74 which pertains to determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed

or utilized by reason of “**fraud or any wilful misstatement or suppression of facts**”. The provision except for the context and the prescribed period of limitation as provided in sub-section (10), which permits the proper officer to issue the order under sub-section (9) within a period of five years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilized relates to or within five years from the date of erroneous refund is quite similar to Section 73.

15. Thus, on a holistic reading of Sections 73 and 74 of the CGST Act, insofar as determination of tax in both situations as contemplated by these provisions are concerned, the provisions appear to be a code by itself which includes machinery provisions in the nature of sub-section (1) and the other sub-sections.

16. The contention of the petitioners, however, is confined to and/or in relation to what is the effect of sub-section (1) when these provisions provide for issuance of show cause notice, and that it would not be permissible for the proper officer to issue a show cause notice by clubbing different periods or to issue a consolidated show cause notice for different periods. The reason *inter alia* being primarily of the limitation as prescribed under sub-section (10), which enables the proper officer to pass an order in relation to payment only in regard to the prescribed period and not otherwise in the context of the other provisions as noted by us hereinabove.

17. On a plain reading of the provisions, we find it difficult to accept that the intention of the legislature in providing for sub-section (1) of Section 73/74 was to confine the authority of the proper officer to a issue show cause notice not for the different periods but for a specific period for which one return could be filed. This

prima facie is clear from the plain language of the provisions and more importantly, from the conjoint reading of sub-sections (1), (2) and (3). Sub-section (3) specifically uses the word “**for any period under sub-section (1)**”. Further, compounded by using the words “*such periods other than those covered under sub-section (1)*”, when sub section (3) permits issuance of a statement for a period other than the period of the notice under sub-section (1), deeming it to be a notice as provided for in sub-section (4), it gives a credence to the respondents contention of it being permissible for the proper officer to issue a notice for different periods under sub-section (1), as permissible under sub-section (3) and (4).

18. In our view when the legislature has used such specific words, it is difficult to accept a proposition that the legislature was not aware or would not be conscious, that a show cause notice can be issued for different periods and/or vice-versa, it could be issued only for a limited period. The legislature hence has not confined the operation of sub-section (1) read with sub-sections (2) and (3) for the specific period when the definition clause defines the expressions as noted by us (*supra*). Thus, to read the provision in the manner the petitioners would suggest, that there would be no authority with the proper officer to issue a show cause notice by clubbing of different periods, in our opinion, would amount to reading something in the provisions which the legislature has avoided to provide, and in fact would amount to re-writing of the provision, which is neither permissible for the assessee to canvass nor permissible for the Court to accept.

19. In such context, the question therefore is whether the provisions of sub-

section (10) which prescribe limitation in any manner restrict the operation of sub-section (1) read with sub-sections (2) and (3). On a plain consideration, there is no such indication that sub-section (10) which confines itself to an order being passed under sub-section (9), when providing for limitation in that regard, in any manner controls, restricts or creates an embargo on the proper officer exercising jurisdiction to issue a show cause notice by clubbing the different periods, which in our opinion is wholly available and permissible under sub-section (1). In other words, we do not find that there is any legislative indication that sub-section (10) would restrict the operation of sub-section (1).

20. Therefore, there is a grave doubt on the tenability of such contentions of the petitioners that the show cause notice under sub-section (1) of Sections 73 and 74 would be required to be issued, keeping in mind the period of limitation as prescribed under subsection (10) and/or it is wholly impermissible to club different periods in a show cause notice issued under subsection (1). This *prima facie* would in fact be a wrong reading of provisions of sub-section (1) of Sections 73 and 74.

21. We now consider whether **Milroc Good Earth Developers** (supra) considers the legal position as the legislature would postulate to prevail. In such case the Division Bench, after considering the provisions of Sections 73 and 74 of the CGST Act and the limitation prescribed thereon, has reached to a conclusion that there is no scope for consolidating various financial years/tax periods, subject matter of the impugned show cause notice assailed in the said proceedings. Following observations are required to be noted:

“18. When we have perused the scheme of assessment and payment of tax, we find that the taxes payable under the Act commensurate with Return filed

for 'each tax period' and this may be in the form of self-assessment or provisional assessment as provided in the Act. However, what is important to note is that there is a prescription of period of five years of due date on which 'annual Return' is filed for the relevant financial year and provision of payment and recovery is also included in the statutory scheme in form of Section 73 and 74, which underwent significant amendment by the Act 15 of 2024 and the provision as per sub-section (12) shall be applicable for determination of tax pertaining to the period up to Financial Year 2023-24 and for financial year 2024-25 and onwards, the provision under Section 74A will be relevant.

