GOODS AND SERVICES TAX APPELLATE TRIBUNAL
COIMBATORE BENCH, COIMBATORE

COURT NO.1

Appeal No. APL/11/CMT/2026

SRI KUMARAN STEELS, ...Appellant
502/1F, RAJIV GANDHI STREET,
BALAMURUGAN NAGAR,
GANAPATHY, Coimbatore, Tamil Nadu, 641006.

Versus

Raja M Mani,
The Assistant Commissioner State Taxes, ...Respondent
Saravanampatti West Circle,
Dr. Balasundaram Road, Coimbatore-641018

Authorised Representative for Appellant	**Authorised Representative for Respondent**
Mr. Gopal Singh, Advocate	Shri. A Arunachalam, Authorised Representative (State)

Hon'ble Praveen Kumar Jain, Member (Judicial)
Hon'ble M Mathew Jolly, Member (Technical)

ORDER

Date of Order: 17.09.2026

1. As per Office Order No. 3/GSTAT//PB 2026 dated 14-05-2026 issued from File No.GSTAT/Benches/PB/2026/157, the Appeal No. APL/11/CMT/2026 was placed before the Division Bench for deciding whether a Question of Law is involved within the meaning of Section 109(8) of the CGST Act, 2017, so as to determine whether the appeal is required to be heard by a Single Member or should be heard together by one Judicial Member and one

Technical Member (Division Bench). The appeal was accordingly listed on 20-08-2026 for hearing on the Question of Law.

2. At the hearing on 20-08-2026 the Ld. Authorised representative of the appellant submitted that the appeal involved a question of law. The Ld. Authorised Representative of the Respondent (State) submitted that a question of law is not involved in the appeal and requested for time to file objections. The appeal was again listed on 10-09-2026 for hearing on the Question of Law.

3. The Respondent (State) submitted the written submissions on 08.09.2026 on the GSTAT portal (Sr. No.21) and they stated that no Question of Law involved in the present appeal. It was submitted that *"A "question of law" refers to an ambiguity, dispute or interpretation regarding how a specific legal provision or statute applies to the facts of a case. "What the statue means or how it applies" to those facts. i.e., Interpreting legislative text, constitutional validity or legal consequences".* The issue involved in the present appeal is a question of fact focusing on proving what actually happened based on evidence. The prayer of the appellant does not challenge any interpretation of legislative text, constitutional validity or legal consequences involving question of law. The respondent also cited and relied on certain case laws to substantiate their contention.

4. The Ld. Advocate of the Appellant uploaded a rejoinder to the Respondents written submissions on the GSTAT portal on 10.09.2026 (Sr. No. 23). The

appellant submitted that the written submission of the Learned Departmental Representative relies upon decisions dealing with a "substantial question of law". With respect, Section 109(8) of the CGST Act 2017 does not use the words "substantial question of law". It provides that an appeal within the prescribed monetary limit and which "does not involve any question of law" may be heard by a Single Member, and that in all other cases it shall be heard together by one Judicial Member and one Technical Member. The words used by Parliament are "any question of law", and therefore the case laws submitted by the respondent are not applicable. The appellant further submitted that no notice as required under Section 74(1) was served on them, and all that was served was a summary of the notice in Form GST DRC-01 as required under Rule 142(1) of the CGST Rules 2017. This is evident from the fact that the respondent was unable to produce a copy of the Notice under Section 74 (1) till date and all that was produced was a summary in Form DRC-01. The statutory notice under Section 74(1) and the summary in FORM GST DRC-01 are two distinct requirements. The summary is to accompany the notice; it is not the notice itself. A summary in DRC-01 cannot substitute the independent notice which Section 74(1) requires the proper officer to serve. Interpreting whether a DRC-01 issued under Rule 142 (1) can substitute a notice under Section 74 (1) of the CGST Act 2017 is a Question of Law.

5. Heard. The Ld. Advocate of the Appellant and Authorised Representative of the State on the Question of Law.

ANALYSIS & FINDINGS

6. Ld. Advocate of the Appellant submitted that the Question of Law involved in the present appeal.

7. *Hon'ble Karnataka High Court in M/s. Atria Convergence Technologies Ltd. v. Deputy Commissioner of Commercial Tax, 2025 (2) TMI 883,* wherein it has been held, drawing upon Salmond's Jurisprudence, that a question is ordinarily one of law where its answer is to be found by reference to the statute, and that this would also extend to situations involving the interpretation of statutory provisions bearing upon the outcome of the proceedings.

