IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

R/SPECIAL CIVIL APPLICATION NO. 9118 of 2026

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MAHALAXMI INDUSTRIES
Versus
UNION OF INDIA & ORS.

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Appearance:
MR ANIL K GIDWANI(11308) for the Petitioner(s) No. 1
MS HETAL G PATEL(11032) for the Respondent(s) No. 1,2,3,4

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CORAM: **HONOURABLE MR. JUSTICE A.S. SUPEHIA**
and
HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI

Date : 10/07/2026

ORAL ORDER
(PER : HONOURABLE MR. JUSTICE A.S. SUPEHIA)

1. The present writ petition has been filed by the petitioner challenging the Order-in-Original dated 23.03.2026 passed by the Assistant Commissioner of Central GST, Division-V(Odhav), Ahmedabad- South, under Section 74 of the Central Goods and Services Tax Act, 2017 (for short 'the CGST Act) confirming the demand of ineligible Input Tax Credit (ITC) / Tax of Rs.1,46,76,034/- ordered recovery from the petitioner – M/s Mahalaxmi Industries.

2. It is not in dispute that the petitioner has an alternative efficacious remedy to file an appeal before the Additional / Joint Commissioner of Appeals under Section 107 of the CGST Act. The petitioner along with six other suppliers was issued Show-Cause Notice dated 10.06.2023 being Show-Cause Notice No. DGGI/AZU/Gr.B/36-548/2022-23, calling upon the petitioner as to why they should not be imposed the penalties under Section 74 and Section 122 of the CGST Act, for availing fake

ITC on the basis of the invoices issued by Delhi based non-existent firms.

3. It is interesting to note that the present petitioner is M/s Mahalaxmi Industries, operating from Shed No. B-30 Gopal Charan Industrial Globe, Kathwada, Daskroi, Ahmedabad, whereas Noticee no.2 – M/s Mahalaxmi Metal Industries is operating from Shed No. B-23, Gopal Charan Industries Globe had earlier filed writ petition being Special Civil Application No. 6227 of 2026, challenging the Order-in-Original dated 26.11.2025, which also emanated from the very same Show-Cause Notice, which has been produced before this Court in the present writ petition at Annexure-A. The said writ petition came to be withdrawn by learned advocate Mr. Gidwani appearing for the petitioner - M/s Mahalaxmi Metal Industries, with a view to file an appeal before the Appellate Authority.

4. The present petition has been filed by the same advocate and when an objection was raised by the learned Senior Standing Counsel Ms. Hetal Patel pointing out the order of withdrawal in Special Civil Application No. 6227 of 2026 and the same Show-Cause Notice from which both the proceedings emanates, learned advocate Mr. Gidwani has asserted before this Court that he has neither referred to the said Show-Cause Notice dated 10.06.2023 and nor challenged the same in the writ petition being Special Civil Application No. 6227 of 2026. Accordingly, we had directed the Registry to place the papers of Special Civil Application No. 6227 of 2026 before this Court in order to ascertain the statement made before us.

5. On the perusal of the papers of Special Civil Application No. 6227 of 2026 it is noticed by us that in the said writ petition which was filed by M/S Mahalaxmi Metal Industries, the petitioners has at Annexure – A produced the Show-Cause Notice dated 10.06.2023 i.e. the very same Notice, which has been produced in the present writ petition. The proceedings under Section 74 of the CGST Act against the petitioner of Special Civil Application No. 6227 of 2026 i.e. M/s Mahalaxmi Metal Industries and the present writ petitioner – M/s Mahalaxmi Industries, emanates from the same Show-Cause Notice. The allegations are also *peri materia* about availing the fake ITC on the basis of the invoices issued by Delhi based non-existent firms.

6. The petitioner of Special Civil Application No. 6227 of 2026 i.e. M/s Mahalaxmi Metal Industries and present writ petitioner M/s Mahalaxmi Industries are closely connected with each other in availing the fake ITC and also operate from the address mentioned herein above. It is also not in dispute as canvased by learned Senior Standing Counsel Ms. Patel that both the petitioners M/s Mahalxmi Metal Industries and M/s Mahalaxmi Industries are operated and run by closely related individuals.

7. The Show-Cause Notice as well as the Order-in-Original in detail establishes their links with the Delhi based firms from which they have availed the fake ITC invoices. Thus, the statement made before us, by the learned advocate Mr. Gidwani, who appeared for both the petitioners, has mislead the Court.

8. We do not find any difference in the findings recorded by the adjudicating authority relating to the functioning of the entities and availing of ITC on the basis of fake invoices from non-existing firms and the *modus operandi* as described in the Order-in-Original dated 26.11.2025 in the case of M/s Mahalaxmi Metal Industries i.e. the writ petitioner of Special Civil Application No. 6227 of 2026 and the present writ petitioner appears to be identical. Accordingly, since the writ petitioner of Special Civil Application No. 6227 of 2026 had withdrawn the petition with a view to file an appeal, the present writ petition is not entertained since the petitioner is having an alternative efficacious remedy of filing an appeal under Section 107 of the CGST Act, before the Appellate Authority challenging the impugned Order-in-Original.

9. Accordingly, the present writ petition stands rejected.

(A. S. SUPEHIA, J)

(VAIBHAVI D. NANAVATI,J)

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