19. From the perusal of the entire Scheme, it is evidently clear to us that the statutory provision for assessment of tax for each financial year expect the Show Cause Notice to be issued at least 3 months prior to the time limit specified in Section 73(10) and 74(10) of the Act, for issuance of assessment order as sub-section (10) provide that the proper officer shall issue the order within a period of five years from the due date for furnishing of annual Return for the financial year to which the tax not paid/short paid or input tax credit wrongly availed or utilised relates to or within five years from the date of erroneous Return. Thus, there is limitation prescribed for demand of tax and its recovery.

The Act of 2017, therefore involve a definite tax period, based on the filing of the Return, which can be either monthly or annual Return and if the assessment is based on annual Return, the tax period shall be the relevant financial year.

In the light of the statutory scheme, we find that there is no scope for consolidating various financial years/tax period which is attempted by the impugned Show Cause Notices assailed in the Petition."

(emphasis supplied)

22. In reaching the above conclusion, the Court was guided by the observations of the Madras High Court in **R.A & Company** (supra). Also the Court was persuaded to take such view considering the decision of High Court of Kerala in **Tharayil Medicals vs. The Deputy Commissioner**²⁹ and the decision of Madras High Court in **Titan Company Ltd.** (supra) as noted in paragraphs 20 and 21 in **Milroc Good Earth Developers** (supra). The following are the observations of the Division Bench in such context :

20. In arriving at the aforesaid conclusion, we are guided by the observations of the Madras High Court in the case of Ms R A And Co. (supra), where this very issue with regards to 'bunching of show cause notices', i.e. issuance of

²⁹(2025) 29 Centax 395 (Ker.)

single show cause notice by the respondent Revenue for more than one financial year was raised and on detailed scrutiny of the provision under the statute and by placing reliance upon the earlier authoritative pronouncement, the High Court recorded thus:

“10. Section 73(10)/74(10) of the GST Act specifically provides the time limit of 3 years/5 years from the last date for filing the annual returns for the financial year to which the tax dues relates to. Thus, the GST Act considered each and every financial year as separate unit, due to which, the limitation has been fixed for each and every financial year separately. When such being the case, clubbing more than one financial year, for the purpose of issuance of show cause notice, would not be considered as in accordance with the provisions of Section 73/74 of the GST Act. Therefore, the limitation period of 3 years/5 years would be separately applicable for every financial year, thus, the limitation period would vary from one financial year to other. It is not that the limitation would be carried over or continuing in nature, so as to, club the financial years together. For these reasons also, the bunching of show cause notice is impermissible. In this regard, the Constitution Bench of the Hon'ble Apex Court in the decision rendered, which was reported in AIR 1966 SC 1350 (State of Jammu and Kashmir and Others v. Caltex (India) Ltd) has held as follows:

"where an assessment encompasses different assessment years, each assessment year could be easily split up and dissected and the items can be separated and taxed for different periods."

11. Section 73(3)/74(3) of the GST Act refers to issuance of "statement", for subsequent "tax periods", containing the details of tax liabilities pertaining to the respective tax periods. If a notice, under Section 73(1)/74(1) of the GST Act, is issued for any particular tax period, a statement shall be issued, in terms of Section 73(3)/74(3) of GST Act, for the subsequent months and the said statements shall deemed to be a notice issued under Section 73(1)/74(1) of the GST Act.

12. In Section 73(3)/74(3) of the GST Act, it has been stated that

"Where a notice has been issued for any period under sub-section (1)..... "Therefore, an argument was made by the learned Additional Solicitor General that "any period" means, the period, which may be more than one financial year and hence, he raised a contention that the notice under Section 73(1)/74(1) of the GST Act can be issued for more than one financial year.

13. In Section 73(4)/74(4) of the GST Act, it has been stated as follows:

"(4) The service of such statement shall be deemed to be service of notice on such person under sub-section (1), subject to the condition that the grounds relied upon for

such tax periods other than those covered under sub-section (1) are the same as are mentioned in the earlier notice."

In making the aforesaid observations, the High Court was guided by the definition of term 'Tax period' and the term 'Return' as defined under Section 2 of the Act.

