

GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Proceedings issued by State Tax Officer-I, M.G. Road - S.D. Road Circle

For DRC - 07

DIN	GST/36ACQFS2044C1Z7 /20
PROCEEDINGS DATE	27-08-2024
Office details Designation of the assessing officerUnit Division	ASSISTANT COMMISSIONER (ST) M.G.ROAD-S.D.ROAD BEGUMPET
Details of the Tax payerName Legal Name GSTIN	M/s SUMMIT HOUSING LLP (SUMMIT SALES LLP)GSTIN 36ACQFS2044C1Z7
Financial Year	2019-20

- Ref: 1 JC(S.T)AuthorisationNo.BGPT- DIVN/STO I/57/MGSD/24-25/DT25-05-2024
- 2.SCN ARN ZD360524050606E, Dt. 27.05.2024.
3. Reminder Notice - I ARN NO ZD360624051212Q,dt 19/06/2024
4. Reminder Notice - II ARN NO ZD360724000256N dt 01/07/2024.
5. Reminder Notice - III ARN NO ZD360724041103R dt 10/07/2024
6. Personal Hearing Notice-I ARN NO ZD3607240757142,dt
22/07/2024.
7. Personal Hearing Notice-II ARN NO ZD360824000215R,dt
01/08/2024.
8. Personal Hearing Notice-III ARN NO ZD360824032739Z,dt
12/08/2024.
9. Dealer REPLY letter dt 19/08/2024

M/S SUMMIT HOUSING LLP (SUMMIT SALES LLP)GSTIN
36ACQFS2044C1Z7,is on the rolls of MG ROAD - SD ROAD Circle, dealing in
stranded wire, cables,, natural sands of all kinds having their registered place of
business at Plot No. 5-4-187/3 & 4, Soham Mansion , M.G Road.

The tax payer has furnished the following documents for verification:

- 1) Audited Balance sheet and P & L account as on 31-03-2020
- 2) Copies of GSTR-09 ,9C

Verified the above information filed by the dealer thoroughly and following discrepancies were noticed, which are discussed point wise as under.

The details of verification are as under:

1. EXCESS CLAIM OF IGST ITC IN GSTR3B THAN IN GSTR 2A:

During the course of verification, it appeared that the following is the ITC claim of the tax payer as per GSTR-3B is more than the ITC as appearing in GSTR-2A. Worked out as following

Description	ITC claimed In GSTR3B	ITC populated In GSTR2A	Excess Claim Of ITC proposed to be disallowed
Excess Claim Of SGST ITC In GSTR3B Than In GSTR 2A which is proposed to be disallowed	9999618	10290980	291362
Excess Claim Of SGST ITC In GSTR3B Than In GSTR 2A which is proposed to be disallowed	9999618	10290980	291362
Excess Claim Of IGST ITC In GSTR3B Than In GSTR 2A which is proposed to be disallowed	2298484	2368068	69584

2. 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:

SNO	Description	SGST	SGST
1	Tax on Outward supplies declared in GSTR-01 for the FY.	14169767	14169767
2	Less tax on Outward supplies arrived in GSTR-09 at box 1A(1)+1A(2)	14166748	14166748
3	Difference	3018	3018

3. Claim of Ineligible ITC Under Sec 17(5):

During the course of verification the information submitted by the dealer, it appeared that the dealer has claimed ITC on goods Under Sec 17(5) of the SGST Act, 2017 which is as under

Under Sec 17(5) of the SGST Act, 2017 input tax credit shall not be available in respect of the lot of commodities & services mentioned therein subject to certain conditions.

