

Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD360824096267U

Date: 24/08/2024

1. GSTIN	36AERPK6958C1Z2	
2. Name	RAJESH KUMAR JAYANTILAL KADAKIA	
3. Details of Show Cause Notice	Reference No. ZD3605240675736	Date of issue 31/05/2024
4. Financial Year	2019-2020	
5. Reply		
We were unaware of this Show Cause notice since it was uploaded in add itional notices and orders. We request to allow us time till 28-08-202 4 to file a reply.		
6. Documents uploaded		
NA		
7. Option for personal hearing	☒ Yes	☐ No

8.Verification-

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorized Signatory
Name : SOHAMMODI
Designation / Status: Director
Date: 24/08/2024

**Commissionerate of Taxes
Government of Telangana, India**

Attachment to DRC 01

DIN	GST/36AERPK6958C1Z2/20/1
Office details Designation of the assessing officer Circle Division	
Details of the Tax payer Name Legal Name GSTIN	Rajesh Kumar Jayanthilal Kadakia RAJESH KUMAR JAYANTILAL KADAKIA 36AERPK6958C1Z2
Financial Year	2019-20

You have filed annual return in GSTR-09 for the financial year **2019-20**.

On examination of the information furnished in this return under various heads and also the information furnished in 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.**79306.00**
CGST Rs.**79306.00**
IGST Rs.**0.00**
CESS Rs.**0.00**
Total Rs.**158612.00**

The details of the above tax liability are as follows:

1. Under declaration of output tax:

• 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 (5N+10-11) above. This amount is therefore proposed to be taxed as under declared outward supplies as follows:

S.No	Issue	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7
1	Tax on Outward supplies declared in GSTR-01 for the FY	2813427.00	2813427.00	0.00	0.00	5626854.00
2	Less tax on Outward supplies arrived in GSTR-09 (5N+10-11)	2777203.00	2777203.00	0.00	0.00	5554406.00
3	Difference (1-2)	36224.00	36224.00	0.00	0.00	72448.00

2. Excess claim of ITC:

The excess input tax credit (ITC) claimed on account of non-reconciliation of information

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 taxpayer has not correctly availed input tax on his inward supplies on reconciliation of turnovers in GSTR-09.

• Scrutiny of ITC availed:

S.No	Description	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7
1	ITC in the year as per Table 8A of GSTR-09	45483.00	45483.00	0.00	0.00	90966.00
2	ITC from ISD table 4A (4)	0.00	0.00	0.00	0.00	0.00
3	ITC from imports table 4A (1) +4A (2)	0.00	0.00	0.00	0.00	0.00
4	Inward Supplies liability to reverse charge 4A(3) (other than 4A(1) & 4A(2))	3311.00	3311.00	0.00	0.00	6622.00
5	ITC brought forward from previous FY to current FY, Table 8C of previous FY GSTR-09	0.00	0.00	0.00	0.00	0.00
6	ITC carried forward from present FY to subsequent FY, Table 8C of GSTR-09	0.00	0.00	0.00	0.00	0.00
7	Reversals in Table 4B of GSTR-3B	0.00	0.00	0.00	0.00	0.00
8	ITC Available for use in the same year (S.No 1+2+3+4+5-6-7)	48794.00	48794.00	0.00	0.00	97588.00
9	ITC used in same year as per 4C of GSTR-3B	50567.00	50567.00	0.00	0.00	101134.00
10	Net excess used (S.No 9-8)	1773.00	1773.00	0.00	0.00	3546.00

• 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-09 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/SAC code	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
1	Works contractors	9954	41309.00	41309.00	0.00	0.00	82618.00

S.No	Issue	Table no. in GSTR-09	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
A	Total ineligible ITC u/s 17(5)		41309.00	41309.00	0.00	0.00	82618.00
B	Ineligible ITC declared	7E or {Sum of 4D (1) of GSTR 3B of all months in FY} which ever is higher	0.00	0.00	0.00	0.00	0.00
C	Difference/excess ITC claimed	"If (SL.No A – SI.NO B >0) then Lower of {SL.No A – SI.NO B} or {(Sum of 4C of GSTR 3B of all months in current FY) – (13-12 of Previous FY GSTR-09) + (13-12 of current FY GSTR-09)}"	41309.00	41309.00	0.00	0.00	82618.00

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	IGST	CESS	Total
1	2	3	4	5	6	7
	Total tax due in (Under declaration of output tax) + (Excess claim of ITC) above	79306.00	79306.00	0.00	0.00	158612.00

(The detailed workings of the above in tabular form are attached as Annexure-B)

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.

