

HC: No Waiver of Pre-Deposit in GST Appeals Involving Fake Invoices

CA Prakash Chandra Jain

P.O. Brajrajnagar

Odisha- 768216

Cell: 94375-41690 / 70087-12242

Email: prakashchjain@yahoo.co.in



REFER THE DECISION OF THE HON'BLE DELHI HIGH COURT IN THE CASE OF

Rohan Aggarwal v. Commissioner of CGST, Delhi North

Citation: (2025) 31 Centax 320 (Del.)

Rohan Aggarwal, a registered taxpayer, faced a **serious allegation** from the GST Department. They claimed he had availed **fraudulent Input Tax Credit (ITC)** and issued **invoices without actual movement of goods** – commonly called “**goods-less invoices**”.

When the adjudication order went against him, Mr. Aggarwal wanted to file an **appeal**.

But under Section 107, a **mandatory pre-deposit** (10% of disputed tax) is required.

Mr. Aggarwal requested the Court to **waive this pre-deposit**, arguing that it caused financial hardship.

The Delhi High Court, however, took a strict view:

- Allegations of **fraudulent ITC** and **fake billing** are **serious economic offences**.
- The law mandates **pre-deposit** before appeal — it cannot be relaxed in such grave cases.
- Allowing waiver here would set a **dangerous precedent**, encouraging tax evasion.

Thus, the Court ruled:

📌 The pre-deposit requirement cannot be waived, and Mr. Aggarwal must deposit the prescribed amount if he wishes to pursue his appeal.