

FORM GST APL-01

[Refer Rule 108(1)]

Appeal to Appellate Authority

1	GSTIN/Temporary ID/UIN -	36ABCFM6774G2ZZ
2	Legal Name -	MODI REALTY (MIRYALAGUDA) LLP
3	Trade Name -	MODI REALTY (MIRYALAGUDA) LLP
4	Address -	SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4, M.G ROAD, SECUNDERABAD, Rangareddy, Telangana, 500003

Order Type -

Demand Order

5	Order No - ZD360824097649J	Order Date -	24/08/2024
6	Designation and address of the officer passing the order appealed against	State Tax Officer and M.G.ROAD - S.D.ROAD: Begumpet:Telangana	ZD360824097649J
	Demand Id -		
7	Date of communication of the order to be appealed against -	24/08/2024	
8	Name of the authorised representative -	SOHAM MODI[ABMPM6725H]	

Category of the case under dispute -

1	Incorrect determination of the liability to pay tax on any goods or services or both
2	Others - Short reporting of turnover in GSTR-09 when compared to financials

9 Details of Case under dispute

(i) Brief issue of case under dispute - Refer to Annexure

(ii) Description and clarification of goods/ services in dispute - Refer to Annexure

(iii) Period of Dispute - From - 01/04/2019 To - 31/03/2020

(iv) Amount under Dispute

Description		Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total Amount(₹)
Amount of Dispute	Tax/Cess	3950922	3950922	0	0	7901844
	Interest	2844664	2844664	0	0	5689328
	Penalty	395092	395092	0	0	790184
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0
						14381356

(v) Market value of seized goods - Refer to Annexure

10 Whether the appellant wishes to be heard in person - Yes/No Refer to Annexure

11 Statement of facts - Refer to Annexure

12 Grounds of appeal - Refer to Annexure

13 Prayer - Refer to Annexure

14 Amount Of Demand created/ admitted/ disputed

Description		Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total Amount(₹)
Amount of demand created (A)	Tax/Cess	3950922	3950922	0	0	7901844
	Interest	2844664	2844664	0	0	5689328
	Penalty	395092	395092	0	0	790184
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0
Amount of demand admitted (B)	Tax/Cess	0	0	0	0	0
	Interest	0	0	0	0	0
	Penalty	0	0	0	0	0
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0
Amount of dispute (C)	Tax/Cess	3950922	3950922	0	0	7901844
	Interest	2844664	2844664	0	0	5689328
	Penalty	395092	395092	0	0	790184
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0

15 Details of payment of admitted amount and pre-deposit -

Pre-Deposit % of Disputed Tax/Cess - 10%

(a) Details of payment required

Description		Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total Amount(₹)
Admitted Amount	Tax/Cess	0	0	0	0	0
	Interest	0	0	0	0	0
	Penalty	0	0	0	0	0
	Fees	0	0	0	0	0
	Other charges	0	0	0	0	0
Pre-deposit (10% of Disputed Tax/Cess)	Tax/Cess	395093	395093	0	0	790186

(b) Details of payment of admitted amount and pre-deposit

Description		Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total Amount(₹)
Amount Paid	Tax/Cess	395093	395093	0	0	790186
	Interest	0	0	0	0	0
	Penalty	0	0	0	0	0
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0

(c) Details of amount payable towards admitted amount and pre-deposit

Description		Central tax (₹)	State/UT tax (₹)	Integrated tax (₹)	Cess (₹)	Total Amount(₹)
Balance payable	Tax/Cess	0	0	0	0	0
	Interest	0	0	0	0	0
	Penalty	0	0	0	0	0
	Fees	0	0	0	0	0
	Other Charges	0	0	0	0	0

16 Whether appeal is being filed after the prescribed period - Yes/No

Refer to Annexure

17 If 'Yes' in item 16 -

(a) Period of delay -

Refer to Annexure

(b) Reason for delay -

Refer to Annexure

Upload Supporting Documents (Relied upon), if any -

Order	A-I Order.pdf
A-II to A-VII	A-II to A-VII.pdf

Verification

I, SOHAM MODI , 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.

Place: Hyderabad

Date: 28/11/2024

Name of the Applicant

MODI REALTY (MIRYALAGUDA) LLP

Date: 28.11.2024

To

**The Appellate Joint Commissioner of State tax,
Punjagutta Division,
Commissioner of Commercial Taxes Department
C.T Complex, Nampally,
Hyderabad -500001**

Dear Sir/Madam,

Sub: Filing an appeal against OIO No. ZD360824097649J dated 24.08.2024

Ref: Order passed vide OIO: ZD360824097649J dated 24.08.2024 pertaining to **M/s.
Modi Realty (Miryalaguda) LLP** vide GSTIN: 36ABCFM6774G2ZZ

1. We have been authorized by M/s. Modi Realty (Miryalaguda) LLP to submit an Appeal against the above referred order dated 24.08.2024 passed for the period April 2019 to March 2020 and represent before your good office and to do necessary correspondence in the above referred matter. A copy of authorization is attached to the Appeal.
2. In this regard, we are herewith submitting the condonation application and appeal to the above-mentioned Order along with authorization letter and other annexures referred in the appeal.

We shall be glad to provide any other information in this regard. Kindly acknowledge the receipt of the appeal and post the hearing at the earliest.

Thanking You,

Yours faithfully,

**For M/s. H N A & Co. LLP
Chartered Accountants**

LAKSHMAN
Digitally signed by
LAKSHMAN KUMAR KADALI
Date: 2024.11.28 12:47:54
+05'30'

**CA Lakshman Kumar K
Partner**

4th Floor, West Block, Srida Anushka Pride, R.No. 12, Banjara Hills, Hyderabad,
Telangana - 500 034, INDIA.

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Modi Realty Miryalguda LLP

Date: 28.11.2024

To

**The Appellate Joint Commissioner of State Tax,
Punjagutta division,
Commissioner of Commercial Taxes Department,
C.T complex, Nampally, Hyderabad-500 001.**
Dear Sir/Madam,

Sub: Application for condonation of delay in filing the Appeal.

Ref: Appeal against the Order vide Reference No. ZD360824097649J dated 24.08.2024 related to M/s. Modi Realty (Miryalguda) LLP vide GSTN: 36ABCFM6774G2ZZ.

1. As per Section 107 of CGST Act, 2017, an appeal against the order to the Adjudicating authority shall be filed within 3 months from the date of receipt of the order. In the instant case, the order was received on 24.08.2024, thereby, the due date for filing the appeal falls on 24.11.2024.
2. In this regard, we would like to submit that the delay in filing was due to our involvement in the ongoing tax audit for the financial year 2023-24, as required under the Income Tax Act, 1961. Unfortunately, the complexity and volume of the audit work led to delay, causing us to lose track of the due date for the submission of the impugned order. Despite our best efforts to meet the deadlines, the audit process consumed more time than anticipated, and as a result, we were unable to file within the stipulated time.
3. The actual due date for filing the appeal is 24.11.2024 whereas the present appeal is being filed on 28.11.2024. As explained in the above paragraphs, the delay is unintentional, and we have made sincere efforts to file the appeal within the time limit. Hence, we humbly request your good self to consider the same and allow the application for condonation of delay.

We sincerely regret the inconvenience caused in this regard. Kindly acknowledge receipt of this letter and do the needful.

Thanking You,

Yours faithfully,
For M/s. Modi Realty (Miryalguda) LLP

Authorized Signatory

Form GST APL – 01

Form of Appeal to Appellate Authority

[Under Section 107(1) of Central Goods and Service Tax Act, 2017]

[See rule 108(1)]

**BEFORE THE APPELLATE JOINT COMMISSIONER OF STATE TAX, PUNJAGUTTA
DIVISION, COMMISSIONER OF COMMERCIAL TAXES DEPARTMENT, C.T COMPLEX,
NAMPALLY, HYDERABAD-500 001.**

(1) GSTIN/ Temporary ID/UIN-		36ABCFM6774G2ZZ		
(2) Legal Name of the Appellant		Modi Realty (Miryalaguda) LLP		
(3) Trade name, if any-		Modi Realty (Miryalaguda) LLP		
(4) Address		5-4-187/3 and 4, Soham Mansion, 2 nd Floor, M.G Road, Secunderabad, Rangareddy, Telangana, 500003		
(5) Order No.	ZD360824097649J	Order Date	24.08.2024	
(6) Designation and address of the officer passing the order appealed against		Assistant commissioner, MG Road, SD road, Begumpet, Telangana.		
(7) Date of communication of the order appealed against		24.08.2024		
(8) Name of the authorized representative		CA. Lakshman Kumar K, C/o: H N A & Co. LLP, Chartered Accountants, 4 th Floor, West Block, Srida Anushka Pride, Above Lawrence and Mayo, Road No. 12, Banjara Hills, Hyderabad-500034 Email: laxman@hnaindia.com Mob: +91 8978114334		
(9) Details of the case under dispute				
i. Brief issue of the case under dispute		a. Short reporting of turnover in GSTR-09 when compared to financials		
b. Description and classification of goods/services in dispute		NA		
c. Period of dispute		FY 2019-20		
d. Amount under dispute				
Description	Central tax	State/UT tax	Integrated tax	Cess
a. Tax/Cess	Rs.39,50,922	Rs.39,50,922	NA	NA
b. Interest	Rs.28,44,664	Rs.28,44,664	NA	NA
c. Penalty	Rs.3,95,092	Rs.3,95,092	NA	NA
d. Fees	NA	NA	NA	NA
e. Other charges	NA	NA	NA	NA
TOTAL	Rs.71,90,678	Rs.71,90,678	NA	NA



e. Market value of seized goods		NA				
(10) Whether the appellant wishes to be heard in person		Yes				
(11) Statement of Facts		Annexure - A				
(12) Grounds of Appeal		Annexure - B				
(13) Prayer		To set aside the impugned order to the extent aggrieved and grant the relief sought				
(14) Amount of Demand Created, admitted, and disputed						
Particulars of demand/ Refund	Particulars	CGST	SGST	IGST	Cess	Total amount
(A)	a) Tax/Cess	39,50,922	39,50,922	NA	NA	79,01,844
	b) Interest	28,44,664	28,44,664	NA	NA	56,89,328
	c) Penalty	3,95,092	3,95,092	NA	NA	7,90,184
	d) Fees	NA	NA	NA	NA	NA
	e) Other charges	NA	NA	NA	NA	NA
(B)	a) Tax/Cess	NA	NA	NA	NA	NA
	b) Interest	NA	NA	NA	NA	NA
	c) Penalty	NA	NA	NA	NA	NA
	d) Fees	NA	NA	NA	NA	NA
	e) Other charges	NA	NA	NA	NA	NA
(C)	a) Tax/Cess	39,50,922	39,50,922	NA	NA	79,01,844
	b) Interest	28,44,664	28,44,664	NA	NA	56,89,328
	c) Penalty	3,95,092	3,95,092	NA	NA	7,90,184
	d) Fees	NA	NA	NA	NA	NA
	e) Other charges	NA	NA	NA	NA	NA

(15) Details of payment of admitted amount and pre-deposit: -

a) Details of payment required

Particulars		Central tax	State/UT tax	Integrated tax	Cess	Total
a) Admitted amount	Tax/Cess	NA	NA	NA	NA	NA
	Interest	NA	NA	NA	NA	NA
	Penalty	NA	NA	NA	NA	NA
	Fees	NA	NA	NA	NA	NA
	Other charges	NA	NA	NA	NA	NA
b) Pre-Deposit (10% of disputed tax or 25Cr. Whichever is lower)	Tax/Cess	3,95,093	3,95,093	NA	NA	7,90,186



b) Details of payment of admitted amount and pre-deposit (pre-deposit 10% of the disputed tax and cess)

Sr. No.	Description	Tax payable	Paid through cash/credit ledger		Debit entry No.	Amount of tax paid			
1	2	3	4		5	6	7	8	9
1	Integrated tax	NA	Cash Ledger		NA	NA			
			Credit Ledger			NA	NA	NA	NA
2	Central tax	NA	Cash Ledger		NA	NA	NA	NA	NA
			Credit Ledger			NA	NA	NA	NA
3	State/UT tax	NA	Cash Ledger		NA	NA	NA	NA	NA
			Credit Ledger			NA	NA	NA	NA
4	Cess	NA	Cash Ledger		NA	NA	NA	NA	NA
			Credit Ledger			NA	NA	NA	NA

c) Interest, Penalty, Late fee, and any other amount payable and paid

S.No.	Description	Amount Payable				Debit Entry No.	Amount paid			
1	2	3	4	5	6	7	8	9	10	11
1	Interest	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	Penalty				NA	NA				NA
3	Late Fee	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	Others	NA	NA	NA	NA	NA	NA	NA	NA	NA

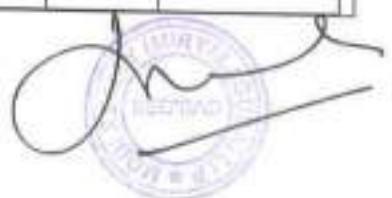
(16) Whether appeal is filed after the prescribed period - No

(17) If 'Yes' in item 16 -

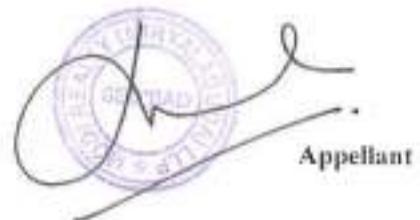
- Period of delay - NA
- Reasons for delay - NA

(18) Place of supply wise details of the integrated tax paid (admitted amount only) mentioned in the Table in sub-clause (a) of clause 15 (item (a)), if any

Place of Supply (Name of State/UT)	Demand	Tax	Interest	Penalty	Other	Total
1	2	3	4	5	6	7



NA (19)	Admitted amount [in the Table in sub-clause (a) of clause 15 (Item (a))]	NA	NA	NA	NA	NA	NA
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Appellant

ANNEXURE-A

STATEMENT OF FACTS

- A. M/s. Modi Realty (Miryalaguda) LLP (herein referred to as the "Appellant"), having registered premises at 5-4-187/3 and 4, Soham Mansion, 2nd Floor, M.G Road, Secunderabad, Rangareddy, Telangana, 500003 is engaged in and registered with GSTIN: 36ABCFM6774G2ZZ.
- B. Appellant is regularly discharging GST liability on such supply of services and filing periodical returns. Noticee has filed GSTR-09 for the FY 2019-20.
- C. Appellant received the ADT-01 vide Ref No: ZD360424037386B dated 20.04.2024. Accordingly, the required information was submitted at the good office of the Ld. Adjudicating office. (Copy of ADT-01 dated 20.04.2024 is enclosed as **Annexure IV**).
- D. Subsequently, Appellant is in receipt of the Show Cause Notice issued under section 73 vide ref. no. Ref. No. ZD360524058370H dated 29.05.2024 for the period April 2018 – March 2019 proposing to demand tax amount of Rs. 43,10,409/- in CGST and Rs.43,10,409/- in SGST along with interest u/s 50 and penalty u/s 73 of the CGST Act, 2017. (Copy of Show Cause Notice is enclosed as **Annexure III**).
- E. Later, Appellant received "ERRATA NOTICE" dated 22.06.2024 stating that there is a typographical error noticed in the Output Turnover as per the financial statements in the notice (of Rs.71,92,08,021/-) and as per actual turnover reported in financial statements (of Rs. 7,28,11,291/-).
- F. In response to the above, Appellant has submitted the detailed comprehensive reply as to why the demand proposed in show cause notice is not payable. (Copy of the reply made to the show cause notice is enclosed as **Annexure II**.)
- G. Without considering the submissions made in the reply, Appellant is in receipt of the present order vide ref. no. ZD360824097649J dated 24.08.2024 confirming demand of Rs.39,50,922/- in CGST and Rs.39,50,922/- in SGST along with interest of Rs.28,44,664/- in CGST and Rs.28,44,664/- in CGST and penalty u/s 73 of Rs.3,95,092/- in CGST and Rs.3,95,092/- in SGST for short reporting of output tax in GSTR-09 when compared to Financial Statements. (Copy of the order is enclosed as **Annexure I**)
- H. To the extent Aggrieved by the impugned order, which is contrary to facts, law, and evidence, apart from being contrary to a catena of judicial decisions and beset with grave and incurable legal infirmities, the appellant prefers this appeal on the following grounds (which are alternate pleas and without prejudice to one another) amongst those to be urged at the time of hearing of the appeal.



ANNEXURE-B
GROUND OF APPEAL

1. Appellant submits that the impugned order is ex-facie illegal and untenable in law since the same is contrary to facts and judicial decisions.
2. Appellant submits that the provisions (including Rules, Notifications & Circulars issued thereunder) of both the CGST Act, 2017 and the TGST 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 purposes also, wherever arises.

In Re: No short reporting of turnover in GSTR-09 when compared to financials

3. Appellant submits that the impugned order has made a finding that that there is short reporting of turnover in GSTR-09 when compared to financials and confirmed demand of Rs.39,50,922/- in CGST and Rs.39,50,922/- in SGST.
4. In this regard, Appellant submits that Appellant is engaged in the provision of construction services where GST liability arises upon the receipt of advance payments as per Section 13 of CGST Act, 2017 read with the definition of continuous supply of service.
5. However, as per the accounting standards prescribed by the Institute of Chartered Accountants of India ICAI revenue from construction contracts is recognized in the financial statements based on the percentage of completion method. This method is mandated by ICAI which results in revenue being recognized progressively over the life of the project reflecting the actual work completed rather than at the point of receiving advances.
6. Consequently, there will be differences between the turnover reported in the GSTR-9 and the revenue recognized in the financial statements. The present difference is a natural outcome of complying with both GST regulations and ICAI accounting standards. Therefore, the proposal to levy GST again such amounts recognized in the financial statements but not aligned with the GSTR-9 is incorrect and the same needs to be dropped.
7. Appellant submits that the Appellant has already paid the GST on all advances received during the disputed period and disclosed the same in the GSTR-3B returns. The same can be evidenced from the GSTR-3B and GSTR-09 which was enclosed as Annexure V.
8. Further, Appellant is enclosing the statement of details with respect to advances received for the amount of Rs.3,08,09,513/- reported in table-3.1(a) of GSTR-3B as an Annexure VI. Appellant



submits that the amount was also reported in Income tax return, the same has been extracted here for easy reference and the IT return is enclosed as an **Annexure VII**.

