G.R. Infra Projects Limited, Ratlam v. State of Madhya Pradesh & Ors.

Extended limitation under Section 74 — whether an SCN can invoke Section 74 merely by using the expressions fraud/wilful misstatement/suppression without stating the factual basis.

Date of Order: August 19, 2026
Case Law No: GIB-SC-2026-95
Source: GST INDIA Biz (www.gstindia.biz)

CASE DESCRIPTION / SUMMARY

BACKGROUND

The dispute concerned a show-cause notice dated 13.06.2025 for AY 2018-19. The assessee contended that the notice was beyond Section 73 limitation. The State sought to justify the proceedings under Section 74 by relying on allegations of fraud and suppression elaborated in its counter affidavit.

COURT OBSERVATIONS

The Supreme Court held that the Section 73 limitation expired on 28.02.2025 after applying the statutory extensions and the COVID-19 exclusion. The SCN dated 13.06.2025 was therefore beyond Section 73 limitation. The Court further held that Section 74 cannot be invoked merely by mechanically using the words fraud, wilful misstatement or suppression; the factual basis must emanate from the SCN itself.

FINAL VERDICT

The Supreme Court allowed the Civil Appeal, set aside the High Court's order and quashed the impugned Section 74 show-cause notice.

Cases Referred by Court:

• Re: Cognizance for Extension of Limitation, Suo Motu Writ Petition (C) No. 3 of 2020 — Supreme Court of India — relied upon for exclusion of the COVID-19 period while computing statutory limitation, including the period from 15.03.2020 to 28.02.2022.