

महेन्द्र रंगा  
MAHENDRA RANGA  
मुख्य आयुक्त  
CHIEF COMMISSIONER

भारत सरकार  
वित्त मंत्रालय  
मुख्य आयुक्त कार्यालय  
सीजीएसटी एवं केन्द्रीय उत्पाद शुल्क  
जयपुर

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
OFFICE OF THE CHIEF COMMISSIONER  
CGST & CENTRAL EXCISE  
Jaipur

D.O. No. GCCO/TECH/MISC/440/2023

08 अप्रैल, 2024

प्रिय सहस्री

## विषय: 'संवाद': अप्रैल, 2024

प्रचलित कैलेंडर्स के अनुसार कई प्रकार के नव वर्ष हैं। राजस्व अधिकारी के रूप में, हमारे लिए नया वर्ष वास्तव में वित्तीय वर्ष से शुरू होता है। वित्तीय वर्ष 2023-24 समाप्त हो चुका है और हम नए वित्तीय वर्ष 2024-25 में प्रवेश कर चुके हैं। इस उपलक्ष्य पर, मुझे टेली-सीरियल 'महाभारत' के शुरुआती छंद याद आते हैं - **सीख हम बीते युगों से, नए युग का करें स्वागत।** (हमें अतीत से शिक्षा लेकर नये समय का स्वागत करना चाहिए!) मुझे लगता है कि हमने कई क्षेत्रों में उपलब्धि हासिल की है लेकिन कुछ में सुधार की गुंजाइश है।

2. मार्च में अपनी यात्रा के दौरान, श्री शशांक प्रिय, सदस्य ने हमारे जोन के प्रदर्शन की काफी सराहना की। हालांकि उन्होंने बकाया वसूली और लंबित अपील मामलों पर ध्यान देने की आवश्यकता पर भी जोर दिया। हमें उनकी सलाह को महत्व देते हुए उसके अनुसार कार्य करना चाहिए। इस अवसर पर सदस्य महोदय ने नवीनीकृत सम्मेलन कक्ष 'कसूमल' का भी उद्घाटन किया। कसूमल का अर्थ केसरिया रंग होता है। यह बलिदान और वीरता का प्रतीक है, जिसके लिए राजस्थान प्रसिद्ध है। लोक सेवक के रूप में 'सेवा और त्याग' हमारा आदर्श वाक्य होना चाहिए।

3. हमारे सामूहिक प्रयासों से मार्च, 2024 के दौरान 2196 करोड़ रुपये का जीएसटी राजस्व संग्रहित हुआ, जो अब तक का दूसरा सबसे अधिक मासिक राजस्व है। वित्तीय वर्ष 2023-24 के दौरान कुल 22987 करोड़ रुपये का राजस्व उपार्जित हुआ जो कि आवंटित लक्ष्य से 313 करोड़ रुपये कम है। जिनकी कीमतों में कमी इसका मुख्य कारण रहा है। हालांकि, 2023-24 में राजस्व पूर्व वित्तीय वर्ष 2022-23 के राजस्व से 1961 करोड़ रुपये (9.32%) अधिक रहा है।

केन्द्रीय राजस्व भवन, स्टेच्यू सर्किल, सी-स्कीम, जयपुर-302005

CENTRAL REVENUE BUILDING, STATUE CIRCLE, C-SCHEME, JAIPUR-302005

Off. : 0141-2385155, Fax : 0141-2385130, e-mail : ccu-cexjpr@nic.in, Twitter Handle : @CGSTJAIPURZONE

तकनीकी समस्याओं के चलते हमारा राजस्व 30-50 करोड़ रुपये तक कम रिपोर्टेड हो सकता है। हमें नए वित्तीय वर्ष में इस गति को बनाए रखना होगा और इससे भी बेहतर करने का प्रयास करना होगा।

