

GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Office of the ASSISTANT COMMISSIONER (ST), M.G.ROAD-S.D.ROAD CIRCLE,
BEGUMPET DIVISION.

Address:-4th Floor, Pavani Prestige Complex, Hyderabad – 500 016.

GSTIN: 36ABCFM6774G2ZZ

ARN: AD3604240088518

Date: 29-05-2024

ANNESURE TO FORM GST DRC-01
SUMMARY OF SHOW CAUSE NOTICE

for the Financial Year 2019-20 under GST Act, 2017
[See Rule 142 (1) and Section 73]

SUB: Goods and Services Tax Act, 2017 (for brevity 'GST Act, 2017') – M.G.Road-S.D.Road Circle - Begumpet Division, Hyderabad –M/s. MODI REALTY (MIRYALAGUDA) LLP (for brevity 'taxpayer') – Conduct of general audit for the financial year 2019-20 under GST Act – Notice issued in ADT-01 - Records produced - Examination/scrutiny made of the same – Certain discrepancies / deficiencies/ anomalies noticed - Proposed to assess under Section 73 of CGST Act, 2017 - Issue of 'Summary of Show Cause Notice' inviting reply / explanations in writing with corroborative evidence – Regarding.

REF: Notice for Audit in Form GST ADT-01 vide Ref. No. ZD360424037386B, dated: 20-04-2024.

M/s. MODI REALTY (MIRYALAGUDA) LLP, located at SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4, M.G ROAD, SECUNDERABAD, 500003 are a registered taxpayer under the provisions of GST Act, 2017 with GSTIN 36ABCFM6774G2ZZ and assessee on the rolls of the state jurisdictional tax office i.e., the Assistant Commissioner (ST), M.G.Road-S.D.Road Circle of Begumpet Division, Hyderabad. They are carrying on business in "trading of Goods as per the Portal" is that, (HSN 00440290) CONSTRUCTION SERVICES IN RESPECT OF COMMERCIAL OR INDUSTRIAL BUILDINGS AND CIVIL STRUCTURES(HSN 00440410) WORKS CONTRACT SERVICES.

In consequent to the GST General Audit authorized as required under the provisions of Section 65, read with Rule 101 of CGST Act and Rules, 2017 in respect of the above-mentioned taxpayer for the financial year 2019-20, the audit of the taxpayer is accordingly undertaken.

In the course of and as a part of processing the Audit undertaken in due process of law, the taxpayer vide reference 1st cited, has been issued 'Notice for conducting Audit' via prescribed "Form GST ADT-01" dated 20-04-2024 as required under the provisions of Rule 101 and Sec.65 of CGST Act,2017 duly intimating / notifying the authorized Audit of their books of accounts and records and with a direction to attend in person or through an authorized representative on dated. 07-05-2024 before the undersigned at aforementioned address with the relevant books of accounts and records and in the light of Section 65 of CGST Act, 2017 they are asked to render their assistance for timely completion of the Audit for the financial year 2019-20 as required for Audit.

The Notice was served as prescribed under the provisions of Section 169 of CGST Act, 2017 i.e., by way of communicating to the e-Mail address of the taxpayer so given at the time of GST registration or as amended from time to time.

The taxpayer having received the ADT-01 appeared in person and produced Profit and Loss Account, Balance Sheet, Purchase and Sale Statements etc., On due examination of the same with reference to the material available in the GST Common Portal, their tax liabilities and other discharged liabilities are hereby proposed to assess with the following results:-

1) Input Tax on Inward Supplies :-

The Tax Payer claimed Input Tax Credit in GSTR3B / GSTR 9 returns filed by them for the year 2019-20 as under:

IGST Rs. 00.00
CGST Rs. 50,92,638.00
SGST Rs. 50,92,638.00

On verification of the ITC claim of the taxpayer among the Form GSTR-3B / GSTR 9 and Purchase details filed to Audit, the following variations are noticed.

The eligible for Input Tax Credit as per the Table 8A of GSTR 9 is arrived as under:

Particulars	CGST	SGST	Total
Input Tax as per Table 8A of GSTR 9	4821333	4821333	9642667
Less: Credit Notes	88182	88182	176364
Net ITC Eligible	4733151	4733151	9466302

The Tax Payer claimed excess ITC in GSTR3B / GSTR 9 compared with the ITC as per the Table 8A of GSTR 9:

Particulars	CGST	SGST	Total
ITC claimed in GSTR 3B / GSTR 9	5092638	5092638	10185276
Less: Net ITC Eligible as per Table 8A of GSTR 9	4733151	4733151	9466302
Excess ITC Claimed	359487	359487	718974

While bringing forward to the notice of the taxpayer about the above excess claimed ITC amounting to Rs.7,18,974/- (i.e., Rs.3,59,487/- towards CGST and Rs.3,59,487/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

2) Output Tax on Outward Supplies :-

The Tax Payer reported Output Tax in GSTR3B / GSTR 9 Returns filed by them for the year 2019-20 as under:

IGST Rs. 00.00
CGST Rs. 26,02,094.40
SGST Rs. 26,02,094.40

As seen from the Financial Statement (Profit and Loss Account) compared with the Output Taxes reported in GSTR 3B / GSTR 9 the following variations noticed in Output Turnovers and Taxes Reported.