The observations of the Co-ordinate Bench in Titan Company Limited (supra) were gainfully reproduced where the bunching of the show cause notices was held to be against the spirit of the provision of Section 73 of the Act.

21. The relevant observation in the judgment rendered in M/s. Tharayil Medicals v/s. The Deputy Commissioner², by the Division Bench of Kerala High Court was also re-produced which read to the following effect:

"11. When we read sub-sections (9) and (10) of Section 74, which specifically refer to " financial year to which the tax not paid or short paid or input tax wrongly availed or utilised relates" while passing the final order of adjudication, it presupposes that independent show cause notice be issued to the assessee for each different years of assessment while proceeding under Section 74. We are constrained to hold so because, as we noted earlier, the assessee can raise a distinct and independent defence to the show cause notice issued in respect of different assessment years. In other words, the entitlement to proceed and assess each year being separate and distinct, and further the time limit being prescribed under the Statute for each assessment year being distinct, we see no reason as to why we should not hold that separate show cause notices are required before proceeding to assess the assessee for different years of assessment under Section 74.

12. There is yet another reason why we should hold that separate show-cause notices are issued for different assessment years. There may be cases where proceedings are initiated in the guise of a show cause notice under Section 74 wherein, on facts, the case of the assessee will fall under Section 73 of the CGST/SGST Act. We find that insofar as the time limit prescribed under Section 73(10) of the CGST/SGST Act is concerned, it is three years instead of five years and further, the aspect of fraud, wilful misstatement and suppression do not arise for consideration in proceedings under Section 73. Thus, by issuing a composite notice, the assessing authority, cannot bypass the mandatory requirement of Section 73 to complete the assessment by falling back on a larger period of limitation under sub-section (10) of Section 74. If such a recourse is permitted, then certainly the said action would be a colourable exercise of the power conferred by the statute and will offend express provisions of the CGST/SGST Act qua limitation. This reason would also prompt us to hold that in cases where the assessing officer finds that an assessee is liable to be proceeded either under Section 73 or under Section 74 for different assessment years, a separate show cause notice has to be issued. Still further, since proper officer need to issue a show cause notice prior to 6 months to the time limit prescribed under sub-section

(10) of Section 74, if a composite notice is issued, the assessee will be prejudiced inasmuch as the availability of a lesser period to submit a proper and meaningful explanation. This also is a strong indicative factor which would prompt us to hold in favour of the assessee.

In the wake of the aforesaid, the following conclusion is derived by the Madras High Court:

“27. In view of the above discussion, it is clear that issuance of composite show cause notice covering multiple financial years making composite demand for multiple years without separate adjudication per year frustrate the limitation scheme and prevents the petitioner from giving year-specific rebuttals, which results in jurisdictional overreach, i.e., the proper officer acts without authority of law, rendering the order void ab initio. Further, the impugned order is passed in contravention of clear statutory safeguards under Section 74(10) and Section 136 of GST Act.”

(emphasis supplied)

23. The principle of law of “strict interpretation” in interpreting taxing statutes is well settled. It would not be permissible for the Court to substitute the wisdom of the legislature and more so in the absence of any ambiguity by a method of judicial interpretation. In our respectful opinion, the decision of the Madras High Court and the High Court of Kerala on such principle whether could be applied is also a valid issue as raised by the respondents.

24. Thus, it is quite clear that the Division Bench was primarily guided by the aforesaid decisions of the Madras High Court and High Court of Kerala. However, significantly a contrary view is taken by the Division Bench of Delhi High Court in **M/s. Mathur Polymers** (supra) in which the Division Bench considering the judgment of the Madras High Court in **Titan Company Ltd.** (supra) as also referring to **Ambika Traders v. Commr.** (supra) held that the Court having fully considered the statutory scheme also the legislative history of the GST Act , issuance of consolidated notice for multiple financial years would be permissible

and tenable. The relevant observations as made by the Division Bench of the Delhi High Court in **M/s. Mathur Polymers** (supra) are required to be noted, which read thus:

15. The second issue that is being raised herein is in respect of Section 74(10) of the Act, stating that a combined Show Cause Notice and order cannot be given and separate orders have to be passed in respect of separate financial years.

