GOVERNMENT OF TELANGANA
COMMERCIAL TAX DEPARTMENT

Attachment to Show Cause Notice in Form DRC-01

DIN	GST/36AABCM4761E1ZM/19
Designation of the assessing officer	ASSISTANT COMMISSIONER (ST)
Office details Circle Division	RAMGOPALPET-RANIGUNJ BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	MODI PROPERTIES PRIVATE LIMITED MODI PROPERTIES PRIVATE LIMITED 36AABCM4761E1ZM
Financial Year	2018-19

You have filed annual return in GSTR-09 for the financial year 2018-19.

On examination of the information furnished in this return under various heads and also the information furnished in TRAN-1, GSTR-01, GSTR-2A, GSTR-3B, EWB and other records available in this office it is found that you have not declared your correct tax liability while filing the annual returns of GSTR-09. The summary of under declared tax is as follows:

SGST Rs.**939748.28**
CGST Rs.**939748.28**
Total Rs.**1879496.56**

The details of the above tax liability are as follows:

1. Net tax liability under declared on account of non-reconciliation of information declared in GSTR-09:

A. The tax on outward supplies under declared on reconciliation of data in GSTR-09:

It is observed that the tax payer has not correctly declared tax on his outward supplies on reconciliation of turnovers in GSTR-09. Resulting in a tax payable to a tune of **Rs. 45477.68**

S.No	Issue	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Tax on taxable supplies as declared in GSTR-09	4N	1378842.84	1378842.84	2757685.68
2	Add net increase due to amendments (Increase in amendments (-) decrease in amendments)	10 (-) 11	0.00	0.00	0.00
3	Add tax on deemed supplies	16B	0.00	0.00	0.00
4	Add tax on unreturned goods	16C	0.00	0.00	0.00
5	Add pending demands	15G	0.00	0.00	0.00
6	Total output tax liability as per the above in GSTR-09		1378842.84	1378842.84	2757685.68
7	Less Total tax paid in cash	9	1046059.00	1027665.00	2073724.00
8	Less Tax paid by adjustment of ITC	9	310045.00	328439.00	638484.00
9	Less differential tax paid on amendments	14	0.00	0.00	0.00
10	Add differential tax paid on amendments related to previous year in current year.	(14) of previous FY GSTR-09	0.00	0.00	0.00
11	Under declared tax in GSTR-09		22738.84	22738.84	45477.68

2. Excess claim of ITC:

- **Excess ITC claimed in GSTR-3B compared to GSTR-09:**

You have claimed excess ITC in GSTR-3B as compared to the net ITC available in the annual return GSTR-09 which has resulted in an under payment of tax as follows:

S.No	Description	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Eligible ITC in GSTR-3B	6A	310693.00	310693.00	621386.00
2	ITC pertaining to previous year but availed in the current year	{13 (-) 12} of previous GSTR-09	-648.00	-648.00	-1296.00
3	Net ITC available in the current year	S.No.1 (-) S. No.2	311341.00	311341.00	622682.00
4	Total ITC availed in GSTR-09	6O	310693.00	310693.00	621386.00
5	ITC availed in GSTR-3B in excess of GSTR-09	S.No.3 (-) 6O	648.00	648.00	1296.00

- **ITC to be reversed on non-business transactions & exempt supplies**

Under Sec 17(1) & (2) where the goods or services or both are used by the registered person partly for the purpose of business, partly for other purposes or partly used for effecting exempt supply and partly for taxable supply then the amount of credit shall be restricted to so much of the input tax as is attributable to the taxable supplies in the course of business. Therefore the taxable person needs to make an apportionment of available input tax credit under Rule 42 & 43 to arrive at the eligible ITC.

However as seen from the GSTR-09 return filed it is evident that you have not made such apportionment resulting in excess claim of ITC than you are eligible. The details of the working are as under:

S.No	Issue	Table no. in GSTR-09	Value of outward supply	SGST	CGST	Total
1	2	3	4	5	6	7
1	Total supplies	5N+10-11	36172688.96	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	20852210.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.58	-	-	-
4	Common input tax credit	6O+13-12	-	310693.00	310693.00	621386.00
5	ITC to be reversed	{S.No.4 (x) S. No.2}/S.No.1	-	179102.96	179102.96	358205.92
6	ITC reversed as per GSTR-09	7C + 7D +7F + 7G	-	0.00	0.00	0.00
7	Difference/Excess ITC claimed	S.No.5 (-) S. No.6	-	179102.96	179102.96	358205.92

Therefore the excess ITC claimed is proposed to be recovered.

