Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD360324005791M **Date: 04/03/2024**

1. GSTIN	36ACQFS2044C1Z7	
2. Name	SUMMIT SALES LLP	
3. Details of Show Cause Notice	Reference No. ZD360124031598E	Date of issue 25/01/2024
4. Financial Year	2018-2019	
5. Reply		
Reply to Notice dated 25th January 20244 u/s. 73-GST Act, 2017 – M/s. Summit Sales LLP, GSTIN: 36ACQFS2044C1Z7- DRC 01 - for the Financial P eriod: 2018-19		
6. Documents uploaded		
SCN Reply 2018-19.pdf SSLLP Credit Note Ledger 2018-19.pdf DRC03 - Annexure 1.pdf		
7. Option for personal hearing	☑ Yes	☐ No

8.Verification-

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my/our knowledge and belief and nothing has been concealed therefrom.

Signature of Authorized Signatory
Name : SOHAMMODI
Designation / Status: Desginated Partner
Date: 04/03/2024

5-4-187/3&4, II floor, MG Road,
Secunderabad – 500 003.
Phone: +91-40-66335551

Summit Sales LLP

Date: 4th March 2024

To,
The State Tax Officer - 1
MG Road - SD Road Circle
Begumpet Division
Hyderabad

Sir,

Sub: Reply to Notice dated 25th January 20244 u/s. 73-GST Act, 2017 – M/s. Summit Sales LLP, GSTIN: 36ACQFS2044C1Z7- DRC 01 - for the Financial Period: 2018-19

We are in receipt of your notice dated 25.01.2024 issued for payment demand of SGST Rs.26,39,992/- and CGST Rs. 26,39,992/-

As per the said notice the details of the tax liability are as provided below.

Reply to Para 1
Less utput TAx paid in GSTR3B than in GSTR1:

In the said para, reconciliation is made between tax liability paid vs. liability declared in GSR 9, and tax declared in GSTR 1 Vs. GSTR 3B

GSTR-09, contains details of annual sales for the year. The sales that have been excess reported in GSTR-1 are rectified and reported correctly in GSTR-09. It is also to be noted that taxes are paid through form GSTR -3B and DRC-03. The table below provides the details of outward tax liability for F.Y. 17-18 and F.Y. 18-19 paid vs. payable as per books of accounts.

Output GST liability is excess paid in GSTR-3B when compared to actual liability as per books, for F.Y. 2017-18 to the tune of CGST Rs 18,165 and SGST Rs 18,165, and taxes short paid in GSTR-3B of F.Y. 18-19 is CGST Rs 19,865 and SGST Rs 19,865. i.e. technically, taxes excess paid in 17-18 is set off in 18-19

	F.Y. 17-18		F.Y. 18-19		Total	
	CGST	SGST	CGST	SGST	CGST	SGST
As per GSTR 1	10,28,676	10,28,676	87,66,251	87,66,251	97,94,927	97,94,927
As per GSTR 3B	10,32,018	10,32,018	87,41,471	87,41,471	97,73,489	97,73,489

Difference is outward tax liability as per books of account and taxes paid in GSTR 3B is CGST Rs 1,700 and SGST Rs 1,700, when calculated cumulatively for two year i.e. F.Y. 17-18 and F.Y. 18-19. (It is to be noted that taxes excess paid in F.Y. 17-12 18 is adjusted in F.Y. 18-19)

Further, differential tax of CGST Rs. 1,700 and SGST Rs 1,700 is paid through DRC-03 dated 0412-2020. DRC-03 attached for reference. Annexure - 1

Reply to Para 2
Tax Proposed on Credit Note Turnover in P&L Copy

In the said para, it is provided that Credit Note Turnover is not availed correctly when compared to Books of Accounts

It is to be noted that, Credit Notes of Turnover Rs.11,35,399 raised all are wrongly raised Invoices and double time raised invoices corrected in the mode of Credit Notes. In this regards GST not applicable and also Enclosed ledger copies with proper narations as a Annexure - 2.

Therefore, it is unjust to demand payment of tax under the relevant section.

Reply to Para 3 & 4:
Tax Re-proposed on Exempted Supply & Non GST supply TURNOVER IN GSTR-9

"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".

It is to be noted that ITC availed in GSTR 3B pertains to ITC on inward supplies used to affect outward taxable supplies. Goods and services on which ITC is availed is used completely to effect taxable supply.

Following is the break – up of exempt income as reported in GSTR – 9.

