



प्रधान आयुक्तालय, केंद्रीय माल एवं सेवाकर का कार्यालय,
Office of the Principal Commissioner of Central Goods and Services Tax,
केंद्रीय माल एवं सेवाकर आयुक्तालय दिल्ली दक्षिण / **CGST Delhi South Commissionerate**
द्वितीय एवं तृतीय तल, ई.आई.एल एनेक्सी बिल्डिंग / **2nd & 3rd Floor, EIL Annexe Building**
भीकाजी कामा प्लेस, नई दिल्ली - 110066 / **Bhikaji Cama Place, New Delhi – 110066**

फ.स. GEXCOM/TECH/TN/9/2025-TECH-O/o/PR COMM-R-CGST-DELHI(S)

दिनांक:- .04.2026

TRADE NOTICE NO. 01/2026-27

Attention of the Trade, Industries & field officers is invited to the Advisory **dated 03.04.2026** issued by the Central Board of Indirect Taxes & Customs (CBIC), Additional Director General of DG Systems regarding **“Difficulty in filing appeals on the GST portal in cases where adjudication orders reflect "NIL" demand due to prior voluntary payment”**.

1. Introduction

It has come to the notice of GSTN that certain taxpayers are facing difficulties in filing appeals on the GST portal against demand orders wherein the demand amount is reflected as "NIL," despite the existence of a dispute regarding tax liability.

This situation generally arises in cases where the taxpayer has made payment of tax, interest, or penalty (fully or partially) at the stage of issuance of the Show Cause Notice (SCN), without admitting the liability, and the adjudicating authority has subsequently issued a demand order treating such payment as full discharge of the demand without explicitly determining and recording the liability.

2. System Behaviour on GST Portal (Demand and Collection Register– DCR)

When a demand order is issued by the tax officer, the GST portal creates a Demand ID in the Demand and Collection Register (DCR), also known as the liability ledger.

In cases where the tax officer issues a demand order with a NIL amount, an entry is created with zero value, indicating that there is no outstanding liability. When the taxpayer attempts to file an appeal application (APL-01) against such a demand order, the portal restricts the filing of the appeal and may display an error such as: "Disputed amount cannot be more than demand amount itself."

Since no liability is reported by the tax officer on the GST portal, the system blocks the taxpayer from filing an appeal.

3. Nature of Issue:

It is clarified that:

Payment made during the SCN stage, without explicit admission of liability, does not amount to acceptance of the demand.

In such cases, the taxpayer retains the right to contest the liability and file an appeal under Section 107 of the Central Goods and Services Tax Act, 2017.

However, where the adjudication order correctly reflects "NIL" demand, the taxpayer is unable to exercise this statutory right due to the NIL demand reflected in the system.

4. Alternate solution:

In cases where a dispute regarding liability exists but is not captured by the department in the demand order, and payment has been made prior to the issuance of the demand order, the taxpayer is advised to approach the adjudicating authority for issuance of a rectification order.

The taxpayer may file such rectification requests using the option available on the GST portal. Upon receipt of the rectification order reflecting the correct demand amount, the taxpayer may proceed to file an appeal on the GST portal within the prescribed time limits.

This issues with approval of Principal Commissioner CGST Delhi South.

Digitally signed by

Rohit Kumar

Date: 16-04-2026

10:36:42

Additional Commissioner (Tech)
CGST, Delhi South

Copy to:-

- 1) PS to Chief Commissioner, Central Tax, Delhi Zone.
- 2) PS to Principal Commissioner, CGST, Delhi North, Delhi West, Delhi South, Delhi East.
- 3) PS to Additional Commissioner, CGST, Delhi South.
- 4) All Divisional ACs/DCs of CGST Delhi South.
- 5) AC (Systems) for getting it uploaded on Commissionerate website
- 6) The Trade Associations
- 7) Notice Board/Guard File.

The Trade Associations (Mailing List):

1. South Delhi Trade Unionist Association
Trade association in New Delhi, W-14, Opp. Kalkaji Bus Depot, Ma Anandmayee Marg, Govindpuri, New Delhi, Delhi 110019
2. PHD Chamber of Commerce and Industry, No. 4/2, Siri Institutional Area, August Kranti Marg, New Delhi, Delhi 110016. (phdcci@phdcci.in)
3. FICCI, 1, Federation House, Tansen Marg, Todermal Road Area, Mandi House, New Delhi, Delhi 110001. (arvind.francis@ficci.com).
4. Confederation of Indian Industry, 23, Mantosh Sondhi Centre, Institutional Area, Lodhi Road, New Delhi, Delhi 110003. (info@cii.in).
5. ASSOCHAM, 5, Sardar Patel Marg, Chanakyapuri, New Delhi, Delhi 110021. (assochem@nic.in)
6. NASSCOM, Pandit Uma Shankar Dikshit Marg, Diplomatic Enclave, Chanakyapuri, New Delhi, Delhi 110011. (delhi@nasscom.in).
7. Federation of Indian Export Organization, New Delhi, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi-110 057(feo@feo.org).
8. The Hotel and Restaurant Association of Northern India. 406/75-76, Manisha Building, Nehru Place, New Delhi-110019. (hrani.1950@gmail.com).
9. The Internet Service Providers Association of India.612-A, Chiranjeev Tower, 41 Nehru, Place, New-Delhi-110019. (info@ispai.in).
10. The Tower & Infrastructure Providers Association,7 Bhai Vir Singh Marg, Near Gole, Market New Delhi-110001. (msrana@taipa.in).
11. Authentication solution Providers Association (ASPA), 21, Ground Floor, Devika Tower, Nehru Place New-Delhi-110019. (info@aspaglobal.com).
12. Indian Direct Selling Association, 504, 5th Floor, Manish Building, 75-76, Nehru Place, New-Delhi-110019. (abhishek@idsa.co.in).
13. The Sugar Technologist Association of India, 301, Agarwal Plaza, Behind Crown Plaza Hotel, 15, Community Centre, Okhla, New-Delhi. (i.ramchandran@staionline.org).
14. Automotive type Manufacturers Association, PHD House, Asian Games Village, New Delhi-110016. (rajiv@atmaindia.org).
15. All India Industrial Glass Manufacturers Association, 215, Square-1, Saket, New Delhi. (skroy.aiigma@gmail.com).
16. Naraina Association (narainaassociation@gmail.com).