

M/s G.R. Infra Projects Limited Ratlam v. The State of Madhya Pradesh & Ors.

Case number: Civil Appeal No. 11277 of 2026, arising out of SLP (C) No. 33594 of 2025

Citation: Order dated 19 August 2026; no neutral citation printed

Decision date: 2026-08-19

Section 74 notice particulars, inability to cure defects by affidavit and case-specific limitation

Court: Supreme Court

Bench: J.B. Pardiwala and K. Vinod Chandran, JJ.

Decision stage: Final reasoned order allowing the civil appeal

01 Facts

The assessee challenged a show-cause notice dated 13 June 2025 for FY 2018-19, purportedly under section 74 of the CGST Act read with the MPGST Act. It argued that normal limitation under section 73 had expired and that fraud, wilful misstatement or suppression had to be supported by allegations appearing in the notice itself. The State sought to rely on its counter-affidavit to elaborate the alleged fraud and suppression. The order recounts an investigation involving requests for records, inspection and statements, together with the State's allegation that the assessee failed to attend numerous hearings. These matters were not a final determination that fraud had occurred. A draft notice-cum-investigation report dated 3 March 2025 was followed by an intimation dated 29 April 2025. The assessee's response dated 14 May said the draft notice had not been served; the draft was served on 27 May and an additional response followed before the SCN. The Madhya Pradesh High Court at Indore upheld the notice by its order dated 29 October 2025 in W.P. No. 40749 of 2025. The Supreme Court issue was whether the notice could lawfully invoke section 74 and its longer limitation period.

Pinpoint: Paragraphs 2-4 and 9; signed-order PDF pages 1-2 and 4-5. High Court identity and date: appended ROP on PDF page 7.

02 Court Discussion

The Court refused to treat the counter-affidavit as a means of supplying the requirements missing from the notice. When validity is challenged for want of application of mind or failure to meet legal requirements, the relevant foundation must appear in the notice or order itself. On limitation, the Court considered annual-return extensions and the COVID-era exclusion and, on its calculation for this case, arrived at 28 February 2025. It held that the 13 June 2025 SCN was time-barred under section 73 and turned to whether section 74 could save it. The notice contained only a bare reference to fraud or concealment without explaining the facts from which either was inferred. The Court regarded even the alternative formulation as indicating lack of clarity in the officer's basis for action. Extended limitation could not rest on mechanical reproduction of fraud, wilful misstatement or suppression: the notice had to set out the aspects supporting the inference that one of those devices had been used. The High Court therefore erred in upholding this notice. The Court's calculation must be distinguished from the statutory division between an order deadline and an earlier notice deadline; the source-wording qualifications below are material and should not be omitted when using the case on limitation.

Pinpoint: Paragraphs 5-11; signed-order PDF pages 2-6. Counter-affidavit point: paragraph 5, page 2. Limitation analysis: paragraphs 6-8, pages 2-4. Notice particulars: paragraph 10, page 5.

03 Decision

The Supreme Court set aside the High Court's impugned order and the SCN. It directed the respondent State to desist from taking any further proceedings in pursuance of that challenged SCN. The civil appeal was allowed and pending applications were disposed of. The order does not contain an express liberty to issue a fresh notice, a remand for reassessment or a direction to refund any amount. Its restraint is expressly tied to proceedings pursuant to the quashed SCN; it should not be expanded into an adjudication of every independent tax issue. In the appended ROP, the separate SLP (C) No. 16859 of 2026 was only recorded as heard with judgment reserved; that matter was not disposed of by the signed G.R. Infra order.

Pinpoint: Paragraphs 11-13; signed-order PDF pages 5-6. Distinct ROP dispositions for SLP (C) Nos. 33594/2025 and 16859/2026: PDF page 8.

04 In Favour Of

G.R. Infra on quashing the SCN and restraining further proceedings pursuant to it

In favour of G.R. Infra on the validity of the challenged SCN: the High Court order and notice were quashed and further proceedings under that notice were restrained. This is final relief against those proceedings, not merely a direction to reconsider the notice. It is not a merits ruling fixing the amount of tax actually due. The separate later Tata Steel judgment and its express fresh-proceeding liberty must not be imported into G.R. Infra as though the two matters had one common operative order.

