Commissionerate of Taxes
Government of Telangana, India

Attachment to DRC 01

DIN	GST/36AAHFB7046A1ZT/20/2
Office details Designation of the assessing officer Circle Division	
Details of the Tax payer Name Legal Name GSTIN	B&C ESTATES5 B & C ESTATES 36AAHFB7046A1ZT
Financial Year	2019-20

Take notice that you have not filed annual return in GSTR-09 for the financial year **2019-20**.

On examination of the information furnished to this office in GSTR-3B, GSTR-01, GSTR-2A, EWB and other records available in this office it is found that you have not declared your correct tax liability while filing GSTR-3B. The summary of under declared tax is as follows:

SGST Rs.**903171.00**
CGST Rs.**882932.00**
IGST Rs.**14811.00**
CESS Rs.**0.00**
Total Rs.**1800914.00**

The details of the above tax liability are as follows:

1. Excess claim of ITC:

The excess input tax credit (ITC) claimed on account of non-reconciliation of information declared in GSTR-3B:

It is observed that the taxpayer has not correctly availed input tax on his inward supplies on reconciliation of turnovers in GSTR-3B.

• 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-3B 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-3B	Value of outward	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8	9
1	Total supplies	3.1(a)+3.1(b)+3.1(c)	4961511.00	-	-	-	-	-
2	Exempt supplies	3.1(c)	3369151.00	-	-	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above) “(Maximum value is ‘1’)”		0.679057	-	-	-	-	-
4	Common input tax credit	4A-4A(3)-4B(2)-4D	-	867960.00	867960.00	21811.000	0.000	1757731.00
5	ITC to be reversed {(S. No.2/S.No.1) X S.No.4}		-	589394.00	589394.00	14811.000000	0.000000	1193599.00
6	ITC reversed as per GSTR-3B	4B(1)	-	0.00	0.00	0.000	0.000	0.00
7	Difference/Excess ITC claimed S.No.5 (-) S.No. 6		-	589394.00	589394.00	14811.000	0.000	1193599.00

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-3B 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 code	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
1	Works contractors	9954	313777.00	293538.00	0.00	0.00	607315.00

S.No	Issue	Table no. in GSTR-3B	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
A	Total ineligible ITC u/s 17(5)		313777.00	293538.00	0.00	0.00	607315.00
B	Ineligible ITC declared in GSTR-3B	Ineligible ITC declared in GSTR-3B at box 4D(1)	0.00	0.00	0.00	0.00	0.00
C	Difference/excess ITC claimed	“Lower of {Sl.NO A-B} or {Sum of 4C of all months GSTR 3B in FY}”	313777.00	293538.00	0.00	0.00	607315.00

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	IGST	CESS	Total
1	2	3	4	5	6	7
	Total tax due in (Excess claim of ITC) above	903171.00	882932.00	14811.00	0.00	1800914.00

(The detailed workings of the above in tabular form are attached as Annexure-B)

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

Name :

Designation :

ITC to be reversed on non-business transactions & exempt supplies **Date: 08-02-2024** **Amount in Rupees**

GSTIN : 36AAHFB7046A1ZT **Name : B&C ESTATES5** **FY : 2019-20**

S.No.	Month	Total supplies	Exempt supplies	Common input tax credit			ITC reversed as per GSTR-3B		
				SGST CGST	IGST CESS	Total	SGST CGST	IGST CESS	Total
1	2	3	4	5a	5b	5c	6a	6b	6c
1	Apr, 2019	0.00	0.00	135483.00 135483.00	0.00 0.00	270966.00	0.00 0.00	0.00 0.00	0.00
2	May, 2019	1.00	0.00	449331.00 449331.00	0.00 0.00	898662.00	0.00 0.00	0.00 0.00	0.00
3	Jun, 2019	108830.00	0.00	282055.00 282055.00	21811.00 0.00	585921.00	0.00 0.00	0.00 0.00	0.00
4	Jul, 2019	2304290.00	2304290.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
5	Aug, 2019	1882541.00	1015839.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
6	Sep, 2019	0.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
7	Oct, 2019	0.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
8	Nov, 2019	197335.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
9	Dec, 2019	0.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
10	Jan, 2020	250000.00	0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
11	Feb, 2020	218514.00	49022.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 0.00	0.00
12	Mar, 2020	0.00	0.00	1091.00 1091.00	0.00 0.00	2182.00	0.00 0.00	0.00 0.00	0.00
	Total	4961511.00	3369151.00	867960.00 867960.00	21811.00 0.00	1757731.00	0.00 0.00	0.00 0.00	0.00

Note:

Common SGST ITC = Common input tax credit from 4A = 867960.00

SGST Tax = SGST ITC to be reversed {Exempt Supplies / Total Supplies X Common SGST ITC } - SGST ITC reversed as per GSTR-3B

= 589394.00 - 0.00

= 589394.00

Common CGST ITC = Common input tax credit from 4A = 867960.00

CGST Tax = CGST ITC to be reversed {Exempt Supplies / Total Supplies X Common CGST ITC } - CGST ITC reversed as per GSTR-3B