16. In support of the said submission, reliance is placed upon by the Petitioner on the decision of the Supreme Court in State of Jammu and Kashmir and Others Versus Caltex (India) Ltd. 1965 SCC OnLine SC 168, wherein reference was also made to the decision in Bennet and White (Calgary) Ltd. v. Municipal District of Sugar City No. 5, [1953] S.C.R. 1069.

17. The judicial committee, in Bennet & White (supra) observed that when the assessment is not for an entire sum but for separate sums, the same ought to be dissected and earmarked, each to a separate assessable item. The said decisions were, however, rendered in the context of sales tax.

18. In the case of Caltex (India) (supra), there was one assessment order passed from the period January, 1, 1955 to May, 1959, but the assessment could be easily split up and dissected and the items of sales could be separated and taxed for different periods. Hence, the Supreme Court held that in such a case, the assessment for the period from January 1, 1955 to September 6, 1955 can be separated from the assessment of the rest of the period.

19. However, the decision in Caltex (India)(supra) cannot be applied to the facts in the present case, since the case in hand pertains to allegations of fraudulent availment of Input Tax Credit (hereinafter, 'ITC'). The impugned order contains the record of a long drawn investigation over a period of time which led to the confirmation of tax demand of ITC amounting to Rs.81,54,990/-.

20. Another decision relied upon by the Petitioner is W.P. No. 33164 of 2023 titled Titan Company Ltd. v. Joint Commissioner of GST & Central Excise. In the said case, the issue of bunching of Show Cause Notices (SCNs) was considered by the Madras High Court and the Court was of the opinion that under Section 73, Central Goods and Service Tax Act, 2017, bunching of SCNs would not be permissible.

21. Heard. This Court has, in the past, considered several orders-in original involving demands on the ground of allegations of fraudulent availment of ITC and has held that there are several factual issues in such cases, which would need to be looked into, which cannot be adjudicated in a writ petition. In the decision of W.P.(C) 4853/2025 titled **Ambika Traders through Proprietor v. Additional Commissioner, Adjudication, DGGSTI, CGST Delhi North, in the context of issuance of multiple consolidated SCNs and passing of a consolidated order, this Court observed as under:**

43. Insofar as the issue of consolidated notice for various financial years is concerned, a perusal of Section 74 of the CGST Act would itself show that at least insofar as fraudulently availed or utilized ITC is concerned, the language used in Section 74(3) of the CGST Act and Section 74(4) of the CGST Act is "for any period" and "for such periods" respectively. This contemplates that a notice can be issued for a period which could be more than one financial year.

Similar is the language even in Section 73 of the CGST Act. The relevant provisions read as under:

44. Some of the other provisions of the CGST Act, which are relevant, include Section 2(106) of the CGST Act, which defines “tax period” as under:
 “2.[...] (106) “tax period” means the period for which the return is required to be furnished”

45. Thus, Sections 74(3), 74(4), 73(3) and 73(4) of the CGST Act use the term “for any period” and “for such periods”. This would be in contrast with the language used in Sections 73(10) and 74(10) of the CGST Act where the term “financial year” is used. The said provisions read as under:

“73.[...] (10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund”

“74.[...] 10) The proper officer shall issue the order under sub-section (9) within a period of five years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within five years from the date of erroneous refund.”

The Legislature is thus, conscious of the fact that insofar as wrongfully availed ITC is concerned, the notice can relate to a period and need not to be for a specific financial year.

46. The nature of ITC is such that fraudulent utilization and availment of the same cannot be established on most occasions without connecting transactions over different financial years. The purchase could be shown in one financial year and the supply may be shown in the next financial year. It is only when either are found to be fabricated or the firms are found to be fake that the maze of transactions can be analysed and established as being fraudulent or bogus.

47. A solitary availment or utilization of ITC in one financial year may actually not be capable of by itself establishing the pattern of fraudulent availment or utilization. It is only when the series of transactions are analysed, investigated, and enquired into, and a consistent pattern is established, that the fraudulent availment and utilization of ITC may be revealed. The language in the abovementioned provisions i.e., the word ‘period’ or ‘periods’ as against ‘financial year’ or ‘assessment year’ are therefore, significant.

48. The ITC mechanism is one of the salient features of the GST regime which was introduced to encourage genuine businesses. In the words of Shri Pranab Mukherjee, the then Hon’ble President of India, who addressed the Nation at the launch of the GST on 1st July, 2017, ITC was highlighted as one of the core features integral to the framework of the GST regime. The relevant extract of the said speech of the Hon’ble President is set out below:

“I am told that a key feature of the system is that buyers will get credit for tax paid on inputs only when the seller has actually paid taxes to the government. This creates a strong incentive for buyers to deal with honest and compliant sellers who pay their dues promptly.”

