



**IN THE JUDICATURE OF HIGH COURT AT BOMBAY
BENCH AT AURANGABAD**

WRIT PETITION NO. 11644 OF 2025

Aasawa Brothers Corporate Avenue Through Its Authorized Partner

VERSUS

Union Of India Through Hits Revenue Secretary And Others

...

Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.

Advocate for Respondent No.1 : Mr. S. W. Munde

Advocate for Respondents No.2 to 4 : Mr. D. S. Ladda a/w Mr. P. P. Kothari

...

WITH

WRIT PETITION NO. 12893 OF 2025

Sanjay Raghuveer Phatale

VERSUS

Union Of India Through The Revenue Secretary And Others

...

Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.

Advocate for Respondents No.2 and 3 : Mr. P. P. Dawalkar a/ w. Mr. P. P. Kothari

Advocate for Respondent No.1 : Mr. S. W. Munde

...

WITH

WRIT PETITION NO. 12894 OF 2025

Nandini Enterprises Through Its Proprietor

VERSUS

Union Of India Through The Revenue Secretary And Others

...

Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.

Advocate for Respondent No.1 : Mr. S. W. Munde

Advocate for Respondents No.2 and 3 : Mr. P. P. Dawalkar a/w. Mr. P. P. Kothari

...

WITH

WRIT PETITION NO. 742 OF 2026

WITH

CIVIL APPLICATION NO. 2217 OF 2026

IN WP/742/2026

Sunita Jitendra Kapase

VERSUS

Union Of India Through The Revenue Secretary And Others

...

Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.

Advocate for Respondent No.1 : Mr. S. W. Munde

Advocate for Respondents No.2 to 5 : Mr. D. S. Ladda a/w. Mr. P. P. Kothari

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WITH

WRIT PETITION NO. 728 OF 2026

Shree Samarth Engineering Through Its Proprietor
VERSUS
Union Of India Through The Revenue Secretary And Others

...
Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.
Advocate for Respondent No.1 : Mr. S. W. Munde
Advocate for Respondents No.2 to 5 : Mr. D. S. Ladda a/w Mr. P. P. Kothari

...
WITH
WRIT PETITION NO. 735 OF 2026

Pranav Electricals Through Its Proprietor
VERSUS
Union Of India Through The Revenue Secretary And Others

...
Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.
Advocate for Respondent No.1 : Mr. S. W. Munde
Advocate for Respondents No.2 to 5 : Mr. P. P. Dawalkar a/w Mr. P. P. Kothari

...
WITH
WRIT PETITION NO. 743 OF 2026
WITH
CIVIL APPLICATION NO. 2226 OF 2026
IN WP/743/2026

Samruddhi Enterprises Through Its Proprietor
VERSUS
Union Of India Through Its Revenue Secretary And Others

...
Advocate for the Petitioner : Mr. Makrand Joshi a/w Mr. Chandak Raviraj R.
Advocate for Respondent No.1 : Mr. S. W. Munde
Advocate for Respondents No.2 to 5 : Mr. D. S. Ladda a/w Mr. P. P. Kothari

CORAM : ARUN R. PEDNEKER AND
VAISHALI PATIL-JADHAV, JJ.

Dated : February 27, 2026

ORDER :

1. At the outset, Civil Application No.2217 of 2026 and Civil Application No.2226 of 2026 are taken up. Both the applications seek amendment to

the respective writ petitions. The applications are allowed and disposed of.

2. Heard learned Counsel for the parties.

3. By the present writ petitions, the petitioners challenge the show cause-cum-demand notices dated 25/06/2025 in Writ Petition No.11644 of 2025, dated 27/06/2025 in Writ Petition Nos.12893 of 2025, 12894 of 2025, 742 of 2026, 728 of 2026 and 735 of 2026, and dated 26/06/2025 in Writ Petition No.743 of 2026. The said notices have been issued by respondent No.4 - Additional Director, DGGI, Directorate General of GST Intelligence. The petitioners seek to restrain the respondents from proceeding further pursuant to the aforesaid notices.

4. Though various grounds are raised in the petitions assailing the impugned show cause notices, learned Counsel for the petitioners has restricted his challenge to two principal submissions.

5. He submits that in the present matters, consolidated show cause notices under Section 74 of the Central Goods and Services Tax Act, 2017 ("CGST Act") have been issued covering multiple financial years. According to him, such consolidation of financial years in a single notice is impermissible in law and has been consistently disapproved by this Court.

6. In support of this contention, reliance is placed upon the following decisions of this Court:

- **M/s Milroc Good Earth Developers v. Union of India** (2025-TIOL-1697-HC-MUM-GST);
- **M/s Marfani Steel Impex v. Principal Commissioner, CGST and Central Excise, Nagpur** (Writ Petition No.180 of 2026, decided on 17/01/2026);
- **M/s Paras Stone Industries v. Union of India** reported in 2026 (1) TMI 839;
- **Rite Water Solutions (India) Ltd. v. Joint Commissioner, CGST and Central Excise, Nagpur** reported in 2025 (11) TMI 1939; and
- **ICAD School of Learning Pvt. Ltd. v. Union of India** (Writ Petition No.736 of 2026, decided on 06/02/2026).

7. It is further submitted that in Writ Petition Nos.742 of 2026 and 743 of 2026, pursuant to the impugned notices, adjudication has already been completed and orders have been passed. By way of amendment, the petitioners have also challenged the said orders on the ground that they are without jurisdiction, being founded on consolidated notices covering multiple financial years.

8. Learned Counsel for the petitioners submits that under Section 74(2) (3) sub-Section (10) of the CGST Act, the proper officer is required to issue the order within a period of five years from the due date for furnishing the annual return for the financial year to which the tax not paid, short paid, or

input tax credit wrongly availed or utilised relates. He submits that the statutory scheme clearly contemplates determination year-wise, linked to the “financial year” and the corresponding “annual return”.

