Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD360725014085I **Date: 10/07/2025**

1. GSTIN	36AABCM4761E1ZM	
2. Name	MODI PROPERTIES PRIVATE LIMITED	
3. Details of Show Cause Notice	Reference No. ZD360625012070X	Date of issue 13/06/2025
4. Financial Year	2021-2022	
5. Reply		
Reply in DRC-06 along with Annexures are attached		
6. Documents uploaded		
1 Reply DRC-06.pdf 2 Annexure 1 GSTR-9C.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: DIRECTOR
Date: 10/07/2025

FORM GST DRC – 06

[See rule 142(4)]

Reply to the Show Cause Notice

1. GSTIN	36AABCM4761E1ZM	
2. Name	Modi Properties Private Limited	
3. Details of Show Cause Notice	ZD360625012070X	Date of issue: 13-06-2025
4. Financial Year	2021-22	
5. Reply		
Given as Annexure A		
6. Documents uploaded I. Reply to Notice.		
7. Option for personal hearing	Yes- Required	No

8. 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.

For Modi Properties Private Limited

Signature of Authorised Representative

Reply to the Notice:

Modi Properties Private Limited (hereinafter referred as "noticee") is engaged in provision of construction services and administrative services and is registered with Goods and Services Tax Department vide GSTIN NO: 36AABCM4761E1ZM. Noticee herein makes the below submissions.

Submissions

9. Noticee submits that they deny all the allegations made in Show Cause Notice (SCN) as they are not factually/legally correct.

10. Noticee submits that the provisions (including Rules, Notifications & Circulars issued thereunder) of both the CGST Act, 2017 and the Telangana GST Act, 2017 are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act, 2017 would also mean a reference to the same provision under the TGST Act, 2017. Similarly, the provisions of CGST Act, 2017 are adopted by IGST Act, 2017 thereby the reference to CGST provisions be considered for IGST purpose also, wherever arises.

11. The Noticee submits that the notice issued in Form GST DRC-01 imposed a tax liability amounting to Rs. 87,62,067/- (CGST of Rs. 43,81,033/-, SGST of Rs. 43,81,033/-) on account of difference of Rs. 4,86,78,153/- between the turnover reported in the Annual Return and that disclosed in the audited financial statements for the financial year 2021-22.

S.No	Category	Un-reconciled Turnover	CGST @9%	SGST @9%
1	Reconciliation of turnover declared in Annual Return (GSTR-9) / Reconciliation of Taxable Turnover	4,86,78,153	43,81,034	43,81,034

12. Noticee submits a detailed reconciliation of the alleged un-reconciled turnover amounting to Rs. 4,86,78,153/-, as set out in the table below, for the Financial Year 2021-22:

Sl.no	Particulars		Turnover
1	Turnover as declared in Annual Return (GSTR9)		41,28,69,160
2	Turnover as declared in Audited Financials	36,42,22,779	
	Less: Adjustments in turnover as per Table 5O of GSTR-9C	(31,772)	36,41,91,007
	Difference		**4,86,78,153**

13. The Noticee has duly declared and discharged GST liability on the turnover amounting to Rs. 41,28,69,160/- as reflected in the Annual Return (GSTR-9), which is higher than the turnover of

Rs. 36,41,91,007/- as per the audited financial statements (post adjustments under Table 5O of GSTR-9C). Hence, there is no revenue loss to the government.

14. Without prejudice to the above, Noticee submits that the reasons for the said difference in turnover have already been reported in Form GSTR-9C. To substantiate, such GSTR-9C is attached as **Annexure 1**, and relevant extract is provided below.

