(2026:JHHC:12553-DB)

IN THE HIGH COURT OF JHARKHAND AT RANCHI

W.P. (T) No. 2136 of 2026

Ssukrit Forwarding Agency, having its office and place of business at 101, Shankha Sen, New Road, Bangali Tola Sahibganh, Sahibganj 816109, (through its partner Shri Sumit Singhania @ Sumit Singhania, son of Shri Subhash Kumar Singhania, aged about 48 years, residing at Singhania Building, Rajendra Prasad Khalifabag Chowk, P.O.- Sujanganj, P.S.- Kotwali, District- Bhagalpur Bihar – 812001.

…. …. Petitioner

Versus

1. The Union of India through the Revenue Secretary, Department of Revenue, Ministry of Finance, Government of India, P.O.& P.S.- North Block, New Delhi-110001.
2. State of Jharkhand, service through Chief Secretary, Government of Jharkhand, P.O & P.S- Dhurwa, District-Ranchi.
3. The Principal Commissioner of CGST &CX, Ranchi, Grand Emerald Building, 2/3rd floor, Ashoke Nagar, P.O. & P.S- Argora, District Ranchi 834002.
4. The Joint Commissioner of CGST & CX (Appeals), Ranchi, Grand Emerald Building, 2/3rd floor, Ashoke Nagar, P.O. & P.S- Argora, District Ranchi 834002.
5. The Superintendent, CGST &CX, Sahebgang Range, Deoghar Division Deoghar P.O. & P.S- Deoghar District- Deoghar.

…. …. Respondents

CORAM: HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE RAJESH SHANKAR

For the Petitioner	:	Mr Ravi Kumar Pandey, Advocate
For the Resp-UOI	:	Mr Prashant Kumar Singh, DSGI
		Mr Karbir, AC to DGSI
For the Resp.-CGST	:	Mr P.A.S. Pati, Sr. S.C.
For the Resp-State	:	Mr Sahbaj Akhtar, AC to AAG-III

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02 / Dated: 29.04.2026

1. Heard the learned counsel for the parties.

2. Rule.

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3. With the consent of and at the request of the learned counsel for the parties, the Rule is made returnable forthwith.

4. This petition challenges the Order-in-Appeal dated 31.07.2025 made by the Appellate Authority, dismissing the petitioner's appeal against the Order-in-Original dated 19.04.2024 on account of non-compliance with the mandatory requirement of pre-deposit in terms of Section 107 (6) of the CGST Act.

5. The operative portion of the impugned order reads as follows:-

> "*10. This appeal is dismissed on the grounds of non-compliance for mandatory pre-deposit, in accordance with Section 107(6) of the CGST Act, 2017. Consequently, the appeal is disposed of without delving into the merits of the case, as the issue of non-compliance with the directive for mandatory pre-deposit precludes any further consideration."*

6. Mr Ravi Kumar Pandey, the learned counsel for the petitioner, submits that the pre-deposit was made, and this position has been accepted in the impugned order at paragraph 6. He pointed out that such a pre-deposit was made by the challan dated 09.07.2024. Without prejudice, he submits that, assuming that the deposit was not made by strictly following the procedure and the digitised regime, a fresh opportunity should have been granted to the petitioner to make good this deficiency. He submitted that neither was any show cause notice issued to the petitioner nor was the petitioner granted a reasonable opportunity to cure the purely procedural defect, if any. On these grounds, he submitted that the impugned order be set aside and the matter be remanded to the Appellate Authority for a decision on merits.

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7. Mr Pati submitted that the records show that there was no compliance with the mandatory pre-deposit requirement under Section 107 (6) of the CGST Act 2017. He submitted that the petitioner deposited the pre-deposit amount of Rs. 85,661/- into its cash ledger, which is an electronic wallet. He submitted that this does not amount to compliance with the mandatory pre-deposit requirement, and therefore, there is no illegality in the impugned order.

