

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT PETITION No. 3775 of 2026

DATED : 10.02.2026

Between:

M/s. Orsu Yadaiah

... Petitioner

AND

**Goods and Services Tax Network (GSTN),
New Delhi, and three others**

... Respondents

ORDER:

Sri K.P. Amarnath Reddy, learned counsel appears for petitioner.

Sri Dominic Fernandes, learned Senior Standing Counsel for Central Board of Indirect Taxes and Customs appears for respondent No.1.

Sri K. Sai Akarsh, learned Assistant Government Pleader appears for Sri Swaroop Oorilla, learned Special Government Pleader for State Tax, for respondent Nos.2 and 3.

Sri Arvind Kumar Kata, learned Senior Standing Counsel for Central Government appears for respondent No.4.

2. The petitioner claims to have paid the outstanding dues after issuance of the show cause notice during the pendency of the adjudication proceedings, but the order dated 03.09.2025 has imposed the penalty and interest amounting to Rs.15,11,348/- relatable to August and September, 2022. The petitioner had been making correspondence with the GSTN to permit it to file an appeal without pre-deposit, as the outstanding tax dues had already been paid and no case of penalty could be made out. However, in that process, time for filing the appeal expired. It is contended by the learned counsel for the petitioner that the petitioner has good grounds to explain the delay. But, the petitioner may not be compelled to make the pre-deposit of 10% against the penalty amount in the aforesaid circumstances.

3. Learned Senior Standing Counsel appearing for GSTN submits that there is no power with GSTN to exempt the pre-deposit for filing the appeal.

4. Learned Assistant Government Pleader appearing for the State Tax also submits that the pre-deposit is a prerequisite for

filings the appeal. Whether the deposit of tax during the adjudication proceedings could relieve the petitioner of the liability of penalty is a matter to be decided by the appellate authority only upon the appeal being filed with pre-deposit. The petitioner, therefore, cannot claim any exemption from making the pre-deposit. Learned Assistant Government Pleader also submits that the petitioner may be allowed liberty to approach the appellate authority with an explanation for the delay within a stipulated period and take all such grounds of law and facts in its appeal.

5. In the facts and circumstances noted above, since there is no exemption for any taxpayer from making pre-deposit while filing the appeal under the GST regime, whether the liability of penalty or tax was rightly imposed or not would be the subject matter of appeal on merits, the same cannot be a ground to seek exemption from making the pre-deposit. However, since the petitioner had been in correspondence with the respondent authorities on this issue and has missed the cut off date for filing the appeal, we grant liberty to the

petitioner to file an appeal within a period of two weeks with statutory deposit and a delay condonation application. The petitioner may take all such grounds of law and facts in the memo of appeal as are available to it. Needless to say, the appellate authority would consider the question of delay sympathetically taking into account the aforesaid facts and circumstances and if he is satisfied on the point of delay, he would proceed to decide the appeal on merits in accordance with law within a reasonable time, preferably, within twelve weeks from the date of receipt of a copy of this order.

Accordingly, the instant Writ Petition is disposed of. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

APARESH KUMAR SINGH, CJ

G.M.MOHIUDDIN, J

10th FEBRUARY, 2026.

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