4. लोकसभा चुनाव 2024 नजदीक हैं। चुनाव के संचालन में हमारी महत्वपूर्ण भूमिका होती है। बोर्ड द्वारा चुनाव के दौरान संदिग्ध नकदी, अवैध शराब, ड्रग्स/नशीले पदार्थों, मुफ्त और तस्करी के सामान के प्रवाह पर रोक लगाने और निवारक सतर्कता तंत्र को तीव्र करने के लिए अनुदेश संख्या 06/2024-सीमा शुल्क दिनांक 23.03.2024 के तहत संशोधित एसओपी जारी की गई है। हमें आवश्यक कार्रवाई के लिए इसका संज्ञान लेना होगा।

5. पिछले माह की तरह आयुक्तालयों ने मार्च में भी कई अच्छे केस दर्ज किए हैं। सीजीएसटी, जयपुर ने मेसर्स राजस्थली रिजॉर्ट एंड स्टूडियोज लिमिटेड के विरुद्ध 5.53 करोड़ रुपये की जीएसटी के कम भुगतान का मामला दर्ज किया है। करदाता ने अधिसूचना संख्या 46/2017-CT दिनांक 14.11.2017 का गलत लाभ लेते हुए 18% के बजाय 5% की दर से कर का भुगतान कर 2.93 करोड़ रुपये कम चुकाए। साथ ही करदाता ने प्रदान की गई सेवाओं के मूल्य को कम दर्शाते हुए 2.43 करोड़ रुपये का कर नहीं चुकाया। इस मामले में 2 करोड़ रुपये की वसूली की जा चुकी है। मेसर्स फॉर्मिडियम इंडिया प्राइवेट लिमिटेड और मेसर्स राजुल लीजिंग प्रा. लिमिटेड के खिलाफ अवरुद्ध क्रेडिट पर आईटीसी का गलत लाभ लेने और छूट वाली आपूर्ति पर आनुपातिक आईटीसी को वापिस न करने के लिये 1.25 करोड़ रुपये का एक अन्य मामला दर्ज किया गया है। दोनों करदाताओं ने कर और ब्याज के मद में कुल 1.37 करोड़ रुपये जमा करवाए हैं। दो अन्य मामलों में, छूट प्राप्त आपूर्ति के संबंध में सीजीएसटी नियमावली, 2017 के नियम 42 और 43 के तहत आईटीसी को वापिस न करने के लिए मेसर्स श्री परमहंस एंटरप्राइजेज एंड बिल्डर्स और मेसर्स जय गुरुदेव अशोक मोटर्स से कर राशि 1.20 करोड़ रुपये की वसूली की गई है।

6. सीजीएसटी, अलवर ने विंडशील्ड पर 28% के बजाय 18% की कम दर पर जीएसटी राशि 31.85 करोड़ रुपये के कम भुगतान के लिए मेसर्स सेंट-गोबेन इंडिया प्राइवेट लिमिटेड के खिलाफ मामला दर्ज किया है। करदाता ने स्वेच्छा से 2 करोड़ रुपये जमा करवा दिये हैं। सीजीएसटी अलवर द्वारा मेसर्स अवध लॉजिस्टिक्स के विरुद्ध दर्ज एक अन्य मामले में 1.17 करोड़ रुपये की वसूली की गई है। करदाता ने जीएसटीआर-3बी में गलत प्रविष्टियों के आधार पर आईटीसी का लाभ उठाया। सीजीएसटी, उदयपुर ने छूट प्राप्त आपूर्ति के संबंध में आईटीसी को रिवर्स न करने के दो मामलों में मेसर्स जागेटिया रोडलाइन्स से 1.43 करोड़ रुपये और मेसर्स जय भेरूनाथ रोडलाइन्स से 1.47 करोड़ रुपये की वसूली की है। इसके अलावा, एक आसूचना पर कार्रवाई करते हुए, सीजीएसटी, उदयपुर ने मेसर्स महेश एडिबल ऑयल मैनुफैक्चरर्स प्राइवेट लिमिटेड से 2.50 करोड़ रुपये का आईटीसी वापिस करवाया। करदाता ने सीजीएसटी

