GOVERNMENT OF TELANGANA
COMMERCIAL TAX DEPARTMENT

Attachment to ASMT - 10

DIN	GST/36AAHCG4562D1ZP/22
Office details Designation of the assessing officer Unit Division	DEPUTY COMMISSIONER (ENFT) ENFORCEMENT HOD
Details of the Tax payer Name Legal Name GSTIN	GV RESEARCH CENTERS PRIVATE LIMITED GV RESEARCH CENTERS PRIVATE LIMITED 36AAHCG4562D1ZP
Financial Year	2021-22

Take notice that you have not filed annual return in GSTR-09 for the financial year 2021-22.

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

SGST Rs.**9990800.22**
CGST Rs.**9990800.22**
Total Rs.**19981600.44**

The details of the above tax liability are as follows:

1. 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-3B 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-3B	Value of outward supply	SGST	CGST	Total
1	2	3	4	5	6	7
1	Total supplies	3.1-3.1(D)	604409.00	-	-	-
2	Exempt supplies	3.1(c)+3.1(e)	439267.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.726771	-	-	-
4	Common input tax credit	4A+Tran 1+ Tran 2	-	11095584.10	11095584.10	22191168.20
5	ITC to be reversed	[S.No.2]/[S.No.1]X[S.No. 4]	-	8063948.75	8063948.75	16127897.50
6	ITC reversed as per GSTR-3B	4B(1)	-	0.00	0.00	0.00
7	Difference/Excess ITC claimed	S.No.5 (-) S. No.6	-	8063948.75	8063948.75	16127897.50

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-3B 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-3B	SGST	CGST	Total
1	2	3	4	5	6	7
1	Works contractors	9954;		1653469.12	1653469.12	3306938.24
2	Interior designers	99832; 998391;		273382.35	273382.35	546764.70
A	Total ineligible ITC u/s 17(5)	-		1926851.47	1926851.47	3853702.94
B	Ineligible ITC declared in GSTR-3B	-	4D.(1)	0.000	0.000	0.000
C	Difference/excess ITC claimed	-		1926851.47	1926851.47	3853702.94

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) above	9990800.22	9990800.22	19981600.44

(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 61 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 ASMT-11 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.

DEPUTY COMMISSIONER (ENFT)

To download response pdf Click Here

ITC to be reversed on non-business transactions & exempt supplies			Date: 08-07-2022						Rs in Rupees
GSTIN : 36AAHCG4562D1ZP		Name : GV RESEARCH CENTERS PRIVATE LIMITED			FY : 2021-22				
S.No.	Month	Total supplies	Exempt supplies	Common input tax credit			ITC reversed as per GSTR-3B		
				SGST	CGST	Total	SGST	CGST	Total
1	2	3	4	5a	5b	5c	6a	6b	6c
1	Apr, 2021	0.00	0.00	69714.00	69714.00	139428.00	0.00	0.00	0.00
2	May, 2021	0.00	0.00	24079.00	24079.00	48158.00	0.00	0.00	0.00
3	Jun, 2021	170602.00	170602.00	549264.00	549264.00	1098528.00	0.00	0.00	0.00
4	Jul, 2021	154411.00	154411.00	745880.00	745880.00	1491760.00	0.00	0.00	0.00
5	Aug, 2021	0.00	0.00	550086.00	550086.00	1100172.00	0.00	0.00	0.00
6	Sep, 2021	47860.00	47860.00	1660756.00	1660756.00	3321512.00	0.00	0.00	0.00
7	Oct, 2021	0.00	0.00	1170707.00	1170707.00	2341414.00	0.00	0.00	0.00
8	Nov, 2021	64750.00	64750.00	2719007.00	2719007.00	5438014.00	0.00	0.00	0.00
9	Dec, 2021	166786.00	1644.00	981060.99	981060.99	1962121.98	0.00	0.00	0.00
10	Jan, 2022	0.00	0.00	940307.00	940307.00	1880614.00	0.00	0.00	0.00
11	Feb, 2022	0.00	0.00	1684723.11	1684723.11	3369446.22	0.00	0.00	0.00
	Total	604409.00	439267.00	11095584.10	11095584.10	22191168.20	0.00	0.00	0.00