SOHAM SATISH MODI
(Managing Partner)

Information regarding Turnover/Gross Receipt Reported for GST	
GSTR No.	
Amount of turnover/Gross receipt as per the GST return filed	36ABCFM0774G227 30809513

9. Appellant submits that the Appellant had already disclosed the details of advances received during the disputed period in GST returns and paid the applicable GST. Therefore, there is no short payment of GST as stated in the impugned order. Further, Appellant submits that out of the turnover of Rs.3,08,09,513/- declared in GSTR-3B returns, an amount of Rs.18,97,353/- pertains to October 2018 which was disclosed in August 2019 GSTR-3B. Once the same is excluded, the advances received for the period April 2019 to March 2020 amounts to Rs.2,89,12,160/- which was disclosed in GSTR-01 and GSTR-09. For easy understanding, Appellant is herewith enclosing the following table:

S.No	Particulars	Taxable value	CGST	SGST
A	Tax paid on outward supplies	3,48,24,660	31,34,219	31,34,219
B	Less: Credit notes	59,12,500	5,32,125	5,32,125
C	Turnover reported as per GSTR 1	2,89,12,160	26,02,094	26,02,094
D	Less: Turnover reported as per GSTR-3B	3,08,09,513	27,72,856	27,72,856
E	Diff. due to GST liability of Oct'18 paid in Aug'19	18,97,353	1,70,762	1,70,762

10. To further substantiate the claim that the liability of October 2018 is paid in the month of August 2019, Appellant is herewith enclosing the tax liability comparison table for the FY 2019-20 as under:

Tax Period	Tax liability declared in GSTR-3B during the month [as per table 3.1(a)]			Tax liability declared in GSTR-1 (other than reverse charge supply) during the month [as per table 4A, 4C, 5, 6C, 7, 9A, 9B, 9C, 10, 11]			Shortfall (-)/ Excess (+) in liability (GSTR-3B - GSTR-1)		
	IGST	CGST	SGST	IGST	CGST	SGST	IGST	CGST	SGST
Apr-19	0	3,26,048	3,26,048	0	3,26,048	3,26,048	0	0	0
May-19	0	35,595	35,595	0	35,595	35,595	0	0	0
Jun-19	0	1,30,500	1,30,500	0	1,30,500	1,30,500	0	0	0
Jul-19	0	1,45,125	1,45,125	0	1,45,125	1,45,125	0	0	0



Aug-19	0	4,38,512	4,38,512	0	2,67,750	2,67,750	0	1,70,76	1,70,76
Sep-19	0	3,20,963	3,20,963	0	3,20,963	3,20,963	0	0	0
Oct-19	0	3,96,000	3,96,000	0	3,96,000	3,96,000	0	0	0
Nov-19	0	2,72,115	2,72,115	0	2,72,115	2,72,115	0	0	0
Dec-19	0	3,16,688	3,16,688	0	3,16,688	3,16,688	0	0	0
Jan-20	0	2,59,875	2,59,875	0	2,59,875	2,59,875	0	0	0
Feb-20	0	8,812	8,812	0	8,812	8,812	0	0	0
Mar-20	0	1,22,625	1,22,625	0	1,22,625	1,22,625	0	0	0
Total	0	27,72,85	27,72,85		26,02,09	26,02,09		1,70,76	1,70,76
		6	6	0	4	4	0	2	2

11. All the above explanations made implies that there is no short payment of GST as stated in impugned order, thereby, the demand confirmed shall be set aside.

In Re: Interest under section 50 is not applicable:

12. Appellant submits that when tax is not applicable, the question of interest & also penalties does not arise. It is a natural corollary that when the principal is not payable there can be no question of paying any interest as held by the Supreme Court in Prathiha Processors Vs. UOI, 1996 (88) ELT 12 (SC).

13. Appellant submits that the impugned order has confirmed that the Appellant is liable to interest under Section 50 of CGST Act, 2017. In this regard, it is pertinent to examine Section 50 of CGST Act, 2017 which is extracted below for ready reference

(1) Every person who is liable to pay tax in accordance with the provisions of this Act or the Rules made thereunder, but failed to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council'

(2) the interest under sub-section(1) shall be calculated, in such manner as may be prescribed, from the day succeeding the day on which such tax was due to be paid

(3) A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or excess reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent., as may be notified by the Government on the recommendations of the Council.

14. Appellant submits that the impugned order has demanded that interest rate prescribed under Section 50 is applicable. In this regard, Appellant submits that the proposal in impugned order is not at all tenable. Hence, the demand of interest does not sustain.



In Re: Penalty under section 73 is not imposable:

15. Appellant submits that the impugned Order has imposed the penalty u/s 73 @ 10% which is not correct. Appellant submits that Appellant is of the vehement belief that the input availed by Appellant is not required to reverse and there is no short payment of GST, therefore, the question of interest and penalty does not arise. Further, it is a natural corollary that when the principal is not payable there can be no question of paying any interest and penalty as held by the Supreme Court in **Prathiba Processors Vs UOI, 1996 (88) ELT 12 (SC)**.

16. Further, Appellant submits that the impugned order had not discharged the burden of proof regarding the imposition of the penalty under CGST Act, 2017. In this regard, wishes to rely on the judgment in the case of Indian Coffee Workers' Co-Op. Society Ltd Vs C.C.E. & S.T., Allahabad 2014 (34) S.T.R 546 (All) it was held that "It is unjustified in absence of discussion on fundamental conditions for the imposition of penalty under Section 78 of Finance Act, 1994".

17. Appellant submits that the impugned order has imposed the penalty u/s 73 of the CGST Act, 2017. The relevant extract is reproduced below:-

"9. Section 73. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful-misstatement or suppression of facts.-

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3).....

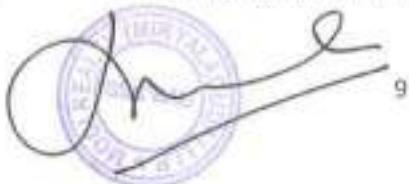
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.....

(8).....

(9) The proper officer shall, after considering the representation, if any, made by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent. of tax or ten thousand rupees, whichever is higher, due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short



paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund."

18. From the above-referred sub-section, it is clear that the penalty is applicable only when any amount of self-assessed tax or any amount collected as tax has not been paid within a period of 30 days from the due date of payment of such tax. However, in the instant case, the Appellant has not availed any excess ITC in GSTR-03B. Hence, the penalty under Section 73(1) is not applicable in the instant case.
19. Appellant submits that the Supreme Court in case of CIT Vs Reliance Petro Products Pvt Ltd (SC) 2010 (11) SCC (762) while examining the imposition of penalties under Section 271(1)(c) of Income Tax Act, 1961 held that penalties are not applicable in similar circumstances.
20. Appellant submits that from the above-referred decision of the Supreme Court, penalties cannot be imposed merely because the assessee has claimed certain ITC which was not accepted or was not acceptable to the revenue when the assessee has acted on the bonafide belief that the ITC is eligible. In the instant case also, Order has availed the ITC on the bonafide belief that the same is eligible which was not accepted by the department. Therefore, in these circumstances, the imposition of penalties is not warranted and the same needs to be dropped.
21. Appellant submits that it is pertinent to understand that the Supreme Court in the above-referred case has held that the penalties shall not be imposed even though the *mens rea* is not applicable for the imposition of penalties.
22. Appellant submits that GST being a new law, the imposition of penalties during the initial years of implementation is not warranted. Further, Appellant submits that they are under bonafide belief that ITC availed by them are eligible, thus, penalties shall not be imposed. Further, the government has been extending the due dates & waiving the late fees for delayed filing etc., to encourage compliance and in these circumstances imposition of penalties for claiming ITC on bonafide belief is not at all correct and the same needs to be dropped.
23. Appellant would like to submit further that in addition to above, Appellant submits that where an authority is vested with discretionary powers, discretion has to be exercised by application of mind and by recording reasons to promote fairness, transparency and equity. In this regard the reliance is placed on the judgement of hon'ble Supreme Court in the case of *Maya Devi v. Raj Kumari Batra* dated 08.09.2010 [Civil Appeal No.10249 of 2003] wherein it was held that

"14. It is in the light of the above pronouncements unnecessary to say anything beyond what has been so eloquently said in support of the need to give reasons for notices made by Courts and statutory or other authorities exercising quasi-judicial functions. All that we may mention is that in a system governed by the rule of law, there is nothing like absolute or unbridled power."

exercisable at the whims and fancies of the repository of such power. There is nothing like a power without any limits or constraints. That is so even when a Court or other authority may be vested with wide discretionary power, for even discretion has to be exercised only along well recognized and sound juristic principles with a view to promoting fairness, inducing transparency and aiding equity."

24. Appellant further submits that the Supreme Court in case of *Hindustan Steel Ltd. v. State of Orissa* —1978 [AIR 1970 SC 253] while dealing with the similar facts wherein a mandatory penalty is prescribed without the concept of mens rea held that "*Under the Act penalty may be imposed for failure to register as a dealer: Section 9(I) read with Section 25(1)(a) of the Act. But the liability to pay penalty does not arise merely upon proof of default in registering as a dealer. An notice imposing penalty for failure to carry out a statutory obligation is the result of a quasi-criminal proceeding, and penalty will not ordinarily be imposed unless the party obliged either acted deliberately in defiance of law or was guilty of conduct contumacious or dishonest, or acted in conscious disregard of its obligation. Penalty will not also be imposed merely because it is lawful to do so. Whether penalty should be imposed for failure to perform a statutory obligation is a matter of discretion of the authority to be exercised judicially and on a consideration of all the relevant circumstances. Even if a minimum penalty is prescribed, the authority competent to impose the penalty will be justified in refusing to impose penalty, when there is a technical or venial breach of the provisions of the Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the statute. Those in charge of the affairs of the Company in failing to register the Company as a dealer acted in the honest and genuine belief that the Company was not a dealer. Granting that they erred, no case for imposing penalty was made out.*"

25. Appellant further submits that it was held in the case of *Collector of Customs v. Unitech Exports Ltd.* 1999 (108) E.L.T. 462 (Tribunal) that- "*It is settled position that penalty should not be imposed for the sake of levy. The penalty is not a source of Revenue. The penalty can be imposed depending upon the facts and circumstances of the case that there is a clear finding by the authorities below that this case does not warrant the imposition of penalty. The respondent's Counsel has also relied upon the decision of the Supreme Court in the case of M/s. Pratibha Processors v. Union of India reported in 1996 (88) E.L.T. 12 (S.C.) that penalty ordinarily levied for some contumacious conduct or a deliberate violation of the provisions of the particular statute.*" Hence, Penalty cannot be imposed in the absence of deliberate defiance of law even if the statute provides for a penalty.

26. Appellant submits that the Supreme Court in case of *Price Waterhouse Coopers Pvt. Ltd Vs Commissioner of Income Tax, Kolkata S.L.P.(C) No.10700 of 2009* held as follows:

"20. We are of the opinion, given the peculiar facts of this case, that the imposition of penalty on the assessee is not justified. We are satisfied that the assessee had committed an inadvertent and

bona fide error and had not intended to or attempted to either conceal its income or furnish inaccurate particulars.

27. Appellant submits that from all the above submissions, it is clear that imposition of penalties is not warranted therefore the impugned order needs to be dropped.
28. Appellant submits that the GST is still under trial and error phase and the assessees are facing genuine difficulties and the same was also held by various courts by deciding in favour of assessee. Therefore, the imposition of penalty during the initial trial and error phase is not warranted and this is a valid reason for setting aside the penalties. In this regard, reliance is placed on :
 1. Bhargava Motors Vs UOI 2019 (26) GSTL 164 (Del) wherein it was held that "*The GST system is still in a 'trial and error phase' as far as its implementation is concerned. Ever since the date the GSTN became operational, this Court has been approached by dealers facing genuine difficulties in filing returns, claiming input tax credit through the GST portal. The Court's attention has been drawn to a decision of the Madurai Bench of the Madras High Court dated 10th September, 2018 in W.P. (MD) No. 18532/2018 (Tara Exports v. Union of India) [2019 (20) G.S.T.L. 321 (Mad.)] where after acknowledging the procedural difficulties in claiming input tax credit in the TRAN-1 form that Court directed the respondents "either to open the portal, so as to enable the petitioner to file the TRAN-1 electronically for claiming the transitional credit or accept the manually filed TRAN-1" and to allow the input credit claimed after processing the same, if it is otherwise eligible in law*"
 2. The Tyre Plaza Vs UOI 2019 (30) GSTL 22 (Del)
 3. Kusum Enterprises Pvt Ltd Vs UOI 2019-TIOL-1509-HC-Del. GST
29. The Appellant submits that, as submitted supra, there was confusion that existed at such point in time and the issue involved interpretation of provisions and law is at nascent stages. Therefore, the penalties cannot be imposed. Relied on CCE Vs Gujarat Narmada Fertilizers Co. Ltd 2009 (240) E.L.T 661 (S.C).
30. In view of the above, it is requested that a lenient view may be adopted, and the penalty be waived.

Impugned order is time barred and Notification No. 09/2023-C.T dated 31.03.2023 is bad in law

31. Appellant submits that impugned SCN was issued under section 73 of CGST Act, 2017 which provides for adjudication of demand within 3 years from the due date of the annual return of the corresponding FY. For FY 2019-20, the annual return due date falls on 31.03.2021 and the 3-year time limit expires by 31.03.2024 however citing the difficulties caused due to Covid-19, the Government has extended the time limit from 31.03.2024 to 30.06.2024 by exercising the powers u/s. 168A by the Notification No. 09/2023 dated 31.03.2023. However, again exercising the powers u/s. 168A, ibid the time limit was further extended to 31.08.2024 by Notification No. 09/2023-C.T

dated 31.03.2023 and later was further extended to 31.08.2024 by Notification No. 56/2023- Central Tax dated 28.12.2023.

32. In this regard, it is submitted that an extension of the time period prescribed for issuance of show cause notice under Section 73 (10) of the Goods and Service Tax Act, 2017 is not sustainable in law, in as much as COVID restrictions were uplifted long back in the year 2022 and the revenue had sufficient time to complete the scrutiny and audit process. Further, the 'force majeure' is as defined u/s. 168A, *ibid* had never occurred from 2022 till the expiry of the extended due date of 30.06.2024. Hence, the second extension of time runs beyond the mandate of Section 168A and is not sustained in the law. Accordingly, the demand for FY 2019-20 deserves to be dropped as the Show Cause Notice in the instant case is not issued prior to 31.12.2023 as envisaged under Section 73 of CGST Act, 2017.
33. It is settled law that any delegated legislation travelling beyond the Statutory provisions be 'ultra vires' i.e meaning it is beyond the powers granted to the tax authorities. Such a circular is invalid and unenforceable and is not sustained in law and for the same reliance is placed on the following case laws:
 - a. Mohit Minerals Pvt Ltd Versus Union of India 2022 (61) G.S.T.L. 257 (S.C.)
 - b. Munjaal Manish bhai Bhatt Versus Union of India 2022 (62) G.S.T.L. 262 (Guj.)
34. Appellant craves leave to alter, add to, and or amend the aforesaid grounds.
35. Appellant wishes to be heard in person before passing any order in this regard.

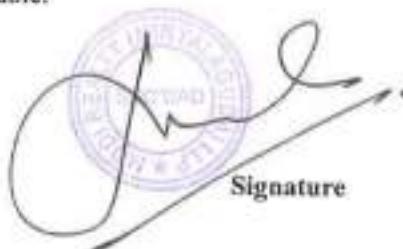
For M/s. Modi Realty (Miryalaguda) LLP.



PRAYER

Therefore, it is prayed that

- a. To set aside the impugned order to the extent aggrieved.
- b. To hold that there is no short reporting of turnover in GSTR-09 when compared to financials;
- c. To hold that the impugned order is ultra vires the constitution;
- d. To hold that interest and penalty is not payable/imposable.
- e. To provide any other consequential relief.



Signature

VERIFICATION

I, Soham Satish Modi, Partner, Authorized Signatory of M/s. Modi Realty (Miryalaguda) LLP hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.

Place: Hyderabad

Date: 23.11.2024

For M/s. Modi Realty (Miryalaguda) LLP.



Authorized Signatory

**BEFORE THE APPELLATE JOINT COMMISSIONER OF STATE TAX, PUNJAGUTTA
DIVISION, COMMISSIONER OF COMMERCIAL TAXES DEPARTMENT, C.T COMPLEX,
NAMPALLY, HYDERABAD-500 001.**

**Sub: Filing of Appeal against Order-in-Original vide Ref. No. ZD360824097649J dated 24.08.2024
in the case of M/s. Modi Realty (Miryalaguda) LLP.**

I, Soham Satish Modi, Partner of M/s. Modi Realty (Miryalaguda) LLP, hereby authorizes and appoint H N A & Co. LLP, Chartered Accountants, Bangalore or their partners and qualified staff who are authorized to act as an authorized representative under the relevant provisions of the law, to do all or any of the following acts: -

- a. To act, appear and plead in the above-noted proceedings before the above authorities or any other authorities before whom the same may be posted or heard and to file and take back documents
- b. To sign, file verify, and present pleadings, applications, appeals, cross-objections, revision, restoration, withdrawal, and compromise applications, replies, objections and affidavits etc., as may be deemed necessary or proper in the above proceedings from time to time,
- c. To Sub-delegate all or any of the aforesaid powers to any other representative and I/Appellant do hereby agree to ratify and confirm acts done by our above-authorized representative or his substitute in the matter as my/our own acts as if done by me/us for all intents and purposes.