Particulars	Amount
Sales @Nil Rated	6,49,115
Sales Exempted	1,21,299
Sales-IGST Nil Rated	777
Interest on FD	1,45,104
Share of Profit from Partnership Firms	2,76,15,630
Sundry Balance Written Off	8,590
Profit on Sale of Land	25,695
Miscellaneous Income	7,518
Discount	(1,309)
Total	**2,85,72,420**

In lieu of above submissions we request from you re-assess the tax liability and drop any further proceedings

Thanking you,

Yours Sincerely,
For SUMMIT SALES LLP

Authorised Signatory

Summit Sales LLP (18-19)

5-4-187/3 & 4, II Floor,
Soham Mansion, M.G. Road,
Secunderabad - 500 003.
PAN ACQFS2044C

Credit Note Register

1-Apr-18 to 31-Mar-19

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-Jul-18	**B & C Estates**	**Credit Note**	1		**61,512.00**
	Sales of Goods @18%			**52,129.16**	
	CGST			**4,691.42**	
	SGST			**4,691.42**	
	Being credit note passed to BNC Estates towards double entry of bill on 14/12/17 & 4/5/18 of po no. 47242,bill no.287				
31-Jul-18	**Paramount Estates**	**Credit Note**	2		**10,195.00**
	Sales of Goods @18%			**8,640.00**	
	SGST			**777.50**	
	CGST			**777.50**	
	Being credit note passed due to bill entered twice on 18/12/17 & 23/5/18 of PE po no.47182.				
31-Jul-18	**Paramount Estates**	**Credit Note**	3		**47,671.00**
	Sales of Goods @18%			**40,398.90**	
	CGST			**3,636.05**	
	SGST			**3,636.05**	
	Being credit note passed towards sales entered twice on 20/12/17 & 23/5/18, po no.47228, bill no.286				
31-Jul-18	**Silver Oak Villas LLP**	**Credit Note**	4		**17,640.00**
	Sales of Goods @18%			**14,949.20**	
	SGST			**1,345.40**	
	CGST			**1,345.40**	
	Being credit note passed for double entry on 23/12/17 & 23/5/18 of SOVLLP against bill no.293, po no. 47308.				
31-Jul-18	**Nilgiri Estates**	**Credit Note**	5		**8,637.00**
	Sales @ 12%			**7,712.00**	
	CGST			**462.50**	
	SGST			**462.50**	
	Being credit note passed to NE for double entry on29 /12/17 & 23/5/18, bill no.289 po no.47279				
31-Jul-18	**B & C Estates**	**Credit Note**	6		**12,142.40**
	Sales @ Nil Rated			**2,608.00**	
	Sales of Goods @18%			**8,080.00**	
	CGST			**727.20**	
	SGST			**727.20**	
	Being credit note passed to BNC Estates against bill no.469, po no.49013 dt-7/3/18, entered twice on 28/3 /18 & 4/5/18				
31-Jul-18	**B & C Estates**	**Credit Note**	7		**32,450.00**
	QC Charges @ 18%			**27,500.00**	
	SGST			**2,475.00**	
	CGST			**2,475.00**	
	Being credit note passed for QC charges wrongly entered on 25/5/18.				
	Carried Over				**1,90,247.40**

continued ...