Note:

Common SGST ITC = Common input tax credit from 4A + Tran 1 + Tran 2 = 11095584.10 + 0.00 + 0.00 = 11095584.10

SGST Tax = SGST ITC to be reversed {Exempt Supplies / Total Supplies X Common SGST ITC } - SGST ITC reversed as per GSTR-3B

= 8063948.75 - 0.00

= 8063948.75

Common CGST ITC = Common input tax credit from 4A + Tran 1 + Tran 2 = 11095584.10 + 0.00 + 0.00 = 11095584.10

CGST Tax = CGST ITC to be reversed {Exempt Supplies / Total Supplies X Common CGST ITC } - CGST ITC reversed as per GSTR-3B

= 8063948.75 - 0.00

= 8063948.75

Details of Ineligible ITC 17 (5) Date: 08-07-2022 Rs in Rupees

GSTIN : 36AAHCG4562D1ZP
Name : GV RESEARCH CENTERS PRIVATE LIMITED FY : 2021-22

S.No.	Seller Name	Seller GSTIN	Commodity / Service	HSN code	Month	R1 to this dealer		
						SGST	CGST	Total
1	2	3	4	5	6	7a	7b	7c
1	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Apr, 2021	28721.62	28721.62	57443.24
2	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	May, 2021	59681.22	59681.22	119362.44
3	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jun, 2021	94884.48	94884.48	189768.96
4	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Jun, 2021	24715.26	24715.26	49430.52
5	JOHNSON LIFTS PVT LTD	36AAACJ0838Q1Z7	Works contractors	9954;	Jun, 2021	22950.00	22950.00	45900.00
6	JOHNSON LIFTS PVT LTD	36AAACJ0838Q1Z7	Works contractors	9954;	Jul, 2021	217189.83	217189.83	434379.66
7	HESTIA	36AAMFH1012P1Z9	Interior designers	99832; 998391;	Jul, 2021	150581.61	150581.61	301163.22
8	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jul, 2021	60399.87	60399.87	120799.74
9	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Aug, 2021	99304.30	99304.30	198608.60
10	HESTIA	36AAMFH1012P1Z9	Interior designers	99832; 998391;	Aug, 2021	32602.50	32602.50	65205.00
11	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Aug, 2021	16476.84	16476.84	32953.68
12	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Sep, 2021	93506.24	93506.24	187012.48
13	HESTIA	36AAMFH1012P1Z9	Interior designers	99832; 998391;	Sep, 2021	89757.27	89757.27	179514.54
14	JOHNSON LIFTS PVT LTD	36AAACJ0838Q1Z7	Works contractors	9954;	Sep, 2021	48027.97	48027.97	96055.94
15	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Sep, 2021	8238.42	8238.42	16476.84
16	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Oct, 2021	157132.03	157132.03	314264.06
17	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Oct, 2021	8238.42	8238.42	16476.84
18	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Nov, 2021	80920.83	80920.83	161841.66
19	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Nov, 2021	8238.42	8238.42	16476.84
20	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Dec, 2021	104265.86	104265.86	208531.72
21	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Dec, 2021	8238.42	8238.42	16476.84
22	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jan, 2022	167489.63	167489.63	334979.26
23	JOHNSON LIFTS PVT LTD	36AAACJ0838Q1Z7	Works contractors	9954;	Jan, 2022	16718.64	16718.64	33437.28
24	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Jan, 2022	8821.62	8821.62	17643.24
25	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Feb, 2022	118197.59	118197.59	236395.18
26	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Mar, 2022	191212.69	191212.69	382425.38
27	MODI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Mar, 2022	9898.92	9898.92	19797.84
28	HESTIA	36AAMFH1012P1Z9	Interior designers	99832; 998391;	Mar, 2022	440.97	440.97	881.94
	Total					1926851.47	1926851.47	3853702.94

Note:

SGST Ineligible ITC = Lower of {(Total SGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) SGST of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= Lower of 1926851.47 - 0.000 or 11095311.50

= 1926851.47

CGST Ineligible ITC = Lower of {(Total CGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) CGST of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= Lower of 1926851.47 - 0.000 or 11095311.50

= 1926851.47