This authorization will remain in force till it is duly revoked by me/us

Executed this on 23.11.2024 at Hyderabad

Signature

I, the undersigned partner of M/s H N A & Co. LLP, Chartered Accountants, do hereby declare that the said M/s H N A & Co. LLP is a registered firm of Chartered Accountants, and all its partners are Chartered Accountants holding certificate of practice and duly qualified to represent in above proceedings under Section 116 of the CGST Act, 2017. I accept the above-said appointment on behalf of M/s H N A & Co. LLP. The firm will represent through any one or more of its partners or Staff members who are qualified to represent before the above authorities.

Dated: 23.11.2024

Address for service:

H N A & Co. LLP
Chartered Accountants,
4th Floor, West Block, Anushka Pride,
above Lawrence & Mayo,
Road Number 12, Banjara Hills,
Hyderabad, Telangana 500034

For HNA & Co. LLP
Chartered Accountants

LAKSHMAN
KUMAR KADALI

Digitally signed by
LAKSHMAN KUMAR KADALI
Date: 2024.11.28 12:31:36
+05'30'

Lakshman Kumar K
Partner (M.No. 241726)

I, Partner/employee/associate of M/s H N A & Co. LLP duly qualified to represent in above proceedings in terms of the relevant law, also accept the above said authorization and appointment.

S.No.	Name	Qualification	Membership No.	Signature
1	Sudhir V S	CA	219109	
2	Venkata Prasad P	BA LLB	AP/3511/2023	
3	Srimannarayana S	CA	261612	
4	Akash Heda	CA	269711	
5	Revant Krishna	CA	262586	
6	Manikanta	CA	277705	
7	Asha Latha	CA	280346	
8	Shiva Mohan	CA	267701	



GSTIN: 36ABCFM6774G2ZZ
ARN: AD3604240088518

Date: 24-08-2024

SUMMARY OF ORDER PROCEEDINGS
for the Financial Year 2019-20 under GST Act, 2017
[See Rule 142 (1) and Section 73]

SUB: Goods and Services Tax Act, 2017 (for brevity 'GST Act. 2017') – M.G.Road-S.D.Road Circle - Begumpet Division, Hyderabad – M/s. MODI REALTY (MIRYALAGUDA) LLP (for brevity 'taxpayer') – Conduct of general audit for the financial year 2019-20 under GST Act – Notice issued in ADT-01 - Records produced - Examination/scrutiny made of the same – Certain discrepancies / deficiencies/ anomalies noticed - Proposed to assess under Section 73 of CGST Act, 2017 - Show Cause Notice issued in DRC 01 – Reply Filed – Orders Passed – Regarding.

REF: 1. Commissioner (ST), Telangana, Hyderabad Audit Authorization in GST Portal on dt. 20-04-2024
2. Joint Commissioner (ST), Begumpet Division, Hyderabad Audit Authorization In Ref No. BGPT-DIVN/STO-II/10/MGSD/2024-25 dt. 28-05-2024.
3. STO-II, M.G. Road - S.D. Road Circle notice issued in GST Form DRC-01 vide Ref No. ZD360524058370H, Dated. 29-05-2024.
4. M/s. MODI REALTY (MIRYALAGUDA) LLP, Reply filed in DRC-06, ARN : ZD360624021446H, dated. 09-06-2024.
5. STO-II, M.G. Road - S.D. Road Circle Reminder-01 notice issued for Reply and Personal Hearing vide Ref No. ZD360624021980F, Dated. 10-06-2024.
6. STO-II, M.G. Road - S.D. Road Circle, Errata to Summary of Show Cause Notice dt. 22-06-2024
7. M/s. MODI REALTY (MIRYALAGUDA) LLP, Reply filed in DRC-06, ARN : ZD36062401096701H, dated. 26-06-2024.
8. STO-II, M.G. Road - S.D. Road Circle Reminder-02 notice issued for Reply and Personal Hearing vide Ref No. ZD3606241229671, Dated. 29-06-2024.
9. STO-II, M.G. Road - S.D. Road Circle Reminder-03 notice issued for Reply and Personal Hearing vide Ref No. ZD360724073585Z, Dated. 20-07-2024.
10. STO-II, M.G. Road - S.D. Road Circle Final Opportunity-cum- Personal Hearing Notice-1 Dated. 30-07-2024.
11. STO-II, M.G. Road - S.D. Road Circle Final Opportunity-cum- Personal Hearing Notice -2 Dated. 09-08-2024.
12. M/s. MODI REALTY (MIRYALAGUDA) LLP, Reply filed in DRC-06, ARN : ZD360824054433B, dated. 17-08-2024.

M/s. MODI REALTY (MIRYALAGUDA) LLP, located at SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4, M.G ROAD, SECUNDERABAD, 500003 are a registered taxpayer under the provisions of GST Act, 2017 with GSTIN 36ABCFM6774G2ZZ and assessee on the rolls of the state jurisdictional tax office i.e., the Assistant Commissioner (ST), M.G.Road-S.D.Road Circle of Begumpet Division, Hyderabad. They are carrying on business in "trading of Goods as per the Portal" is that, (HSN 00440290) CONSTRUCTION SERVICES IN RESPECT OF COMMERCIAL OR INDUSTRIAL BUILDINGS AND CIVIL STRUCTURES(HSN 00440410) WORKS CONTRACT SERVICES.

In consequent to the GST General Audit authorized as required under the provisions of Section 65, read with Rule 101 of CGST Act and Rules, 2017 in respect of the above-mentioned taxpayer for the financial year 2019-20, the audit of the taxpayer is accordingly undertaken.

In the course of and as a part of processing the Audit undertaken in due process of law, the taxpayer vide reference 1st cited, has been issued 'Notice for conducting Audit' via prescribed "Form GST ADT-01" dated 20-04-2024 as required under the provisions of Rule 101 and Sec.65 of CGST Act,2017 duly intimating / notifying the authorized Audit of their books of accounts and records and with a direction to attend in person or through an authorized representative on dated. 07-05-2024 before the undersigned at aforementioned address with the relevant books of accounts and records and in the light of Section 65 of CGST Act, 2017 they are asked to render their assistance for timely completion of the Audit for the financial year 2019-20 as required for Audit.

The Notice was served as prescribed under the provisions of Section 169 of CGST Act, 2017 i.e., by way of communicating to the e-Mail address of the taxpayer so given at the time of GST registration or as amended from time to time.

The taxpayer having received the ADT-01 appeared in person and produced Profit and Loss Account, Balance Sheet, Purchase and Sale Statements etc., On due examination of the same with reference to the material available in the GST Common Portal, their tax liabilities and other discharged liabilities are hereby proposed to assess with the following results:-

1) Input Tax on Inward Supplies :-

The Tax Payer claimed Input Tax Credit in GSTR3B / GSTR 9 returns filed by them for the year 2019-20 as under:

IGST	Rs.	00.00
CGST	Rs.	50,92,638.00
SGST	Rs.	50,92,638.00

On verification of the ITC claim of the taxpayer among the Form GSTR-3B / GSTR 9 and Purchase details filed to Audit, the following variations are noticed.

The eligible for Input Tax Credit as per the Table 8A of GSTR 9 is arrived as under:

Particulars	CGST	SGST	Total
Input Tax as per Table 8A of GSTR 9	4821333	4821333	9642667
Less: Credit Notes	88182	88182	176364
Net ITC Eligible	4733151	4733151	9466302

The Tax Payer claimed excess ITC in GSTR3B / GSTR 9 compared with the ITC as per the Table 8A of GSTR 9:

Particulars	CGST	SGST	Total
ITC claimed in GSTR 3B / GSTR 9	5092638	5092638	10185276
Less: Net ITC Eligible as per Table 8A of GSTR 9	4733151	4733151	9466302
Excess ITC Claimed	359487	359487	718974

While bringing forward to the notice of the taxpayer about the above excess claimed ITC amounting to Rs.7,18,974/- (i.e., Rs.3,59,487/- towards CGST and Rs.3,59,487/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

2) Output Tax on Outward Supplies :-

The Tax Payer reported Output Tax in GSTR3B / GSTR 9 Returns filed by them for the year 2019-20 as under:

IGST Rs. 00.00
 CGST Rs. 26,02,094.40
 SGST Rs. 26,02,094.40

As seen from the Financial Statement (Profit and Loss Account) compared with the Output Taxes reported in GSTR 3B / GSTR 9 the following variations noticed in Output Turnovers and Taxes Reported.

Particulars	Output Turnover Reported
Supplies made to un-registered persons (B2C)	27887160
Supplies made to registered persons (B2B)	1025000
Total Reported	28912160

Particulars	Turnover	CGST Proposed (@ 9%)	SGST Proposed (@ 9%)	Total Output Tax Proposed
Output Turnover as per Financial Statements (Profit and Loss Account)	719208021			
Less: Output Turnover Reported	28912160			
Shortly Reported Output Turnover Now Proposed to Tax (@ 18%)	690295861	62126627	62126627	124253255

While bringing forward to the notice of the taxpayer about the above Shortly reported Output Tax amounting to Rs. 12,42,53,255/- (i.e., Rs.6,21,26,627/- towards CGST and Rs.6,21,26,627/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

Therefore, it is proposed to assess for year April 2019 to March 2020 for the net tax proposed to be payable indicated under Section 73 of the SGST/CGST Act as under:

S. No.	Particulars	CGST Tax	SGST Tax	Total Tax
1	Proposed to Disallow Excess claim of Input Tax compared with Table 8A of GSTR 9 and GSTR 3B / GSTR 9	359487	359487	718974
2	Shortly Reported Output Tax proposed compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9	62126627	62126627	124253255
Total Tax Due to the Department		62486114	62486114	124972229

In addition to above, the following punitive measures will be taken up while passing final orders.

- A) As per Section 73 read with Rule 122 of CGST Act, 2017, a Penalty as required on the tax due will be levied at the time of assessment proceedings without any further notice.
- B) As per Section 50 of CGST Act, 2017 the legitimate Interest @18% PA will be levied on the excess claim of Input Tax at the time of assessment proceedings without any further notice.

Thus, the total Tax, Penalty and Interest for the period from April 2019 to March 2020 is proposed in addition to the Taxes reported as under:

S. No.	Act	Tax	Interest	Penalty	Total
1	CGST	62486114	44990002	6248611	113724728
2	SGST	62486114	44990002	6248611	113724728
3	TOTAL	124972229	89980005	12497223	227449456

Accordingly a notice in DRC-01 has been issued vide Reference No. ZD360524058370H, Dated. 29-05-2024, and requested to file their objections if any on or before dated. 15-06-2024.

In response to the DRC-01 notice issued the Tax Payer filed DRC 06 vide ARN: ZD36062402144611, dated. 09-06-2024 and requested time of (15) days for filing of their reply.

A Reminder-1 Notice filing the Reply along with Personal Hearing issued vide Ref No. ZD360624021980F, Dated. 10-06-2024 by providing the time as requested by them i.e. up to dated.26-06-2024.

On further scrutiny of the records it is noticed that, while issuing the Show Cause Notice, a Typographical Error was noticed in the Output Turnover as per Financial Statements (Profit and Loss Account). Output Turnover as per Financial Statements (Profit and Loss Account) mentioned in the Show Cause Notice is Rs. 71,92,08,021/-, where as actual Output Turnover as per Financial Statements (Profit and Loss Account) is Rs. 7,28,11,291/-, the same is now rectified and intimated the actual turnovers and taxes proposed will be as under:

Particulars	Turnover	CGST Proposed @ 9%	SGST Proposed @ 9%	Total Output Tax Proposed
Output Turnover as per Financial Statements (Profit and Loss Account)	72811291			
Less: Output Turnover Reported	28912160			
Shortly Reported Output Turnover Now Proposed to Tax @ 18%	43899131	3950922	3950922	7901844

Therefore, the net tax proposed to be payable indicated under Section 73 of the SGST/CGST Act for year April 2019 to March 2020 may be considered as under:

S. No.	Particulars	CGST Tax	SGST Tax	Total Tax
1	Proposed to Disallow Excess claim of Input Tax compared with Table 8A of GSTR 9 and GSTR 3B / GSTR 9	359487	359487	718974
2	Shortly Reported Output Tax proposed compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9	3950922	3950922	7901844
Total Tax Due to the Department		4310409	4310409	8620817

Accordingly, an ERRATA to the Show Cause Notice has been issued on dated. 22-06-2024 and requested to file their objections within (15) days from the date of notice issued.

In response to the ERRATA issued the Tax Payer filed DRC 06 vide ARN: ZD3606241096070H, dated. 26-06-2024 and requested time of (15) days for filing of their reply.

A Reminder-2 Notice filing the Reply along with Personal Hearing issued vide Ref No. ZD3606241229671, Dated. 29-06-2024 by providing the time as requested by them i.e. up to dated.15-07-2024, but the Tax Payer failed to file their objections within the stipulated time provided.

A Reminder-3 Notice filing the Reply along with Personal Hearing issued vide Ref No. ZD360724073585Z, Dated. 20-07-2024 by providing time up to dated. 29-07-2024, but the Tax Payer failed to file their objections within the stipulated time provided.

A Notice for Final Opportunity-cum-Personal Hearing has been issued on dt. 30-07-2024 by providing time up to dated. 08-08-2024, but the Tax Payer failed to file their objections within the stipulated time provided.

A Notice for Final Opportunity-cum-Personal Hearing-2 has been issued on dated. 09-08-2024 by providing time up to dated. 17-08-2024.

In receipt of the notices the Tax Payer filed their reply in DRC 06 vide ARN: ZD360824054433B, dated. 17-08-2024, and claimed as under:

In Re: No Excess claim of ITC

4. Noticee submits that the impugned notice has alleged that there is an excess availment of ITC in OSTR-3B when compared to GSTR-2A of Rs.3,59,487/- in CGST and Rs.3,59,487/-in SGST.

5. In this regard, Noticee is herewith providing the following table:

S.no.	Particulars	CGST (Rs.)	SGST (Rs.)
A	ITC as per updated GSTR-2A	53,75,223	53,75,223
B	Net ITC availed as per GSTR-3B	50,25,574	50,25,574
C	Short availment of ITC (A-B)	3,49,649	3,49,649

6. From the above table, it can be observed that there is in fact short availment of ITC of Rs.3,49,649 in CGST and Rs.3,49,649 in SGST and there is no excess availment of ITC as alleged in the impugned notice. To evidence the same, Noticee is herewith enclosing the Copy of Updated GSTR-2A is enclosed as an Annexure-III. Hence, the demand to this extent needs to be dropped.

7. Without prejudice to the above, Noticee submits that we are rightly eligible for ITC for the following reasons:

a. ITC cannot be denied merely due to non-reflection of invoices in GSTR-2A as all the conditions specified under Section 16 of CGST Act, 2017 have been satisfied.

b. GSTR-2A cannot be taken as a basis to deny the ITC in accordance with Section 41, Section 42, Rule 69 of CGST Rules, 2017.

c. We further submit that Finance Act, 2022 has omitted Section 42, 43 and 43A of the CGST Act, 2017 which deals ITC matching concept. Noticee submits that the substituted Section 38 of the CGST Act, 2017 now states that only the eligible ITC which is available in the GSTR-2B (Auto generated statement) can be availed by the recipient. Now, GSTR-2B has become the main document relied upon by the tax authorities for verification of the accurate ITC claims. Hence, omission of sections 42, 43 and 43A has eliminated the concept of the provisional ITC claim process, matching and reversals

d. Once the mechanism prescribed under Section 42 to match the provisionally allowed ITC under Section 41 is not in operation and has been omitted by the Finance Act, 2022 the effect of such omission without any saving clause means the above provisions was not in existence or never existed in the statute.

e. The Section 38 read with Rule 60 had prescribed the FORM GSTR 2 which is not made available till 30.09.2022. Notification No. 20 Central Tax dated 10th Nov 2020 has substituted the existing rule to w.e.f. 1.1.2021 meaning thereby the requirement of Form GSTR 2 necessary in order to due compliance of Section 38. In the absence of the said form, it was not possible for the taxpayer to comply with the same. Further, Form GSTR 2 has been omitted vide Notification No. 19/2 Central Tax dated 28.09.2022 w.e.f. 01.10.2022.

f. Section 42 clearly mentions the details and procedure of matching, reversal, and reclaim of input tax credit with regard to the inward supply.

However, Section 42 and Rule 69 to 71 have been omitted w.e.f. 01.10.2022.

g. Rule 70 of CGST Rules 2017 which prescribed the final acceptance of input tax credit and communication thereof in Form GST MIS-1 and Rule 71 prescribes the communication and rectification of discrepancy in the claim of input tax credit in form GST MIS-02 and reversal of claim of input tax credit. Further, Rule 70 has been omitted vide Notification No. 19/2022 Central Tax dated 28.09.2022 w.e.f 01.10.2022.

h. It is submitted that neither the form has been prescribed by the law nor the same has been communicated to the We therefore it is not possible to comply with the condition given in Section 42 read with Rule 69, Rule 70 and 71. Hence, the allegation of the impugned notice is not correct.

i. We further submit that the fact that there is no requirement to reconcile the invoices reflected in GSTR-2A vs GSTR-3B is also evident from the amendment in Section 16 of CGST Act, 2017 vide Section 100 of Finance Act, 2021. Hence, there is no requirement to reverse any credit in the absence of the legal requirement during the subject period.

j. Similarly, it is only Rule 36(4) of CGST Rules, 2017 as inserted w.e.f. 09.10.2019 has mandated the condition of reflection of vendor invoices in GSTR-2A with adhoc addition of the 20% (which was later changed to 10% & further to 5%). At that time, the CBIC vide Circular 123/42/2019 dated 11.11.2019 categorically clarified that the matching u/r. 36(4) is required only for the ITC availed after 09.10.2019 and not prior to that. Hence, the denial of the ITC for non- reflection in GSTR-2A is incorrect during the subject period.

k. The fact of payment or otherwise of the tax by the supplier is neither known to We nor is verifiable by We. Thereby, it can be said that such condition is impossible to perform and it is a known principle that the law does not compel a person to do something which he cannot possibly perform as the legal maxim goes: *lex non-cogit ad impossibilia*, as was held in the case of:

Indian Seamless Steel & Alloys Ltd Vs UOI, 2003 (156) ELT 945 (Bom.)