अधिनियम 2017 की धारा 17(5) के तहत अवरुद्ध क्रेडिट के आईटीसी का गलत लाभ उठाया था।

7. डीजीजीआई, जयपुर द्वारा दर्ज किए गए कर चोरी के कुछ अच्छे मामले भी साझा किए हैं। कच्चे तम्बाकू की अवैध प्राप्ति और चबाने वाले तम्बाकू के अवैध निर्माण और आपूर्ति के लिए मेसर्स मिराज प्रोडक्ट्स प्राइवेट लिमिटेड के खिलाफ मामला दर्ज किया गया जिसमें 34.33 करोड़ रुपये की कर चोरी का खुलासा हुआ है। एक अन्य मामले में, 9 फर्जी फर्मों का संचालन करके 31.38 करोड़ रुपये की जीएसटी से जुड़ी अवैध आपूर्ति करने के आरोप में डीजीजीआई, जयपुर द्वारा दो व्यक्तियों को गिरफ्तार किया गया है। इसके अलावा, छूट प्राप्त वस्तुओं की आपूर्ति पर आईटीसी के अनियमित लाभ लेने और धारा 17(5) के तहत अवरुद्ध आईटीसी के गलत लाभ के मुद्दे पर, डीजीजीआई, जयपुर ने दो मामले दर्ज किए हैं। पहले मुद्दे पर, मेसर्स म्युनिसिपल कॉउंसिल, अलवर द्वारा 4.60 करोड़ रुपये की आईटीसी को वापिस किया गया है और दूसरे मुद्दे पर मेसर्स एक्जेम्पलरी होटल्स प्राइवेट लिमिटेड के खिलाफ 6 करोड़ रुपये का मामला दर्ज किया गया है।

8. हाल ही में, बोर्ड ने अनुदेश संख्या 01/2023-24-जीएसटी (अन्वे.) दिनांक 30.03.2024 जारी किया है, जिसके तहत सहजता से व्यवसाय (Ease of doing business) करने हेतु नियमित करदाताओं के अनुसंधान के लिए सीजीएसटी क्षेत्र संरचनाओं के लिए विस्तृत दिशानिर्देश दिए गए हैं। अनुसंधान करते समय इन दिशानिर्देशों का सख्ती से पालन किया जाना चाहिए।

9. सरकार ने दिनांक 14.09.2023 की अधिसूचना के माध्यम से, पूरे भारत में 43 स्थानों और 3 सर्किट स्थानों को शामिल करते हुए जीएसटी अपीलीय अधिकरण (जीएसटीएटी) की 31 राज्य पीठों का गठन किया है। राजस्थान में जयपुर और जोधपुर में जीएसटी अपीलीय अधिकरण की दो पीठें स्थापित की जाएंगी। उम्मीद है कि ये जल्द ही काम करना शुरू कर देंगी। इनके कामकाज के साथ-साथ सीबीआईसी के प्राधिकृत प्रतिनिधि कार्यालय की स्थापना के लिए आवश्यक कार्यालय स्थान की तलाश प्रक्रियाधीन है। सीबीआईसी के प्राधिकृत प्रतिनिधि कार्यालयों के लिए आवश्यक अमला/जन संसाधन, कार्यालय उपकरण, स्टेशनरी, फर्नीचर आदि जोन द्वारा उपलब्ध करवाए जाएंगे।