= 589394.00 - 0.00

= 589394.00

Common IGST ITC = Common input tax credit from 4A = 21811.00

IGST Tax = IGST ITC to be reversed {Exempt Supplies / Total Supplies X Common IGST ITC } - IGST ITC reversed as per GSTR-3B

= 14811.00 - 0.00

= 14811.00

Common CESS ITC = Common input tax credit from 4A = 0.00

CESS Tax = CESS ITC to be reversed {Exempt Supplies / Total Supplies X Common CESS ITC } - CESS ITC reversed as per GSTR-3B

= 0.00 - 0.00

= 0.00

Details of Ineligible ITC 17 (5) Date: 08-02-2024								Amount in Rupees
GSTIN : 36AAHFB7046A1ZT Name : B&C ESTATES5 FY : 2019-20								
S.No.	Seller Name	Seller GSTIN	Commodity / Service	HSN code	Month	R1 to this dealer		
						SGST CGST	IGST CESS	Total
1	2	3	4	5	6	7a	7b	7c
1	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Apr, 2019	80347.00 80347.00	0.00 0.00	160694.00
2	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	May, 2019	102394.00 102394.00	0.00 0.00	204788.00
3	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jun, 2019	26554.00 26554.00	0.00 0.00	53108.00
4	YOUSUF ALI INTERIORS	36AFBPY8773N1ZE	Works contractors	9954;	Jun, 2019	5788.00 5788.00	0.00 0.00	11576.00
5	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jul, 2019	17814.00 17814.00	0.00 0.00	35628.00
6	HANUMAN ENTERPRISES	36AAFFH6354P1ZT	Works contractors	9954;	Jul, 2019	909.00 909.00	0.00 0.00	1818.00
7	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Aug, 2019	34272.00 34272.00	0.00 0.00	68544.00
8	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Sep, 2019	12684.00 12684.00	0.00 0.00	25368.00
9	YOUSUF ALI INTERIORS	36AFBPY8773N1ZE	Works contractors	9954;	Sep, 2019	1836.00 1836.00	0.00 0.00	3672.00
10	karunakarreddy veldi	36AKGPR0150G1ZD	Works contractors	9954;	Sep, 2019	1272.00 1272.00	0.00 0.00	2544.00
11	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Oct, 2019	32634.00 32634.00	0.00 0.00	65268.00
12	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Nov, 2019	8441.00 8441.00	0.00 0.00	16882.00
13	YOUSUF ALI INTERIORS	36AFBPY8773N1ZE	Works contractors	9954;	Dec, 2019	7325.00 7325.00	0.00 0.00	14650.00
14	karunakarreddy veldi	36AKGPR0150G1ZD	Works contractors	9954;	Dec, 2019	636.00 636.00	0.00 0.00	1272.00

S.No.	Seller Name	Seller GSTIN	Commodity / Service	HSN code	Month	R1 to this dealer		
						SGST CGST	IGST CESS	Total
1	2	3	4	5	6	7a	7b	7c
15	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Dec, 2019	-21973.00 -42212.00	0.00 0.00	-64185.00
16	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Jan, 2020	535.00 535.00	0.00 0.00	1070.00
17	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Feb, 2020	1710.00 1710.00	0.00 0.00	3420.00
18	SUMMIT SALES LLP	36ACQFS2044C1Z7	Works contractors	9954;	Mar, 2020	599.00 599.00	0.00 0.00	1198.00
	Total					313777.00 293538.00	0.00 0.00	607315.00

Note:

SGST Ineligible ITC = Lower of {(Total SGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) SGST of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= 313777.00 - 0.00

= 313777.00

CGST Ineligible ITC = Lower of {(Total CGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) CGST of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= 293538.00 - 0.00

= 293538.00

IGST Ineligible ITC = Lower of {(Total IGST ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) IGST of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= 0.00 - 0.00

= 0.00

CESS Ineligible ITC = Lower of {(Total CESS ineligible ITC u/s 17(5) from GSTR-01 to this dealer - 4D(1) CESS of GSTR-3B) or Sum of 4C of all months GSTR 3B in FY}

= 0.00 - 0.00

= 0.00

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

Reference No. - ZD3605240848309 **Date - 31-05-2024**

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

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

Act/ Rules Provisions - 73

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

Summary of Show Cause Notice

(a) Brief Fact of the Case : As per attached Annexure

(b) Grounds : 73

(c) Tax and other dues :

(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	IGST	Telangana	14,811.00	0.00	0.00	0.00	0.00	14,811.00
2	0	0.00	APR	MAR	CGST	NA	8,82,932.00	0.00	0.00	0.00	0.00	8,82,932.00

			2019	2020								
3	0	0.00	APR 2019	MAR 2020	SGST	NA	9,03,171.00	0.00	0.00	0.00	0.00	9,03,171.00
Total							18,00,914.00	0.00	0.00	0.00	0.00	18,00,914.00

Show Cause Notice is attached.

Supporting documents attached by officer:

22_36AAHFB7046A1ZT_B___C_ESTATES_FY_18_19.pdf : drc

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	NA
3	Time of personal hearing	NA
4	Venue where personal hearing will be held	NA

Signature
Name: Sivarami Reddy Parvatham
Designation: Assistant Commissioner
Jurisdiction: BEGUMPET 2:Begumpet:Telangana