Hico Enterprises Vs CC, 2005 (189) ELT 135 (T-LB). Affirmed by SC in 2008 (228) ELT 161 (SC)

Thereby it can be said that the condition, which is not possible to satisfy, need not be satisfied and shall be considered as deemed satisfied.

l. In the same context, we also wish to place reliance on the decision in case of *Arise India Limited vs. Commissioner of Trade and Taxes, Delhi* - 2018- TIOL-11-SC-VAT and *M/s Tarapore and Company Jamshedpur v. State of Jharkhand* - 2020-TIOL-93-HC-JHARKHAND-VAT

m. Section 41 allows the provisional availment and utilization of ITC, there is no violation of section 16(2)(c) of CGST Act 2017

n. The above view is also fortified from press release dated 18.10.2018

o. Even if there is differential ITC availed, if the same is accompanied by a valid tax invoice containing all the particulars specified in Rule 36 of CGST Rules and the payment was also made to the suppliers, the We is rightly eligible for ITC.

p. Noticee submits that under the earlier VAT laws there were provisions similar to Section 16(2) *ibid* which have been held by the Courts as unconstitutional.

q. We wish to rely on recent decisions in case of

- *Suncraft Energy Private Limited Versus The Assistant Commissioner, State Tax, Ballygunge Charge And Others 2023 (8) TMI 174-Cuttack High court affirmed by Supreme Court in case of The Assistant Commissioner of State Tax Vs Suncraft Energy Private Limited 2023 (12) TMI 739-SC order*
- *Diya Agencies Versus The State Tax Officer, The State Tax Officer, Union Of India, The Central Board Of Indirect Taxes & Customs, The State Of Kerala 2023 (9) TMI 955 Kerala High Court*
- *M/S. Gargo Traders V/s The Joint Commissioner, Commercial Taxes (State Tax) & Ors. 2023 (6) TMI 533 Calcutta High Court*
- *M/S. Henna Medicals Versus State Tax Officers, Deputy Commissioner (Arrear Recovery) Office Of The Joint Commissioner, State Goods And Service Tax Kannur, Union Of India, Central Board Of Indirect Taxes & Customs, State Of Kerala-2023 (10) TMI 98-Kerala High Court*
- *D.Y. Beathel Enterprises Vs State Tax officer (Data Cell), (Investigation Wing). Tirunelveli 2021(3) TMI 1020-Madras High Court*
- *Bhagyanagar Copper Pvt Ltd Vs CBIC and Others 2021-TIOL-2143-HC-Telangana-GST*
- *LOW Industries limited Vs UOI 2021 (12) TMI 1834-Cuttack High Court*
- *Bharat Aluminium Company Limited Vs Uot & Others 2021 (0) TMI 1052-Chattishgarh High Court*
- *Sanchita Kundu & Anr. Vs Assistant Commissioner of State Tas 2722 (5) TMI 786 Calcutta High Court*

In Re: No short reporting of turnover in GSTR-9 when compared to financials

8. Noticee submits that the impugned notice has alleged that there is short reporting of turnover in GSTR-09 when compared to financials and proposed to demand Rs.39,50,922/-in CGST and Rs.39,50,922/-in SGST

9. Noticee submits that Noticee is engaged in the provision of construction services where GST liability arises upon the receipt of advance payments. However, as per the accounting standards prescribed by the Institute of Chartered Accountants of India ICAI revenue from construction contracts is recognized in the financial statements based on the percentage of completion method. This method is mandated by ICAI which results in revenue being recognized progressively over the life of the project reflecting the actual work completed rather than at the point of receiving advances,

10. Consequently, there will be differences between the turnover reported in the GSTR-9 and the revenue recognized in the financial statements. The present difference is a natural outcome of complying with both GST regulations and ICAI accounting standards. Therefore, the proposal to

levy GST again such amounts recognized in the financial statements but not aligned with the GSTR-9 is incorrect and the same needs to be dropped

11. Noticee submits that the Noticee has already paid the GST on all advances revived during the disputed period and disclosed the same in the GSTR-3B returns. The same can be evidenced from the GSTR-3B and GSTR-09 which was enclosed as Annexure IV & V.

In Re: Interest under section 50 is not applicable:

12. Notices submits that when tax is not applicable, the question of interest & also penalties does not arise it is a natural corollary that when the principal is payable there can be no question of paying any interest as held by the Supreme Court in *Prathiba Processors Vs UOI, 1996 (88) ELT 12 (SC)*

13. Noticee submits that the impugned notice confirmed that the Noticee is liable to interest, under Section 50 of CGST Act, 2017 In this regard, it is pertinent to examine Section 50 of CGST Act, 2017 which is extracted below for ready reference

(1) Every person who is liable to pay tax in accordance with the provisions of this Act or the Rules made there under, but failed to pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid, pay on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council'

(2) the interest under sub-section(1) shall be calculated, in such manner as may be prescribed, from the day succeeding the day on which such tax was due to be paid

(3) A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or excess reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent., as may be notified by the Government on the recommendations of the Council.

14. Noticee submits that the impugned notice has demanded that interest rate prescribed under Section 50 is applicable. In this regard, Noticee submits that the proposal in impugned notice is not at all tenable. Hence, the demand of interest does not sustain.

In Re: Penalty under section 73 is not imposable:

15. Noticee submits that the impugned notice has imposed the penalty of 10% of the tax due or Rs. 10,000/- whichever is higher. Noticee submits that Noticee is of the vehement belief that the input availed by Noticee is not required to reverse and there is no short payment of GST, therefore, the question of interest and penalty does not arise. Further, it is a natural corollary that when the principal is not payable there can be no question of paying any interest and penalty as held by the Supreme Court in *Prathiba Processors Vs UOI, 1996 (88) ELT 12 (SC)*.

16. Further, Noticee submits that the impugned show cause notice had not discharged the burden of proof regarding the imposition of the penalty under CGST Act, 2017. In this regard, wishes to rely on the judgment in the case of *Indian Coffee Workers' Co-Op. Society Ltd Vs C.C.E. & S.T.,*

Allahabad 2014 (34) S.T.R 546 (All) it was held that "It is unjustified in absence of discussion on fundamental conditions for the imposition of penalty under Section 78 of Finance Act, 1994".

17. Noticee submits that the impugned notice has imposed the penalty u/s 73 of the COST Act, 2017. The relevant extract is reproduced below :-

"9. Section 73. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful misstatement or suppression of facts.

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made there under.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3).....

.....

.....

(8).....

(9) The proper officer shall, after considering the representation, if any, made by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent of tax or ten thousand rupees, whichever is higher, due from such person and issue an order

(10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund."

18. From the above-referred sub-section, it is clear that the penalty is applicable only when any amount of self-assessed tax or any amount collected as tax has not been paid within a period of 30 days from the due date of payment of such tax. However, in the instant case, the Noticee has not availed any excess ITC in GSTR-03B. Hence, the penalty under Section 73(11) is not applicable in the instant case.

19. Noticee submits that the Supreme Court in case of CIT Vs Reliance Petro Products Pvt Ltd (SC) 2010 (11) SCC (762) while examining the imposition of penalties under Section 271(1)(c) of Income Tax Act, 1961 held that penalties are not applicable in similar circumstances.

20. Noticee submits that from the above-referred decision of the Supreme Court, penalties cannot be imposed merely because the assessee has claimed certain ITC which was not accepted or was not acceptable to the revenue when the assessee has acted on the bonafide belief that the ITC is eligible. In the instant case also, Notice has availed the ITC on the bonafide belief that the same is

eligible which was not accepted by the department. Therefore, in these circumstances, the imposition of penalties is not warranted and the same needs to be dropped.

21. Noticee submits that it is pertinent to understand that the Supreme Court in the above-referred case has held that the penalties shall not be imposed even though the mens rea is not applicable for the imposition of penalties.

22. Noticee submits that GST being a new law, the imposition of penalties during the initial years of implementation is not warranted. Further, Noticee submits that they are under bonafide belief that ITC availed by them are eligible, thus, penalties shall not be imposed. Further, the government has been extending the due dates & waiving the late fees for delayed filing etc., to encourage compliance and in these circumstances imposition of penalties for claiming ITC on bonafide belief is not at all correct and the same needs to be dropped.

23. Noticee would like to submit further that in addition to above, Noticee submits that where an authority is vested with discretionary powers, discretion has to be exercised by application of mind and by recording reasons to promote fairness, transparency and equity. In this regard, the reliance is placed on the judgment of Hon'ble Supreme Court in the case of *Maya Devi v. Raj Kumari Batra* dated 08.09.2010 [Civil Appeal No. 10249 of 2003] wherein it was held that

"14. It is in the light of the above pronouncements unnecessary to say anything beyond what has been so eloquently said in support of the need to give reasons for notices made by Courts and statutory or other authorities exercising quasi judicial functions. All that we may mention is that in a system governed by the rule of law, there is nothing like absolute or unbridled power exercisable at the whims and fancies of the repository of such power. There is nothing like a power without any limits or constraints. That is so even when a Court or other authority may be vested with wide discretionary power, for even discretion has to be exercised only along well recognized and sound juristic principles with a view to promoting fairness, inducing transparency and aiding equity."

24. Noticee further submits that the Supreme Court in case of *Hindustan Steel Ltd. v. State of Orissa -1978* [AIR 1970 SC 253] while dealing with the similar facts wherein a mandatory penalty is prescribed without the concept of mens rea held that "Under the Act penalty may be imposed for failure to register as a dealer: Section 9(1) read with Section 25(1)(a) of the Act. But the liability to pay penalty does not arise merely upon proof of default in registering as a dealer. An notice imposing penalty for failure to carry out a statutory obligation is the result of a quasi-criminal proceeding, and penalty will not ordinarily be imposed unless the party obliged either acted deliberately in defiance of law or was guilty of conduct contumacious or dishonest, or acted in conscious disregard of its obligation. Penalty will not also be imposed merely because it is lawful to do so. Whether penalty should be imposed for failure to perform a statutory obligation is a matter of discretion of the authority to be exercised judicially and on a consideration of all the relevant circumstances. Even if a minimum penalty is prescribed, the authority competent to impose the penalty will be justified in refusing to impose penalty, when there is a technical or venial breach of the provisions of the Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the statute. Those in charge of the affairs of the Company in failing to register the Company as a dealer acted in the honest and genuine belief that the Company was not a dealer. Granting that they erred, no case for imposing penalty was made out."

25. Noticee further submits that it was held in the case of *Collector of Customs v Unitech Exports Ltd.* 1999 (108) E.L.T. 462 (Tribunal) that- "It is settled position that penalty should not be imposed for the sake of levy. The penalty is not a source of Revenue. The penalty can be imposed depending upon the facts and circumstances of the case that there is a clear finding by the authorities below that this case does not warrant the imposition of penalty. The respondent's Counsel has also relied upon the decision of the Supreme Court in the case of *M/s. Pratibha Processors v. Union of India* reported in 1996 (88) E.L.T. 12 (S.C.) that penalty ordinarily levied for some contumacious conduct or a deliberate violation of the provisions of the particular statute." Hence, Penalty cannot be imposed in the absence of deliberate defiance of law even if the statute provides for a penalty.

26. Noticee submits that the Supreme Court in case of *Price Waterhouse Coopers Pvt. Ltd Vs Commissioner of Income Tax, Kolkata S.L.P. (C) No. 10700 of 2009* held as follows:

"20. We are of the opinion, given the peculiar facts of this case, that the imposition of penalty on the assessee is not justified. We are satisfied that the assessee had committed an inadvertent and bona fide error and had not intended to or attempted to either conceal its income or furnish inaccurate particulars.

27. Notice submits that from all the above submissions, it is clear that imposition of penalties is not warranted therefore the impugned notice needs to be dropped.

28. Noticee submits that the GST is still under trial and error phase and the assessees are facing genuine difficulties and the same was also held by various courts by deciding in favour of assessee. Therefore, the imposition of penalty during the initial trial and error phase is not warranted and this is a valid reason for setting aside the penalties. In this regard, reliance is placed on:

1. *Bhargava Motors Vs UOI* 2019 (26) GSTL 164 (Del) wherein it was held that "The GST system is still in a trial and error phase' as far as its implementation is concerned. Ever since the date the GSTN became operational, this Court has been approached by dealers facing genuine difficulties in filing returns, claiming input tax credit through the GST portal. The Court's attention has been drawn to a decision of the Madurai Bench of the Madras High Court dated 10th September, 2018 in *W.P. (MD) No. 18532/2018 (Tars Exports Union of India)* (2019 (20) G.STL 321 (Mad.)) where after acknowledging the procedural difficulties in claiming input tax credit in the TRAN 1 form that Court directed the respondents "either to open the portal, so as to enable the petitioner to file the TRAN-1 electronically for claiming the transitional credit or accept the manually filed TRAN-1" and to allow the input credit claimed after processing the same, if it is otherwise eligible in law"

2. *The Tyre Plaza Vs UOI* 2019 (30) GSTL 22 (Del)

3. *Kusum Enterprises Pvt Ltd Vs UOI* 2019-TIOL-1509-HC-Del. GST

29. The Noticee submits that, as submitted supra, there was confusion that existed at such point in time and the issue involved interpretation of provisions and law is at nascent stages. Therefore, the penalties cannot be imposed. Relied on *CCE Vs Gujarat Narmada Fertilizers Co. Ltd* 2009 (240) E.LT 661 (S.C.).

In Re: Impugned notice is not valid. Notice issued on assumptions and presumptions:

30. Noticee submits that impugned SCN was issued with prejudged and premeditated conclusions on various issues raised in the notice. That being the case, issuance of SCN in that fashion is bad in law and requires to be dropped. In this regard, reliance is placed on *Oryx Fisheries Pvt. Ltd v. Union of India 2011 (266) ELT 422 (S.C.)*.

31. Noticee submits that the subject SCN is issued based on mere assumption and unwarranted inference, interpretation of the law without considering the intention of the law, documents on record, the scope of activities undertaken, and the nature of activity involved, the incorrect basis of computation, creating its own assumptions, presumptions. Further, they have arrived at the conclusion without actual examination of facts, and provisions of the CGST Act. 2017. In this regard, Noticee relies on the decision of the Hon'ble Supreme Court in the case *Oudh Sugar Mills Limited v. UOI, 1978 (2) ELT 172 (SC)* Therefore, the impugned Noticee is invalid and needs to be dropped.

Impugned notice is time barred and Notification No. 56/2023-CT dated 28.12.2023, is bad in law for the FY 2019-20,

32. Notice submits that the show cause notice for the FY2019-20 needs to be issued at least three months prior to the time limit specified in section 73(10) for issuance of order as per section 73(2) of the CGST Act, 2017 and accordingly the time limit as per the section 73(10) of the CGST Act 2017 read with Notification 56/2023 dated 28.12.2023 for passing the order for FY2019- 20 is 31 August 2024. Consequently, the show cause notice for FY2019-20 should have been issued by 31 May 2024. However, in the instant case, the ERRATA show cause notice had been served to the Noticee on 22.06.2024 which is beyond the time limit specified under the Act. Therefore, the issuance of show cause notice is void-ab-initio and the proceedings to this extent need to be dropped.

33. Noticee submits that the impugned SCN was issued under section 73 of CGST Act, 2017 which provides for adjudication of demand within 3 years from the due date of the annual return of the corresponding FY. For FY 2019-20, the annual return due date falls on 31.03.2021 and the 3-year time limit expires by 31.03.2024 however citing the difficulties caused due to Covid-19, the Government has extended the time limit from 31.03.2024 to 30.06.2024 by exercising the powers u/s. 168A by the Notification No. 09/2023 dated 31.03.2023. However, again exercising the powers u/s. 168A, ibid the time limit was further extended to 31.08.2024 by the Notification No. 09/2023-C.T dated 31.03.2023.

34. In this regard, it is submitted that an extension of the time period prescribed for issuance of show cause notice under Section 73 (10) of the Goods and Service Tax Act, 2017 is not sustainable in law, in as much as COVID restrictions were uplifted long back in the year 2022 and the revenue had sufficient time to complete the scrutiny and audit process. Further, the force majeure is as defined u/s. 168-1, ibid was never occurred from 2022 till the expiry of the extended due date of 30.06.2024. Hence, the second extension of time runs beyond the mandate of Section 168A and is not sustained in the law. Accordingly, the demand for FY 2019-20 deserves to be dropped as the Show under Section 73 of CGST Act, 2017.

35. It is settled law that any delegated legislation travelling beyond the Statutory provisions be 'ultra vires' and do not sustain in law. In view of the above, it is requested that a lenient view may be adopted, and the penalty be waived.

Sri. Shiva Mohan, C.A. of H NA & Co. LLP, authorized signatory of the company appeared for Personal Hearing on dated. 17-08-2024 and explained their submissions and requested for 3 days of time to provide additional submissions required, but they have failed to provide additional submissions within the stipulated time as requested by them.

The Reply filed by the Tax Payer has been verified and considered as under:

1) **Excess claim of Input Tax compared with Table 8A of GSTR 9 and GSTR 3B / GSTR 9 Rs. 7,18,974/-;**

Tax Payer claimed that as per the GSTR2A they are having sufficient Input Tax for the Input Tax claimed by them in the GSTR-3B and GSTR-09 returns filed by them.