INELIGIBLE PURCHASES FY 2019-20

GSTIN	NAME	BASIC TO	IGST	SGST	SGST	COMMODITY
06AWMPS2421F1ZL	WEAVES INDIA	2900	522	0	0	SAREES
36AABCC5116H1ZZ	COSMO DURABLES PVT LTD	389985	0	35098	35098	BATHS, SHOWER - BATHS, SINKS
36AABCJ7667G1ZA	JAGATI PUBLICATIONS LIMITED	9705	0	242	242	NEWSPAPERS, JOURNALS
06AATFK6124A1ZI	KEEP IT FRESH LLP	9292	1132	0	0	SERVICES
36AABCD6737D1ZT	M/S DECCAN CHRONICLE HOLDINGS LIMITED	2530	0	126	126	NEWSPAPERS, JOURNALS
09AAWPC9469P1ZI	M/S TANYA PHOTO FILMS	27600	4968	0	0	Photography
07AAFPB7576B1ZY	MOD CAMERAS OBEL SYSTEMS	814	146	0	0	CAMERAS
36AAACO3677J1Z5	PVT LIMITED	720	0	65	65	ELECTRONICS
36AAICP1675P2ZP	PREMIUM LIFESTYLE AND FASHION INDIA PVT LTD	6862	0	618	618	TELEPHONE SETS
36AABCR1718E1ZQ	RELIANCE RETAIL LIMITED	46043	0	4144	4144	FOOTWEAR, MILK AND CREAM
36AAACU2690P1Z5	USHODAYA ENTERPRISES PRIVATE LIMITED	25585	0	639	639	NEWSPAPERS, JOURNALS
36AADCV9375P1ZC	V GREEN MEDIA PRIVATE LIMITED	16000	0	1440	1440	SERVICES

36A1IPP5811M1Z2	VENKATARAMANA STATIONERY AND BINDING WORKS	184200	0	13229	13229	BALL POINT PENS
		722236	6768	55601	55601	

Therefore, it is proposed to assess M/s. SUMMIT HOUSING LLP (SUMMIT SALES LLP) GSTIN 36ACQFS20-4C1Z7 for year April 2019 to March 2020 for the net tax proposed to be payable indicated above under Section 73 of the SGST/CGST Act :

Particulars	SGST	CGST	IGST	Total
Total ITC proposed to be disallowed	349981	349981	76874	776836

Response of the tax payer :

In response to the above notice , The dealer has not filed any reply . Hence reminder notices I, II and III were issued to the dealer as cited 3rd and 4th and 5th in the reference above requesting them to file their objections.. Then personal hearing opportunities I, II and III were issued to the dealer requesting them to file their objections before the under signed . Then the dealer has filed their objections vide reference cited 9th above . The contentions of the dealers reply are discussed point wise as under.

1.regarding claim of Ineligible ITC Under Sec 17(5):

The dealer stated that all such ITC claimed is not blocked credits under Section 17(5) of CGST Act,2017. Since, all such purchases are made in furtherance of business. Details of Actual commodities procured from such suppliers are given below and is requested to drop all further proceedings in this regard.

GSTR	Name	turnover	IGST	CGST	SGST	Commodity
06AWMPS2421F1Z L	Weaves India	2,900	522	0	0	Staff safety wear
36AABCC5116H1Z Z	Cosmo Durables Pvt Ltd	3,89,98 5	0	35,09 8	35,09 8	Disinfectants , soaps, Floor cleaners
36AABCJ7667G1ZA	Jagati Publications	9,705	0	242	242	Newspapers, Journals

06AATFK61 24A1ZI	Limited Keep it Fresh LLP	9292	1132	0	0	Services
36AABCD6737D1Z T	M/s Deccan Chronicle Holdings Limited	2,530	0	126	126	Newspapers, Journals
09AAWPC9469P1Z F	M/s Tanya Photo Films	27,600	4,96 8	0	0	CC TV Cameras
07AAFPB7576B1ZY	Mod Cameras	814	146	0	0	CC TV Cameras
36AAACO3677J1Z5	Obel Systems Private Limited	720	0	65	65	CC TV Cameras
36AAICP1675P2ZP	Premium lifestyle and fashion India Pvt Ltd	6,862	0	618	618	Telephone Sets
36AABCR1718E1Z Q	Reliance Retail Limited	46043	0	4,144	4,144	Worker's safety Footwear
36AAACU2690P1Z S	Ushodaya Enterprises Pvt Ltd	25,585	0	639	639	Newspapers, Journals
36AADCV9375P1Z C	V Green Media Pvt Ltd	16,000	0	1,440	1,440	Services
36AEJPP5811M1Z2	Venkataraman a Stationary and binding works	1,84,20 0	0	13,22 9	13,22 9	Office Stationery