Particulars	Output Turnover Reported
Supplies made to un-registered persons (B2C)	27887160
Supplies made to registered persons (B2B)	1025000
Total Reported	28912160

Particulars	Turnover	CGST Proposed @ 9%	SGST Proposed @ 9%	Total Output Tax Proposed
Output Turnover as per Financial Statements (Profit and Loss Account)	719208021			
Less: Output Turnover Reported	28912160			
Shortly Reported Output Turnover Now Proposed to Tax @ 18%	690295861	62126627	62126627	124253255

While bringing forward to the notice of the taxpayer about the above Shortly reported Output Tax amounting to Rs. 12,42,53,255/- (i.e., Rs.6,21,26,627/- towards CGST and Rs.6,21,26,627/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

Therefore, it is proposed to assess for year April 2019 to March 2020 for the net tax proposed to be payable indicated under Section 73 of the SGST/CGST Act as under:

S. No.	Particulars	CGST Tax	SGST Tax	Total Tax
1	Proposed to Disallow Excess claim of Input Tax compared with Table 8A of GSTR 9 and GSTR 3B / GSTR 9	359487	359487	718974
2	Shortly Reported Output Tax proposed compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9	62126627	62126627	124253255
Total Tax Due to the Department		62486114	62486114	124972229

In addition to above, the following punitive measures will be taken up while passing final orders.

A) As per Section 73 read with Rule 122 of CGST Act, 2017, a Penalty as required on the tax due will be levied at the time of assessment proceedings without any further notice.

B) As per Section 50 of CGST Act, 2017 the legitimate Interest @18% PA will be levied on the excess claim of Input Tax at the time of assessment proceedings without any further notice.

Thus, the total Tax, Penalty and Interest for the period from April 2019 to March 2020 is proposed in addition to the Taxes reported as under:

S. No.	Act	Tax	Interest	Penalty	Total
1	CGST	62486114	44990002	6248611	113724728
2	SGST	62486114	44990002	6248611	113724728
3	TOTAL	124972229	89980005	12497223	227449456

The registered tax payer may therefore pay the tax 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, failing which orders as deemed fit will be passed without any further correspondence in the matter.



STATE TAX OFFICER-II,
M.G.ROAD-S.D.ROAD CIRCLE.

To,
M/s. MODI REALTY (MIRYALAGUDA) LLP,
SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4,
M.G ROAD, SECUNDERABAD, 500003



Beḡumbar Division Hyderabad
W.G. 100(2) & 142(1)(a)
24th 1st Circle-II

Reference No. - ZD360524058370H

Date - 29-05-2024

To

GSTIN/ID: 36ABCFM6774G2ZZ

Name: MODI REALTY (MIRYALAGUDA) LLP

Address : 5-4-187/3 AND 4, SOHAM MANSION, 2ND FLOOR, M.G ROAD, SECUNDERABAD, Rangareddy, Telangana, 500003

Tax Period : APR 2019 - MAR 2020

F.Y.- 2019-2020

Act/ Rules Provisions - NA

Section / sub-section under which SCN is being issued - 73

Summary of Show Cause Notice

(a) Brief Fact of the Case : Excess claim of Input Tax, Shortly reported Output Tax

(b) Grounds : Under Section 73 of the GST Act

(c) Tax and other dues :

Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	CGST	NA	6,24,86,114.00	4,49,90,002.00	62,48,611.00	0.00	0.00	11,37,24,727.00
2	0	0.00	APR	MAR	SGST	NA	6,24,86,114	4,49,90,002	62,48,611.	0.00	0.00	11,37,24,727

on 1/15/2019



from

Office of the
Assistant Commissioner (ST)
M.G. Road, S.D. Road Circle,
6-3-789, 4th Floor, Pavani Prestige,
R.S. Bro's Complex, Ameerpet,
Hyderabad-500 016.

By RPAD

To

MODI REALTY (MIRYALAGUDA) LLP
SOHAM MANSION, 2ND FLOOR,
5-4-187/3 AND 4, M.G ROAD,
SECUNDERABAD, 500003



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Counter No:1,31/05/2024,11:24
Amt:0.00,MT:220ms,PAID:0.00
ACK Fee:3.00 SS:40.00,REB=17.0
FROM:SRINIVAS CILANI S.O. (300073)
To: Hub
Del Pt:Secunderabad H.O.(300005)