The Reply filed by the Tax Payer has been verified along with documents filed and GSTR-2A and found in order, hence the **Tax of Rs.7,18,974/- (CGST of Rs.3,59,487/- and SGST of Rs.3,59,487/-) proposed in the notice is hereby withdrawn.**

2) **Short Reported Output Tax compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9 Rs.79,01,844/-**

The Tax Payer claimed that, they are engaged in construction services, where GST liability arises upon the receipt of advance payments, and as per the accounting standards revenue from construction contracts is recognized in the financial statements based on the percentage of completion method, revenue being recognized progressively over the life of the project reflecting the actual work completed rather than at the point of receiving advances, consequently, there will be differences between the turnover reported in the GSTR-9 and the revenue recognized in the financial statements.

The Reply filed by the Tax Payer has been verified along with documents filed i.e. GSTR-3B, GSTR-09 returns & Financial Statements. The Tax Payer failed to furnish documentary evidences such as Party Ledgers, Copies of Agreements, Copies of Occupancy Certificates and also break up lists for earlier receipts (advances) shown during this year financial statements and present year receipts (advances) which were not shown during this year financial statements. Advances Schedule of Financial Statements, detailed lists of advances as on dated 01-04-2019 and as on dated 31-03-2020. Thus the under signed couldn't come to conclusion with the information available to arrive actual taxable turnover for the year financial year 2019-20.

Hence the claim of the Tax payer is hereby rejected and the **Tax of Rs. 79,01,844/- (CGST of Rs.39,50,922/- and CGST of Rs.39,50,922/-) as proposed in the notice (Errata) is hereby confirmed.**

3) Interest and Penalties :

The case laws referred by the Tax Payer clearly mentioned that “when the principle is not payable” the question of any Interest / Penalty arise. But whereas the present Tax Payer is liable for Tax, which is payable during the financial year 2019-20 itself. Hence Interest / Penalty are applicable on the Tax payable amount. Thus, the Interest / Penalty proposed as per the provisions of the GST Act are here by confirmed.

Thus the Tax, Penalty and Interest proposed in the notice issued in ARN: AD3604240088518 with DRC 01 in Ref. No. ZD360524058370H dt. 29-05-2024 are hereby confirmed and Passed Orders accordingly for the year 2019-20. The details of confirmed Tax, Penalty and Interest are as follows.

S. No	Issue	SGST	CGST	Total
1	Shortly Reported Output Tax proposed compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9	3950922	3950922	7901844
	Net Tax liability	3950922	3950922	7901844
	Interest (Under Section 50 of TGST & CGST Act 2017)	2844664	2844664	5689328
	Penalty (Under Section 73(9) of TGST & CGST Act 2017)	395092	395092	790184

Therefore Tax Payer is here by requested to Pay the Tax along with interest under Section 50 of GST Act, 2017 and Penalty under Section 73 read with Rule 122 of GST Act, 2017 in DRC-03 within (30) days from the date of receipt of this order.

NOTE : An appeal against this order lies before the Appellate Joint Commissioner (ST), Punjagutta Division, Hyderabad within (90) days from the date of receipt of this Order.



STATE TAX OFFICER-II,
M.G. ROAD - S.D. ROAD CIRCLE.

State Tax Officer-II
M.G. Road-S.D. Road Circle,
Begumpet Division, Hyderabad

To,
M/s. MODI REALTY (MIRYALAGUDA) LLP,
SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4,
M.G ROAD, SECUNDERABAD, 500003

**Office of : State Tax Officer
Jurisdiction : M.G.ROAD - S.D.ROAD: Begumpet:Telangana, State/UT : Telangana**

Reference No. : ZD360824097649J

Date : 24/08/2024

To

GSTIN/ID : 36ABCFM6774G2ZZ
Name : MODI REALTY (MIRYALAGUDA) LLP
Address : 5-4-187/3 AND 4, SOHAM MANSION, 2ND FLOOR, M.G ROAD, SECUNDERABAD, Rangareddy, Telangana, 500003

SCN/Statement Reference No. : ZD360524058370H

Tax Period : APR 2019 - MAR 2020

Date : 29/05/2024

F.Y. : 2019-2020

Act/ Rules Provisions :

Under the provisions of the GST Act

Order under section 73

A show cause notice/statement referred to above was issued to you u/s 73 of the Act for reasons stated therein. Since, no payment has been made within 30 days of the issue of the notice by you; therefore, on the basis of documents available with the department and information furnished by you, if any, demand is created for the reasons and other details attached in annexure

Please note that interest, if any, has been levied up to the date of issue of the order. While making payment, interest for the intervening period between date of order and date of payment, shall also be worked out and paid along with the dues stated in the order.

In case any refund is arising as per the above order, please claim the same by filing application in the prescribed form.

Demand Details :-

Demand Details :-

Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	(Amount in Rs.)			Penalty	Fee	Others	Total
			From	To			Tax	Interest					
1	2	3	4	5	6	7	8	9	10	11	12	13	
1	0	0.00	APR 2019	MAR 2020	CGST	NA	39,50,922.00	28,44,664.00	3,95,092.00	0.00	0.00	71,90,678.00	
2	0	0.00	APR 2019	MAR 2020	SGST	NA	39,50,922.00	28,44,664.00	3,95,092.00	0.00	0.00	71,90,678.00	
Total							79,01,844.00	56,89,328.00	7,90,184.00	0.00	0.00	1,43,81,356.00	

You are hereby directed to make the payment by 24/09/2024 failing which proceedings shall be initiated against you to recover the outstanding dues.

Copy to -

Signature

Name : VENKATESHWAR RAO SHERI
Designation : State Tax Officer
Jurisdiction : M.G.ROAD -
S.D.ROAD:Begumpet:Telangana

FORM GST DRC - 07
[See rule 142(5)]
Summary of the order

Reference No. : ZD360824097649J

Date : 24/08/2024

1. Tax Period : APR 2019 - MAR 2020

2. Issues involved : TAX

3. Description of goods / services :-

Sr. No	HSN	Description
-	-	-

4. Details of demand :-

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	CGST	NA	39,50,922.00	28,44,664.00	3,95,092.00	0.00	0.00	71,90,678.00
2	0	0.00	APR 2019	MAR 2020	SGST	NA	39,50,922.00	28,44,664.00	3,95,092.00	0.00	0.00	71,90,678.00
Total							79,01,844.00	56,89,328.00	7,90,184.00	0.00	0.00	1,43,81,356.00

You are hereby directed to make the payment by 24/09/2024 failing which proceedings shall be initiated against you to recover the outstanding dues.

Signature
Name : VENKATESHWAR RAO SHERI
Designation : State Tax Officer
Jurisdiction : M.G.ROAD -
S.D.ROAD:Begumpet:Telangana

Copy to -

Annexure - II
Form GST DRC-06

[See rule 142(4)]

Reply to the Show Cause Notice

ARN: ZD360824054433B

Date: 17/08/2024

1. GSTIN	36ABCFM6774G2ZZ			
2. Name	MODI REALTY (MIRYALAGUDA) LLP			
3. Details of Show Cause Notice	Reference No. ZD360524058370H	Date of issue 29/05/2024		
4. Financial Year	2019-2020			
5. Reply				
Dear Sir,				
Please find the attached reply along with supporting annexures				
6. Documents uploaded	Modi Realty_19-20_TS_DRC-06.pdf A-I to A-V.pdf			
7. Option for personal hearing	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	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 : SOHAM MODI
Designation / Status: Designated
Partner
Date: 17/08/2024

Date: 17.08.2024

To

**Assistant Commissioner of State Tax,
Begumpet Divison, M.G Road – S.D Road,
Pavani Prestige, Above R.S. Brothers,
Ameerpet.**

Dear Sir,

Sub: Filing of DRC-06 reply against the SCN received.

Ref: Show cause notice ZD360524058370H dated 29.05.2024 issued to **M/s. Modi Realty (Miryalaguda) LLP**

1. We have been authorized by M/s. Modi Realty (Miryalaguda) LLP to submit a reply to the above referred Show cause notice SCN vide Ref. No. ZD360524058370H dated 29.05.2024 and represent before your good office to do necessary correspondence in the above referred matter. A copy of the authorization is attached to the reply.
2. In this regard, we are herewith submitting the SCN reply in Form DRC-06 along with authorization letter and other annexure referred to in the reply.

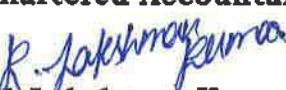
We shall be glad to provide any other information in this regard. Kindly acknowledge receipt of the reply and post the hearing at the earliest.

Thanking You,

Yours faithfully,

For M/s. H N A & Co. LLP

(Formerly known as Hiregange & Associates LLP)
Chartered Accountants


CA Lakshman Kumar K

Partner



4th Floor, West Block, Srida Anushka Pride, R.No. 12, Banjara Hills, Hyderabad,
Telangana - 500 034, INDIA.

040 2331 8128, 3516 2881

sudhir@hnaindia.com

www.hnallp.com

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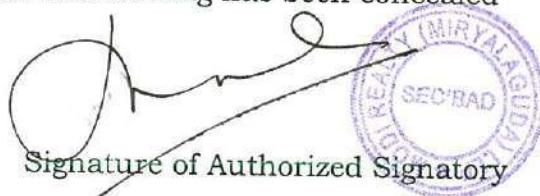
S.No.	Particulars	Annexure	Page Nos.
1	Statement of Facts		02-02
2	Submissions		03-15
3	Authorization		16-16
4	SCN vide Ref. No: ZD360524058370H dated 29.05.2024	I	17-26
5	Copy of ADT-01 dated 20.04.2024	II	27-29
6	Copy of updated GSTR-2A	III	30-36
7	Copy of GSTR-3B	IV	37-40
8	Copy of GSTR-09	V	41-48

FORM GST DRC – 06*[See rule 142(4)]***Reply to the Show Cause Notice**

1. GSTIN	36ABCFM6774G2ZZ	
2. Name	M/s. Modi Realty (Miryalaguda) LLP	
3. Details of Show Cause Notice	Ref. No. ZD360524058370H	Date of issue: 29.05.2024
4. Financial Year	April 2019 – March 2020	
5. Reply	Given as Annexure A	
6. Documents uploaded	a. Annexure-A	
7. Option for personal hearing	Yes- Required	<input type="checkbox"/> No

8. Verification –

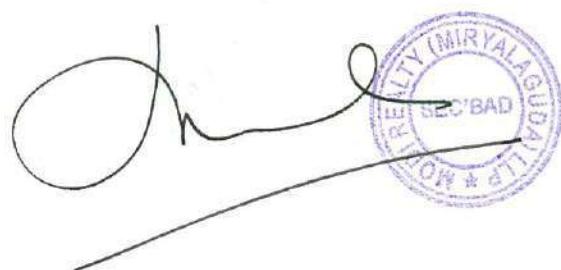
I hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief and nothing has been concealed therefrom.


Signature of Authorized Signatory

ANNEXURE A:

FACTS OF THE CASE:

- A. M/s. Modi Realty (Miryalaguda) LLP (hereinafter referred as "Noticee") located at 5-4-187/3 and 4, Soham Mansion, 2nd Floor, M.G. Road, Secunderabad, Ranga Reddy, Telangana 500003 is inter alia engaged in the provision of taxable sevices viz. Works Contract and are registered with Goods and Services Tax department vide GSTIN No: 36ABCFM6774G2ZZ.
- B. Noticee is regularly discharging GST liability on such supply of services and filing periodical returns. Noticee has filed GSTR-09 for the period April 2018 – March 2019.
- C. Noticee received the ADT-01 vide Ref No: ZD360424037386B dated 20.04.2024. Accordingly, the required information was submitted at the good office of the Ld. Adjudicating office. (Copy of ADT-01 dated 20.04.2024 is enclosed as **Annexure-II**)
- D. Subsequently, Noticee is in receipt of the Show Cause Notice issued under section 73 vide ref. no. Ref. No. ZD360524058370H dated 29.05.2024 for the period April 2018 – March 2019 proposing to demand tax amount of Rs. 43,10,409/- in CGST and Rs. 43,10,409/- in SGST along with interest u/s 50 and penalty u/s 73 of the CGST Act, 2017. (Copy of Show Cause Notice is enclosed as **Annexure-I**).
- E. Later, Noticee received "ERRATA NOTICE" dated 22.06.2024 stating that there is a typographical error noticed in the Output Turnover as per the financial statements in the notice (of Rs.71,92,08,021/-) and as per actual turnover reported in financial statements (of Rs.7,28,11,291/-).
- F. In response to the above notice, Noticee is herewith making the following submissions



Submissions:

1. Noticee submits that they deny all the allegations made in as they are not factually/legally correct.
2. Noticee submits that the provisions (including Rules, Notifications and 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 Telangana GST 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.

Assuming but not admitting that the SCN is valid, various issues raised in the SCN are dealt with below.

3. Noticee submits that the impugned notice has proposed demand under following heads:

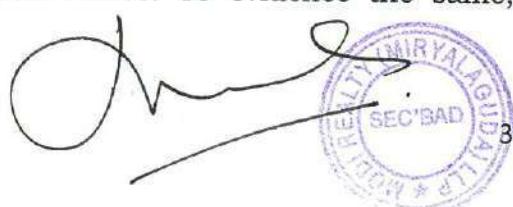
S.No.	Particulars	CGST	SGST	Total
1	Excess availment of ITC	3,59,487	3,59,487	7,18,974
2	Short Reported Output Tax in GSTR-09 when compared to Financial Statements	39,50,922	39,50,922	79,01,844
Total (1+2)		43,10,409	43,10,409	86,20,817

In Re: No Excess claim of ITC

4. Noticee submits that the impugned notice has alleged that there is an excess availment of ITC in GSTR-3B when compared to GSTR-2A of Rs.3,59,487/- in CGST and Rs.3,59,487/- in SGST.
5. In this regard, Noticee is herewith providing the following table:

S.no.	Particulars	CGST (Rs.)	SGST (Rs.)
A	ITC as per updated GSTR-2A	53,75,223	53,75,223
B	Net ITC availed as per GSTR-3B	50,25,574	50,25,574
C	Short availment of ITC (A-B)	3,49,649	3,49,649

6. From the above table, it can be observed that there is in fact short availment of ITC of Rs.3,49,649 in CGST and Rs.3,49,649 in SGST and there is no excess availment of ITC as alleged in the impugned notice. To evidence the same,



Noticee is herewith enclosing the Copy of Updated GSTR-2A is enclosed as an **Annexure-III**. Hence, the demand to this extent needs to be dropped.

7. Without prejudice to the above, Noticee submits that we are rightly eligible for ITC for the following reasons:
 - a. ITC cannot be denied merely due to non-reflection of invoices in GSTR-2A as all the conditions specified under Section 16 of CGST Act, 2017 have been satisfied.
 - b. GSTR-2A cannot be taken as a basis to deny the ITC in accordance with Section 41, Section 42, Rule 69 of CGST Rules, 2017.
 - c. We further submit that Finance Act, 2022 has omitted Section 42, 43 and 43A of the CGST Act, 2017 which deals ITC matching concept. Noticee submits that the substituted Section 38 of the CGST Act, 2017 now states that only the eligible ITC which is available in the GSTR-2B (Auto generated statement) can be availed by the recipient. Now, GSTR-2B has become the main document relied upon by the tax authorities for verification of the accurate ITC claims. Hence, omission of sections 42, 43 and 43A has eliminated the concept of the provisional ITC claim process, matching and reversals.
 - d. Once the mechanism prescribed under Section 42 to match the provisionally allowed ITC under Section 41 is not in operation and has been omitted by the Finance Act, 2022 the effect of such omission without any saving clause means the above provisions was not in existence or never existed in the statute.
 - e. The Section 38 read with Rule 60 had prescribed the FORM GSTR 2 which is not made available till 30.09.2022. Notification No. 20 Central Tax dated 10th Nov 2020 has substituted the existing rule to w.e.f. 1.1.2021 meaning thereby the requirement of Form GSTR 2 necessary in order to due compliance of Section 38. In the absence of the said form, it was not possible for the taxpayer to comply with the same. Further, Form GSTR 2 has been omitted vide Notification No. 19/2 Central Tax dated 28.09.2022 w.e.f. 01.10.2022.
 - f. Section 42 clearly mentions the details and procedure of matching, reversal, and reclaim of input tax credit with regard to the inward supply.



INCOME TAX DEPARTMENT
HYDERABAD
SEC'YAD
10/10/2022

However, Section 42 and Rule 69 to 71 have been omitted w.e.f. 01.10.2022.

g. Rule 70 of CGST Rules 2017 which prescribed the final acceptance of input tax credit and communication thereof in Form GST MIS-1 and Rule 71 prescribes the communication and rectification of discrepancy in the claim of input tax credit in form GST MIS-02 and reversal of claim of input tax credit. Further, Rule 70 has been omitted vide Notification No. 19/2022 Central Tax dated 28.09.2022 w.e.f 01.10.2022.

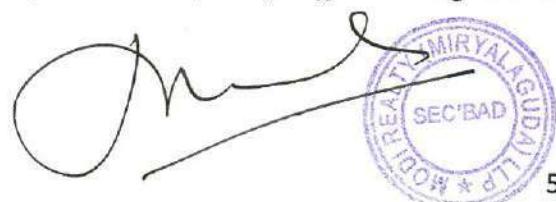
h. It is submitted that neither the form has been prescribed by the law nor the same has been communicated to the We therefore it is not possible to comply with the condition given in Section 42 read with Rule 69, Rule 70 and 71. Hence, the allegation of the impugned notice is not correct.

i. We further submit that the fact that there is no requirement to reconcile the invoices reflected in GSTR-2A vs GSTR-3B is also evident from the amendment in Section 16 of CGST Act, 2017 vide Section 100 of Finance Act, 2021. Hence, there is no requirement to reverse any credit in the absence of the legal requirement during the subject period.

j. Similarly, it is only Rule 36(4) of CGST Rules, 2017 as inserted w.e.f. 09.10.2019 has mandated the condition of reflection of vendor invoices in GSTR-2A with adhoc addition of the 20% (which was later changed to 10% & further to 5%). At that time, the CBIC vide Circular 123/42/2019 dated 11.11.2019 categorically clarified that the matching u/r. 36(4) is required only for the ITC availed after 09.10.2019 and not prior to that. Hence, the denial of the ITC for non-reflection in GSTR-2A is incorrect during the subject period.

k. The fact of payment or otherwise of the tax by the supplier is neither known to We nor is verifiable by We. Thereby, it can be said that such condition is impossible to perform and it is a known principle that the law does not compel a person to do something which he cannot possibly perform as the legal maxim goes: *lex non-cogit ad impossibilia, as was held in the case of:*

- *Indian Seamless Steel & Alloys Ltd Vs UOI, 2003 (156) ELT 945 (Bom.)*
- *Hico Enterprises Vs CC, 2005 (189) ELT 135 (T-LB). Affirmed by SC in 2008 (228) ELT 161 (SC)*



Thereby it can be said that the condition, which is not possible to satisfy, need not be satisfied and shall be considered as deemed satisfied.

