

Computation Notes For Consideration Of Assessing Authority

DIN	GST/36AABCM4761E1ZM/19
Office details Designation of the assessing officer Unit Division	ASSISTANT COMMISSIONER (ST) RAMGOPALPET-RANIGUNJ 1 BEGUMPET
Details of the Tax payer Name Legal Name GSTIN	MODI PROPERTIES PRIVATE LIMITED MODI PROPERTIES PRIVATE LIMITED 36AABCM4761E1ZM
Financial Year	2018-19

Ref : 1) SCN ARN No : **AD361121002353V**

SCN ARN Date : **12/11/2021**

2) PH Date : **02/11/2023**

You have filed annual return in GSTR-09 for the financial year 2018-19.

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.**939748.28**

CGST Rs.**939748.28**

Total Rs.**1879496.56**

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.**M.J.PRAKASH** on dt **02/11/2023**. 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 tax on outward supplies under declared on reconciliation of data in GSTR-09:

It is observed that the tax payer has not correctly declared tax on his outward supplies on reconciliation of turnovers in GSTR-09. Resulting in a tax payable to a tune of **Rs. 45477.68**

S.No	Issue	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Tax on taxable supplies as declared in GSTR-09	4N	1378842.84	1378842.84	2757685.68
2	Add net increase due to amendments (Increase in amendments (-) decrease in amendments)	10 (-) 11	0.00	0.00	0.00
3	Add tax on deemed supplies	16B	0.00	0.00	0.00
4	Add tax on unreturned goods	16C	0.00	0.00	0.00
5	Add pending demands	15G	0.00	0.00	0.00
6	Total output tax liability as per the above in GSTR-09		1378842.84	1378842.84	2757685.68
7	Less Total tax paid in cash	9	1046059.00	1027665.00	2073724.00
8	Less Tax paid by adjustment of ITC	9	310045.00	328439.00	638484.00
9	Less differential tax paid on amendments	14	0.00	0.00	0.00
10	Add differential tax paid on amendments related to previous year in current year.	(14) of previous FY GSTR-09	0.00	0.00	0.00
11	Under declared tax in GSTR-09		22738.84	22738.84	45477.68

Response of the tax payer :

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

SGST : 22738.84 CGST : 22738.84

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

1. Difference amount already paid in subsequent year by DRC-03 -
Total SGST: 22735.00 Total CGST:22735.00

ARN No: AD361220004794F ARN Date: 2020-12-30 SGST: 22735.00 CGST: 22735.00

Observations and conclusion of the assessing authority

Agreed with TP

B. Net tax payable on account of reconciliation in GSTR-09 = Total of A = **45477.68**

2. Excess claim of ITC:

• **Excess ITC claimed in GSTR-3B compared to GSTR-09:**

You have claimed excess ITC in GSTR-3B as compared to the net ITC available in the annual return GSTR-09 which has resulted in an under payment of tax as follows:

S.No	Description	Table No. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6
1	Eligible ITC in GSTR-3B	6A	310693.00	310693.00	621386.00
2	ITC pertaining to previous year but availed in the current year	{13 (-) 12} of previous GSTR-09	-648.00	-648.00	-1296.00
3	Net ITC available in the current year	S.No.1 (-) S. No.2	311341.00	311341.00	622682.00
4	Total ITC availed in GSTR-09	6O	310693.00	310693.00	621386.00
5	ITC availed in GSTR-3B in excess of GSTR-09	S.No.3 (-) 6O	648.00	648.00	1296.00

Response of the tax payer :

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

SGST : 648.00 CGST : 648.00

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

1. Difference amount already paid in GSTR-3B of subsequent year for the tax periods
Total SGST: 648.00 Total CGST:648.00

1. Tax period: Sep, 2018; SGST: 648.00; CGST:648.00; ARN No: AA360918256046U; ARN Date: 2018-10-20

Observations and conclusion of the assessing authority

Agreed with TP

• **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	36172688.96	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F	20852210.00	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above)		0.58	-	-	-
4	Common input tax credit	6O+13-12	-	310693.00	310693.00	621386.00
5	ITC to be reversed	{S.No.4 (x) S. No.2}/S.No.1	-	179102.96	179102.96	358205.92
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	-	179102.96	179102.96	358205.92

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 : 179102.96 CGST : 179102.96

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

• **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 code	Table no. in GSTR-09	SGST	CGST	Total
1	2	3	4	5	6	7
1	Maintenance & Repair service of Motor Vehicles	998714;		702225.76	702225.76	1404451.52
2	Motor Vehicle Insurance	997134;		19719.31	19719.31	39438.62
3	Accident & Health Insurance	997133;		13842.95	13842.95	27685.90
4	Motor Vehicles	8702; 8703; 8711;		1470.46	1470.46	2940.92
A	Total ineligible ITC u/s 17(5)	-		737258.48	737258.48	1474516.96
B	Ineligible ITC declared in GSTR-09	-	7E	0.00	0.00	0.00
C	Difference/excess ITC claimed	-		737258.48	737258.48	1474516.96

Response of the tax payer :

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

SGST : 737258.48 CGST : 737258.48

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

1. ITC claimed is net of input tax on ineligible goods/services.
 - i. Total ITC as per GSTR-2A is Rs. 2424090
 - ii. Ineligible ITC as per 17(5) is Rs. 1474517
 - iii. ITC claimed is Rs. 621392

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	22738.84	22738.84	0.00	0.00
1B	The excess input tax credit(ITC) claimed on account of non reconciliation of information declared in GSTR-09:	-	-	-	-
2(i)	Amount of supplies in GSTR-01 in excess of supplies declared in GSTR-09.	-	-	-	-
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	648.00	648.00	0.00	0.00
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	179102.96	179102.96	0.00	0.00
3(v)	Ineligible ITC	737258.48	737258.48	0.00	0.00
3(vi)	Invalid ITC under Sec 16(4)	-	-	-	-
3(vii)	ITC claimed from cancelled dealers return defaulters and tax non-payers	-	-	-	-
	Total liability	939748.28	939748.28	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** .

Office of : Assistant Commissioner
Jurisdiction : RAMGOPALPET - RANIGUNJ-1: Begumpet: Telangana, State/UT : Telangana

Reference No. : ZD361123031550Z

Date : 25/11/2023

To

GSTIN/ID : 36AABCM4761E1ZM

Name : MODI PROPERTIES PRIVATE LIMITED

Address : 5-4-187/3 AND 4, 2ND FLOOR, SOHAM MANSION, M.G ROAD, SECUNDERABAD, Rangareddy, Telangana, 500003

Tax period : APR 2018 - MAR 2019

F.Y. : 2018-2019

SCN/Statement Reference No. : ZD3611210031381

Date : 12/11/2021

Order for dropping the proceedings under section 73/74

With reference to the above referred show cause notice issued to you for representing your case against the reasons stated in the Annexure attached thereto and on the basis of information available on record, the proceedings are hereby dropped for the reasons and other details stated in the Annexure attached herewith.

Signature

Name : RAVI CHANDRA SIKHA

Designation : Assistant Commissioner

Jurisdiction : RAMGOPALPET -
RANIGUNJ-1: Begumpet: Telangana