6	Reasons for Un - Reconciled difference in Annual Gross Turnover	
A	Reason number 1	The difference in Table 5R is as follows
B	Reason number 2	The dealer is in the business of Real Estate Developers. It follows Percentage on completation method in accordance with accounting standard 7 for the purpose of Income tax act, 1961. The taxable value in GST Returns is based on the demands raised on customer for progressives works under the GST Act. Thus this principal difference results in mismatch of Turnover as per GST and Income Tax Act. For F.Y. 20-21 this difference is Rs 6,60,71,997/-
C	Reason number 3	The promoter has entered into a Joint development agreement.The sale receipts raised on Owners of the land are not considered as a part of turnover in Financials to the extent of Rs.11,21,19,924/- However GST liability is paid on it.
D	Reason number 4	Further on Taxable Value of Rs 21,44,944/- from sale of material forms part of GST turnover, but for the purpose of presentation in Financial statements the same is reduced from work-in-progress and this doesn't relfect as forming part of Turnover as per financial statements. GST is paid on turnover of 21,44,944/-
E	Reason number 5	Income from Services (Extra Specifications) amounting to Rs 6,52,160/- is taxable under GST, however the same is transferred to work in progress in the Financial Statements, hence not forming a part of turn over as per audited financials
F	Reason number 6	Rs 137973 is CGST of Rs 68982 and SGST of Rs 68982. is the GST liability on income of Rs 7,66,469. In financial statements amount including the gst liability i.e. (137973+766469)=904433 is recorded as income.

15. Further Noticee submits the following table to explain the difference of Rs. 4,86,78,153/- between the turnover shown in the Annual Return GSTR-9 and the Audited Financial Statements. The table shows the parts of turnover included under Income Tax but not under GST, and vice versa, with reasons mentioned for each.

Sl.No	Particulars	Reason Number	Amount	Turnover
1	**Un-reconciled Turnover as per GSTR-9C**			**4,86,78,153**
2	**Less: Items forming part of Income TaxTurnover but not GST**			**(6,62,09,961)**
	Difference in construction account (Installments vs. Revenue recognised under IT Act)	2	6,60,71,997	
	GST not discharged separately (invoice value includes GST, booked as income)	6	1,37,964	
3	**Add: Items forming part of GST Turnover but not Income Tax**			**11,48,88,120**

	Revenue- Construction Services to Landlord	3	11,21,19,924	
	Material	4	21,44,994	
	Revenue-Extra Specifications		6,23,202	
Net difference (3-2)				**4,86,78,159**

16. Noticee has discharged all his liability as pointed out under this notice. It is therefore requested to all further proceedings in this regard.

17. The noticee reserves the right to add, to withdraw, to correct, to change, to delete, to modify any submissions at the time of Personal Hearing in the Principal of Natural Justice.

For Modi Housing Private Limited

Signature of Authorised Representative

Form GSTR-9C

See rule 80(3)

Reconciliation Statement

PART – A

Pt.I	Basic Details	
1	Financial Year	2021-22
2	GSTIN	36AABCM4761E1ZM
3(a)	Legal Name	MODI PROPERTIES PRIVATE LIMITED
3(b)	Trade Name (if any)	MODI PROPERTIES PRIVATE LIMITED
3(c)	ARN	AA3603228921069
3(d)	ARN Date	29-12-2022
4	Name of Act. If you are liable to audit under any Act	Companies Act,2013

(Amount in ₹ in all tables)

Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR-9)

Pt.II	Reconciliation of turnover declared in audited Annual Financial Statement with turnover declared in Annual Return (GSTR-9)		
5	Reconciliation of Gross Turnover		
Sr. No	Description		Amount
A	Turnover (including exports) as per audited financialstatements for the State / UT (For multi-GSTIN units under same PAN, the turnover shall be derived from the audited Annual Financial Statement)		36,42,22,779.00
B	Unbilled revenue at the beginning of Financial Year	(+)	
C	Unadjusted advances at the end of the Financial Year	(+)	
D	Deemed Supply under Schedule I	(+)	
E	Credit Notes issued after the end of the financial year but reflected in the annual return	(+)	

F	Trade Discounts accounted for in the audited Annual Financial Statement but are not permissible under GST	(+)	
G	Turnover from April 2017 to June 2017	(-)	
H	Unbilled revenue at the end of Financial Year	(-)	
I	Unadjusted Advances at the beginning of the Financial Year	(-)	
J	Credit notes accounted for in the audited Annual Financial Statement but are not permissible under GST	(-)	
K	Adjustments on account of supply of goods by SEZ units to DTA Units	(-)	
L	Turnover for the period under composition scheme	(-)	
M	Adjustments in turnover under section 15 and rules thereunder	(+/-)	
N	Adjustments in turnover due to foreign exchange fluctuations	(+/-)	
O	Adjustments in turnover due to reasons not listed above	(+/-)	-31,772.00
P	Annual turnover after adjustments as above (A+B+C+D-E+F-G-H-I+J-K-L+M+N+O)		36,41,91,007.00
Q	Turnover as declared in Annual Return (GSTR9)		41,28,69,160.00
R	Un-Reconciled turnover (Q - P)		4,86,78,153.00