10. बोर्ड ने हाल ही में जोनल वेबसाइट्स को जारी रखने एवम ऑडिट और अपीलस आयुक्तालयों सहित सभी सीजीएसटी आयुक्तालयों की वेबसाइट्स बंद किये जाने का निर्णय लिया है। इन वेबसाइट्स पर उपलब्ध डेटा संबंधित जोनल वेबसाइट पर स्थानांतरित किया जाना है। इसके अलावा, अधिनियमों, नियमों, अधिसूचनाओं और परिपत्रों के लिए वेबसाइट पर स्वतंत्र रूप से उपयोगकर्ताओं को जानकारी उपलब्ध करवाने के संबंधित टेब को सीबीआईसी के सूचना पोर्टल (<https://taxinformation.cbic.gov.in>) से जोड़ना होगा। इस संबंध में आयुक्तालयों को पत्र लिखा जा चुका है। सभी आयुक्त यह सुनिश्चित करें कि शटडाउन के लिए

प्रस्तावित वेबसाइट्स के URLs निश्चित रूप से निष्क्रिय कर दिए जाये ताकि वे Google इत्यदि सर्च इंजन पर न दिखाई दें।

11. "ज्ञान संग्रह" के इस माह के संस्करण में निम्नलिखित दो लेख सम्मिलित किए जा रहे हैं:

- (अ) जब अपीलकर्ता ने अपील दायर करते समय सीजीएसटी अधिनियम, 2017 के तहत किसी राशि का भुगतान नहीं किया, तो क्या शास्ति राशि की वसूली पर स्थगन माना जा सकता है और कर रहित मामलों में अपील दायर करने हेतु प्रि-डिपॉजिट के प्रावधानों की अनुपस्थिति - लेखक: श्री सुनील कुमार वर्मा, अधीक्षक, सीजीएसटी एवं सीएक्स, अलवर; एवम्,
- (ब) डीआरसी-03 सत्यापन - अतिरिक्त राजस्व उपार्जन के लिए एक प्रभावी उपकरण - लेखक: श्री देवी दत्त शर्मा, अधीक्षक, सीजीएसटी डिवीजन-ई, बहरोड़ा।

अपनी बहुमूल्य अंतर्दृष्टि हमारे साथ साझा करने के लिए मैं दोनों लेखक-अधिकारियों को धन्यवाद देता हूँ।

अगले माह तक।

भवदीय,



(महेंद्र रंगा)

सेवा में:- टीम जयपुर जोन।

प्रतिलिपि सूचनार्थ :-

- (i) ओएसडी, अध्यक्ष, सीबीआईसी, नई दिल्ली।
- (ii) निजी सचिव, सदस्य (जीएसटी/सीई/एसटी एवं क्षेत्रीय प्रभारी), सीबीआईसी, नई दिल्ली।
- (iii) मुख्य आयुक्त, राज्य कर, राजस्थान, जयपुर।
- (iv) प्रधान एडीजी, नासिन /डीजीजीआई, जयपुर।

# ज्ञान संग्रह

अप्रैल, 2024

**GYAN SANGRAH**

**APRIL, 2024**

**When the appellant has not paid any amount under CGST Act, 2017 while filing appeal, whether the recovery proceedings for the balance amount can be considered as deemed to be stayed and lack of provisions of pre-deposit in appeals not involving any tax**

By – Sunil Kumar Verma, Superintendent,  
CGST & CX, Alwar

---

Any person aggrieved by any decision or order passed by an adjudicating authority may file appeal under section 107 of the CGST Act, 2017 to prescribed Appellate Authority within three months from the date of communication of decision or order. Similarly, the aggrieved person may file appeal to the Appellate Tribunal under Section 112 against the order of Appellate Authority within three months from the date of communication of order.

2. The relevant definitions and provisions of CGST Act, 2017 are mentioned as below:-

**Section 2(8) “Appellate Authority”** means an authority appointed or authorised to hear appeals as referred to in section 107;

**Section 2(9) “Appellate Tribunal”** means the Goods and Services Tax Appellate Tribunal constituted under section 109;

**Section 49. Payment of tax, interest, penalty and other amounts.—**

(1) Every deposit made towards tax, interest, penalty, fee or any other amount by a person..... in such manner as may be prescribed.

