12/11/21

GOVERNMENT OF TELANGANA
COMMERCIAL TAX DEPARTMENT

Attachment to Show Cause Notice in Form DRC-01

DIN	GST/36ACQFS2044C1Z7/18
Office details Designation of the assessing officer Unit Division	ASSISTANT COMMISSIONER (ST) M.G.ROAD-S.D.ROAD BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	SUMMIT SALES LLP SUMMIT SALES LLP 36ACQFS2044C1Z7
Financial Year	2017-18

You have filed annual return in GSTR-09 for the financial year 2017-18.

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.**564425.88**
CGST Rs.**564427.08**
Total Rs.**1128852.96**

The details of the above tax liability are as follows:

1. 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.	1025594.77	1025594.77	2051189.54
2	Less tax on Outward supplies arrived in GSTR-09 at box 1A(1)+1A(2)	1013851.11	1013851.11	2027702.22
3	Difference (1-2)	11743.66	11743.66	23487.32

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	1912594.20	1912595.40	3825189.60
2	ITC pertaining to previous year but availed in the current year	{13 (-) 12} of previous GSTR-09	0.00	0.00	0.00
3	Net ITC available in the current year	S.No.1 (-) S. No.2	1912594.20	1912595.40	3825189.60
4	Total ITC availed in GSTR-09	6O	1393090.00	1393090.00	2786180.00
5	ITC availed in GSTR-3B in excess of GSTR-09	S.No.3 (-) 6O	519504.20	519505.40	1039009.60

- **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	11696130.64	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	421296.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.04	-	-	-
4	Common input tax credit	6O+13-12	-	921097.00	921097.00	1842194.00
5	ITC to be reversed	{S.No.4 (x) S. No.2}/S.No.1	-	33178.02	33178.02	66356.04
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	-	33178.02	33178.02	66356.04

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

(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

Details of R1 vs GSTR-09 Date: 12-11-2021 Rs in Rupees

STIN : 36ACQFS2044C1Z7
ame : SUMMIT SALES LLP FY : 2017-18

S.No.	Month	GSTR-01		
		SGST	CGST	Total
1	2	3a	3b	3c
1	Sep, 2017	0.00	0.00	0.00
2	Oct, 2017	0.00	0.00	0.00
3	Nov, 2017	2543.63	2543.63	5087.26
4	Dec, 2017	118569.41	118569.41	237138.82
5	Jan, 2018	333744.39	333744.39	667488.78
6	Feb, 2018	133353.21	133353.21	266706.42
7	Mar, 2018	437384.13	437384.13	874768.26
	Total	1025594.77	1025594.77	2051189.54

ote:

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

= 1025594.77 - 1013851.11

= 11743.66

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

= 1025594.77 - 1013851.11

= 11743.66