

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: 36AADCM5906D2ZO
ARN: AD3605240019553

Date: 30-05-2024

**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 HOUSING PRIVATE LIMITED (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. ZD360524018355H, dated: 09-05-2024.

M/s. MODI HOUSING PRIVATE LIMITED, located at 2nd Floor, 5-4-187/ 3 and 4, Soham Mansion, M G Road, Secunderabad, 500003 are a registered taxpayer under the provisions of GST Act, 2017 with GSTIN 36AADCM5906D2ZO 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 995411) Construction services of single dwelling or multi dwelling or multi-storied residential buildings, (995413) Construction services of industrial buildings such as buildings used for production activities (used for assembly line activities), workshops, storage buildings and other similar industrial buildings, (997212) Rental or leasing services involving own or leased non-residential property

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 09-05-2024 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. 24-05-2024 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 failed to produce the records called for till this date. On due examination of 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 GSTR4 return filed by them for the year 2019-20 as under:

CGST	Rs. 17,166.00
SGST	Rs. 17,166.00
Total Input Tax	Rs. 34,332.00

The taxpayer has failed to produce the relevant records (so maintained under Rule 56) and failed to fulfill the documentary requirements and conditions as laid down under Sections 16 and 155 of CGST Act, 2017, read with Rule 36 of CGST Rules, 2017. Since, the taxpayer failed to prove the eligibility and genuineness and legality of their claim of Input Tax Credit by producing the required documentary evidence, it is hereby proposed to reject their claim of Input Tax Credit of Rs. 34,332/-.

While bringing forward to the notice of the taxpayer about the above excess claimed ITC amounting to Rs. 34,332/- (i.e. Rs. 17,166/- towards IGST, Rs. 17,166/- towards CGST and Rs. 10,38,606/- 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 GSTR 4 / GST CMP 08 Returns filed by them for the year 2019-20 as under:

CGST	Rs. 30,304.60
SGST	Rs. 30,304.60

As seen from the Statement 6 of the GSTR 4 return filed by the Tax Payer it is noticed that they have disclosed Outward Value as Rs. 90,35,160.00, and they have disclose the Outward tax as Rs. 30,304.80 under CGST Act and Rs. 30,304.80 under SGST Act, it seems not in proper, hence the said Outward Value of Rs. 90,35,160.00 is proposed to Tax @ 9% under CGST Act and @ 9% under SGST Act and arrived shortly reported Output Tax as under.

Particulars	Turnover	CGST Proposed @ 9%	SGST Proposed @ 9%	Total Output Tax Proposed
Output Value disclosed in Statement 6 of the GSTR 4 return filed	9035160	813164	813164	1626328
Less: Output Tax Reported		30305	30305	60610
Shortly Reported Output Tax Proposed		782859	782859	1565718

While bringing forward to the notice of the taxpayer about the above Shortly reported Output Tax amounting to Rs. 15,65,718/- (i.e., Rs.7,82,859/- towards CGST and Rs.7,82,859/- 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 claim of Input Tax for not furnishing the details	17166	17166	34332
2	Shortly Reported Output Tax proposed for the discrepancies noticed in GSTR 04	782859	782859	1565718
Total Tax Due to the Department		800025	800025	1600050

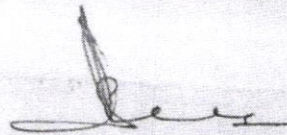
In addition to above, the following punitive measures will be taken up while passing final orders.

- 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	800025	576018	80003	1456046
2	SGST	800025	576018	80003	1456046
3	TOTAL	1600050	1152036	160006	2912092

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 HOUSING PRIVATE LIMITED,
2nd Floor, 5-4-187/ 3 and 4, Soham Mansion,
M G Road, Secunderabad, 500003

FORM GST DRC 01
[See rule 100(2) & 142(1)(a)]

Reference No. - ZD360524064290J

To

GSTIN/ID: 36AADCM5906D2Z0

Name: Modi Housing Private Limited

Address : 5 4 187 3 and 4, 2nd floor, Soham Mansion, M G Road, Secunderabad, Hyderabad, Telangana, 500003

Tax Period : APR 2019 - MAR 2020

Act/ Rules Provisions - NA

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

Date - 30-05-2024

F.Y.- 2019-2020

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)	(Amount in Rs.)					
			From	To			Tax	Interest	Penalty	Fee	Others	Total
1	0	0.00	APR 2019	MAR 2020	CGST	NA	8,00,025.00	5,76,018.00	80,003.00	0.00	0.00	14,56,046.00
2	0	0.00	APR	MAR	SGST	NA	8,00,025.00	5,76,018.00	80,003.00	0.00	0.00	14,56,046.00

			2019	2020								
Total							16,00,050.00	11,52,036.00	1,60,006.00	0.00	0.00	29,12,092.00

Show Cause Notice is attached.

Supporting documents attached by officer:

SC NOTICE Modi Housing Pvt Ltd Signed.pdf : DRC 01 Annexure

SC NOTICE Modi Housing Pvt Ltd.pdf : DRC 01 Annexure

Details of personal hearing and due date to file reply:

Sr. No.	Description	Particulars
1	Date by which reply has to be submitted	15-06-2024
2	Date of personal hearing	15-06-2024
3	Time of personal hearing	4:43 pm
4	Venue where personal hearing will be held	O/o Assistant Commissioner (ST), M.G. Road-S.D. Road, 4th Floor, 6-3-789, Pavani Prestige, Ameerpet, Hyd-16

Signature

Name:

VENKATESHWAR RAO SHERI

Designation: State Tax Officer

Jurisdiction: M.G.ROAD -

S.D.ROAD:Begumpet:Telangana

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

On IAS only



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 Housing Private Limited
2nd floor, 5 4 187 3 and 4,
Soham Mansion, M G Road,
Secunderabad, Hyderabad, Telangana,
500003