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
	Brought Forward				**1,90,247.40**
31-Jul-18	**Kadakia & Modi Housing**	**Credit Note**	8		**1,63,307.00**
	Sales of Goods @18%			**1,38,396.00**	
	CGST			**12,455.50**	
	SGST			**12,455.50**	
	Being credit note passed to KNM against bill no.280, po no.47168 entered twice on 18/12/17 & 23/5/18.				
31-Jul-18	**B & C Estates**	**Credit Note**	9		**17,936.00**
	Sales of Goods @18%			**15,200.00**	
	CGST			**1,368.00**	
	SGST			**1,368.00**	
	Being credit note passed to BNC Estates towards sales entered twice on 4/4/18 & 4/5/18				
31-Jul-18	**B & C Estates**	**Credit Note**	10		**2,277.00**
	Sales of Goods @18%			**1,930.00**	
	SGST			**173.50**	
	CGST			**173.50**	
	Being credit note passed to BNC Estates towards bill no.774, po no.49141 entered twice on 24/4/18 & 4/5 /18				
31-Jul-18	**Silver Oak Villas LLP**	**Credit Note**	11		**9,611.00**
	Sales of Goods @18%			**8,145.00**	
	CGST			**733.00**	
	SGST			**733.00**	
	Being credit entry passed to SOVLLP towards bill no. 663, po no.49657 entered twice on 9/4/18 & 4/5/18				
31-Jul-18	**B & C Estates**	**Credit Note**	12		**4,964.00**
	Sales @ Nil Rated			**1,660.00**	
	Sales of Goods @18%			**2,800.00**	
	CGST			**252.00**	
	SGST			**252.00**	
	Being bill no.773 of Vista Homes Wrongly entered in BNC Estates reversed				
31-Jul-18	**Silver Oak Villas LLP**	**Credit Note**	13		**42,382.76**
	Sales of Goods @18%			**35,917.60**	
	SGST			**3,232.58**	
	CGST			**3,232.58**	
	Being sales wrongly entered in SOVLLP of bill no. 100, po no.48420 of VOLLP(bill no.352 & 898)				
31-Aug-18	**B & C Estates**	**Credit Note**	14		**12,492.00**
	Sales @ Nil Rated			**4,000.00**	
	Sales @ 12%			**4,000.00**	
	Sales of Goods @18%			**3,400.00**	
	SGST			**546.00**	
	CGST			**546.00**	
	Being credited to BNC Estates towards sales against bill no.272 entered twice on 14/12/17 & 4/5/18, reversed of po no.47047				
	Carried Over				**4,43,217.16**

continued ...

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
	Brought Forward				**4,43,217.16**
31-Aug-18	**Vista Homes**	**Credit Note**	15		**7,358.00**
	Sales of Goods @18%			**6,236.00**	
	CGST			**561.00**	
	SGST			**561.00**	
	Being credited to Vista Homes towards bill no.305, po no.47483 entered twice on 2/1/18 & 23/5/18 reversed.				
31-Aug-18	**Vista Homes**	**Credit Note**	16		**46,087.00**
	Sales of Goods @18%			**39,057.00**	
	SGST			**3,515.00**	
	CGST			**3,515.00**	
	Being credited to Vista Homes towards sales against bill no.296,po no.47362 entered on2/1/18 & 23/5/18 reversed				
31-Aug-18	**Vista Homes**	**Credit Note**	17		**14,048.00**
	Sales of Goods @18%			**11,905.00**	
	CGST			**1,071.50**	
	SGST			**1,071.50**	
	Being credited to Vista Homes towards sales aginst bill no.295 dt-23/5/18,po no.47361 entered on 2/1/18 & 23/5/18 reversed.				
31-Aug-18	**Vista Homes**	**Credit Note**	18		**65,042.00**
	Sales of Goods @18%			**55,120.00**	
	SGST			**4,961.00**	
	CGST			**4,961.00**	
	Being credited to Vista Homes towards bill no.288, po no.47277 entered twice on 2/1/18 & 23/5/18.				
31-Aug-18	**Vista Homes**	**Credit Note**	19		**33,631.00**
	Sales of Goods @18%			**28,501.20**	
	CGST			**2,564.90**	
	SGST			**2,564.90**	
	Being credited to Vista Homes towards bill no.275,po no.47112 entered twice on 13/12/17 & 23/5/18.				
31-Aug-18	**Nilgiri Estates**	**Credit Note**	20		**55,471.00**
	Sales of Goods @18%			**47,009.20**	
	SGST			**4,230.90**	
	CGST			**4,230.90**	
	Being credited to Nilgiri Estates towards bill no.291, po no.47295 entered twice on 20/12/17 & 23/5/18				
31-Aug-18	**B & C Estates**	**Credit Note**	21		**1,344.00**
	Sales @ Nil Rated			**1,344.00**	
	Being credit note passed for double entry on 31/5/18 & 6/6/18 for bill no.1279, po no50861				
31-Aug-18	**B & C Estates**	**Credit Note**	22		**856.00**
	Sales of Goods @18%			**725.00**	
	CGST			**65.50**	
	SGST			**65.50**	
	Being credit note passed to BNC Estates towards bill no.446 entered twice on 4/5/18 & 23/5/18 of po no. 49006.				
	Carried Over				**6,67,054.16**

continued ...

