FORM GST DRC – 06

[See rule 142(4)]

Reply to the Show Cause Notice

1. GSTIN	36AERPK6958C1Z2	
2. Name	Rajesh Kumar Jayantilal Kadakia	
3. Details of Show Cause Notice	ZD360522016197J	Date of issue: 30-05-2022
4. Financial Year	2019-20	
5. Reply		
Given as Annexure A		
6. Documents uploaded I. Reply to Notice.		
7. Option for personal hearing	Yes- Required	No ☐

8. Verification –

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

Rajesh Kumar Jayantilal Kadakia

Proprietor

Reply to the Notice:

Rajesh Kumar Jayantilal Kadakia (hereinafter referred as "noticee") is engaged in renting of commercial property. They are registered with goods and services tax department vide GSTIN NO: 36AERPK6958C1Z2. Noticee herein makes the below submissions.

Submissions

9. Noticee submits that they deny all the allegations made in Show Cause Notice (SCN) as they are not factually/legally correct.

10. *Noticee submits that the provisions (including Rules, Notifications & Circulars issued thereunder) of both* the CGST Act, 2017 and the Telangana GST Act, 2017 are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act, 2017 would also mean a reference to the same provision under the TGST Act, 2017. Similarly, the provisions of CGST Act, 2017 are adopted by IGST Act, 2017 thereby the reference to CGST provisions be considered for IGST purpose also, wherever arises.

11. Noticee submits that the allegation made by the Show cause Notice dated 31-05-2024 is :

Para No.	Description	Amount
1 and 2	Excess utilization of ITC in GSTR 3B over and above ITC available as per filed GSTR 9. (Rs 5,876 + Rs 2,330)	Rs 8,206
2	Under declaration of Ineligible ITC	Rs. 81,696/-
	Total	Rs. 89,902 /-

Para 1 and 2. Excess utilization of ITC in GSTR 3B over and above ITC available as per filed GSTR 9.

12. This para points out that noticee has claimed excess credit in GSTR 3B over and above credit available for utilization as arrived in GSTR 9.

Tax demand in Para 1

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	2938.35	2938.35	5876.70

Tax demand in Para 2

S.No	Description	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Eligible ITC in GSTR-3B	6A	50566.83	50566.83	101133.66
2	Total ITC availed in GSTR-09	6O-{6K+6L}	51732.00	51732.00	103464.00
3	ITC availed in GSTR-3B in excess of GSTR-09	S.No.2 (-) S. No 1	1165.17	1165.17	2330.34

13. In this regard it is submitted that Para 1 and Para 2 is having overlapping tax demand. On comparison same ITC as per GSTR 3B and GSTR 9, hence creating double tax demands.

14. Further, it is submitted that noticee has claimed credit pertaining to F.Y.2018-19 in F.Y.2019-20 details of such purchase on which ITC has been claimed in F.Y.2019-20 is provided in table 2 below.

Table 1

Amount in rupees.

Invoice Date	Invoice No.	Party	Taxable Value	CGST	SGST
31-mar-19	MCS52/18-19	Modi Consultancy Services	30,685	2,761	2,761

15. In support of such submission, Tax liability and input comparison report downloaded from the common portal is provided hereunder.

Tax liability and Input comparison report

Tax Period	ITC claimed in GSTR-3B during the month [as per table 4A(4)+4A(5)-4B(1)-4B(2)] *		ITC auto-drafted in GSTR-2A during the month [as per PART-A, PART-B](Excluding RCM supplies)		Shortfall (-) /Excess (+) in ITC (GSTR-3B - GSTR-2A)	
	CGST	SGST	CGST	SGST	CGST	SGST
Apr-19	2,206	2,206	2,206	2,206	-	-
May-19	2,206	2,206	2,206	2,206	-	-
Jun-19	4,052	4,052	4,052	4,052	-	-
Jul-19	7,861	7,861	5,099	5,099	2,762	2,762
Aug-19	2,969	2,969	2,294	2,294	675	675
Sep-19	2,409	2,409	4,434	4,434	-2,025	-2,025
Oct-19	3,759	3,759	2,409	2,409	1,350	1,350
Nov-19	9,827	9,827	9,827	9,827	-	-
Dec-19	3,984	3,984	4,558	4,558	-574	-574
Jan-20	2,983	2,983	2,564	2,564	419	419
Feb-20	2,564	2,564	2,409	2,409	156	156
Mar-20	2,436	2,436	3,425	3,425	-989	-989
Total	47,256	47,256	45,483	45,483	1,773	1,773

16. On examination of extract of tax liability and input comparison report provided above, it is clear that excess credit pertaining to invoice no. MCS52/18-19 dated 31-mar-19 is claimed in GSTR 3B return of June 2019, hence resulting in difference between ITC claimed in GSTR 3B return and ITC available for utilization as arrived in GSTR 9. It is requested to drop all further proceedings in this regards.

Para 3. Under declaration of Ineligible ITC.

17. This para points out that noticee has utilized blocked credits under section 17(5) of CGST Act,2017.

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

18. In this regard, it is submitted that such credits alleged as works contracts pertains to business administration services availed and credit claimed against such purchase does not fall under the ambit of Section 17(5) of CGST Act,2017. In support of such submission a sample invoice is attached as **Annexure 1**.

19. Noticee has discharged all his liability as pointed out under this notice. It is therefore requested to all further *proceedings in this regard.*

20. The noticee reserves the right to add, to withdraw, to correct, to change, to delete, to modify any submissions at the time of Personal Hearing in the Principal of Natural Justice.

Rajesh Kumar Jayantilal Kadakia

Proprietor