

Proceedings of Assistant Commissioner (State Taxes)

RAMGOPALPET-RANIGUNJ 2
BEGUMPET DIVISION

PRESENT: M UPENDER

(u/s 73 of the TGST & CGST Acts, 2017) dt: 2023-12-30

DIN	GST/36ACVFS7909P1ZV/18
Office details Designation of the assessing officerUnit Division	ASSISTANT COMMISSIONER (ST) RAMGOPALPET-RANIGUNJ 2 BEGUMPET
Details of the Tax payerName Legal Name GSTIN	SERENE CONSTRUCTIONS LLPSERENE CONSTRUCTIONS LLP 36ACVFS7909P1ZV
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.135900.21

CGST Rs.115345.47

Total Rs.251245.68

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. 200344.10**

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	100172.05	100172.05	200344.10
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		100172.05	100172.05	200344.10

2. Excess claim of ITC:

• Excess claim of TRAN-1:

Under Sec 140(1) of the SGST Act, 2017 a registered person is entitled to take into his electronic credit ledger the unavailed credit in VAT200 returns as on the date of introduction of the SGST Act. It is seen from the records that you have availed an excess of this credit over and above what is declared in VAT200 to a tune of **Rs. 20570.00** which is liable to be recovered under this Act.

• 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 outwards supply	SGST	CGST	Total
1	2	3	4	5	6	7
1	Total supplies	5N+10-11	10087866.63	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	197866.63	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.02	-	-	-
4	Common input tax credit	6O+13-12	-	772811.02	773589.02	1546400.04
5	ITC to be reversed	{S.No.4 (x) S.No.2}/S.No.1	-	15158.16	15173.42	30331.58
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	-	15158.16	15173.42	30331.58

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) above	135900.21	115345.47	251245.68

Accordingly a Showcause notice was issued on Date: **2021-11-12**. Three reminders to file objections were issued on (3) different occasions as under through common portal.

1. Ref No: **ZD361121085562K** Date: **2021-11-29**

2. Ref No: **ZD361221041842Q** Date: **2021-12-14**

3. Ref No: **ZD361221064825F** Date: **2021-12-24**

However the tax payer M/S. **SERENE CONSTRUCTIONS LLP** has filed a reply on 26-11-2021 but the tax payer had not provided any documentary evidence in respect to the contentions made by them any not availed any personal hearing. Therefore the tax proposed in the Showcause Notice is Confirmed as under

S.No	Issue	SGST	CGST	Total
1	2	3	4	5
1	Total tax due in (1)+(2) above	135900.21	115345.47	251245.68

Note: The AA shall issue SCN for penalty for net liability and also payments made after (30) days from the date of issue of SCN i.e., SGST Rs. **135900.21** and CGST Rs. **115345.47**.

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