8. In the CGST Act 2017, the "Question of Law" is not defined. Hence the deciding principles in the present case shall be as per the above - mentioned case law, Hon'ble *Karnataka High Court in M/s. Atria Convergence Technologies Ltd. v. Deputy Commissioner of Commercial Tax, 2025 (2) TMI 883*. A 'Question of Law' encompasses any issue that requires the interpretation of legal principles, statute or precedent.

9. If any interpretation, of any of the legal principles, statute or precedence is involved, then a Question of Law is involved and shall be decided together by one Judicial Member and one Technical Member (Division Bench). First of all, to decide the Question of Law involved or not in the present appeal, there must be based on Memorandum of Appeal, written submissions submitted by parties Appellant and Respondent.

10. In the present appeal, whether the proper notice under Section 74(1) of the CGST, 2017 was issued by the Respondent to the Appellant is a foundation for the Question of Law because the Respondent only produced the summary of Show Cause Notice in Form DRC-01. Interpretation whether a summary in Form DRC-01 issued under Rule 142 of the CGST Rules, 2017 can substitute a notice under Section 74 (1) of the CGST Act 2017 is a Question of Law. The Ld. Representative of the State cited case laws in our submission that the Hon'ble High Court of Madras in the case of *Rimmalapudi Subba Rao Vs Noony Veeraju and Ors reported in AIR 1951 MADRAS 969*, held that

"Para 9: If the general principles to be applied in determining a question are well settled a mere application of such principles would not involve a substantial question of law.

Para 14: An important or difficult question would of course be a substantial question; but even if a question is not important or difficult, if there is room for reasonable doubt or difference of opinion on the question, then it would be a substantial question of law within the meaning of Article 133, Constitution of India."

The Hon'ble Supreme Court of India in the case of *Sir Chunilal V. Mehta & Sons Ltd. V. Century Spg. & Mfg. Co. Ltd reported in 1962 AIR 1314*, held that:

"It is not substantial if the legal principle is already well settled and the case merely requires applying that law to the facts."

The *Hon'ble Supreme Court of India in the case of Hero Vinoth V. Seshammal reported in Appeal [Civil] 4715 of 2000*, held that

"Interpreting ..3.. what a document says is a question of fact, but determining the legal effect of its terms is a question of law."

The Hon'ble High Court of Madhya Pradesh in the case of *Anil Kumar Garg Vs Supdt. Engineer, M.P.S.E.B* relying on the case law in *Chandrabhan (Deceased) through L.Rs & Ors v. Saraswati & Ors. 11*, reported in Second Appeal No.135 of 2005, held that

"Page 8. 36 Right of appeal is not automatic. Right of appeal is conferred by statute. When statute confers a limited right of appeal restricted only to cases which involve substantial question of law, it is not open to this Court to sit in appeal over the factual findings arrived at by the First Appellate Court.

With due respectful honour to the aforesaid judicial pronouncements of the Hon'ble Supreme Court and Hon'ble High Courts mentioned by the Authorised Representative of the Respondent, the said pronouncements are not applicable to the facts of the present appeal. The submission of the Ld. Authorised representative of the Respondent that no question of law is involved in this appeal is not sustainable.

11. In the present appeal, the question of law is whether the summary issued in FORM DRC-01 under Rule 142(1) of the CGST Rules, 2017, can substitute the independent show cause notice required to be issued under Section 74(1) of the CGST Act, 2017, and whether the issuance of FORM DRC-01 can, by itself, be treated as compliance with the requirement of issuance of a notice under Section 74(1) of the CGST Act, 2017. We are of the view, considering the above contention, the submissions of the Ld. Advocate of

the Appellant regarding the Question of Law involved in the present appeal is sustainable.

12. In view of the foregoing, this Bench is of the considered opinion that the present appeal involves a Question of Law within the meaning of Section 109(8) of the CGST Act, 2017.

13. A Question of Law is involved in this appeal. Hence, the appeal shall be heard together by one Judicial Member and one Technical Member (Division Bench).

14. The Registry is directed to list the appeal for hearing on 29.10.2026 before one Judicial Member and one Technical Member (Division Bench).

15. List the Appeal No. APL/11/CMT/2026 for hearing on merits on 29-10-2026.

M Mathew Jolly
Member (Technical)

Praveen Kumar Jain
Member (Judicial)

DATED 17.09.2026