49. It is seen that the said feature of ITC has been misused by large number of unscrupulous dealers, businesses who have in fact utilized or availed of ITC through non-existent supplies/purchases, fake firms and non-existent entities. The ultimate beneficiary of the ITC in the most cases may not even be the persons in whose name the GST registration is obtained. Businesses, individuals, and entities have charged commissions for passing on ITC. In several cases, it has also been noticed that the persons in whose name the GST registration stands are in fact domestic helps, drivers, employees, etc., of businessmen who are engaged on salary and who may not even be aware that their identities are being misused.

In the above decision, the Court has fully considered the statutory scheme as also the legislative history of the GST Act and held that in cases relating to availment of Input Tax Credit, considering the maze of transactions and due to the fact that the transactions may be spread over several years, issuance of a consolidated notice for multiple Financial Years would be permissible and tenable.”

(emphasis supplied)

25. On behalf of the respondents, reliance is placed on the recent decision of the Allahabad High Court in **M/s. S.A.Aromatics Pvt.Ltd. And Another** (supra), wherein the Allahabad High Court was examining the very same contention as urged on behalf of the petitioners and as considered by the Division Bench in **Milroc Good Earth Developers** (supra). In such context, the Division Bench of Allahabad High Court was of the clear view that it was permissible for the proper officer to issue a consolidated show cause notice for different years. The observations as made by the Allahabad High Court are required to be noted, which read thus:

“65 Therefore, it requires examination, whether by exclusion of such words or by not using same or similar phrases under Section 73 and 74 of the Acts, the legislature has intended otherwise. To us, it appears that the scheme of the Acts is in two parts, first with respect to assessment as has been discussed above and the other with respect to demand of tax or penalty short paid or short levied or refund wrongly paid or ITC wrongly availed etc.

66. While the assessment procedure traces its legacy to the pre-existing sales tax laws, whether under sales tax or entry tax laws and is comparable to assessment procedures under Income Tax Act, 1961, Sections 73 and 74 of the Acts trace their legacy primarily to the Central Excise and Service Tax laws. These are popularly referred to as adjudication proceedings.

67. Thus, an assessment may be made primarily to test the correctness and completeness of returns filed for any tax period referable to a FY or part

thereof. However, adjudication provisions are separate. They stand on a completely different footing and must be read and understood in the context of the own language of the relevant provisions.

68 Keeping that in mind, Sections 73 and 74 appear after Chapter XIII (pertaining to Audits) and Chapter XIV (pertaining to Inspection, Search, Seizure and Arrest). They are part of Chapter XV pertaining to Demand of Recovery. Yet, they deliberately do not begin with any word, phrase or sentence indicating that they are subject to assessment of tax liability for any specific tax period.

69. On the contrary, they refer to a dispute with respect to specified tax amount, or penalty that may not have been paid, or may have been short-paid or erroneously refunded or where Input Tax Credit may have been wrongly availed or utilized for any reason. The use of the words "where it appears" that "any tax has not been..." enable the Proper Officer to identify a dispute of the nature specified in the later part of Sections 73(1) and 74(1) of the Acts.

70. In that context, sub-Section (1) of Sections 73 and 74 provide that the Proper Officer 'shall serve notice' with respect to specified amount of tax not paid, tax short-paid or tax, wrongly refunded or ITC that may have been erroneously granted or wrongly availed or wrongly utilized. With respect to that dispute, the noticee is required to "show cause" as to why they may not be required to pay the disputed amount of tax, along with interest and penalty.

71. By very nature of that proceeding contemplated by the legislature, the legislature has avoided conditioning it within the limits of a 'period' or 'tax period' or to one FY. Therefore, there is no warrant to restrict the application of Sections 73 and 74 of the Acts to singular 'tax period', emerging from obligation to file return for such tax period. It further appears that the legislature has deliberately avoided the language used under Chapter XII of the Acts pertaining to assessments, whether on the strength of returns or on a best judgment assessment basis and whether provisional or summary. On the contrary, the legislative intent is to demand specified amount of tax, penalty etc., arising from a dispute as to liability on a transaction or nature of transaction etc.