Pinpoint: Paragraphs 11-13; signed-order PDF pages 5-6, and appended ROP page 8. Separate Tata Steel judgment: 25 August 2026, paragraphs 15-16, official PDF pages 9-10 (source linked below).

05 AKHB REVIEW POINT

AKHB REVIEW POINT: Compare the actual notice and its incorporated material with the ingredients invoked under section 74. Identify the concrete facts said to establish fraud, wilful misstatement or suppression and the connection with the proposed demand. A litigation affidavit cannot be treated as an automatic cure for a notice that did not disclose its required foundation. Preserve the draft notice, service evidence, replies and investigation communications, while distinguishing allegations in the Department's affidavit from judicial findings. Build the limitation chronology separately: the statutory order deadline and the notice lead time are different requirements. Do not use the intermediate dates in this order as a general GST deadline calculator or transfer its COVID-exclusion calculation to another record without checking the governing law. For this assessee, enforce the exact direction against further action pursuant to the quashed SCN. Do not claim either a fresh-proceeding liberty that this order does not grant or universal tax immunity that it does not determine. The Tata Steel proceeding heard alongside it was decided separately six days later and needs its own case note and outcome analysis.

Pinpoint: AKHB analysis based on paragraphs 5-13, signed-order PDF pages 2-6; appended ROP pages 7-8. Statutory baseline: CBIC compilation as on 1 January 2022, section 73(2), (9) and (10), PDF pages 107-108.

Sources and limitations

Relevant provisions

Central Goods and Services Tax Act, 2017: sections 73(2), 73(9), 73(10), 74 and 44

Madhya Pradesh Goods and Services Tax Act, 2017: corresponding demand provisions considered with the CGST Act

Central Goods and Services Tax Rules, 2017: rule 80 and annual-return extensions discussed in paragraphs 6-7

Suo Motu Writ Petition (C) No. 3 of 2020, Re: Cognizance for Extension of Limitation, as applied in paragraph 8

Statutory note

Source-wording qualification: paragraph 6 of the order prints an order under Section 9 within three days. The separately checked CBIC compilation as on 1 January 2022 states that section 73(10) concerns an order under sub-section (9) within three years, with section 73(2) requiring notice at least three months earlier (PDF pages 107-108): <https://cbic-gst.gov.in/pdf/CGST-Act-2017-amended-01012022.pdf>. This note follows that verified statutory wording and reports 28 February 2025 only as the Court's case-specific limitation conclusion. The order contains other intermediate date/reference anomalies, so its chronology is not independently certified as a general statutory computation. Every annual-return notification, later amendment and the underlying COVID order has not been separately re-audited here.

Treatment note

Primary order and official Court metadata checked on 12 October 2026. One related later decision was also independently read: Tata Steel, 2026 INSC 920, dated 25 August 2026, which concerns SLP (C) No. 16859 of 2026 and has its own express fresh-proceeding reservation: https://api.sci.gov.in/supremecourt/2026/28063/28063_2026_6_1502_73760_Judgement_25-Aug-2026.pdf. This does not establish a comprehensive subsequent-treatment check of G.R. Infra. No current enforcement, fresh proceeding, review or compliance status is certified. This AI-assisted AKHB research note is not evidence of human legal review and is not a substitute for professional advice on a particular case.

Scope of source review

Complete eight-page official PDF read: signed order on pages 1-6, comprising the grant of leave and paragraphs 2-13, and appended ROP on pages 7-8. Title and civil appeal/SLP numbers checked on page 1; bench and decision date checked on page 6 and corroborated by the ROP. No neutral citation is printed. The later digital processing stamp does not change the 19 August decision date. The ROP lists SLP (C) No. 16859 of 2026 for a separate reserved judgment; it is not a second appeal allowed by this order.

Primary source

Source description: Supreme Court of India official signed order and appended Record of Proceedings dated 19 August 2026

Official source: [Open source document](#)

AKHB source PDF: [Open source document](#)

Judges: J.B. Pardiwala; K. Vinod Chandran

Outcome kind: final

Disclosures and source rights

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