

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

Reference No. : ZD361025030929B

Date : 24/10/2025

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 2021 - MAR 2022

F.Y. : 2021-2022

SCN/Statement Reference No. : ZD360625012070X

Date : 13/06/2025

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



Proceedings of Assistant Commissioner (State Taxes)
RAMGOPALPET-RANIGUNJ 1
BEGUMPET DIVISION
PRESENT: S RAVI CHANDRA
(u/s 73 of the TGST & CGST Acts, 2017) dt: 24-10-2025

Ref:

1. SCN vide ARN: AD360625010579W vide ref no ZD360625012070X dt 20-06-2025
2. Reply filed vide ref: ZD360625012070X dt 10-07-2025

M/s.MODI PROPERTIES PRIVATE LIMITED bearing GSTN: 36AABCM4761E1ZM are hereby informed that on scrutiny of GSTR- 09C Statement, it is noticed that Certain Discrepancies were Noticed for the financial years from 2021-22 which is cumulatively identified as under:

Sl. No.	Category	Table in GSTR-9C	Un-reconciled Turnover / ITC	IGST @18%	CGST @9%	SGST @9%	Total Tax
1	Reconciliation of turnover declared in Annual Return (GSTR-9) / Reconciliation of Taxable Turnover	Table 5 (R) / Table 7 (G)	48678153	-	4381033	4381033	8762067
2	Reconciliation of rate wise liability and amount payable thereon	Table 9 (R)	-	0	92	92	184
Total				0	4381125	4381125	8762251

The reasons cited by the tax payer are:

1. Noticee submits that they deny all the allegations made in Show Cause Notice (SCN) as they are not factually/legally correct.
2. 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.
3. 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

4. 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

5. 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.

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 completion 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 reflect 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.

6. 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.

7. 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 Tax Turnover 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

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

Observations and conclusion of the assessing authority

The contentions made by the assessee have been verified and found to be in order. Therefore the demand raised in the show cause notice is hereby dropped.

SIKHA RAVI CHANDRA Digitally signed by
SIKHA RAVI CHANDRA
Date: 2025.10.24
16:01:33 +05'30'

Assistant Commissioner (ST),
Ramgopalpet-Ranigunj-1 Circle.