6	**Reasons for Un - Reconciled difference in Annual Gross Turnover**	
A	Reason number 1	The difference in Table 5R is as follows
B	Reason number 2	The dealer is in the business of Real Estate Developers. It follows Percentage on completation method in accordance with accounting standard 7 for the purpose of Income tax act, 1961. The taxable value in GST Returns is based on the demands raised on customer for progressives works under the GST Act. Thus this principal difference results in mismatch of Turnover as per GST and Income Tax Act. For F.Y. 20-21 this difference is Rs 6,60,71,997/-
C	Reason number 3	The promoter has entered into a Joint development agreement.The sale receipts raised on Owners of the land are not considered as a part of turnover in Financials to the extent of Rs.11,21,19,924/- However GST liability is paid on it.
D	Reason number 4	Further on Taxable Value of Rs 21,44,944/- from sale of material forms part of GST

		turnover, but for the purpose of presentation in Financial statements the same is reduced from work-in-progress and this doesn't relfect as forming part of Turnover as per financial statements. GST is paid on turnover of 21,44,944/-
E	Reason number 5	Income from Services (Extra Specifications) amounting to Rs 6,52,160/- is taxable under GST, however the same is transferred to work in progress in the Financial Statements, hence not forming a part of turn over as per audited financials
F	Reason number 6	Rs 137973 is CGST of Rs 68982 and SGST of Rs 68982. is the GST liability on income of Rs 7,66,469. In financial statements amount including the gst liability i.e. (137973+766469)=904433 is recorded as income.

7	**Reconciliation of Taxable Turnover**	
Sr. No	**Description**	**Amount**
A	Annual turnover after adjustments (from 5P above)	36,41,91,007.00
B	Value of Exempted, Nil Rated, Non-GST supplies, No-Supply turnover	7,15,95,887.00
C	Zero rated supplies without payment of tax	-
D	Supplies on which tax is to be paid by the recipient on reverse charge basis	-
E	Taxable turnover as per adjustments above (A-B-C-D)	29,25,95,120.00
F	Taxable turnover as per liability declared in Annual Return (GSTR9)	34,12,73,273.00
G	Unreconciled taxable turnover (F-E)	4,86,78,153.00

8	**Reasons for Un - Reconciled difference in taxable turnover**	
A	Reason number 1	Reason for differnce in Table 7 is same as provided in table 6

Pt.III	**Reconciliation of tax paid**		
9	**Reconciliation of rate wise liability and amount payable thereon**		
Sr. No	**Description**	**Taxable Value**	**Tax payable**

			Central tax	State tax/ UT tax	Integrated Tax	Cess, if applicable
A	5%	32,72,41,753.20	81,81,043.83	81,81,043.83		
B	5% (RC)					
B1	6%					
C	12%	675.00	40.00	40.00		
D	12% (RC)					
E	18%	1,39,69,360.46	12,57,242.44	12,57,242.44		
F	18% (RC)	8,04,501.00	72,405.09	72,405.09		
G	28%	61,491.00	8,608.74	8,608.74		
H	28% (RC)					
I	3%					
J	0.25%					
K	0.10%					
K1	Others%					
L	Interest					
M	Late Fee					
N	Penalty					
O	Others					
P	Total amount to be paid as per tables above		95,19,340.10	95,19,340.10	0.00	0.00
Q	Total amount paid as declared in Annual Return (GSTR 9)		95,19,248.00	95,19,248.00	0.00	0.00
R	Un-reconciled payment of amount		-92.10	-92.10	0.00	0.00