1. In the same context, we also wish to place reliance on the decision in case of Arise India Limited vs. Commissioner of Trade and Taxes, Delhi - 2018-TIOL-11-SC-VAT and M/s Tarapore and Company Jamshedpur v. State of Jharkhand - 2020-TIOL-93-HC-JHARKHAND-VAT.
- m. Section 41 allows the provisional availment and utilization of ITC, there is no violation of section 16(2)(c) of CGST Act 2017
- n. The above view is also fortified from press release dated 18.10.2018
- o. Even if there is differential ITC availed, if the same is accompanied by a valid tax invoice containing all the particulars specified in Rule 36 of CGST Rules and the payment was also made to the suppliers, the We is rightly eligible for ITC.
- p. Noticee submits that under the earlier VAT laws there were provisions similar to Section 16(2) ibid which have been held by the Courts as unconstitutional.
- q. We wish to rely on recent decisions in case of
 - **Suncraft Energy Private Limited Versus The Assistant Commissioner, State Tax, Ballygunge Charge And Others 2023 (8) TMI 174-Calcutta High court affirmed by Supreme Court in case of The Assistant Commissioner of State Tax Vs Suncraft Energy Private Limited 2023 (12) TMI 739 – SC order**
 - **Diya Agencies Versus The State Tax Officer, The State Tax Officer, Union Of India,The Central Board Of Indirect Taxes & Customs, The State Of Kerala 2023 (9) TMI 955 - Kerala High Court**
 - **M/S. Gargo Traders V/s The Joint Commissioner, Commercial Taxes (State Tax) & Ors. 2023 (6) TMI 533 - Calcutta High Court**
 - **M/S. Henna Medicals Versus State Tax Officers, Deputy Commissioner (Arrear Recovery) Office Of The Joint Commissioner, State Goods And Service Tax Kannur, Union Of India, Central Board Of Indirect Taxes & Customs, State Of Kerala- 2023 (10) TMI 98 - Kerala High Court**
 - **D.Y. Beathel Enterprises Vs State Tax officer (Data Cell), (Investigation Wing), Tirunelveli 2021(3) TMI 1020-Madras High Court**
 - **Bhagyanagar Copper Pvt Ltd Vs CBIC and Others 2021-TIOL-2143-HC-Telangana-GST**



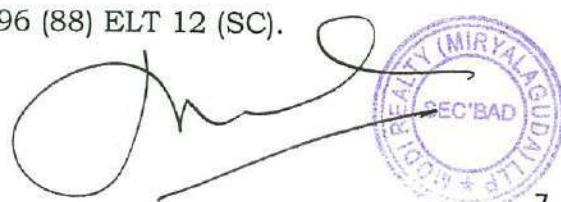
- LGW Industries limited Vs UOI 2021 (12) TMI 834 -Calcutta High Court
- Bharat Aluminium Company Limited Vs UOI & Others 2021 (6) TMI 1052 – Chattishgarh High Court
- Sanchita Kundu & Anr. Vs Assistant Commissioner of State Tax 2022 (5) TMI 786 - Calcutta High Court.

In Re: No short reporting of turnover in GSTR-09 when compared to financials

8. Noticee submits that the impugned notice has alleged that there is short reporting of turnover in GSTR-09 when compared to financials and proposed to demand Rs.39,50,922/- in CGST and Rs.39,50,922/- in SGST.
9. Noticee submits that Noticee is engaged in the provision of construction services where GST liability arises upon the receipt of advance payments. However, as per the accounting standards prescribed by the Institute of Chartered Accountants of India ICAI revenue from construction contracts is recognized in the financial statements based on the percentage of completion method. This method is mandated by ICAI which results in revenue being recognized progressively over the life of the project reflecting the actual work completed rather than at the point of receiving advances.
10. Consequently, there will be differences between the turnover reported in the GSTR-9 and the revenue recognized in the financial statements. The present difference is a natural outcome of complying with both GST regulations and ICAI accounting standards. Therefore, the proposal to levy GST again such amounts recognized in the financial statements but not aligned with the GSTR-9 is incorrect and the same needs to be dropped.
11. Noticee submits that the Noticee has already paid the GST on all advances received during the disputed period and disclosed the same in the GSTR-3B returns. The same can be evidenced from the GSTR-3B and GSTR-09 which was enclosed as **Annexure IV & V**.

In Re: Interest under section 50 is not applicable:

12. Noticee submits that when tax is not applicable, the question of interest & also penalties does not arise. It is a natural corollary that when the principal is not payable there can be no question of paying any interest as held by the Supreme Court in Prathiba Processors Vs. UOI, 1996 (88) ELT 12 (SC).



13. Noticee submits that the impugned notice confirmed that the Noticee is liable to interest under Section 50 of CGST Act, 2017. In this regard, it is pertinent to examine Section 50 of CGST Act, 2017 which is extracted below for ready reference

(1)'Every person who is **liable to pay tax** in accordance with the provisions of this Act or the Rules made thereunder, but failed to **pay the tax or any part thereof to the Government within the period prescribed, shall for the period for which the tax or any part thereof remains unpaid,** pay on his own, interest at such rate, not exceeding eighteen per cent., as may be notified by the Government on the recommendations of the Council'

(2)the interest under sub-section(1) shall be calculated, in **such manner as may be prescribed**, from the day succeeding the day on which such tax was due to be paid

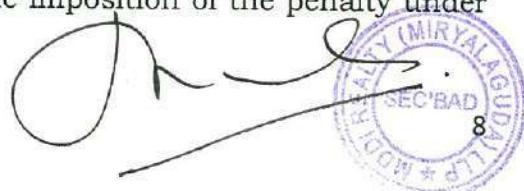
(3) A taxable person who makes an undue or excess claim of input tax credit under sub-section (10) of section 42 or undue or excess reduction in output tax liability under sub-section (10) of section 43, shall pay interest on such undue or excess claim or on such undue or excess reduction, as the case may be, at such rate not exceeding twenty-four per cent., as may be notified by the Government on the recommendations of the Council.

14. Noticee submits that the impugned notice has demanded that interest rate prescribed under Section 50 is applicable. In this regard, Noticee submits that the proposal in impugned notice is not at all tenable. Hence, the demand of interest does not sustain.

In Re: Penalty under section 73 is not imposable:

15. Noticee submits that the impugned notice has imposed the penalty of 10% of the tax due or Rs. 10,000/- whichever is higher. Noticee submits that Noticee is of the vehement belief that the input availed by Noticee is not required to reverse and there is no short payment of GST, therefore, the question of interest and penalty does not arise. Further, it is a natural corollary that when the principal is not payable there can be no question of paying any interest and penalty as held by the Supreme Court in **Prathiba Processors Vs UOI, 1996 (88) ELT 12 (SC).**

16. Further, Noticee submits that the impugned show cause notice had not discharged the burden of proof regarding the imposition of the penalty under



CGST Act, 2017. In this regard, wishes to rely on the judgment in the case of Indian Coffee Workers' Co-Op. Society Ltd Vs C.C.E. & S.T., Allahabad 2014 (34) S.T.R 546 (All) it was held that "It is unjustified in absence of discussion on fundamental conditions for the imposition of penalty under Section 78 of Finance Act, 1994".

17. Noticee submits that the impugned notice has imposed the penalty u/s 73 of the CGST Act, 2017. The relevant extract is reproduced below: -

"9. Section 73. Determination of tax not paid or short paid or erroneously refunded or input tax credit wrongly availed or utilised for any reason other than fraud or any wilful- misstatement or suppression of facts.-

(1) Where it appears to the proper officer that any tax has not been paid or short paid or erroneously refunded, or where input tax credit has been wrongly availed or utilised for any reason, other than the reason of fraud or any wilful-misstatement or suppression of facts to evade tax, he shall serve notice on the person chargeable with tax which has not been so paid or which has been so short paid or to whom the refund has erroneously been made, or who has wrongly availed or utilised input tax credit, requiring him to show cause as to why he should not pay the amount specified in the notice along with interest payable thereon under section 50 and a penalty leviable under the provisions of this Act or the rules made thereunder.

(2) The proper officer shall issue the notice under sub-section (1) at least three months prior to the time limit specified in sub-section (10) for issuance of order.

(3).....

...

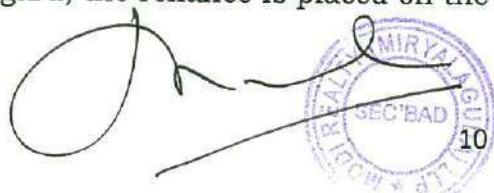
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(8).....

(9) The proper officer shall, after considering the representation, if any, made by person chargeable with tax, determine the amount of tax, interest and a penalty equivalent to ten per cent. of tax or ten thousand rupees, whichever is higher, due from such person and issue an order.

(10) The proper officer shall issue the order under sub-section (9) within three years from the due date for furnishing of annual return for the financial year to which the tax not paid or short paid or input tax credit wrongly availed or utilised relates to or within three years from the date of erroneous refund."

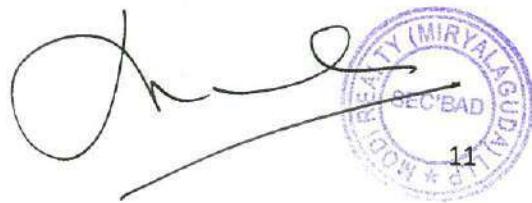
18. From the above-referred sub-section, it is clear that the penalty is applicable only when any amount of self-assessed tax or any amount collected as tax has not been paid within a period of 30 days from the due date of payment of such tax. However, in the instant case, the Noticee has not availed any excess ITC in GSTR-03B. Hence, the penalty under Section 73(11) is not applicable in the instant case.
19. Noticee submits that the Supreme Court in case of CIT Vs Reliance Petro Products Pvt Ltd (SC) 2010 (11) SCC (762) while examining the imposition of penalties under Section 271(1)(c) of Income Tax Act, 1961 held that penalties are not applicable in similar circumstances.
20. Noticee submits that from the above-referred decision of the Supreme Court, penalties cannot be imposed merely because the assessee has claimed certain ITC which was not accepted or was not acceptable to the revenue when the assessee has acted on the bonafide belief that the ITC is eligible. In the instant case also, Notice has availed the ITC on the bonafide belief that the same is eligible which was not accepted by the department. Therefore, in these circumstances, the imposition of penalties is not warranted and the same needs to be dropped.
21. Noticee submits that it is pertinent to understand that the Supreme Court in the above-referred case has held that the penalties shall not be imposed even though the *mens rea* is not applicable for the imposition of penalties.
22. Noticee submits that GST being a new law, the imposition of penalties during the initial years of implementation is not warranted. Further, Noticee submits that they are under bonafide belief that ITC availed by them are eligible, thus, penalties shall not be imposed. Further, the government has been extending the due dates & waiving the late fees for delayed filing etc., to encourage compliance and in these circumstances imposition of penalties for claiming ITC on bonafide belief is not at all correct and the same needs to be dropped.
23. Noticee would like to submit further that in addition to above, Noticee submits that where an authority is vested with discretionary powers, discretion has to be exercised by application of mind and by recording reasons to promote fairness, transparency and equity. In this regard, the reliance is placed on the



judgement of hon'ble Supreme Court in the case of **Maya Devi v. Raj Kumari Batra dated 08.09.2010 [Civil Appeal No.10249 of 2003]** wherein it was held that

"14. It is in the light of the above pronouncements unnecessary to say anything beyond what has been so eloquently said in support of the need to give reasons for notices made by Courts and statutory or other authorities exercising quasi-judicial functions. All that we may mention is that in a system governed by the rule of law, there is nothing like absolute or unbridled power exercisable at the whims and fancies of the repository of such power. There is nothing like a power without any limits or constraints. That is so even when a Court or other authority may be vested with wide discretionary power, for even discretion has to be exercised only along well recognized and sound juristic principles with a view to promoting fairness, inducing transparency and aiding equity."

24. Noticee further submits that the Supreme Court in case of **Hindustan Steel Ltd. v. State of Orissa —1978 [AIR 1970 SC 253]** while dealing with the similar facts wherein a mandatory penalty is prescribed without the concept of mens rea held that *"Under the Act penalty may be imposed for failure to register as a dealer: Section 9(1) read with Section 25(1)(a) of the Act. But the liability to pay penalty does not arise merely upon proof of default in registering as a dealer. An notice imposing penalty for failure to carry out a statutory obligation is the result of a quasi-criminal proceeding, and penalty will not ordinarily be imposed unless the party obliged either acted deliberately in defiance of law or was guilty of conduct contumacious or dishonest, or acted in conscious disregard of its obligation. Penalty will not also be imposed merely because it is lawful to do so. Whether penalty should be imposed for failure to perform a statutory obligation is a matter of discretion of the authority to be exercised judicially and on a consideration of all the relevant circumstances. Even if a minimum penalty is prescribed, the authority competent to impose the penalty will be justified in refusing to impose penalty, when there is a technical or venial breach of the provisions of the Act or where the breach flows from a bona fide belief that the offender is not liable to act in the manner prescribed by the statute. Those in charge of the affairs of the Company in failing to register the Company as a dealer acted in the honest and genuine belief that the Company was not a dealer. Granting that they erred, no case for imposing penalty was made out."*



25. Noticee further submits that it was held in the case of Collector of Customs v. Unitech Exports Ltd. 1999 (108) E.L.T. 462 (Tribunal) that- ***"It is settled position that penalty should not be imposed for the sake of levy. The penalty is not a source of Revenue. The penalty can be imposed depending upon the facts and circumstances of the case that there is a clear finding by the authorities below that this case does not warrant the imposition of penalty. The respondent's Counsel has also relied upon the decision of the Supreme Court in the case of M/s. Pratibha Processors v. Union of India reported in 1996 (88) E.L.T. 12 (S.C.) that penalty ordinarily levied for some contumacious conduct or a deliberate violation of the provisions of the particular statute."*** Hence, Penalty cannot be imposed in the absence of deliberate defiance of law even if the statute provides for a penalty.

26. Noticee submits that the Supreme Court in case of Price Waterhouse Coopers Pvt. Ltd Vs Commissioner of Income Tax, Kolkata S.L.P.(C) No.10700 of 2009 held as follows:

"20. We are of the opinion, given the peculiar facts of this case, that the imposition of penalty on the assessee is not justified. We are satisfied that the assessee had committed an inadvertent and bona fide error and had not intended to or attempted to either conceal its income or furnish inaccurate particulars.

27. Notice submits that from all the above submissions, it is clear that imposition of penalties is not warranted therefore the impugned notice needs to be dropped.

28. Noticee submits that the GST is still under trial and error phase and the assessees are facing genuine difficulties and the same was also held by various courts by deciding in favour of assessee. Therefore, the imposition of penalty during the initial trial and error phase is not warranted and this is a valid reason for setting aside the penalties. In this regard, reliance is placed on :

1. Bhargava Motors Vs UOI 2019 (26) GSTL 164 (Del) wherein it was held that *"The GST system is still in a 'trial and error phase' as far as its implementation is concerned. Ever since the date the GSTN became operational,*



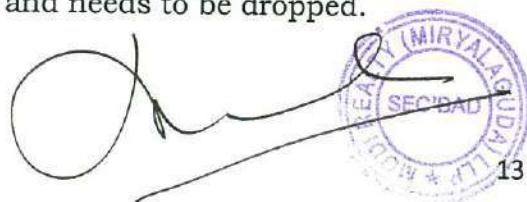
*this Court has been approached by dealers facing genuine difficulties in filing returns, claiming input tax credit through the GST portal. The Court's attention has been drawn to a decision of the Madurai Bench of the Madras High Court dated 10th September, 2018 in W.P. (MD) No. 18532/2018 (*Tara Exports v. Union of India*) [2019 (20) G.S.T.L. 321 (Mad.)] where after acknowledging the procedural difficulties in claiming input tax credit in the TRAN-1 form that Court directed the respondents "either to open the portal, so as to enable the petitioner to file the TRAN-1 electronically for claiming the transitional credit or accept the manually filed TRAN-1" and to allow the input credit claimed after processing the same, if it is otherwise eligible in law"*

2. The Tyre Plaza Vs UOI 2019 (30) GSTL 22 (Del)
3. Kusum Enterprises Pvt Ltd Vs UOI 2019-TIOL-1509-HC-Del. GST

29. The Noticee submits that, as submitted supra, there was confusion that existed at such point in time and the issue involved interpretation of provisions and law is at nascent stages. Therefore, the penalties cannot be imposed. Relied on CCE Vs Gujarat Narmada Fertilizers Co. Ltd 2009 (240) E.L.T 661 (S.C.).

In Re: Impugned notice is not valid.
Notice issued on assumptions and presumptions:

30. Noticee submits that impugned SCN was issued with prejudged and premeditated conclusions on various issues raised in the notice. That being the case, issuance of SCN in that fashion is bad in law and requires to be dropped. In this regard, reliance is placed on Oryx Fisheries Pvt. Ltd. v. Union of India — 2011 (266) E.L.T. 422 (S.C.).
31. Noticee submits that the subject SCN is issued based on mere assumption and unwarranted inference, interpretation of the law without considering the intention of the law, documents on record, the scope of activities undertaken, and the nature of activity involved, the incorrect basis of computation, creating its own assumptions, presumptions. Further, they have arrived at the conclusion without actual examination of facts, and provisions of the CGST Act, 2017. In this regard, Noticee relies on the decision of the Hon'ble Supreme Court in the case **Oudh Sugar Mills Limited v. UOI, 1978 (2) ELT 172 (SC)**
Therefore, the impugned Noticee is invalid and needs to be dropped.

