GOVERNMENT OF TELANAGNA
COMMERCIAL TAXES DEPARTMENT

PROCEEDINGS OF THE DEPUTY COMMISSIONER (ST) STU-2 (FAC) BEGUMPET DIVN., HYDERABAD
PRESENT: Smt. G. MADHAVI

ANNEXURE

Ref.No: GSTIN: 36AAHFB7046A1ZT / DC (ST)-STU-2/2019-20 Dated: 27.08.2024

DIN	GST/36AAHFB7046A1ZT /20/1
Designation of the assessing officer Office details Circle Division	 DEPUTY COMMISSIONER (ST)- STU2 O/o the JOINT COMMISSIONER (ST) BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	 B & C ESTATES B & C ESTATES 36AAHFB7046A1ZT
Financial Year	2019-20

Ref:	1. Show cause notice in Form DRC-01 in ARN: AD360222012870K Ref. No. ZD360222013706R Dt.17.02.2022 2. Reply Not filed by the tax payer 3. Reminder 1: 22.08.2023 Reminder 2: 24.01.2024 Reminder 3: 29.06.2024

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ORDER:

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. **886351.00**
CGST Rs. **886351.00**
Total Rs.**1772702.12**

The details of the above tax liability are as follows:

1. 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	3.1 – 3.1 (D)	4961510.51	-	-	-
2	Exempt supplies	3.1©+3.1 (E)	3369151.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.679057	-	-	-
4	Common input tax credit	4A+Tran 1+Tran 2	-	869355.21	869355.21	1738710.42
5	ITC to be reversed	{S.No.2/Sl.1 (x) S.No.4)	-	590341.74	590341.74	1180683.48
6	ITC reversed as per GSTR-3B	4B (1)	-	0.00	0.00	0.00
7	Difference/Excess ITC claimed	S.No.5 (-) S.No.6	-	590341.74	590341.74	1180683.48

Therefore the excess ITC claimed is proposed to be recovered.

- **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	Table No. in GSTR-3B	SGST	CGST	Total
1	2	3		4	5	8
1	Works contractors	9954		296009.32	296009.32	592018.64
A	Total ineligible ITC under Sec 17(5)	-		296009.32	296009.32	592018.64
B	In eligible ITC declared in GSTR-3B	-	4(D) (1)	0.00	0.00	0.00
C	Difference/ Excess ITC claimed	-		296009.32	296009.32	592018.64

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	Total
1	2	3	4	7
	Total tax due in (1) above	886351.06	886351.06	1772702.12

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

needs to
ITC.

from the date of receipt of this notice. A draft standard format is also attached for filing your response along with your detailed reply.

Accordingly a Show Cause Notice Annexed to DRC-01 has been issued in ARN: AD360222012870K Dt. 17.02.2022 raising demand calling for their objections if any along with documentary evidence within thirty (15) days of receipt of this notice and availing of personal hearing opportunity.

Having received the show cause notice the taxpayer had not filed the reply along with documentary and not availed the opportunity personal hearing on issue of three reminders.

Therefore tax proposed in the show cause notice is hereby confirmed in the absence of documentary evidence.

The tax liability is adjudicated as under:

Statement of Computation of Liability					
S. No	Details	Amount determined in SCN		Amount determined by AA	
		SGST	CGST	SGST	CGST
1	Excess claim of ITC: ITC to be reversed on non business transaction & exempt supplies	590342	590342	590342	590342
2	Under declaration of Ineligible ITC	296009	296009	296009	296009
	Total tax liability	886351	886351	886351	886351

The taxpayer is also informed that penalty is leviable on the above demand under Section 122 which is @ 10% of the tax determined or Rs.10000/-, whichever is higher, under Sec.122 of the CGST/SGST Act.

Therefore, Penalty of Rs.88635/- under SGST and Rs.88635/- under CGST on tax of Rs.886351/- under SGST and Rs.886351/- under CGST respectively is hereby confirmed.

Gmadhavi

DEPUTY COMMISSIONER (ST) STU-2 (FAC)
BEGUMPET DIVISION, HYDERABAD

To
M/s. B & C Estates
GSTIN: 36AAHFB7046A1ZT

Office of : Assistant Commissioner
Jurisdiction : Begumpet STU-2:Begumpet:Telangana, State/UT : Telangana

Reference No. : ZD360824118312K | Date : 28/08/2024

To

GSTIN/ID : 36AAHFB7046A1ZT
Name : B & C ESTATES
Address : 5-4-187/3 and 4, 2nd floor, soham mansion, mg road, secunderabad, Rangareddy, Telangana, 500003

SCN/Statement Reference No. : ZD360222013706R | Date : 17/02/2022

Tax Period : APR 2019 - MAR 2020 | F.Y. : 2019-2020

Order under section 73

A show cause notice/statement referred to above was issued to you u/s 73 of the Act for reasons stated therein. Since, no payment has been made within 30 days of the issue of the notice by you; therefore, on the basis of documents available with the department and information furnished by you, if any, demand is created for the reasons and other details attached in annexure

Please note that interest, if any, has been levied up to the date of issue of the order. While making payment, interest for the intervening period between date of order and date of payment, shall also be worked out and paid along with the dues stated in the order.

In case any refund is arising as per the above order, please claim the same by filing application in the prescribed form.

Demand Details :-

(Amount in Rs.)

Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	SGST	NA	8,86,351.00	0.00	88,635.00	0.00	0.00	9,74,986.00
2	0	0.00	APR 2019	MAR 2020	CGST	NA	8,86,351.00	0.00	88,635.00	0.00	0.00	9,74,986.00
Total							17,72,702.00	0.00	1,77,270.00	0.00	0.00	19,49,972.00

You are hereby directed to make the payment by 28/09/2024 failing which proceedings shall be initiated against you to recover the outstanding dues.

Signature
Name : GUNDAPALLY MADHAVI
Designation : Assistant Commissioner
Jurisdiction : Begumpet STU-2:Begumpet:Telangana

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FORM GST DRC - 07
[See rule 142(5)]
Summary of the order

Reference No. : ZD360824118312K Date : 28/08/2024

1. Tax Period :- APR 2019 - MAR 2020

2. Issues involved :- Excess ITC claimed,Suppression of turnover

3. Description of goods / services :-

Sr. No	HSN	Description
-	-	-

4. Details of demand :-

(Amount in Rs.)

Sr. No	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest	Penalty	Fee	Others	Total
			From	To								
1	2	3	4	5	6	7	8	9	10	11	12	13
1	0	0.00	APR 2019	MAR 2020	SGST	NA	8,86,351.00	0.00	88,635.00	0.00	0.00	9,74,986.00
2	0	0.00	APR 2019	MAR 2020	CGST	NA	8,86,351.00	0.00	88,635.00	0.00	0.00	9,74,986.00
Total							17,72,702.00	0.00	1,77,270.00	0.00	0.00	19,49,972.00

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Signature
Name : GUNDAPALLY MADHAVI
Designation : Assistant Commissioner
Jurisdiction : Begumpet
STU-2:Begumpet:Telangana

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