8. Mr Akhtar admitted that the State was a formal party in this matter and, therefore, made no submissions on the controversy now raised.

9. The rival contentions now fall for our determination.

10. From perusal of the impugned order, it is evident that the same has not been dealt with the merits of the appeal. The only ground on which the petitioner has been non-suited is the alleged non-compliance of the mandatory requirement of pre-deposit in accordance with section 107 (6) of the CGST Act 2017.

11. Section 107 of the CGST Act 2017 concerns appeals to the Appellate Authority. Sub-section (6) of Section 107 of the said Act, which is relevant, reads as follows:-

> ***"Section 107. Appeals to Appellate Authority.-***
> *6) No appeal shall be filed under sub-section (1), unless the appellant has paid-*
> *(a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him; and*

(b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, [1][subject to a maximum of [3][twenty] crore rupees], in relation to which the appeal has been filed.

*[**Provided** that in case of any order demanding penalty without involving demand of any tax, no appeal shall be filed against such order unless a sum equal to ten per cent. of the said penalty has been paid by the appellant.]*

12. Mr Pati submits that the pre-deposit has to be made in accordance with the provisions of sub-sections (1) and (3) of Section 49 and Rule 87 of the CGST Rules 2017.

13. In this case, it is not as if the petitioner has made no deposit at all. In any event, the petitioner has made efforts and evinced a clear intention to make the pre-deposit. This position, to a great extent, stands admitted in paragraph-6 of the impugned order.

14. Paragraph-6 of the impugned order reads as follows:-

*"6. At the outset while examining the admissibility of the appeal, I find that the instant appeal against impugned Order communicated on 24.04.2024 has been filed by the appellant on 16.07.2024 through physical mode, i.e., within the normal period of filing the appeal as prescribed under Section 107 (1) of the CGST Act, 2017 read with Rule 108(1) of CGST Rules, 2017**. Further, as detailed in Form GST APL-01, the Appellant has declared that he paid the mandatory pre-deposit of Rs. 85,661/-, but as per GST portal, 1 find that the appellant has deposited the said amount in its cash ledger vide challan dated 09.07.2024 bearing CPIN 24072000007888 but has not debited the same from the cash ledger till date, which means*

that the mandatory pre-deposit amount as per section 107(6) of the CGST Act has not been paid by the appellant."

15. From the material on record, it appears that there may have been a procedural glitch on the petitioner's part in effecting the pre-deposit. However, this is far from saying that the petitioner has made no pre-deposit at all.

16. In any event, considering the circumstances, of which even the Appellate Authority has taken cognisance, the principles of natural justice and fair play would have required the Appellate Authority to issue notice to the petitioner, pointing out the procedural defect and grant the petitioner some reasonable time to cure the same. This has also not been done, and the appeal has been dismissed on the basis of total non-compliance with the pre-deposit requirement.

17. Thus, procedure and form have been given precedence over substance. The right to appeal is a valuable right, and before the petitioner would have been deprived of the same, at least in the facts of the present case, the alleged glitch should have been brought to the notice of the petitioner, and the petitioner should have been granted some reasonable time to make good the same.

18. For the above reasons, we quash and set aside the impugned order and remand the matter to the Appellate Authority to decide it on its own merits and in accordance with law. Learned counsel for the Petitioner states that the defect now pointed out would be cured within four weeks from today.

The Appellate Authority will consider the appeal on merits after the defect is cured and the pre-deposit amount of Rs. 85,661/- is secured.

19. All contentions of all parties on the merits of the matter are left open to be decided by the Appellate Authority in the first instance.

20. The Rule is made absolute in the above terms without any order for costs. All concerned are to act on an authenticated copy of this order.

(M. S. Sonak, C.J.)

(Rajesh Shankar, J.)

Apri 29, 2026
NAFR
Ranjeet / R.Kr.
Uploaded on 04.05.2026

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