# Marfani Steel Impex, through its proprietor Mohammed Irfan Marfani vs The Principal Commissioner, Central Goods and Services Tax & Central Excise, Nagpur & Ors.

*Show Cause Notice – Clubbing of multiple financial years under Section 74 of the CGST Act, 2017 – validity of consolidated show cause notice for different tax periods.*

**Date of Order:** January 17, 2026
**Case Law No:** GIB-BHC-NAG-2026-07-DB
**Source:** GST INDIA Biz (www.gstindia.biz)

## CASE DESCRIPTION / SUMMARY

**Facts:**
The petitioner challenged the show cause notice dated 30.05.2025 issued under Section 74 of the CGST Act alleging suppression of taxable value and short payment of CGST for the period April 2018 to March 2024. The petitioner contended that the notice illegally clubbed multiple financial years in a single show cause notice.

**Court Decision:**
The Court held that under the statutory scheme of the CGST Act, assessment and recovery of tax are linked to specific tax periods and financial years. The Act prescribes limitation under Sections 73(10) and 74(10) separately for each financial year, based on the due date of filing the annual return.

The Court relied on earlier decisions of the Bombay High Court holding that consolidation of multiple financial years in a single show cause notice is not permissible, as it aggregates different tax periods having separate limitation periods and statutory treatment.

Accordingly, the show cause notice dated 30.05.2025 was quashed and set aside. The Court granted liberty to the authorities to issue fresh notices strictly in accordance with Section 74 of the CGST Act, if there is no other legal impediment.

**Cases Referred by Court:**

· Milroc Good Earth Developers v. Union of India & Ors., Writ Petition No. 2203 of 2025 (Bombay High Court, Goa Bench)

· Rite Water Solutions (India) Ltd. v. Joint Commissioner, CGST & Central Excise, Nagpur & Ors., Writ Petition No. 466 of 2025 (Bombay High Court)

· Mathur Polymers v. Union of India & Ors., W.P.(C) 2394 of 2025 (Delhi High Court)

· Commissioner of Income-tax, Vidarbha and Marathwada, Nagpur v. Smt. Godavaridevi Saraf Tumsar, 1978 (2) ELTJ 624 (Bombay)

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