72. Thus, the legislative scheme is where returns or obligation to file returns exist for any 'tax period' and doubts emerge as to their correctness or completeness, it is open to the Proper Officer to adopt the assessment procedure and make a return-based assessment for that 'tax period'. By very nature of that proceeding, it would be confined to the 'unit of assessment for which that proceeding is drawn, being linked to the obligation to file return for such assessment unit i.e. month, quarter or year.

73. However, when a dispute arises of the nature contemplated under Sections 73(1) and 74(1) of the Acts, the obligation to file returns and the tax period for which such returns are to be filed lose significance for the purpose of subject matter of the notice. The demand may be of (i) tax, or penalty short levied or short paid; (ii) refund wrongly granted or (iii) ITC wrongly granted or availed or utilized. Therefore, we reason, for the purposes of adjudicating a dispute under Sections 73 and 74 of the Acts, the return-based assessment procedure is extraneous. The legal prescriptions with respect to such demands may neither be introduced nor inferred by force of artificial legal reasoning, as they do not spring from the plain language employed by the legislature. Rather, those provisions refer to dispute of 'specified tax amount' that the revenue seeks to

recover.

74. To introduce assessment procedures and its concepts, to adjudication proceedings would not only be alien/to the concept of adjudication as created by the legislature but if taken to its logical end, it would result in duplication of procedures to deal with the same contingencies; one by way of assessment and another by way of adjudication. That duplicity or surplusage of provisions is not desirable on first principle test. As noted above, we are of the opinion that assessment is a return-based procedure, whereas adjudication is a dispute-based procedure linked to specified tax amount etc. If that line of distinction is maintained between these two sets of procedures prescribed by the Acts, no dispute may survive.

75. In this regard, we may also note, under the classic return-based assessment procedures under the sales tax laws, there existed provisions for reassessment in certain circumstances, involving escapement of turnover, etc. That concept does not find any place under the Acts. To that extent, the adjudication procedure, especially under Section 73 of the Acts, is a clear replacement for reassessment procedure. Thus, the adjudication procedure is traceable to the procedures of Central Excise and Service Tax regimes. The primary difference is the reassessment procedure recognizes the FY or AY as a distinct unit of assessment, whereas the adjudication procedure breaches the end boundaries thereof and looks at the 'dispute' with respect to payability of specified amounts of tax or penalty or reversal of refund or availment of ITC etc., as the subject matter of the proceedings to be drawn.

76. In support of the above, we find further validation in the statutory provisions in Sections 73(3) and 74(3) of the Acts. The Proper Officer is permitted to issue a statement containing details of tax not paid or short-paid for 'such (other) periods', that may not have been included in or for which notice may not have been issued under Sections 73(1) and/or 74(1) of the Acts. By virtue of Sections 73(4) and 74(4), the Proper Officer has been specifically enabled to include within the scope of a pending adjudication 'periods', involving the same dispute irrespective of FY or unit of assessment to which such 'periods' may relate, or to which the initial notice may relate.

77. The legislature has carefully avoided the use of the words 'tax period' under those sections as may have required a further reference of FY to which they may relate. Even though, by way of a general rule, the definition clause may apply unless the context otherwise requires, there is no ambiguity here. The legislative intent is not to link the statement issued by the Proper Officer under Sections 73(3) and/or 74(3) to a specific 'tax period'. Instead, it refers to any another 'period', including a 'tax period' or unit of assessment that may fall outside the FY to which the original notice under Sections 73(1) or 74 (1) relates.

78. The said sub-section further defines the scope of an adjudication proceeding to settle a 'dispute' for a specified tax amount etc. and not to make an assessment. It is so because the legislature has chosen to allow the Proper Officer to issue a statement and thus raise demand for other 'period', based solely on the consideration that such demand may spring on the same grounds for which the notice may have been issued, either under Section 73(1) or 74(1), the only difference being that for the purposes of Section 74(3), reasons have to be same for those other 'period/periods", and it may not be extended to cases of fraud etc.

79. Coming to the contention based on Section 73(10) [read with 73(3)] and Section 74(10) [read with 74(3)], those provisions do not govern the subject matter of the notice itself. Rather, those provisions refer only to the time limitation to initiate and conclude adjudication proceedings. They prescribe clear, predefined time limitation of three years or five years, respectively, from the due date of furnishing the annual return'. The mere fact that the legislature has chosen to use the phrase "due date for furnishing of annual return' under sub-section (10) of Sections 73 and 74 to prescribe such limitation, it does not commend to us that therefore the proceedings initiated under those sections may only relate to or be referable to the individual 'tax period' for which an annual or other return may be filed.