....

**Explanation.**– For the purposes of this section,— (a) the date of credit to the account of the Government in the authorised bank shall be deemed to be the date of deposit in the electronic cash ledger;

(b) **the expression,—**

(i) **“tax dues” means the tax payable under this Act and does not include interest, fee and penalty; and**

(ii) **“other dues” means interest, penalty, fee or any other amount payable under this Act or the rules made thereunder.**

**Section 107. Appeals to Appellate Authority.**— (1) Any person aggrieved by any decision or order passed under this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act by an adjudicating authority may appeal to such Appellate Authority as may be prescribed within three months from the date on which the said decision or order is communicated to such person.

....

(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, [subject to a maximum of twenty-five crore rupees,] in relation to which the appeal has been filed.

- (7) Where the appellant has paid the amount under sub-section (6), the recovery proceedings for the **balance amount shall be deemed to be stayed.**

**Section 112. Appeals to Appellate Tribunal.**—(1) Any person aggrieved by an order passed against him under section 107 or section 108 of this Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act may appeal to the Appellate Tribunal against such order within three months from the date on which the order sought to be appealed against is communicated to the person preferring the appeal.

.....

- (8) 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 twenty per cent. of the remaining amount of tax in dispute**, in addition to the amount paid under sub-section (6) of section 107, arising from the said order, [subject to a maximum of fifty crore rupees,] in relation to which the appeal has been filed.
- (9) **Where the appellant has paid the amount as per sub-section (8), the recovery proceedings for the balance amount shall be deemed to be stayed till the disposal of the appeal.**

3. **Provisions relating to pre-deposit for filing of appeal exists under the CENTRAL EXCISE ACT, 1944 are as under:**

**35F. Deposit of certain percentage of duty demanded or penalty imposed before filing appeal.**—The Tribunal or the Commissioner (Appeals), as the case may be, shall not entertain any appeal—

- (i) under sub-section (1) of Section 35, unless the appellant has deposited seven and a half per cent of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of a decision or an order passed by an officer of Central Excise lower in rank than the [Principal Commissioner of Central Excise or Commissioner of Central Excise];
- (ii) against the decision or order referred to in clause (a) of sub-section (1) of Section 35-B, unless the appellant has deposited seven and a half per cent of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against;
- (iii) against the decision or order referred to in clause (b) of sub-section (1) of Section 35-B, unless the appellant has deposited ten per cent of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against:

**Provided that** the amount required to be deposited under this section shall not exceed Rupees Ten crores:

**Provided further that** the provisions of this section shall not apply to the stay applications and appeals **pending before any appellate authority prior to the commencement of the Finance (No. 2) Act, 2014.**

**Explanation.**—For the purposes of this section “duty demanded” shall include,—

- (i) amount determined under Section 11D;
- (ii) amount of erroneous CENVAT credit taken;
- (iii) amount payable under Rule 6 of the CENVAT Credit Rules, 2001 or the CENVAT Credit Rules, 2002 or the CENVAT Credit Rules, 2004.

4. **The above provisions are applicable to Service Tax matters in terms of Section 83 of the Finance Act, 1994, which reads as under:**

**SECTION 83.** Application of certain provisions of Act 1 of 1944.— The provisions of Section 35F of the Central Excise Act, 1944, as in force from time to time, shall apply, **so far as may be, in relation to service tax as they apply in relation to a duty of excise**

5. **The Customs Act, 1962 also contain similar provisions, as mentioned below:**

**129E. Deposit of certain percentage of duty demanded or penalty imposed before filing appeal.—**

The Tribunal or the Commissioner (Appeals), as the case may be, shall not entertain any appeal,—

