

Computation Notes For Consideration Of Assessing Authority

DIN	GST/36ABCFM6774G2ZZ/18
Office details Designation of the assessing officer Unit Division	ASSISTANT COMMISSIONER (ST) M.G.ROAD-S.D.ROAD BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	MODI REALTY (MIRYALAGUDA) LLP MODI REALTY (MIRYALAGUDA) LLP 36ABCFM6774G2ZZ
Financial Year	2017-18

Ref : 1) SCN ARN No : **AD361121028603K**

SCN ARN Date : **14/11/2021**

2) PH Date : **05/12/2023**

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.**323330.64**

CGST Rs.**323330.64**

Total Rs.**646661.28**

Responding to the showcause notice issued in the reference first cited above the tax payer has filed his written objections on dt _____ and also append for the personal hearing represented by Sri/Smt.**Jaya Prakash** on dt **05/12/2023**. The same are discussed item wise along with the conclusions of the assessing authority as under:

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. 198947.20

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	99473.60	99473.60	198947.20
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		99473.60	99473.60	198947.20

Response of the tax payer :

The tax payer has 'Not agreed' for the following amount in the SCN.

SGST : 99473.60 CGST : 99473.60

The reasons cited by the tax payer for disagreeing/partially disagreeing are:

1. GSTR-2A value increased after filing GSTR-09 by Rs.116544.
SGST Rs. 58272 CGST Rs. 58272
2. The seller has declared in B2C instead of B2B.
SGST Rs. 14375 CGST Rs. 14375
3. Invoices issued by the seller but not uploaded in his GSTR-01. Rs.53654.
SGST Rs. 26827 CGST Rs. 26827

Observations and conclusion of the assessing authority

Agreed with TP

B. Net tax payable on account of reconciliation in GSTR-09 = Total of A = **198947.20**

2. Net tax under declared due to non-reconciliation of turnovers in other returns and E-way bill information:

In addition to the above under declared turnovers with respect to GSTR-09, it is seen that you have under declared turnovers with respect to other information available in this office.

• 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:

S.No	Issue	SGST	CGST	Total
1	2	3	4	5
1	Tax on Outward supplies declared in GSTR-01 for the FY.	882827.10	882827.10	1765654.20
2	Less tax on Outward supplies arrived in GSTR-09 at box 1A(1)+1A(2)	675612.00	675612.00	1351224.00
3	Difference (1-2)	207215.10	207215.10	414430.20

Response of the tax payer :

The tax payer has 'Not agreed' for the following amount in the SCN.

SGST : 207215.10 CGST : 207215.10

The reasons cited by the tax payer for disagreeing/partially disagreeing are:

1. Credit notes / Amendments related to current year not considered in.
Amount Rs. 414430
SGST Rs. 207215.1 CGST Rs. 207215.1

Observations and conclusion of the assessing authority

Agreed with TP

3. Excess claim of ITC:

• 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 outward supply	SGST	CGST	Total
1	2	3	4	5	6	7
1	Total supplies	5N+10-11	7277046.00	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	97516.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.01	-	-	-
4	Common input tax credit	6O+13-12	-	1241890.00	1241890.00	2483780.00
5	ITC to be reversed	{S.No.4 (x) S. No.2}/S.No.1	-	16641.94	16641.94	33283.88
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	-	16641.94	16641.94	33283.88

Therefore the excess ITC claimed is proposed to be recovered.

Response of the tax payer :

The tax payer has 'Not agreed' for the following amount in the SCN.

SGST : 16641.94 CGST : 16641.94

The reasons cited by the tax payer for disagreeing/partially disagreeing are:

1. No restriction of itc is required as the value of the exempt supplies relates to interest income/non-gst supplies/high seas sales.

Observations and conclusion of the assessing authority

Agreed with TP

Summary :

Annexure with details for the above proposals are already sent with show cause notice.

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:

Statement of Computation of Liability					
S.No	Issue	Amt in SCN		Amt determined by AA	
		SGST	CGST	SGST	CGST
1A	The tax on outward supplies under declared on reconciliation of data in GSTR-09	-	-	-	-
1B	The excess input tax credit(ITC) claimed on account of non reconciliation of information declared in GSTR-09:	99473.60	99473.60	0.00	0.00
2(i)	Amount of supplies in GSTR-01 in excess of supplies declared in GSTR-09.	207215.10	207215.10	0.00	0.00
2(ii)	Amount of supplies in EWB in excess of supplies declared in GSTR-01	-	-	-	-
2(iii)	Reconciliation of turnover in GSTR-07 with supplies declared in GSTR-01/GSTR-09	-	-	-	-
2(iv)	Reconciliation of turnover in GSTR-08 with supplies declared in GSTR-01/GSTR-09	-	-	-	-
3(i)	Excess ITC claimed in GSTR-3B compared with GSTR-09	-	-	-	-
3(ii)	Excess ITC reversed in GSTR-09 over and above reversed in GSTR-3B	-	-	-	-
3(iii)	Excess claim of TRAN-1 credit	-	-	-	-
3(iv)	ITC to be recovered on non-business transactions & exempt supplies	16641.94	16641.94	0.00	0.00
3(v)	Ineligible ITC	-	-	-	-
3(vi)	Invalid ITC under Sec 16(4)	-	-	-	-
3(vii)	ITC claimed from cancelled dealers return defaulters and tax non-payers	-	-	-	-
	Total liability	323330.64	323330.64	0.00	0.00
Less Tax paid after issuing SCN but within (30) days				0.00	0.00
Less Tax paid after issuing SCN but after (30) days				0.00	0.00
Net liability				0.00	0.00

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. **0.00** and CGST Rs. **0.00** .