Name :

Designation :

Details of R1 Vs GSTR-09		Date: 07-02-2024	Amount in Rupees	
GSTIN : 36AERPK6958C1Z2				
Name : Rajesh Kumar Jayanthilal Kadakia		FY : 2019-20		
S.No.	Month	GSTR-01		
		SGST CGST	IGST CESS	Total
1	2	3a	3b	3c
1	Apr, 2019	229403.00 229403.00	0.00 0.00	458806.00
2	May, 2019	229403.00 229403.00	0.00 0.00	458806.00
3	Jun, 2019	229403.00 229403.00	0.00 0.00	458806.00
4	Jul, 2019	229403.00 229403.00	0.00 0.00	458806.00
5	Aug, 2019	229403.00 229403.00	0.00 0.00	458806.00
6	Sep, 2019	240878.00 240878.00	0.00 0.00	481756.00
7	Oct, 2019	204653.00 204653.00	0.00 0.00	409306.00
8	Nov, 2019	204653.00 204653.00	0.00 0.00	409306.00
9	Dec, 2019	315932.00 315932.00	0.00 0.00	631864.00
10	Jan, 2020	241682.00 241682.00	0.00 0.00	483364.00
11	Feb, 2020	241682.00 241682.00	0.00 0.00	483364.00
12	Mar, 2020	216932.00 216932.00	0.00 0.00	433864.00
	Total	2813427.00 2813427.00	0.00 0.00	5626854.00

Note:

$$\begin{aligned}\text{SGST Tax} &= \text{GSTR-01 SGST} - \text{SGST from [(5N+10)-11] of GSTR09} \\ &= 2813427.00 - 2777203.00 \\ &= 36224.00\end{aligned}$$

$$\begin{aligned}\text{CGST Tax} &= \text{GSTR-01 CGST} - \text{CGST from [(5N+10)-11] of GSTR09} \\ &= 2813427.00 - 2777203.00 \\ &= 36224.00\end{aligned}$$

$$\begin{aligned}\text{IGST Tax} &= \text{GSTR-01 IGST} - \text{IGST from [(5N+10)-11] of GSTR09} \\ &= 0.00 - 0.00 \\ &= 0.00\end{aligned}$$

$$\begin{aligned}\text{CESS Tax} &= \text{GSTR-01 CESS} - \text{CESS from [(5N+10)-11] of GSTR09} \\ &= 0.00 - 0.00 \\ &= 0.00\end{aligned}$$

Seller Name	Seller GSTIN	Commodity / Service	HSN code	Month	R1 to this dealer		
					SGST CGST	IGST CESS	
2	3	4	5	6	7a	7b	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Apr, 2019	2206.00 2206.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	May, 2019	2206.00 2206.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Jun, 2019	4052.00 4052.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Jul, 2019	5099.00 5099.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Aug, 2019	2294.00 2294.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Sep, 2019	2409.00 2409.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Oct, 2019	2409.00 2409.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Nov, 2019	9827.00 9827.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Dec, 2019	2409.00 2409.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Jan, 2020	2409.00 2409.00	0.00 0.00	
VIMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jan, 2020	156.00 156.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Feb, 2020	2409.00 2409.00	0.00 0.00	
DI PROPERTIES PRIVATE LIMITED	36AABCM4761E1ZM	Works contractors	9954;	Mar, 2020	3120.00 3120.00	0.00 0.00	
VIMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Mar, 2020	304.00 304.00	0.00 0.00	
al					41309.00 41309.00	0.00 0.00	

ST Ineligible ITC = Total SGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 7E SGST of GSTR09
= 41309.00 - 0.00
= 41309.00

ST Ineligible ITC = Total CGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 7E CGST of GSTR09
= 41309.00 - 0.00
= 41309.00

T Ineligible ITC = Total IGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 7E IGST of GSTR09
= 0.00 - 0.00
= 0.00

SS Ineligible ITC = Total CESS ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 7E CESS of GSTR09
= 0.00 - 0.00
= 0.00