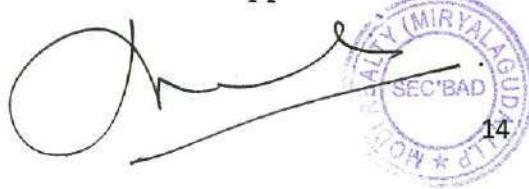


Impugned notice is time barred and Notification No. 56/2023-CT dated 28.12.2023, is bad in law for the FY 2019-20:

32. Noticee submits that the show cause notice for the FY2019-20 needs to be issued at least three months prior to the time limit specified in section 73(10) for issuance of order as per section 73(2) of the CGST Act, 2017 and accordingly the time limit as per the section 73(10) of the CGST Act 2017 read with Notification 56/2023 dated 28.12.2023 for passing the order for FY2019-20 is 31st August 2024. Consequently, the show cause notice for FY2019-20 should have been issued by 31st May 2024. However, in the instant case, the ERRATA show cause notice had been served to the Noticee on 22.06.2024 which is beyond the time limit specified under the Act. Therefore, the issuance of show cause notice is void-ab-initio and the proceedings to this extent need to be dropped.

33. Noticee submits that the impugned SCN was issued under section 73 of CGST Act, 2017 which provides for adjudication of demand within 3 years from the due date of the annual return of the corresponding FY. For FY 2019-20, the annual return due date falls on 31.03.2021 and the 3-year time limit expires by 31.03.2024 however citing the difficulties caused due to Covid-19, the Government has extended the time limit from 31.03.2024 to 30.06.2024 by exercising the powers u/s. 168A by the Notification No. 09/2023 dated 31.03.2023. However, again exercising the powers u/s. 168A, ibid the time limit was further extended to 31.08.2024 by the Notification No. 09/2023-C.T dated 31.03.2023.

34. In this regard, it is submitted that an extension of the time period prescribed for issuance of show cause notice under Section 73 (10) of the Goods and Service Tax Act, 2017 is not sustainable in law, in as much as COVID restrictions were uplifted long back in the year 2022 and the revenue had sufficient time to complete the scrutiny and audit process. Further, the 'force majeure' is as defined u/s. 168A, ibid was never occurred from 2022 till the expiry of the extended due date of 30.06.2024. Hence, the second extension of time runs beyond the mandate of Section 168A and is not sustained in the law. Accordingly, the demand for FY 2019-20 deserves to be dropped as the Show



14/07/2024

Cause Notice in the instant case is not issued prior to 31.12.2023 as envisaged under Section 73 of CGST Act, 2017.

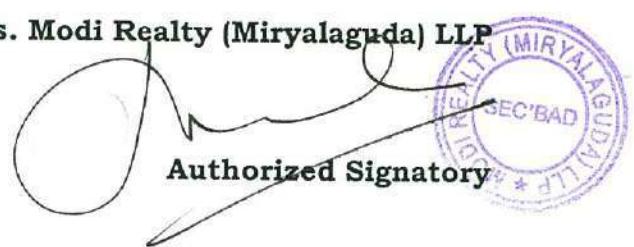
35. It is settled law that any delegated legislation travelling beyond the Statutory provisions be 'ultra vires' and do not sustain in law. In view of the above, it is requested that a lenient view may be adopted, and the penalty be waived.

36. Noticee craves leave to alter, add to, and or amend the aforesaid grounds.

37. Noticee wishes to be heard in person before passing any order in this regard.

For M/s. Modi Realty (Miryalaguda) LLP

Authorized Signatory



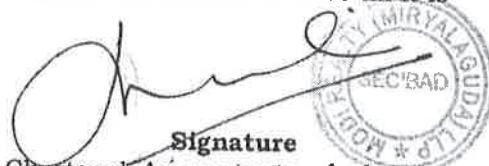
BEFORE THE ASSISTANT COMMISSIONER OF STATE TAX, BEGUMPET DIVISON, M.G
ROAD - S.D ROAD, PAVANI PRESTIGE, ABOVE R.S. BROTHERS, AMEERPET.

Sub: Proceedings under Show Cause Notice vide Ref. no. ZD360524058370H dated 29.05.2024 issued to M/s. Modi Realty (Miryalaguda) LLP

I, Soham Satish Modi, Partner of M/s. Modi Realty (Miryalaguda) LLP hereby authorizes and appoint H N A & Co LLP, Chartered Accountants, Bangalore or their partners and qualified staff who are authorized to act as an authorized representative under the relevant provisions of the law, to do all or any of the following acts: -

- To act, appear and plead in the above-noted proceedings before the above authorities or any other authorities before whom the same may be posted or heard and to file and take back documents.
- To sign, file verify, and present pleadings, applications, appeals, cross-objections, revision, restoration, withdrawal and compromise applications, replies, objections and affidavits, etc., as may be deemed necessary or proper in the above proceedings from time to time.
- To Sub-delegate all or any of the aforesaid powers to any other representative and I/We do hereby agree to ratify and confirm acts done by our above-authorized representative or his substitute in the matter as my/our own acts as if done by me/us for all intents and purposes. This authorization will remain in force till it is duly revoked by me/us.

Executed this on 16.08.2024 at Hyderabad.



Signature

I the undersigned partner of M/s H N A & Co LLP, Chartered Accountants, do hereby declare that the said M/s H N A & Co LLP is a registered firm of Chartered Accountants, and all its partners are Chartered Accountants holding certificate of practice and duly qualified to represent in above proceedings under Section 116 of the CGST Act, 2017. I accept the above-said appointment on behalf of M/s H N A & Co LLP. The firm will represent through any one or more of its partners or Staff members who are qualified to represent before the above authorities.

Dated: 16.08.2024

Address for service:

H N A & Co. LLP

(Formerly known as Hiregange &

Associates LLP,

Chartered Accountants,

4th Floor, West Block, Anushka Pride,
Above Himalaya Book World

Road Number 12, Banjara Hills,

Hyderabad, Telangana 500034

For H N A & Co. LLP
Chartered Accountants

R. Lakshman Kumar
CA Lakshman Kumar K
Partner (M.No.241726)



I, Partner/Employee/Associate of M/s H N A & Co LLP duly qualified to represent in above proceedings in terms of the relevant law, also accept the above said authorization and appointment.

S.No.	Name	Qualification	Membership No.	Signature
1	Sudhir V S	CA	219109	
2	Venkata Prasad P	BA LLB	AP/3511/2023	
3	Srimannarayana S	CA	261612	
4	Akash Heda	CA	269711	
5	Revant Krishna	CA	262586	
6	Alekhya NLN	CA	272381	
7	Manikanta	CA	277705	
8	Asha Latha	CA	280346	
9	Shiva Mohan	CA	267701	



GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Office of the ASSISTANT COMMISSIONER (ST), M.G.ROAD-S.D.ROAD CIRCLE,
BEGUMPET DIVISION.

Address:-4th Floor, Pavani Prestige Complex, Hyderabad – 500 016.

GSTIN: 36ABCFM6774G2ZZ

ARN: AD3604240088518

Date: 29-05-2024

ANNEXURE TO FORM GST DRC-01
SUMMARY OF SHOW CAUSE NOTICE
for the Financial Year 2019-20 under GST Act, 2017
[See Rule 142 (1) and Section 73]

SUB: Goods and Services Tax Act, 2017 (for brevity ‘GST Act, 2017’) – M.G.Road-S.D.Road Circle - Begumpet Division, Hyderabad –M/s. MODI REALTY (MIRYALAGUDA) LLP (for brevity ‘taxpayer’) – Conduct of general audit for the financial year 2019-20 under GST Act – Notice issued in ADT-01 - Records produced - Examination/scrutiny made of the same – Certain discrepancies / deficiencies/ anomalies noticed - Proposed to assess under Section 73 of CGST Act, 2017 - Issue of ‘Summary of Show Cause Notice’ inviting reply / explanations in writing with corroborative evidence – Regarding.

REF: Notice for Audit in Form GST ADT-01 vide Ref. No. ZD360424037386B, dated: 20-04-2024.

M/s. MODI REALTY (MIRYALAGUDA) LLP, located at SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4, M.G ROAD, SECUNDERABAD, 500003 are a registered taxpayer under the provisions of GST Act, 2017 with GSTIN 36ABCFM6774G2ZZ and assessee on the rolls of the state jurisdictional tax office i.e., the Assistant Commissioner (ST), M.G.Road-S.D.Road Circle of Begumpet Division, Hyderabad. They are carrying on business in “trading of Goods as per the Portal’ is that, (HSN 00440290) CONSTRUCTION SERVICES IN RESPECT OF COMMERCIAL OR INDUSTRIAL BUILDINGS AND CIVIL STRUCTURES(HSN 00440410) WORKS CONTRACT SERVICES.

In consequent to the GST General Audit authorized as required under the provisions of Section 65, read with Rule 101 of CGST Act and Rules, 2017 in respect of the above-mentioned taxpayer for the financial year 2019-20, the audit of the taxpayer is accordingly undertaken.

In the course of and as a part of processing the Audit undertaken in due process of law, the taxpayer vide reference 1st cited, has been issued ‘Notice for conducting Audit’ via prescribed “Form GST ADT-01” dated 20-04-2024 as required under the provisions of Rule 101 and Sec.65 of CGST Act,2017 duly intimating / notifying the authorized Audit of their books of accounts and records and with a direction to attend in person or through an authorized representative on dated. 07-05-2024 before the undersigned at aforementioned address with the relevant books of accounts and records and in the light of Section 65 of CGST Act, 2017 they are asked to render their assistance for timely completion of the Audit for the financial year 2019-20 as required for Audit.

The Notice was served as prescribed under the provisions of Section 169 of CGST Act, 2017 i.e., by way of communicating to the e-Mail address of the taxpayer so given at the time of GST registration or as amended from time to time.

The taxpayer having received the ADT-01 appeared in person and produced Profit and Loss Account, Balance Sheet, Purchase and Sale Statements etc., On due examination of the same with reference to the material available in the GST Common Portal, their tax liabilities and other discharged liabilities are hereby proposed to assess with the following results:-

1) Input Tax on Inward Supplies :-

The Tax Payer claimed Input Tax Credit in GSTR3B / GSTR 9 returns filed by them for the year 2019-20 as under:

IGST	Rs. 00.00
CGST	Rs. 50,92,638.00
SGST	Rs. 50,92,638.00

On verification of the ITC claim of the taxpayer among the Form GSTR-3B / GSTR 9 and Purchase details filed to Audit, the following variations are noticed.

The eligible for Input Tax Credit as per the Table 8A of GSTR 9 is arrived as under:

Particulars	CGST	SGST	Total
Input Tax as per Table 8A of GSTR 9	4821333	4821333	9642667
Less: Credit Notes	88182	88182	176364
Net ITC Eligible	4733151	4733151	9466302

The Tax Payer claimed excess ITC in GSTR3B / GSTR 9 compared with the ITC as per the Table 8A of GSTR 9:

Particulars	CGST	SGST	Total
ITC claimed in GSTR 3B / GSTR 9	5092638	5092638	10185276
Less: Net ITC Eligible as per Table 8A of GSTR 9	4733151	4733151	9466302
Excess ITC Claimed	359487	359487	718974

While bringing forward to the notice of the taxpayer about the above excess claimed ITC amounting to Rs.7,18,974/- (i.e., Rs.3,59,487/- towards CGST and Rs.3,59,487/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

2) Output Tax on Outward Supplies :-

The Tax Payer reported Output Tax in GSTR3B / GSTR 9 Returns filed by them for the year 2019-20 as under:

IGST	Rs. 00.00
CGST	Rs. 26,02,094.40
SGST	Rs. 26,02,094.40

As seen from the Financial Statement (Profit and Loss Account) compared with the Output Taxes reported in GSTR 3B / GSTR 9 the following variations noticed in Output Turnovers and Taxes Reported.

Particulars	Output Turnover Reported
Supplies made to un-registered persons (B2C)	27887160
Supplies made to registered persons (B2B)	1025000
Total Reported	28912160

Particulars	Turnover	CGST Proposed @ 9%	SGST Proposed @ 9%	Total Output Tax Proposed
Output Turnover as per Financial Statements (Profit and Loss Account)	719208021			
Less: Output Turnover Reported	28912160			
Shortly Reported Output Turnover Now Proposed to Tax @ 18%	690295861	62126627	62126627	124253255

While bringing forward to the notice of the taxpayer about the above Shortly reported Output Tax amounting to Rs. 12,42,53,255/- (i.e., Rs.6,21,26,627/- towards CGST and Rs.6,21,26,627/- towards SGST respectively), the taxpayer is hereby directed to pay the same by generating Form GST DRC-03 or if having any objections, as to file their reply.

Therefore, it is proposed to assess for year April 2019 to March 2020 for the net tax proposed to be payable indicated under Section 73 of the SGST/CGST Act as under:

S. No.	Particulars	CGST Tax	SGST Tax	Total Tax
1	Proposed to Disallow Excess claim of Input Tax compared with Table 8A of GSTR 9 and GSTR 3B / GSTR 9	359487	359487	718974
2	Shortly Reported Output Tax proposed compared with Financial Statements (Profit and Loss Account) and GSTR 3B / GSTR 9	62126627	62126627	124253255
Total Tax Due to the Department		62486114	62486114	124972229

In addition to above, the following punitive measures will be taken up while passing final orders.

A) As per Section 73 read with Rule 122 of CGST Act, 2017, a Penalty as required on the tax due will be levied at the time of assessment proceedings without any further notice.

B) As per Section 50 of CGST Act, 2017 the legitimate Interest @18% PA will be levied on the excess claim of Input Tax at the time of assessment proceedings without any further notice.

Thus, the total Tax, Penalty and Interest for the period from April 2019 to March 2020 is proposed in addition to the Taxes reported as under:

S. No.	Act	Tax	Interest	Penalty	Total
1	CGST	62486114	44990002	6248611	113724728
2	SGST	62486114	44990002	6248611	113724728
3	TOTAL	124972229	89980005	12497223	227449456

The registered tax payer may therefore pay the tax 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, failing which orders as deemed fit will be passed without any further correspondence in the matter.

STATE TAX OFFICER-II,
M.G.ROAD-S.D.ROAD CIRCLE.

To,
M/s. MODI REALTY (MIRYALAGUDA) LLP,
SOHAM MANSION, 2ND FLOOR, 5-4-187/3 AND 4,
M.G ROAD, SECUNDERABAD, 500003

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

Reference No. - ZD360524058370H

To

GSTIN/ID: 36ABCFM6774G2ZZ

Name: MODI REALTY (MIRYALAGUDA) LLP
Address : 5-4-187/3 AND 4, SOHAM MANSION, 2ND FLOOR, M.G ROAD, SECUNDERABAD, Rangareddy, Telangana, 5000003

Tax Period : APR 2019 - MAR 2020

Act/ Rules Provisions - NA

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

Summary of Show Cause Notice

(a) **Brief Fact of the Case :** Excess claim of Input Tax, Shortly reported Output Tax

(b) **Grounds :** Under Section 73 of the GST Act

(c) **Tax and other dues :**

(Amount in Rs.)								
Sr. No.	Tax Rate (%)	Turnover	Tax Period		Act	POS (Place of Supply)	Tax	Interest
			From	To				
1	2	3	4	5	6	7	8	9
1	0	0.00	APR 2019	MAR 2020	CGST	NA	6,24,86,114 .00	4,49,90,002 .00
2	0	0.00	APR	MAR	SGST	NA	6,24,86,114	4,49,90,002
							62,48,611. 00	62,48,611. 00
							0.00	0.00
								11,37,24,727 .00
							0.00	0.00
								11,37,24,727

Show Cause Notice is attached.

Supporting documents attached by officer:

1. DRC-01 Annexure 2019-20 MODI REALTY.pdf : DRC-01 Annexure

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	15-06-2024
3	Time of personal hearing	2:57 pm
4	Venue where personal hearing will be held	O/o Assistant Commissioner (ST), M.G. Ro ad-S.D. Road, 4th Floor, 6-3-789, Pavani Prestige, Ameerpet, Hyd-16

Signature

VENKATESHWAR RAO SHERI

Name: **VERONICA L. GRIFFIN**
Designation: State Tax Officer

M.G.ROAD -
S.D.ROAD:Begumpet:Telangana

OFFICE OF THE M.G.ROAD - S.D.ROAD:Begumpet:Telangana

Form GST ADT - 01

[See Rule 101(2)]

Reference No: ZD360424037386B

To,

Date: 20/04/2024

GSTIN: 36ABCFM6774G2ZZ
Name: MODI REALTY (MIRYALAGUDA) LLP
Address: 5-4-187/3 AND 4,M.G ROAD,SECUNDERABAD,TGRAN,500003
Period - F.Y.(s): 2021-2022 to 2021-2022

NOTICE FOR CONDUCTING AUDIT

Whereas it has been decided to undertake audit of your books of account and records for the financial year(s) 2021-2022 to 2021-2022 in accordance with the provisions of section 65. I propose to conduct the said audit at My Office on 07/05/2024.

And whereas you are required to: -

- (i) afford the undersigned the necessary facility to verify the books of account and records or other documents as may be required in this context, and
- (ii) furnish such information as may be required and render assistance for timely completion of the audit.

You are hereby directed to attend in person or through an authorized representative on 07/05/2024(date) at 0/o AC (ST), M.G. Road-S.D. Road Circle, 4th Floor, Pavani Prestige Complex, Ameerpet, Hyderabad.(place) before the undersigned and to produce your books of account and records for the aforesaid financial year(s) as required for audit.