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
	Brought Forward				**6,67,054.16**
31-Aug-18	**Villa Orchids Owners Association**	**Credit Note**	23		**171.00**
	Sales Exempted			**171.00**	
	Being wrongly debited to VOOA against bill no.1283 dt-6/6/18, po no.50915 reversed				
1-Sep-18	**B & C Estates**	**Credit Note**	24		**13,499.00**
	Sales of Goods @18%			**11,440.00**	
	CGST			**1,029.50**	
	SGST			**1,029.50**	
	Being credit note passed for double entry on 23/5/18 & 8/6/18 of bill no.799 & po no.50027				
30-Sep-18	**Paramount Hill County**	**Credit Note**	25		**25,410.00**
	Sales of Goods @18%			**21,534.00**	
	CGST			**1,938.06**	
	SGST			**1,938.06**	
	Round Off				**0.12**
	Being sales made to Paramount Hill County towards Laptops against Inv No:- 1527 dt:- 21.06.18 vide Po No:- 51347 dt:- 21.06.18 for Req No:- 42668 dt:- 19. 06.18 wrongly entered reversed				
17-Nov-18	**B & C Estates**	**Credit Note**	26		**34,952.00**
	Purchase - @18%			**29,620.00**	
	SGST			**2,665.80**	
	CGST			**2,665.80**	
	Round Off			**0.40**	
	Being credit note passed to BNC Estates against bill no.2884 as the material is not delivered po no.53635 dt-1/10/18.				
1-Dec-18	**Serene Constructions LLP**	**Credit Note**	27		**3,675.00**
	Sales of Goods @18%			**3,114.00**	
	CGST			**280.50**	
	SGST			**280.50**	
	Being credit note passed for double entry on 5/11/18 & 10/11/18 of bill no.3112				
1-Dec-18	**Serene Constructions LLP**	**Credit Note**	28		**384.00**
	Sales @ Nil Rated			**384.00**	
	Being credit note passed to Serene Constructions towards double entry of bill no.3113.				
14-Dec-18	**Modi Realty Miryalguda LLp**	**Credit Note**	29		**10,752.00**
	Sales of Goods @18%			**9,111.60**	
	CGST			**820.04**	
	SGST			**820.04**	
	Round Off			**0.32**	
	Being credit note raised to MRM towards material return against bill no.2888 dt-12/10/18, po no.53661 dt-3/10/18				
15-Dec-18	**B & C Estates**	**Credit Note**	30		**81,242.64**
	Sales of Goods @18%			**68,849.70**	
	CGST			**6,196.47**	
	SGST			**6,196.47**	
	Being credit note passed due to wrong amount entered on 25/8/18 for bill no.2240				
	Carried Over				**8,37,139.80**

continued ...

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
	Brought Forward				**8,37,139.80**
31-Dec-18	**Paramount Estates**	**Credit Note**	31		**1,02,517.00**
	Sales of Goods @18%			**86,878.64**	
	SGST			**7,819.18**	
	CGST			**7,819.18**	
	Being bill wronly entered of Paramount builders reversed.of bill no.3449				
31-Dec-18	**Silver Oak Villas LLP**	**Credit Note**	32		**1,268.50**
	Sales of Goods @18%			**1,075.00**	
	CGST			**96.75**	
	SGST			**96.75**	
	Being credit note passed to SOVLLP towards rate wrongly taken reversed against bill no.3247 dt-19/11 /18				
14-Jan-19	**Kadakia & Modi Housing**	**Credit Note**	33		**3,398.40**
	Sales of Goods @18%			**2,880.00**	
	SGST			**259.20**	
	CGST			**259.20**	
	Being credit note passed due to rate wrongly taken 18% instead of 5% against bill no.3282 Po no.53863				
16-Jan-19	**Modi Realty Genome Valley LLp**	**Credit Note**	34		**2,478.00**
	Sales of Goods @18%			**2,100.00**	
	CGST			**189.00**	
	SGST			**189.00**	
	Being credit note passed to MRGVLLP against bill no. 3125 dt-31/10/18, po no.53921 dt-20/10/18 due to bill in the name of muraharapalli				
20-Jan-19	**Villa Orchids LLP**	**Credit Note**	35		**8,020.46**
	Sales of Goods @18%			**6,797.00**	
	CGST			**611.73**	
	SGST			**611.73**	
	Being credit note passed to VOC towards rates wrongly taken against bill no.3506				
25-Feb-19	**Silver Oak Villas LLP**	**Credit Note**	36		**41,368.72**
	Sales of Goods @18%			**35,058.24**	
	SGST			**3,155.24**	
	CGST			**3,155.24**	
	Being credit note passed to SOVLLP towards billno. 3782 wrongly entered of NE against po no.;54605 dt -17/11/18.				
28-Feb-19	**Modi Realty Miryalguda LLp**	**Credit Note**	37		**31,275.90**
	Sales of Goods @18%			**26,505.00**	
	CGST			**2,385.45**	
	SGST			**2,385.45**	
	Being credit note passed to AGH towards invoice cancelled of 3050 dt-27/12/18, po no.54037 dt-22/10 /18				
11-Mar-19	**Villa at Silver Creek Owners Accociations**	**Credit Note**	38		**10,239.00**
	Carried Over				**10,37,705.78**

Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
	Brought Forward				**10,37,705.78**
11-Mar-19	**Villa at Silver Creek Owners Accociations**	**Credit Note**	39		**11,299.28**
	Sales @ 28%			**375.00**	
	Sales @ 12%			**1,554.00**	
	Sales of Goods @18%			**4,700.00**	
	Sales @ 28%			**2,760.00**	
	CGST			**955.14**	
	SGST			**955.14**	
	Being credit note passed to Villas at Silver Creek Owners Assocaition towards invoice wrongly made of inv no.2452 dt-8/9/18, po no.53047				
20-Mar-19	**Paramount Estates**	**Credit Note**	40		**9,182.76**
	Sales of Goods @18%			**7,782.00**	
	CGST			**700.38**	
	SGST			**700.38**	
	Being credited to Paramount Estates towards bill wrongly entered in PE of Paramount builders against bill no.4394 dt-1/2/19, pono.56256 dt-31/1/19.				
30-Mar-19	**Vista Homes**	**Credit Note**	41		**20,313.70**
	Sales of Goods @18%			**17,215.00**	
	SGST			**1,549.35**	
	CGST			**1,549.35**	
	Being credit note passed to Vista Homes towards sale bill of 3332 dt-16/11/18, po no.54532 dt-14/11 /18. due to % wrongly taken.				
30-Mar-19	**Vista Homes**	**Credit Note**	42		**6,623.24**
	Sales of Goods @18%			**5,613.00**	
	CGST			**505.17**	
	SGST			**505.17**	
	Round Off				**0.10**
	Being credit note passed to Vista homes towards entry wrongly taken of bill no.3603 dt-12/12/18, pono. 54932 dt-1/12/18.				
30-Mar-19	**Vista Homes**	**Credit Note**	43		**1,76,628.00**
	Sales of Goods @18%			**1,49,684.40**	
	SGST			**13,471.60**	
	CGST			**13,471.60**	
	Round Off			**0.40**	
	Being credit note passed for bill no.4537 dt-9/2/19, po no.56079 dt-23/1/19 due to bill no.4537 cancelled as per log book (attached logbook copy)				
31-Mar-19	**Paramount Estates**	**Credit Note**	44		**1,82,049.98**
	Sales of Goods @18%			**1,54,279.60**	
	SGST			**13,885.16**	
	CGST			**13,885.16**	
	Round Off			**0.06**	
	Being debited to Paramount Estates towards sales reversed due to invoice cancelled of bill no.4458 po no.56313				
			Total:		**14,43,802.74**

FORM GST DRC - 03

[See rule 142(2)&142(3)]

Intimation of payment made voluntarily or made against the show cause notice (SCN) or statement

ARN : **Date :04/12/2020**

1.	GSTIN	36ACQFS2044C1Z7	
2.	Name	SUMMIT SALES LLP	
3.	Cause of Payment	Annual return	
4.	Section under which voluntary payment is made	73(5)	
5.	Details of show cause notice, if payment is made within 30 days of its issue	Reference No:NA	Date of issue:NA
6.	Financial Year	2018-2019	
7.	Details of payment made including interest and penalty, if applicable (Amount in Rs.)		

Sr. No.	Tax Period	Act	Place of supply	Tax/Cess	Interest	Penalty,if applicable	Others	Total	Ledger utilised (Cash/credit)	Debit entry no.	Date of debit entry
1.	APR 2018-MAR 2019	CGST	Telangana	1,700.00	0.00	0.00	0.00	1,700.00	Cash	DC3612200013772	04/12/2020
2.	APR 2018-MAR 2019	SGST	Telangana	1,700.00	0.00	0.00	0.00	1,700.00	Cash	DC3612200013772	04/12/2020

8. Reasons, if any -

Payment of Output tax liability

9. Verification -

I hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom .

Signature of Authorized Signatory
Name: SOHAM MODI
Designation: Desginated Partner
Date: 04/12/2020