

Manoranjan Dash v. Commissionerate of CT GST, Premananda Naik

• *Interpretation of Sections 107(6) and 112(8)(b) of the CGST/OGST Act, 2017 regarding the requirement of an additional statutory pre-deposit for filing an appeal before GSTAT where the pre-deposit made at the first appellate stage exceeds the prescribe*

Date of Order: September 21, 2026

Case Law No: GIB-GSTAT-2026-114

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CASE DESCRIPTION / SUMMARY

Background

- The present Interim Application was filed by the Respondent-Petitioner seeking modification of the Tribunal's order dated 08.07.2026, which admitted the appeal without requiring any further pre-deposit under Section 112(8)(b) of the CGST/OGST Act. The application contended that the issue concerning the interpretation of the statutory pre-deposit requirement had been decided without affording the Respondent an opportunity of being heard.
- At the first appellate stage, the assessee had deposited ₹1,13,448 under Section 107(6) against the original disputed tax liability of ₹11,34,474. The Appellate Authority subsequently reduced the disputed tax liability to ₹1,02,012. When the assessee approached the Tribunal under Section 112(8)(b), the Tribunal held that no further pre-deposit was required, relying upon the facts of the case and the judgment of the Jharkhand High Court in M/s Ashirwad Food Industries v. Union of India. The Respondent-Petitioner sought reconsideration of this finding and clarification regarding the interpretation of the statutory provision.

Court Observation

- The Tribunal observed that it had examined both the literal and substantive implications of the statutory provisions requiring pre-deposit under Sections 107(6) and 112(8) of the Act. The provisions were considered in the context of different factual situations, particularly where the disputed tax demand was substantially reduced by the Appellate Authority.
- The Tribunal identified the principal issue as whether an assessee who had already made the prescribed pre-deposit at the first appellate stage must make a further deposit under Section 112(8) when the amount already deposited equals or exceeds the prescribed percentage of the tax remaining in dispute before the Tribunal.

- The Tribunal observed that the pre-deposit already made by the assessee is not a payment towards a separate or independent liability. It represents a specified portion of the disputed tax itself, payable at the time of filing an appeal under Section 107(6) of the Act.
- The Tribunal held that the statutory requirement, although prescribed in general terms, cannot be applied mechanically in every situation, ignoring the fact that the assessee may already have deposited an amount which, considering the reduced tax liability, is equivalent to or exceeds the prescribed percentage of the tax remaining in dispute before the Tribunal.
- The Tribunal noted that the facts and circumstances concerning the pre-deposit requirement were identical to those considered by the Jharkhand High Court in *M/s Ashirwad Food Industries v. Union of India*. The Tribunal observed that the ratio and observations of the High Court, involving the same central legislation, were directly relevant and carried persuasive value.
- The Tribunal also considered the decisions cited by the Respondent-Petitioner, namely *Abhijit Nayak v. The Commissioner of CT & GST, Odisha* and *CIT v. Calcutta Knitweaves*. It observed that the facts and circumstances of those cases were distinguishable from the present case.

Final Verdict

- The Tribunal found no ground warranting interference with its order dated 08.07.2026, which had held that no further pre-deposit was required from the assessee-appellant for pursuing the appeal under Section 112(8) of the CGST/OGST Act before the Tribunal.
- Accordingly, the Interim Application was disposed of, with no order as to costs.

Cases Referred by Court

1. Ashirwad Food Industries v. Union of India

- Court: High Court of Jharkhand

2. Abhijit Nayak v. The Commissioner of CT & GST, Odisha

- Court: High Court of Orissa
- Date of Order: 27 November 2025

3. CIT v. Calcutta Knitweaves

- Court: Supreme Court of India

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