9. According to him, independent notices are required to be issued for each financial year. Clubbing multiple financial years in a single show cause notice defeats the limitation structure under Sections 73 and 74 of the CGST Act and prejudicially affects the rights of the assessee. Therefore, the impugned consolidated notices, as well as consequential orders, are liable to be quashed.

10. Learned Counsel further submits that this Court has, in a catena of judgments, consistently held that consolidation of financial years in a single notice under Section 74 is impermissible. It is urged that judicial discipline and consistency require that the same view be followed in the present matters.

11. In **M/s Milroc Good Earth Developers v. Union of India** (Supra) this Court, after analysing the statutory scheme, held that there is no scope for consolidating various financial years/tax periods while issuing a show cause notice under Section 74 of the CGST Act. In paragraph 23 thereof, this Court observed that the facts before the Delhi High Court were distinct and related to fraudulent availment of input tax credit across

subsequent years, which were materially different from the facts under consideration.

12. Similar view is taken in case of **ICAD School of Learning Pvt. Ltd. v. Union of India** (Supra) this Court, following **Milroc Good Earth Developers** and **Rite Water Solutions**.

13. Per contra, learned Counsel for the respondent-Union of India submits that ordinarily this Court should not entertain a challenge to a show cause notice and that the petitioners ought to raise all their defences before the adjudicating authority. It is further submitted that in two of the petitions, adjudication has already culminated in orders, against which a statutory appeal is available. Hence, an efficacious alternate remedy exists.

14. Reliance is placed upon the decision of this Court in **Viswaat Chemicals Ltd. v. Union of India** (Writ Petition (L) No.27725 of 2025, decided on 14/10/2024).

The learned Counsel for the respondents also relies upon the judgments of the Delhi High Court in:

- **M/s Mathur Polymers v. Union of India** (W.P.(C) 2394/2025, decided on 26/08/2025); and

- **Ambika Traders v. Additional Commissioner, DGGSTI** (W.P.(C) 4853/2025),

15. Thus, the principal issue that arises for consideration is whether the issuance of consolidated show cause notices under Section 74 of the Central Goods and Services Tax Act, 2017 covering multiple financial years is sustainable in law, in light of the binding precedents of this Court.

16. This Court has considered the rival submissions advanced by the learned Counsel for the respective parties. It is to be noted that this Court, in **M/s Milroc Good Earth Developers v. Union of India** (Supra) has comprehensively dealt with the issue as to whether a consolidated show cause notice covering multiple financial years can be issued under Section 74 of the CGST Act. This Court in **M/s Milroc Good Earth Developers** (Supra) has held that a single consolidated show cause notice covering multiple financial years cannot be issued under Section 74 of CGST Act. The said view has been consistently followed in subsequent judgments of this Court, including **ICAD School of Learning Pvt. Ltd. v. Union of India** and **Rite Water Solutions (India) Ltd. v. Joint Commissioner, CGST and Central Excise, Nagpur**. It is not brought to our notice that the judgment in **Milroc Good Earth Developers** (Supra) has been stayed by the Hon'ble Supreme Court.

17. The learned Counsel for the respondent has placed reliance upon the judgment of the Delhi High Court in **Ambika Traders v. Additional Commissioner, DGGSTI** (supra). However, the said decision in **Ambika Traders** (supra) has also been considered by this Court in **Milroc Good Earth Developers** (supra). This Court has specifically referred to and discussed paragraph No. 46 of **Ambika Traders** (supra), as reproduced below :

“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.”

18. The Delhi High Court, thus, held that in cases involving allegations of fraudulent availment of ITC spanning several years, a consolidated notice may be permissible, as the pattern of fraud may not be capable of being established in isolation for each financial year. Thus, in **Milroc Good Earth Developers** (supra), this Court distinguished the judgment of the Delhi High Court in **Ambika Traders** (supra) on the ground that, in the facts of that case, there existed a common and indivisible cause forming the whole sole basis of the proceedings, and it was not possible to establish the same without clubbing the notices pertaining to different financial

years. The Delhi High Court permitted the issuance of a consolidated show cause notice covering multiple financial years.

19. However, the facts of the present cases stand on a different footing. The impugned notices club together multiple financial years without alleging a composite or interlinked fraudulent mechanism spanning across the said years. The notices do not indicate a single, continuous fraudulent design that necessitates consolidation of different financial years for effective adjudication.

20. The statutory scheme under the CGST Act makes the limitation for determination of tax dependent upon the due date for furnishing the annual return for the respective financial year to which the demand relates. The limitation, therefore, runs independently for each financial year. Clubbing multiple financial years in a single show cause notice has the effect of aggregating distinct tax periods governed by separate limitation timelines, which may prejudice the assessee's right to raise year-specific defences.

21. This Court has consistently taken the view that a single show cause notice covering multiple financial years, in the absence of exceptional circumstances for relating to fraud that may be practiced over multiple

financial years warranting such consolidation, is not sustainable in law. Judicial discipline and consistency require that we follow the binding precedents of this Court.

22. In view of the aforesaid, the impugned show cause notices are set aside. Consequently, the final orders passed pursuant thereto in Writ Petition No. 742 of 2026 and Writ Petition No. 743 of 2026 are also quashed and set aside.

23. However, liberty is granted to the respondents to issue fresh notices strictly in accordance with Section 74 of the Central Goods and Services Tax Act, 2017, for the respective financial years, if otherwise permissible in law.

24. With the above observations and directions, all the Writ Petitions stand disposed of.

(VAISHALI PATIL-JADHAV, J.)

(ARUN R. PEDNEKER, J.)

vj gawade/-.