- (i) under sub-section (1) of section 128, unless the appellant has deposited seven and a half per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of a decision or an order passed by an officer of customs lower in rank than the Principal Commissioner of Customs or Commissioner of Customs;
- (ii) against the decision or order referred to in clause (a) of sub-section (1) of section 129A, unless the appellant has deposited seven and a half per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against;
- (iii) against the decision or order referred to in clause (b) of sub-section (1) of section 129A, unless the appellant has deposited ten per cent. of the duty, in case where duty or duty and penalty are in dispute, or penalty, where such penalty is in dispute, in pursuance of the decision or order appealed against:

**Provided** that the amount required to be deposited under this section shall not exceed rupees ten crores:

**Provided** further that the provisions of this section shall not apply to the stay applications and appeals pending before any appellate authority prior to the commencement of the Finance (No. 2) Act, 2014 (25 of 2014).

6. It may be seen from the above provisions that for filing appeal the condition of pre-deposit is to be complied. **Pre-deposit provisions have been provided in the Central Excise Act, 1944 as well as Finance Act, 1994 for Service Tax matter and also in the Customs Act, 1962 for filing of the appeal in the cases where only penalty amount is disputed. However, the CGST Act, 2017 does not speak about pre-deposit for filing of the appeal in the cases where only penalty amount is disputed.**

7. From the plain reading of above mentioned provisions related to quantum of pre deposit, it is clear that pre-deposit of the entire adjudicated liability including tax/ duty,

interest and penalty (if any) is the sine qua non for triggering the authority of the appellate Commissioner to hear an appeal under provisions of Central Excise or Service Tax or Customs Act. Further, where only penalty is under dispute relating to Central Excise, Service Tax and Customs matters, pre-deposit of specified percentage of penalty is mandatory while filing of appeal, otherwise the Tribunal or the Commissioner (Appeals) shall not entertain any appeal.

8. Contrary to the above, the CGST Act does not provide any provision for pre-deposit for filing of appeal in the cases where only penalty amount is disputed by the appellant. **Therefore, in such cases, the recovery proceeding should not be deemed to have been stayed, as the scope of deemed stay is meant only for those appellants who has paid a sum equal to ten or twenty per cent of the remaining amount of tax in dispute.**

9. In view of above, for the purpose of uniformity, removal of doubts as well as to safeguard the revenue interest, condition of pre-deposit in respect of cases where only penalty is disputed may be made applicable in the GST appeal matters by amending the related GST provisions. Further, the Board may like to clarify and instruct the field formations to effect recoveries in such cases where only penalty has been challenged by filing appeal without any pre-deposit.

**Note:**

(i) *The above views or opinions expressed in the content do not necessarily reflect those of the individual, Department or Government and it is not intended to be used for legal advice or professional advice.*

(ii) *Thanks to Shri Umesh Kumar Agarwal, Superintendent for his support in preparation of this article.*

\*\*\*\*\*

# **DRC-03 Verification**

## **An effective tool to generate additional revenue**

*By – Devi Dutt Sharma, Superintendent,  
CGST Division-E, Behror*

---

Verification of the intimation of payment made by a taxable person in FORM GST DRC-03 is an important function assigned to the Range Officer. As per Rule 142(2) of the CGST Rules, 2017 once the payment made by the taxpayer in FORM GST DRC-03 has been communicated to the proper officer, it is the statutory duty of the proper officer to issue an acknowledgement in FORM GST DRC-04, accepting the payment made by the taxable person. Further, as per Rule 142(3) of the CGST Rules 2017, for payments of tax and interest, made by the taxpayer, as per provisions of section 73(8) or section 74(8) of the CGST Act, 2017, and for payments made for the amount towards penalty as per section 129(1), the proper officer has to conclude the proceedings by issuing an order in FORM GST DRC-05.

2. These actions are time bound because in case any short payment is noticed during the course of verification of DRC-03, a demand has to be issued within the outer limitation of time prescribed for raising such demands. The payment made is, therefore, required to be examined for correctness of calculation of amount payable as also for leviability of interest or penalty in deserving cases especially where the payment has been made under the category of “voluntary payment”.