80. The legislative wisdom is to be deciphered from the intent of the legislature as expressed by specific words used by it. To the extent, the legislature has clearly provided for the scope of proceedings; the manner of their initiation and conduct, and their time limitations through the various sub-clauses of Sections 73 and 74, we find no conflict between the language used in Sections 73(1), (2), (3) and (4) or 74 (1), (2), (3) and (4) with that used in Section 73(10) or 74(10). While Sections 73(1) and 74(1) are provisions providing for the scope/ subject matter of those proceedings, Sections 73(2) read with 73(10) and 74(2) read with 74(10), ensure that notices are issued and proceedings are concluded within the time limitations prescribed under those provisions, Sections 73(3) read with 73(4) and Section 74(3) and 74(4), are provisions for the issuance of further statements by the Proper Officer that naturally cause increase of the specified tax dispute etc. arising on same facts, that may be adjudicated together. These provisions exist for the benefit of the revenue, not the assessee. They enlarge the pre-specified subject matter of the dispute, without extending the limitation therefor.

81. Barring cases of fraud etc. [falling under Section 74(4)], the legislature did not intend that the scope of the adjudication proceedings be curtailed or limited to a single tax period or to multiple tax periods falling within one Financial Year. That intent being absent, we are unable to subscribe to the contrary view taken by some of the other High Courts. With humility, we may add that we also do not find ourselves completely aligned to the reasoning of the other High Courts (at the other end of the spectrum), chiefly the Delhi High Court. Respectfully, we draw this point of distinction based on our interpretation of the scheme of the Acts, that provide for dual mechanisms one return-based assessment referable to a 'tax period' and the other being adjudication based, for a pre-specified amount-based dispute pertaining to tax, penalty or ITC.

82. To read "tax period not beyond the Financial Year", into Sections 73(1) and 74(1) would be to introduce an artificial restriction in the scope of Sections 73(1) and 74(1), not on strength of legislative language, but based on imagined restriction. In contrast, the adjudication procedure contemplates decision on disputes pertaining to specified tax, penalty, refund and ITC amounts. The legislature has specifically authorised the Proper Officer to, in addition to issuing notices under Section 73(1)/74(1), issue further statements with respect to other periods beyond that specified in the notice itself. Once that specific provision has been made, there is no room to introduce the concept of adjudication proceedings being confined to a unit of assessment/FY. To do that would be to do violence to the plain language of Section 73 (3)/74(3) and 73(4)/74(4) of the Acts. Standard rule to be applied in matters of interpretation of statutes being that every word used by the legislature be given

its full and natural meaning unless a conflict arises, we find no occasion to restrict the scope of Section 73(3)/ 74(3) and 73(4)/74(4), by introducing an alien concept of unit of assessment/FY to adjudication proceedings.

(emphasis supplied)

26. The view taken by the Delhi High Court in **Ambika Traders v. Commr.** (supra) was assailed by the petitioner therein before the Supreme Court. Such Special Leave Petition filed by the petitioner was dismissed by an order dated 1 September, 2025. Thus, the said decision has attained finality in view of the proceedings not being pressed. However, what is of immense significance is that the decision of the Delhi High Court in **M/s. Mathur Polymers** was assailed before the Supreme Court in the proceedings of a Special Leave Petition which was dismissed by the Supreme Court by an order dated 7 November, 2025 by a speaking order (supra). Once the Supreme Court has found that there was no good ground and reason to interfere with the impugned order passed by the Delhi High Court in **M/s. Mathur Polymers** (supra), certainly the principles of law as laid down by **Kunhayammed and Ors.** (supra) would become applicable, in which the Supreme Court has made the following observations:

“(v) If the order refusing leave to appeal is a speaking order i.e. gives reasons for refusing the grant of leave, then the order has two implications. Firstly, the statement of law contained in the order is a declaration of law by the Supreme Court within the meaning of Article 141 of the Constitution. Secondly, other than the declaration of law, whatever is stated in the order are the findings recorded by the Supreme Court which would bind the parties thereto and also the court, tribunal or authority in any proceedings subsequent thereto by way of judicial discipline, the Supreme Court being the Apex Court of the country. But, this does not amount to saying that the order of the court, tribunal or authority below has stood merged in the order of the Supreme Court rejecting the special leave petition or that the order of the Supreme Court is the only order binding as res judicata in subsequent proceedings between the parties.
.....”