• **Under declaration of Ineligible ITC:**

Under Sec 17(5) of the SGST Act, 2017 input tax credit shall not be available in respect of the list of commodities & services mentioned therein subject to certain conditions.

It is seen from GSTR-09 and other information that they have claimed ITC on these commodities and therefore the ITC claimed on these commodities or services is proposed to be recovered.

S.No	Commodity/Service	HSN code	Table no. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6	7
1	Maintenance & Repair service of Motor Vehicles	998714;		702225.76	702225.76	1404451.52
2	Motor Vehicle Insurance	997134;		19719.31	19719.31	39438.62
3	Accident & Health Insurance	997133;		13842.95	13842.95	27685.90
4	Motor Vehicles	8702; 8703; 8711;		1470.46	1470.46	2940.92
A	Total ineligible ITC u/s 17(5)	-		737258.48	737258.48	1474516.96
B	Ineligible ITC declared in GSTR-09	-	7E	0.00	0.00	0.00
C	Difference/excess ITC claimed	-		737258.48	737258.48	1474516.96

Summary :

The total tax payable on account of these deficiencies after giving credit to the payments made in cash and ITC adjusted is arrived as follows:

S.No	Issue	SGST	CGST	Total
1	2	3	4	5
1	Total tax due in (1)+(2) above	939748.28	939748.28	1879496.56

(The detailed workings of the above in tabular form are attached as Annexures-B)

Therefore it is proposed to assess the registered tax payer for the net tax payable indicated above under Section 73 of the SGST/CGST Act. The registered tax payer may therefore pay the tax along with interest in DRC-03. However, If the registered tax payer is not agreeing with the proposals in this notice they may file their objections in DRC-06 within (15) days from the date of receipt of this notice. A draft standard format is also attached for filing your response along with your detailed reply.

To download response pdf Click Here

Rs in Rupees

Details of Ineligible ITC 17 (5)   Date: 11-11-2021

GSTIN : 36AABCM4761E1ZM
Name : MODI PROPERTIES PRIVATE LIMITED   FY : 2018-19

S.No.	Seller Name	Seller GSTIN	Commodity / Service	HSN code	Month	R1 to this dealer		
						SGST	CGST	Total
				5	6	7a	7b	7c
1	2	3	4					
1	Future Generali India Insurance Company Limited	36AABCF0191R1ZA	Motor Vehicle Insurance	997134;	Apr, 2018	313.06	313.06	626.12
2	Future Generali India Insurance Company Limited	36AABCF0191R1ZA	Motor Vehicle Insurance	997134;	May, 2018	2158.47	2158.47	4316.94
3	VASANT AUTOMOTIVE SOLUTIONS	36AAPFV9263R1ZV	Motor Vehicles	8702; 8703;8711;	Jun, 2018	1470.46	1470.46	2940.92
4	ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED	36AABCR7106G1ZK	Accident & Health Insurance	997133;	Jul, 2018	3035.00	3035.00	6070.00
5	M/S SREE KRISHNA AUTOMOTIVES HYDERABAD PVT LTD	36AAKCS5353H1Z3	Maintenance & Repair service of Motor Vehicles	998714;	Aug, 2018	693574.95	693574.95	1387149.90
6	ICICI LOMBARD GENERAL INSURANCE CO LTD	36AAACI7904G1ZO	Motor Vehicle Insurance	997134;	Aug, 2018	17247.78	17247.78	34495.56
7	M/S SREE KRISHNA AUTOMOTIVES HYDERABAD PVT LTD	36AAKCS5353H1Z3	Maintenance & Repair service of Motor Vehicles	998714;	Sep, 2018	8650.81	8650.81	17301.62
8	ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED	36AABCR7106G1ZK	Accident & Health Insurance	997133;	Sep, 2018	1954.00	1954.00	3908.00
9	STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED	36AAJCS4517L1ZZ	Accident & Health Insurance	997133;	Oct, 2018	1206.00	1206.00	2412.00
[illegible]	ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED	36AABCR7106G1ZK	Accident & Health Insurance	997133;	Dec, 2018	6977.00	6977.00	13954.00
11	STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED	36AAJCS4517L1ZZ	Accident & Health Insurance	997133;	Jan, 2019	670.95	670.95	1341.90
	Total					737258.48	737258.48	1474516.96

Note:

SGST Ineligible ITC = Total SGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 7E SGST of GSTR09

= 737258.48 - 0.00

= 737258.48

CGST Ineligible ITC = Total CGST ineligible ITC u/s 17(5) from R1 to this dealer - 7E SGST of GSTR09

= 737258.48 - 0.00

= 737258.48