55

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/81/2020-Gr.12/Cir-I Date:27.03.2021
DIN-20210156YS000000ACAA

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/Observations –Reg.

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With reference to the Audit conducted on 27.02.2021, 01.03.2021, 02.03.2021and 03.03.2021 and data furnished by you including through Mails on the above subject.

1)Non payment of GST under RCM on Brokerage/Commission paid to Un registered persons (Rs.3,060/-):

During the course of audit on scrutiny of GST Returns with Balance sheet and Ledgers it is observed that you have not discharged of Rs.3,060]/- on payment made to un-registered persons under RCM for the period 01.07.2017 to 12.10.2017 as per Notification No.8/2017-Central Tax Rate Dt.28.06.2017.The details are as under:

Month	Value(Rs)	CGST @9%	SGST @9%	Total GST Payable (Rs)
Jul-17	8500	765	765	1530
Aug-17	8500	765	765	1530
TOTAL	17000	1530	1530	3060

Therefore, it is requested that the tax amount of Rs.3,060 /- may be discharged along with applicable interest under Section 50 of the CGST Act,2017 and applicable penalty in terms of Section 74(5) of the CGST Act,2017 may be paid and compliance submitted to the audit immediately.

2) Interest for Rs. 827/- on delayed filing of GSTR-3B Returns for the months July-2017,August,2017 and October-2017:

On Verification of GSTR-3B Returns filed by the party, it is observed that delay in filing of GSTR-3B returns for the months July-2017, August,17 and Oct,17 detailed hereunder:

MONTH	Cash paid(Rs)	DUE DATE	FILED DATE	DELAY	INTEREST @18%
Jul-17	188774	25-08-2017	02-09-2017	5	466
Aug-17	48092	20-09-2017	03-10-2017	13	308
Oct-17	4008	20-11-2017	17-12-2017	27	53
TOTAL					827

Therefore, it is requested that the interest amount of Rs.827/- is liable to pay along with applicable penalty under Section 125(5) of CGST Act,2017 may be paid and compliance submitted to audit.

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

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

" Section13.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; "

As per the available information provided by you, it appears that you have not paid tax on the amounts received through cheques of Rs.17,76,98,282/- (41,51,84,220 - 23,74,85,938 = Rs.17,76,98,282/-). As discussed, and requested, you are once again requested to furnish the details of invoices raised against the amount received Rs.17,76,98,282/-.

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 AS PER YOUR MAIL DT.03.03.2021	116714926	298469294	415184220

7/7

	FY.2017-18	FY.2018-19	TOTAL (Rs)
NON-GST /EXEMPTED SUPPLY	144185500	2257500	146443000
TAXABLE SUPPLY (INCLUDING TAX)	8781302	82261636	91042938
		TOTAL	237485938

You are advised to pay the GST on the advances received along with applicable interest and penalty and compliance may be submitted to the audit immediately.

4) Availment of Input Tax Credit to be verified.

Yours sincerely,

27/03/2021

(K.SANTHI SEKHAR)
AC (In situ)
GROUP-12CIRCLE –I:
AUDIT –II COMMISSIONERATE