27. Also, the issuance of a single consolidated show-cause notice for multiple

financial years will give the Department a handle to issue show-cause notices, especially in cases of fraudulent / wrongful availment of ITC, beyond the limitation period. The single consolidated show-cause notice for multiple financial years could not be issued being the anxiety of the Petitioner referring to Milroc (Supra) is also not correct, considering the statement issued by the GST Policy Wing by its document dated 16th September 2025 wherein it has been clarified as under:-

“The consolidation of proceedings does not operate to extend or alter the limitation period prescribed for each individual year. Each financial year is treated as a separate and distinct period for the purposes of limitation even in such cases and the notices/orders are being issued within the prescribed limitation time frame applicable to every specific year included in the consolidated notices/orders. The issuance of a consolidated notice order as a procedural mechanism must not be misconstrued as indirectly extending the limitation period prescribed statutorily for acting in relation to any given financial year. A consolidated instrument does not override the independent statutory timeline set for each financial year as the limitation period is reckoned separately and strictly adhered to in respect of every year and thus, each year stands on its own footing for the purpose of calculating limitations.”

(emphasis supplied)

28. We may observe that, it is always however permissible for the noticees to raise objections insofar as the demand or determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised, to be time barred. Also it is always open for the proper officer, to consider such objection, and confine the determination only in respect of such period in regard to which such limitation is available. Thus to consider a bar under sub-section (1) to issue a consolidated show cause notice for different periods merely because sub-section (10) provides for limitation in passing of orders, in our opinion, would amount to an incorrect reading of sub-section (1), imposing an unwarranted

restriction to the operation and legislative intent of sub-section (1) of Section 73/74 . It cannot be overlooked that sub-section (10) prescribes limitation, when the proper officer passes an order as per sub section (9). A limitation to pass any order cannot be a limitation on issuance of a show cause notice. As the limitation for passing an order is not the same as issuance of a show cause notice. The two are independent statutory concepts. Such statutory concepts are quite compartmentalized, inasmuch as subsection (1) pertains to issuance of show cause notice and subsection(10) pertains to passing an order within limitation. Thus, the effect as brought about by the provisions is completely distinct and independent.

29. We may further observe that considering the view which we have taken, we do not intend to discuss the different decisions of the other High Courts as cited on behalf of the petitioner except, and as referred hereinabove. However, we may state that the observations of the Karnataka High Court *inter alia* in paragraph 8.11 of the decision **Pramur Homes And Shelters vs. The Union of India** (supra), as relied on behalf of the petitioners, in our respectful opinion, for the reasons as discussed hereinabove, appear to be not in consonance with the legislative scheme of Sections 73 and 74 of the CGST Act.

30. In the light of the above discussion, in our considered view the following questions of law, need consideration of the Larger Bench.

- 1) Whether the operation of sub-section (1) of Section 73/74 of the CGST Act read with the provisions of sub-section (3) is in any manner controlled by the provisions of sub section (10), so as to create an embargo, on the department to issue a consolidated show cause notice

for different years ?

2) Whether the provisions of sub-section (10) of Section 73/74 of the CGST Act *per se* prohibits the issuance of single consolidated show cause notice for multiple financial years/tax periods?

3) What is the effect of Section 160 of the CGST Act on the proceedings initiated by the proper officer under Section(s) 73/74 of the CGST Act by issuance of a consolidated show cause notice for different periods?

4) Whether the decision of the Division Bench in **Milroc Good Earth Developers v/s Union of India & Ors.**, when it holds that the proper officer lacks authority to club various financial years/tax periods, in issuing a single consolidated show cause notice under Section 73(1) & (3)/74(1) & (3) of CGST Act lays down the correct position in law?

5) In terms of Article 141 of the Constitution of India, what is the legal position as brought about in the order of the Supreme Court in the case of Mathur Polymers (supra) ?

31. The proceedings, accordingly, be placed by the Registry before the Hon'ble the Chief Justice for constitution of Larger Bench for a decision on the aforesaid questions of law.

32. In all matters where interim orders have been passed, such orders shall continue till the Larger Bench decides the issues.

(AARTI SATHE, J.)

(G. S. KULKARNI, J.)