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भारत सरकार | GOVERNMENT OF INDIA | वित्त मंत्रालय | MINISTRY OF FINANCE | राजस्व विभाग | DEPARTMENT OF REVENUE

केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड

CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS

प्रणाली एवं आंकडा प्रबंधन के अपर महानिदेशक का कार्यालय, बेंगलूरु

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**Addendum to Advisory No.1/2018, dated 26.10.2018**

The officers from the field formations have expressed doubts about para 2(g) of the Advisory regarding charging of interest on the tax dues confirmed in the Order-in-Original and by issue of DRC-07. The relevant para in the Advisory No.1/2018 is reproduced below for ready reference.

*g) In Demand Details tab, interest portion should be calculated as on the Order issued date. And it is preferable to enter date of communication of the order as the Oder issue date.*

2. While it is correct and legal that the interest is to be calculated from the due date of payment of tax till the date of actual payment of tax, in view of the technical restrictions in the GST era, for every liability to be recovered, it has first to be entered in the Electronic Liability Register using form DRC07. DRC-07 creates a demand in the Electronic Liability Register-Pt.II, which is in the GSTN portal and the said Register is not dynamic to auto calculate the interest. Thus, for every case, once the Order-in-Original is issued, a DRC-07 is to be created and in the absence of payment of actual tax, the interest needs to be calculated from the due date of payment of tax till the date of the Order-in-Original. Further, after realisation of the tax amount due under the Order-in-Original, the differential interest is to be recovered by creating one more DRC-07 for the differential interest amount.

**(R.SRIRAM)****ADDITIONAL DIRECTOR GENERAL(SYSTEMS)**

Copy to:

- (1) The Director General, Directorate of Systems and Data Management,  
New Delhi for information.
- (2) All the Principal Commissioners/ Commissioners of Central Tax.
- (3) The webmaster for uploading to <https://cbic-gst.gov.in> and  
<https://antarang.icegate.gov.in>.