M.G.Road-S.D.Road Circle - Late filing of GSTR 3B on which interest is liable for delayed payment - Interest Notice issued - Regarding.

From: ac_mgsd@tgct.gov.in

To: sreenivasasarma@modiproperties.com

Date: Saturday, October 10, 2020, 12:56 PM GMT+5:30

GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

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

GSTIN: 36AAEFM1459R1ZP **DATE: 09-10-2020.**

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

To
M/s. MODI REALTY MALLAPUR LLP
Address:5-4-187/3 AND 4 , SOHAM MANTION , SECUNDERABAD , M G ROAD , 500003
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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	Mar,2020	05-05-2020	22-07-2020	78	1831037	1831037	0	70432	70432	0	**140864**

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. MODI REALTY MALLAPUR LLP, 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
BEGUMPET DIVISION:: HYDERABAD.

S No	Month	Actual Due Date	Filing Date	Delay in days	Tax liability	Net liability	Interest
1	Mar-20	05-05-2020	22-07-2020	78	36,62,074		1,40,864