3. Disposal of DRC-03 intimations is a continuous process as new DRC-03 intimations keep on adding up every day to the already pending intimations. A detailed SOP has also been laid down vide Office Order No.22/2023 dated 16.10.2023 issued by the CCO, Jaipur for verification of such intimations of payment in FORM GST DRC-03.

4. While verification of DRC-03 is required to be done as per the mandatory legal provisions, here are some examples of practical experience which indicate towards the importance and urgency of the verification process. While verifying the intimations some instances have come to notice where the taxable persons have made voluntary payments of tax short paid or reversed ITC but payment of interest has not been made especially for the payments relating to the initial years of GST implementation.

5. In some cases of verification, prima facie examination of the intimation itself with the help of Electronic Credit Ledger or GSTR-9 and 9C or GSTR-3B/ GSTR-1 returns indicated towards the possibility of short payment or non-payment of interest payable on the tax paid or ITC reversed voluntarily. As a result of the verification process initiated by the Range Office, the taxable persons have deposited the interest payable or are going to pay the same shortly. A few examples are detailed below:-

(i) **GD Foods Manufacturing (India) Private Limited (GSTIN 08AAACG9952A1ZP)** had reversed ITC alongwith interest for the **year 2019-20** (aggregate Rs.18,04,705/-) through DRC-03 ARN ADO802210163605 dated 26.02.2021. Perusal of the calculation chart submitted during verification process revealed that rate of interest applied in the excel sheet was 12% owing to some inadvertent error. Thus, there was short payment of interest to the extent of 6% of the ITC reversal. On being pointed out, the taxable person paid the **differential interest amounting to Rs.1,01,016/- through DRC-03 ARN ADO80823002345A dated 03.08.2023.**

(ii) **M/s Sakarni Plaster (India) Private Limited (GSTIN 08AASCS3036P1ZL)** had paid interest amounting to Rs.34,125/- on delayed payment of tax in the GSTR-3B returns for the **year 2017-18** vide DRC-03 ARN ADO80721001143P dated 06.07.2021. From perusal of the information on delay in filing of GSTR-3B returns as available on the

dashboard it appeared that the amount of interest paid was inadequate. On inquiry it was found that interest had been short paid and therefore, **interest amounting to Rs.73,454/- has been paid by the taxable person vide DRC-03 ARN ADo80923071038W dated 22.09.2023.**

(iii) **M/s Kritika Gupta (GSTIN o8DMWPG7237N1Z3)** had made reversal of ITC amounting to Rs.91,508 voluntarily **for the year 2022-23** through DRC-03 ARN ADo81223033238B dated 27.12.2023. Though voluntary reversal of ITC under the head of CGST was made from the Electronic Credit Ledger but reversal of ITC of SGST was made from Electronic Cash Ledger which indicated towards the requirement of payment of interest. Perusal of Electronic Credit Ledger indicated that ITC availed during the quarter October to December 2022 stood utilised to a large extent by 20.01.2023 itself. Thus, interest was required to be paid in respect of reversal of ITC of both CGST and SGST. On being pointed out, the taxable person deposited **interest amounting to Rs.13,839/- through DRC-03 ARN ADo80224009531I dated 12.02.2024.**

(iv) **M/s JPAN Tubular Components Private Limited (GSTIN o8AABCJ8537F1ZG)** had made payment of an aggregate sum of Rs.37,27,893/- through DRC-03 ARN ADo80120012073Z dated 19.02.2020 under section 73(5) of the CGST Act, 2017 through the Electronic Cash Ledger for the **year 2017-18** showing the cause of payment as annual return. Reversal of ITC from the Electronic Cash Ledger indicated towards the need to pay interest which was not paid. On being enquired, it was informed that transitional credit of CGST of Rs.37,16,813/- was also claimed in the GSTR-3B return as the TRAN-1 credit was not reflecting due to technical glitches. Later on, the transitional credit claimed in TRAN-1 was also credited as ITC of CGST and, therefore, the transitional ITC claimed in GSTR-3B was reversed while filing the annual return vide DRC-03 dated 19.02.2020 but without interest. Examination of the Electronic Credit Ledger revealed that transitional ITC taken in GSTR-3B return had also been utilised at some point in time and, therefore, interest was required to be paid for the period starting from the date of its utilization. The taxable person has now paid the **interest amounting to Rs.13,77,854/- vide DRC-03 ARN ADo80923025915S dated 11.09.2023.**