10	Reasons for un-reconciled payment of amount	
A	Reason number 1	

11	Additional amount payable but not paid (due to reasons specified under Tables 6,8 and 10 above)					
Sr. No	Description	Taxable Value	To be paid through Cash			
			Central tax	State tax/ UT tax	Integrated Tax	Cess, if applicable
A	5%	0.00	0.00	0.00	0.00	0.00
A1	6%					
B	12%	0.00	0.00	0.00	0.00	0.00
C	18%	0.00	0.00	0.00	0.00	0.00
D	28%	0.00	0.00	0.00	0.00	0.00
E	3%	0.00	0.00	0.00	0.00	0.00
F	0.25%	0.00	0.00	0.00	0.00	0.00
G	0.10%	0.00	0.00	0.00	0.00	0.00
G1	Others%	0.00	0.00	0.00	0.00	0.00
H	Interest		0.00	0.00	0.00	0.00
I	Late Fee		0.00	0.00	0.00	0.00
J	Penalty		0.00	0.00	0.00	0.00
K	Others (please specify)		0.00	0.00	0.00	0.00

Pt. IV	Reconciliation of Input Tax Credit (ITC)	
12	Reconciliation of Net Input Tax Credit (ITC)	
Sr. No	Description	Amount
A	ITC availed as per audited Annual Financial Statement for the State/ UT (For multi-GSTIN units under same PAN this should be derived from books of accounts)	9,21,464.00
B	ITC booked in earlier Financial Years claimed in current Financial Year	0.00

C	ITC booked in current Financial Year to be claimed in subsequent Financial Years	0.00
D	ITC availed as per audited financial statements or books of account	9,21,464.00
E	ITC claimed in Annual Return (GSTR9)	9,21,464.00
F	Un-reconciled ITC	0.00

13	**Reasons for un-reconciled difference in ITC**	
A	Reason number 1	

14	**Reconciliation of ITC declared in Annual Return (GSTR9) with ITC availed on expenses as per audited Annual Financial Statement or books of account**			
Sr.No	**Description**	**Value**	**Amount of Total ITC**	**Amount of eligible ITC availed**
A	Purchases			
B	Freight / Carriage			
C	Power and Fuel			
D	Imported goods (Including received from SEZs)			
E	Rent and Insurance			
F	Goods lost, stolen, destroyed, written off or disposed of by way of gift or free samples			
G	Royalties			
H	Employees' Cost (Salaries, wages, Bonus etc.)			
I	Conveyance charges			
J	Bank Charges			

K	Entertainment charges			
L	Stationery Expenses(including postage etc.)			
M	Repair and Maintenance			
N	Other Miscellaneous expenses			
O	Capital goods			
P	Any other expense 1			
Q	Any other expense 2			
Q1	Any other expense 3			
Q2	Any other expense 4			
Q3	Any other expense 5			
Q4	Any other expense 6			
Q5	Any other expense 7			
Q6	Any other expense 8			
Q7	Any other expense 9			
Q8	Any other expense 10			
R	Total amount of eligible ITC availed (A to Qn)			0.00
S	ITC claimed in Annual Return (GSTR9)			0.00
T	Un-reconciled ITC (S-R)			0.00

15	Reasons for un - reconciled difference in ITC	
A	Reason number 1	

16	Tax payable on un-reconciled difference in ITC (due to reasons specified in 13 and 15 above)	
Sr. No	Description	Amount Payable

A	Central Tax	0.00
B	State/UT Tax	0.00
C	Integrated Tax	0.00
D	Cess	0.00
E	Interest	0.00
F	Penalty	0.00

Pt. V	**Additional Liability due to non-reconciliation**					
Sr. No.	**Description**	**Value**	**To be paid through Cash**			
			Central tax	**State tax / UT tax**	**Integrated tax**	**Cess, if applicable**
A	5%					
A1	6%					
B	12%					
C	18%					
D	28%					
E	3%					
F	0.25%					
G	0.10%					
G1	Others%					
H	Input Tax Credit					
I	Interest					
J	Late Fee					
K	Penalty					
L	Any other amount paid for supplies not					

	included in Annual Return					
M	Erroneous refund to be paid back					
N	Outstanding demands to be settled					
O	Other (Pl. specify)					

Verification of registered person:

I hereby solemnly affirm and declare that the information given herein above is true and correct and nothing has been concealed there from. I am uploading this self-certified reconciliation statement in FORM GSTR-9C. I am also uploading other statements, as applicable, including financial statement, profit and loss account and balance sheet etc.

Name of the Authorised Signatory
SOHAM MODI

Date: 29-12-2022

Designation/Status
DIRECTOR