

12/11/21

**GOVERNMENT OF TELANGANA
COMMERCIAL TAX DEPARTMENT**

Attachment to Show Cause Notice in Form DRC-01

DIN	GST/36ACVFS7909P1ZV/19
Office details Designation of the assessing officer Unit Division	ASSISTANT COMMISSIONER (ST) RAMGOPALPET-RANIGUNJ BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	SERENE CONSTRUCTIONS LLP SERENE CONSTRUCTIONS LLP 36ACVFS7909P1ZV
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.**2524505.61**
CGST Rs.**331930.30**
Total Rs.**2849011.22**

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 excess input tax credit(ITC) claimed on account of non-reconciliation of information declared in GSTR-09:

Under Sec 16(2)(c) every registered person shall be entitled to take credit of ITC on supply of goods or services to him subject to the condition that the tax charged in respect of such supply has been actually paid to the Government either in cash or through utilization of ITC admissible in respect of such supply.

It is observed that the tax payer has not correctly availed input tax on his inward supplies on reconciliation of turnovers in GSTR-09. Resulting in tax payable to a tune of **Rs. 658638.76**

S.No	Issue	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Excess claim of ITC declared in GSTR-09	8D	329319.38	329319.38	658638.76
2	Add excess claim of IGST on imports in GSTR-09	8I	0.00	0.00	0.00
3	Total excess claimed of ITC as per GSTR-09		329319.38	329319.38	658638.76

2. Net tax under declared due to non-reconciliation of turnovers in other returns and E-way bill information:

In addition to the above under declared turnovers with respect to GSTR-09, it is seen that you have under declared turnovers with respect to other information available in this office.

• **Reconciliation of GSTR-01 with GSTR-09:**

The outward supplies turnover declared in GSTR-01 is greater than net outward supplies information furnished in GSTR-09 and arrived at box 1A(1)+1A(2) above. This amount is therefore proposed to be taxed as under declared outward supplies as follows:

S.No	Issue	SGST	CGST	Total
1	2	3	4	5
1	Tax on Outward supplies declared in GSTR-01 for the FY.	2453000.31	2453000.31	4906000.62
2	Less tax on Outward supplies arrived in GSTR-09 at box 1A(1)+1A(2)	260425.00	2460425.00	2720850.00
3	Difference (1-2)	2192575.31	0	2185150.62

3. Excess claim of ITC:

• **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	27431651.00	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	46796.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.00	-	-	-
4	Common input tax credit	6O+13-12	-	1530514.00	1530514.00	3061028.00
5	ITC to be reversed	{S.No.4 (x) S. No.2}/S.No.1	-	2610.92	2610.92	5221.84
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	-	2610.92	2610.92	5221.84

Therefore the excess ITC claimed is proposed to be recovered.

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)+(3) above	2524505.61	331930.30	2849011.22

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

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.

ASSISTANT COMMISSIONER (ST)

To download response pdf [Click Here](#)

STIN : 36ACVFS7909P1ZV

ime : SERENE CONSTRUCTIONS LLP

FY : 2018-19

Sl.No.	Month	GSTR-01		
		SGST	CGST	Total
1	2	3a	3b	3c
1	Apr, 2018	0.00	0.00	0.00
2	May, 2018	31500.00	31500.00	63000.00
3	Jun, 2018	54900.00	54900.00	109800.00
4	Jul, 2018	363600.00	363600.00	727200.00
5	Aug, 2018	133200.00	133200.00	266400.00
6	Sep, 2018	220500.00	220500.00	441000.00
7	Oct, 2018	198000.00	198000.00	396000.00
8	Nov, 2018	76500.00	76500.00	153000.00
9	Dec, 2018	90000.00	90000.00	180000.00
10	Jan, 2019	444425.31	444425.31	888850.62
11	Feb, 2019	438300.00	438300.00	876600.00
12	Mar, 2019	402075.00	402075.00	804150.00
	Total	2453000.31	2453000.31	4906000.62

te:

SGST Tax = GSTR-01 SGST - SGST from [(4N+10)-11] of GST09

= 2453000.31 - 260425.00

= 2192575.31

CGST Tax = GSTR-01 CGST - CGST from [(4N+10)-11] of GST09

= 2453000.31 - 260425.00

= 0