(v) **M/s Vriya Automotives Private Limited, Neemrana (GSTIN o8AACCV4610N1Z4)** had paid tax amounting to Rs.2,62,164/- from the Electronic Cash Ledger through DRC-03 ARN ADo81220015611R dated 31.12.2020 against short payment of tax liability for the **year 2018-19** in the GSTR-3B returns. Thus, interest for delayed payment of tax was also payable which had not been paid. On being pointed out, the taxable person has paid **interest amounting to Rs.82,872/- and Rs.20,946/- through DRC-03 ARN ADo801240278651 dated 24.01.2024 and ADo80224003575C dated 06.02.2024.**

(vi) **M/s Manoj Kumar (GSTIN o8BCRPM9254Q1ZE)** reversed ITC amounting to Rs.1,82,900/- through DRC-03 ARN ADo80224013278A dated 16.02.2024 from the Electronic Cash Ledger in respect of vehicle lost in accident on 01.06.2023. The ITC was required to be reversed in GSTR-3B for the tax period **June 2023** itself and, therefore, interest for the period of delay in reversal is payable by the taxable person. Accordingly, the taxable person has been requested to pay **interest amounting to Rs.19,205/- for the period of delay in reversal of the ITC.**

(vii) **M/s Malster and Blenders India Private Limited, Neemrana (GSTIN o8AADCM9600N1Z4)** reversed ITC amounting to Rs.11,93,956/- under Rule 42 of the CGST Rules, 2017 (common ITC relatable to exempted turnover) for the **year 2019-20** through DRC-03 ARN ADo807230124854 dated 17.07.2023 from both the Electronic Cash Ledger and Electronic Credit Ledger. The reversal of ITC was required to be made every month of the year 2019-20 but the same was made on 17.07.2023 only. Therefore, interest was payable for the period of delayed reversal which has not been done. The taxable person has assured to deposit shortly the **interest amounting to Rs.10,42,966/- for the**

**period of delay in reversal of ITC.**

6. There may be cases where examination of DRC-03 reveals that the payment made through DRC-03 still falls short of the amount of tax payable or the amount of ITC liable to be reversed or that interest payable has not been paid or has been short paid and still the taxable person does not respond quickly. In such cases demands may have to be raised by way of show cause notices for recovery of the amounts involved.

7. One important point worth noting is that while delayed payment of tax or delayed reversal of ITC attracts interest liability in terms of section 50 of the CGST Act, 2017 but as per Rule 88B of the CGST Rules, 2017 the interest shall be calculated on the amount of tax which remains unpaid for the period upto the date such tax is paid or on the amount of ITC wrongly availed and utilised for the period upto the date of reversal of such credit. Thus, if the amount of interest is not paid on the date of payment of tax or reversal of ITC, no further interest is payable by the taxable person for the period of delay in payment of the interest liability. It is, therefore, advisable that interest is recovered at the earliest or a show cause notice proposing the recovery of interest and imposition of penalty is issued immediately.

8. It may be seen that even though the number of cases of non-payment of interest detected is not sizeable yet the process of DRC-03 verification certainly works as an effective tool to generate additional revenue to some extent at the level of Range Office.

*(The write-up is simply intended to share the personal experience of the writer with the colleagues and the views expressed therein may not necessarily represent the stand taken by him on the provisions of law in his official capacity.)*

\*\*\*\*\*