

केंद्रीयकर: लेखापरीक्षा-II आयुक्तकार्यालय

OFFICE OF THE COMMISSIONER OF CENTRAL TAX

AUDIT - II COMMISSIONERATE

DOOR NO.1-98/B/20, 21 :: SANVI YAMUNA PRIDE :: KRITHIKA LAYOUT

MADHAPUR :: HITECH CITY :: HYDERABAD :: हैदराबाद - 500081

C.No. V/01/GST/78/2020-Gr.12/Cir-I
DIN-20210156YS0000000ACAA

Date:08.04.2021

To
M/s. VILLA ORCHIDS LLP
2ND Floor,5-4-187/3 and 4,
Soham Mansion, M.G.Road,
Secunderabad, Hyderabad
Telangana-500003.
GSTIN: 36AANFG4817C1ZH

Gentlemen,

Sub-GST –Audit conducted on the accounts M/s. VILLA ORCHIDS LLP
Secunderabad, Telangana-500003-Certain discrepancies –Reg.

With reference to the above subject, it is to inform that the records of
your unit were audited on 27.02.2021, 01.03.2021, 02.03.2021 and 03.03.21
and this office letter dated 27.03.2021.

In continuation to this office Letter dated 27.03.2021 (pi refer 3rd point), it is
further to inform you that the tax liability is arrived on the Non-payment of GST on
Advances received in FY.2017-18 and 2018-19:

Non-payment of GST on Advances received in FY.2017-18 and 2018-19:

As per Section 13 of CGST Act,2017, reproduced below:

" Section 13. Time of supply of services.

*1) The liability to pay tax on services shall arise at the time of supply, as
determined in accordance with the provisions of this section.*

*2) The time of supply of services shall be the earliest of the following
dates, namely:-*

- 1.the date of issue of invoice by the supplier, if the invoice issued
within the period prescribed under sub-section (2) of section 31 or the date of
receipt of payment, whichever is earlier; or*
- 2.the date of provision of service, if the invoice is not issued within
the period prescribed under sub-section (2) of section 31 or the date of receipt of
payment, whichever is earlier; "*

The details are as under.

	FY.2017-18	FY.2018-19	TOTAL (Rs)
SALES AS PER P&L	198345402	204489452	402834854
TURNOVER AS PER GSTR 9C	206465103	206601387	413066490
AMOUNTS RECEIVED THROUGH CHEQUES.	116714926	298469294	415184220

	FY.2017-18	FY.2018-19	TOTAL (Rs)
NON-GST /EXEMPTED SUPPLY(Sale of Land)	144185500	2257500	146443000
TAXABLE SUPPLY (INCLUDING TAX)i.e. Construction Service	8781302	82261636	91042938
		TOTAL	237485938

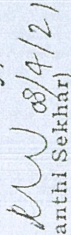
During the period 2017-18 and 2018-19 it is observed that the taxpayer has received an amount of Rs.41,51,84,220/- through cheques .Out of this amount, the taxpayer has paid tax on the taxable value of Rs.7,71,55,032/- at the rate of 18%.The taxpayer has claimed Rs.14,64,43,000/-towards exempted Sales (Sale of Land).Thus the taxpayer has not paid Tax on the differential Turnover of Rs.17,76,98,282/- which works out to Rs.1,59,92,845/-(CGST @9%) and SGST Rs.1,59,92,845/- @9%.

The details are as under:

(Rupees)	
Total receipts during FY 2017-18 and 2018-19	41,51,84,220
Invoice raised during FY 2017-18 and 2018-19 against Sale of land.	14,64,43,000
Tax already paid during 2017-18 and 2018-19 (including tax) taxable value Rs.7,71,55,032/-)	91042938
Differential amount for Construction service	17,76,98,282

In view of the above, it appears that you are liable to pay tax amount i.e., CGST Rs.1,59,92,845/- @9% and SGST Rs.1,59,92,845/- @9% on taxable value of Rs.17,76,98,282/- along with applicable interest and penalty and compliance may be furnished to the audit.

Yours Sincerely,


(K. Santhi Sekhar)

AC (In situ) GROUP-12
CIRCLE -I: AUDIT -II COMM'TE