GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Office of the
Assistant Commissioner (ST),
M.G.Road - S.D.Road Circle
Begumpet Division, Hyderabad.

GSTIN: 36AAATM5488Q2ZO **DATE: 09-10-2020.**

INTEREST NOTICE

[Sec.50(1) of SGST Act' 2017]

To
M/s. M.C.MODI EDUCATIONAL TRUST
Address:, 5-4-187/3 and 4, 2ND FLOOR, M.G ROAD, SECUNDERABAD, NULL, TGRAN, 36, 500003
E-mail ID: jayaprakash@modiproperties.com
Phone No: 8309830723

Late filing of GSTR 3B on which interest is liable for delayed payment.

It has come to the notice of the Department that you have filed GSTR 3B returns after due date resulting in the delayed payment of tax. The Interest details are enclosed separate working sheet for the period as under.

☐

S.No	Tax Period	GSTR 3B Due Date	Filed date	Delay in days	Tax paid in Cash			Interest @ 18 % p.a.			
					SGST	CGST	IGST	SGST	CGST	IGST	Total
1	Aug,2017	20-09-2017	07-11-2017	48	36800	36800	0	871	871	0	1742
2	Sep,2017	20-10-2017	07-11-2017	18	36800	36800	0	327	327	0	653
3	Oct,2017	20-11-2017	17-12-2017	27	36800	36800	0	490	490	0	980
4	Jan,2018	20-02-2018	26-02-2018	6	36163	36163	0	107	107	0	214
5	Nov,2018	20-12-2018	26-12-2018	6	39125	39125	0	116	116	0	232
6	Mar,2020	05-05-2020	09-07-2020	65	31159	31159	0	999	999	0	1998

As per Section 50(1) of the SGST Act, 2017, every person who is liable to pay tax in accordance with the provision of this act or rules made there under but fails to pay tax or any part thereof, to the Government within the prescribed time then he shall for the period for which the tax or any part thereof remains unpaid pay on his own interest at such rates not exceeding 18%. Further, the Government has notified the rate of interest as 18% through notification No.13 of 2017, Central Tax, dated. 28-06-2017 for the tax payable under Section 50 (1) of the SGST Act, 2017.

The principal Commissioner of Central Tax, Hyderabad GST Commissionerate in standing order No.01/2019, dated. 04-02-2019 clarified that ITC/credit in balance in the Electronic Credit Ledger cannot be treated as the tax paid, unless it is debited in the said credit ledger while filing the returns for offsetting the amounts in the "Liability Ledger", the interest liability under Section 50 is mandatorily attracts on the entire tax remained unpaid beyond the due date prescribed. The ITC in balance as on the due date for filing the returns as no relevance with regard to the interest liability under Section 50. It is immaterial whether the self assessment tax is paid through credit/ITC or the cash. Once the payment is beyond the prescribed date, interest liability is attracted on the entire tax amount.

It is pertinent to mention that the amount of the interest payable in terms of Section 50 would automatically become recoverable arrear, which needs to be recovered in terms of Section 79 of the SGST Act, 2017.

In view of foregoing facts and the legal position M/s. M.C.MODI EDUCATIONAL TRUST, are hereby advised to pay the interest amount immediately, failing to which action will be initiated under Section 79 of the SGST Act, 2017.

Sd/-
ASSISTANT COMMISSIONER (ST)(FAC),
M.G.ROAD-S.D.ROAD CIRCLE