Observations and conclusion of the assessing authority:

Verified carefully the contentions of the dealer carefully and found that Regarding some purchases it was found that the contentions of the dealer that those purchases are used in furtherance of the business ,found be in order and hence allowed. Hence ITC related to the following purchases is disallowed as dealer has not submitted any required documentary evidence in support of their contentions that following purchases are used in the course of business.

GSTR	Name	turnover	IGST	CGST	SGST	Commodity
06AWMPS2421F1ZL	Weaves India	2,900	522	0	0	Staff safety wear
36AABCR1718E1ZQ	Reliance Retail Limited	46043	0	4,144	4,144	Worker's safety Footwear
		55805	522	4144	4144	

2. EXCESS CLAIM OF IGST ITC IN GSTR3B THAN IN GSTR 2A:

Regarding disallowance of excess claim of IGST ITC in *GSTR 3B than in GSTR2A*, the dealer stated that

1. In this regard, it is submitted that the ITC cannot be disallowed merely on the ground that the ITC is not reflecting in GSTR 2A since all the eligibility criteria prescribed under section 16(2) of CGST Act, 2017 has been satisfied.
2. For noticee to be eligible to avail credit of any input tax, the conditions prescribed in section 16 (2) of the CGST Act, 2017 has to be fulfilled. Sub-section 2 of section 16 commences with a non-obstinate clause stating that notwithstanding anything contained in section 16 (1) no registered person shall be entitled to the credit of any input tax in respect of any supply of goods or services or both to him unless mentioned in the clause under section 2A of the Act.
3. Rule 36(4) of CGST Rules, 2017 is incorporated into the statute w.e.f. 09-10-2019 vide notification 49/2019 central tax dated 09-10-2019, allowing the taxpayer to claim 20% in excess of ITC available in GSTR 2A. In our case, the noticee has claim all such ITC within such limit prescribed. Comparison of 20% of ITC available in GSTR 2A and excess ITC claimed is provided in the Table 1 below.
4. On examination of Table 1 given above, it can be clearly established that the noticee has claimed ITC well within the limits prescribed by rule 36(4) of CGST Rules, 2017.

Observations and conclusion of the assessing authority:

Verified carefully the contentions of the dealer carefully and found to be in order. Hence the disallowance of Excess claim of ITC in GSTR 3 than in 2A proposed in DRC 01 is hereby withdrawn.

3. Reconciliation of GSTR-01 with GSTR-09:

Regarding tax payable on Reconciliation of GSTR-01 with GSTR-09, the dealer stated that they have paid the above liability vide Form DRC-03 payment vide ARN: AD361121034664E dated 26/11/2021 along with applicable interest under section 50(1) of CGST Act, 2017.

Therefore, the assessment of
SALES LLP)GSTIN 36ACQFS2044C1Z7
FY 2019-20 is completed as under:

M/s. SUMMIT HOUSING LLP (SUMMIT
under Section 73 of the SGST/CGST Act

Description	SGST	CGST	IGST	Total
Total liability to be paid by the dealer FY 2019-20	4144	4144	522	8810

To,

M/S SUMMIT HOUSING LLP (SUMMIT SALES LLP),
Plot No. 5-4-187/3 & 4,
Soham Mansion , M.G Road


State Tax officer-I,
MG Road - SD Road circle

State Tax Officer-I,
M.G.Road-S.D.Road Circle,
Begumpet Division, Hyderabad.