List of records/Documents required to be produced/Remarks: -

Purchase / Sales statements along with Original Invoice copies and Debit/ Credit Notes issued or received along with Audited Financial statements for the audit period and also a detailed list of required documents is herewith attached to this notice.

Please refer to the attached Annexure for the details of records required to be produced.

1. LIST OF DOCUMENTS REQUIRED BY DEPARTMENT.pdf

In case of failure to comply with this notice, it would be presumed that you are not in possession of such books of account and proceedings as deemed fit may be initiated as per the provisions of the Act and the rules made thereunder against you without making any further correspondence in this regard.

Signature : VENKATESHWAR RAO
SHERI

Name : VENKATESHWAR RAO SHERI
Designation : State Tax Officer

List of records and documents required / to be produced.

- 1) Trading, Profit & Loss A/C and Balance Sheets
- 2) Trial Balance (In case the Tax Payers are more than one GSTIN)
- 3) Notes to Accounts
- 4) Tax Audit Report
- 5) Cost Audit report (In case it is maintained)
- 6) If GSTR-9C is not submitted for the period then Trial Balance for the RTP having above mentioned GSTIN (It is applicable where the RTP has multiple GSTIN)
- 7) Statement of Income tax TDS
- 8) List of HSN/SAC of the goods or services or both in respect of the business dealt in by the Tax Payer.
- 9) Reconciliation statement in respect of Form GSTR 9, GSTR 1 and GSTR 3B suppliers list with GSTIN (where applicable)
- 10) Ledger accounts of the suppliers in respect of inward supplies
- 11) Statement of outward supplies (Party wise and POS wise) (with Invoice Number & date, commodity name, HSN Code, Taxable Value and Tax)
- 12) Statement of inward supplies Invoice wise (with Invoice Number & date, date of receipt of the goods, commodity name, HSN Code, Taxable Value and Tax) for which tax period / payable in RCM (along with Soft copy in MS Excel).
- 13) Statement of outward supplies for which tax is payable in RCM by the recipient.
- 14) Purchase Invoices for verification.
- 15) Bank statement for the period under Audit.
- 16) Stock register
- 17) Other documents and records as applicable as provided in Section 35 of the Acts and the Rules made.

Form GSTR-3B

[See Rule 61]

System Generated Summary
(For Reference only)

	Financial Year	2019-20
1. GSTIN		36ABCFM6774G2ZZ
2(a). Legal Name of the Registered Person		MODI REALTY (MIRYALAGUDA) LLP
2(b). Trade name, if any		MODI REALTY (MIRYALAGUDA) LLP

3.1 Details of Outward supplies and inward supplies liable to reverse charge

Nature of Supplies	Total Taxable value(₹)	Integrated Tax(₹)	Central Tax(₹)	State/UT Tax(₹)	Cess(₹)
(a) Outward Taxable Supplies (Other Than Zero Rated, Nil Rated and Exempted)	3,08,09,513.00	0.00	27,72,856.10	27,72,856.10	0.00
(b) Outward Taxable Supplies (Zero Rated)	0.00	0.00	0.00	0.00	0.00
(c) Other Outward Supplies (Nil Rated, Exempted)	0.00	0.00	0.00	0.00	0.00
(d) Inward Supplies (Liable to Reverse Charge)	6,08,702.00	0.00	54,783.64	54,783.64	0.00
(e) Non-GST Outward Supplies	0.00	0.00	0.00	0.00	0.00

3.2 Out of Supplies made in 3.1 (a) above, Details of Inter-State Supplies made to Unregistered Persons, Composition Taxable Persons and UIN Holders

Nature of Supplies	Total Taxable value(₹)	Integrated Tax(₹)
Supplies Made to Unregistered Persons	0.00	0.00
Supplies Made to Composition Taxable Persons	0.00	0.00
Supplies Made to UIN Holders	0.00	0.00

4. Eligible ITC

Details	Integrated Tax(₹)	Central Tax(₹)	State/UT Tax(₹)	Cess(₹)
(A) ITC Available(Whether in Full or Part)	0.00	51,47,422.06	51,47,422.06	0.00
(1) Import of goods	0.00	0.00	0.00	0.00
(2) Import of services	0.00	0.00	0.00	0.00
(3) Inward supplies liable to reverse charge (other than 1 & 2 above)	0.00	54,783.77	54,783.77	0.00
(4) Inward supplies from ISD	0.00	0.00	0.00	0.00
(5) All other ITC	0.00	50,92,638.29	50,92,638.29	0.00
(B) ITC Reversed	0.00	67,064.00	67,064.00	0.00
(1) As per rules 42 & 43 of CGST Rules	0.00	67,064.00	67,064.00	0.00
(2) Others	0.00	0.00	0.00	0.00
(C) Net ITC Available (A-B)	0.00	50,80,358.06	50,80,358.06	0.00
(D) Ineligible ITC	0.00	0.00	0.00	0.00
(1) As per section 17(5)	0.00	0.00	0.00	0.00
(2) Others	0.00	0.00	0.00	0.00

5 Values of Exempt, Nil-Rated and Non-GST Inward Supplies

Nature of Supplies	Inter-State Supplies(₹)	Intra-State Supplies(₹)
From a Supplier under Composition Scheme, Exempt and Nil Rated Supply	0.00	5,52,794.00
Non GST Supply	0.00	0.00

5.1 Interest and Late fee

Details	Integrated Tax(₹)	Central Tax(₹)	State/UT Tax(₹)	Cess(₹)
Interest	0.00	212.00	212.00	0.00
Late fee	0.00	0.00	0.00	0.00

6.1 Payment of Tax

Description	Total Tax Payable(₹)	Tax Paid Through ITC(₹)			Tax/Cess Paid in Cash(₹)	Interest Paid in Cash(₹)	Late Fee Paid in Cash(₹)
		Integrated Tax	Central Tax	State/UT Tax			
(A) Other than Reverse Charge							
Integrated Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Tax	27,72,858.00	1,48,257.00	26,24,601.00	0.00	0.00	0.00	212.00
State/UT Tax	27,72,858.00	1,30,500.00	0.00	26,42,358.00	0.00	0.00	212.00
Cess	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(B) Reverse Charge							
Integrated Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Tax	54,783.64	0.00	0.00	0.00	0.00	54,784.00	0.00
State/UT Tax	54,783.64	0.00	0.00	0.00	0.00	54,784.00	0.00
Cess	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Form GSTR-9

[See rule 80]

Annual Return

1. Financial Year	2019-20		
2. GSTIN	36ABCFM6774G2ZZ		
3(a). Legal name of the registered person	MODI REALTY (MIRYALAGUDA) LLP		
3(b). Trade name, if any	MODI REALTY (MIRYALAGUDA) LLP		
3(c). ARN	AA3603207577718		
3(d). Date of Filing	31-03-2021		

Pt. II	Nature of Supplies	Details of Outward and inward supplies made during the financial year (Amount in ₹ in all tables)			
		Taxable Value(₹)	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)
Sr.No		1	2	3	4
4 Details of advances, inward and outward supplies made during the financial year on which tax is payable					
A	Supplies made to un-registered persons (B2C)	2,78,87,160.00	25,09,844.40	25,09,844.40	0.00
B	Supplies made to registered persons (B2B)	10,25,000.00	92,250.00	92,250.00	0.00
C	Zero rated supply (Export) on payment of tax (Except supplies to SEZs)	0.00			0.00
D	Supplies to SEZs on payment of tax	0.00			0.00
E	Deemed Exports	0.00	0.00	0.00	0.00
F	Advances on which tax has been paid but invoice has not been issued (not covered under (A) to (E) above)	0.00	0.00	0.00	0.00
G	Inward supplies on which tax is to be paid on the reverse	6,08,702.00	54,783.64	54,783.64	0.00

	charge basis					
H	Sub-total (A to G above)	2,95,20,862.00	26,56,878.04	26,56,878.04	0.00	0.00
I	Credit notes issued in respect of transactions specified in (B) to (E) above (-)	0.00	0.00	0.00	0.00	0.00
J	Debit notes issued in respect of transactions specified in (B) to (E) above (+)	0.00	0.00	0.00	0.00	0.00
K	Supplies / tax declared through Amendments (+)	0.00	0.00	0.00	0.00	0.00
L	Supplies / tax reduced through Amendments (-)	0.00	0.00	0.00	0.00	0.00
M	Sub total (I to L above)	0.00	0.00	0.00	0.00	0.00
N	Supplies and advances on which tax is to be paid (H + M)	2,95,20,862.00	26,56,878.04	26,56,878.04	0.00	0.00

Pt. II						
Sr.No	Nature of Supplies	Details of Outward and inward supplies made during the financial year (Amount in ₹ in all tables)				
		Taxable Value(₹)	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
1	2	3	4	5	6	
5						
A	Zero rated supply (Export) without payment of tax	0.00				
B	Supply to SEZs without payment of tax	0.00				
C	Supplies on which tax is to be paid by the recipient on reverse charge	0.00				
D	Exempted	0.00				
E	Nil Rated	0.00				
F	Non-GST supply (includes 'no supply')	0.00				
G	Sub total (A to F above)	0.00				
H	Credit Notes issued in respect of transactions specified	0.00				

	in A to F above (-)	0.00
I	Debit Notes issued in respect of transactions specified in A to F above (+)	0.00
J	Supplies declared through Amendments (+)	0.00
K	Supplies reduced through Amendments (-)	0.00
L	Sub-Total (H to K above)	0.00
M	Turnover on which tax is not to be paid (G + L above)	0.00
N	Total Turnover (including advances) (4N + 5M - 4G above)	2,89,12,160.00
		26,02,094.40
		26,02,094.40
		0.00
		0.00

Pt. III Sr.No	Description	Details of ITC for the financial year			
		Type	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)
1	2	3	4	5	6
6 Details of ITC availed during the financial year					
A	Total amount of input tax credit availed through FORM GSTR-3B (sum total of Table 4A of FORM GSTR-3B)		51,47,422.06	51,47,422.06	0.00
B	Inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs)	Inputs	50,92,638.00	50,92,638.00	0
		Capital Goods	0	0	0
		Input Services	0	0	0
C	Inward supplies received from unregistered persons liable to reverse charge (other than B above) on which tax is paid & ITC availed	Inputs	0	0	0
		Capital Goods	0	0	0
		Input Services	54,784.00	54,784.00	0

D	Inward supplies received from registered persons liable to reverse charge (other than B above) on which tax is paid and ITC availed	Inputs Capital Goods	0	0	0	0
		Input Services	0	0	0	0
E	Import of goods (including supplies from SEZs)	Inputs Capital Goods	0	0	0	0
F	Import of services (excluding inward supplies from SEZs)		0.00	0.00	0.00	0.00
G	Input Tax credit received from ISD		0.00	0.00	0.00	0.00
H	Amount of ITC reclaimed (other than B above) under the provisions of the Act		0.00	0.00	0.00	0.00
I	Sub-total (B to H above)		51,47,422.00	51,47,422.00	0.00	0.00
J	Difference (I - A above)		-0.06	-0.06	0.00	0.00
K	Transition Credit through TRAN-1 (including revisions if any)		0.00	0.00		
L	Transition Credit through TRAN-2		0.00	0.00		
M	Any other ITC availed but not specified above		0.00	0.00	0.00	0.00
N	Sub-total (K to M above)		0.00	0.00	0.00	0.00
O	Total ITC availed (I + N above)		51,47,422.00	51,47,422.00	0.00	0.00

Sr.No	Description	Details of ITC for the financial year			
		1	2	3	4
7 Details of ITC Reversed and Ineligible ITC for the financial year					
A	As per Rule 37	0.00	0.00	0.00	0.00
B	As per Rule 39	0.00	0.00	0.00	0.00
C	As per Rule 42	0.00	0.00	0.00	0.00

D	As per Rule 43	0.00	0.00	0.00	0.00
E	As per section 17(5)	0.00	0.00	0.00	0.00
F	Reversal of TRAN-1 credit	0.00	0.00	0.00	
G	Reversal of TRAN-2 credit	0.00	0.00	0.00	
H1	Reversed in Feb20 GSTR-3B	67,064.00	67,064.00	0.00	0.00
I	Total ITC Reversed (Sum of A to H above)	67,064.00	67,064.00	0.00	0.00
J	Net ITC Available for Utilization (60 - 71)	50,80,358.00	50,80,358.00	0.00	0.00

Pt. III		Details of ITC for the financial year			
Sr.No	Details	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)
	1	2	3	4	5
8 Other ITC related information					
A	ITC as per GSTR-2A (Table 3 & 5 thereof)	47,39,906.00	47,39,906.00	0.00	0.00
B	ITC as per sum total of 6(B) and 6(H) above	50,92,638.00	50,92,638.00	0.00	0.00
C	ITC on inward supplies (other than imports and inward supplies liable to reverse charge but includes services received from SEZs) received during the financial year but availed in the next financial year upto specified period	0.00	0.00	0.00	0.00
D	Difference [A-(B+C)]	-3,52,732.00	-3,52,732.00	0.00	0.00
E	ITC available but not availed	0.00	0.00	0.00	0.00
F	ITC available but ineligible	0.00	0.00	0.00	0.00
G	IGST paid on import of goods (including supplies from SEZ)	0.00	0.00	0.00	0.00
H	IGST credit availed on import of goods (as per 6(E) above)	0.00	0.00	0.00	0.00
I	Difference (G-H)	0.00	0.00	0.00	0.00
J	ITC available but not availed on import of goods (Equal to I)	0.00	0.00	0.00	0.00
K	Total ITC to be lapsed in current financial year (E + F + J)	0.00	0.00	0.00	0.00

Pt. IV		Details of tax paid as declared in returns filed during the financial year					
9	Description	Tax Payable (₹)	Paid Through Cash (₹)	Central Tax	State Tax / UT Tax	Integrated Tax	Paid Through ITC (₹)
1	2	3	4	5	6	7	
A	Integrated Tax	0.00	0.00	0.00	0.00	0.00	0.00
B	Central Tax	26,56,878.00	54,784.00	26,24,601.00			1,48,257.00
C	State/UT Tax	26,56,878.00	54,784.00		26,42,358.00		1,30,500.00
D	Cess	0.00	0.00				0.00
E	Interest	424.00	424.00				
F	Late Fees	0.00	0.00				
G	Penalty	0.00	0.00				
H	Other	0.00	0.00				

Pt. V Particulars of the transactions for the financial year declared in returns of the next financial year till the specified period							
Sr.No.	Description	Taxable Value(₹)	Central Tax(₹)	State Tax / UT Tax(₹)	Integrated Tax(₹)	Cess(₹)	
1	2	3	4	5	6		
10	Supplies / tax declared through Amendments (+) (net of debit notes)	0.00	0.00	0.00	0.00	0.00	0.00
11	Supplies / tax reduced through Amendments (-) (net of credit notes)	0.00	0.00	0.00	0.00	0.00	0.00
12	Reversal of ITC availed during previous financial year		0.00		0.00	0.00	0.00
13	ITC availed for the previous financial year		0.00	0.00	0.00	0.00	0.00
	Total turnover(5N + 10 - 11)	2,89,12,160.00	26,02,094.40	26,02,094.40	0.00	0.00	0.00

Pt. V	Particulars of the transactions for the financial year declared in returns of the next financial year till the specified period
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14 Differential tax paid on account of declaration in 10 & 11 above			
Sr.No.	Description	Payable (₹)	Paid (₹)
1	2	3	3
A	Integrated Tax	0.00	0.00
B	Central Tax	0.00	0.00
C	State/UT Tax	0.00	0.00
D	Cess	0.00	0.00
E	Interest	0.00	0.00

Pt. VI Other Information						
15 Particulars of Demands and Refunds						
Sr.No.	Details	Central Tax (₹)	State Tax / UT Tax (₹)	Integrated Tax(₹)	Cess(₹)	Interest(₹)
1	2	3	4	5	6	7
A	Total Refund claimed	0.00	0.00	0.00	0.00	0.00
B	Total Refund sanctioned	0.00	0.00	0.00	0.00	0.00
C	Total Refund Rejected	0.00	0.00	0.00	0.00	0.00
D	Total Refund Pending	0.00	0.00	0.00	0.00	0.00
E	Total demand of taxes	0.00	0.00	0.00	0.00	0.00
F	Total taxes paid in respect of E above	0.00	0.00	0.00	0.00	0.00
G	Total demands pending out of E above	0.00	0.00	0.00	0.00	0.00

16 Information on supplies received from composition taxpayers, deemed supply under section 143 and goods sent on approval basis			
Sr.No.	Details	Taxable Value (₹)	Central Tax (₹)

	1	2	3	4	5	6
A	Supplies received from Composition taxpayers	0.00				
B	Deemed supply under section 143	0.00	0.00	0.00	0.00	0.00
C	Goods sent on approval basis but not returned	0.00	0.00	0.00	0.00	0.00

17. HSN Wise Summary of outward supplies.

18. HSN Wise Summary of inward supplies.

To view the details uploaded for Table 17 & 18, download GSTR 9 in Excel/Json format.

19	Late fee payable and paid		
Sr.No.	Description	Payable(₹)	Paid(₹)
1		2	3
A	Central tax	0.00	0.00
B	State Tax	0.00	0.00

Verification:

I hereby solemnly affirm and declare that the information given herein above is true and correct to the best of my knowledge and belief and nothing has been concealed there from and in case of any reduction in output tax liability the benefit thereof has been/will be passed on to the recipient of supply.

Date: 31-03-2021

Name of Authorized Signatory

SOHAM MODI

Designation / Status

Designated Partner

Annexure - VI

S.No	Particulars	Taxable value	CGST	SGST
A	Tax paid on outward supplies	3,48,24,660	31,34,219	31,34,219
B	Less: Credit notes	59,12,500	5,32,125	5,32,125
C	Turnover reported as per GSTR 1	2,89,12,160	26,02,094	26,02,094
D	Less: Turnover reported as per GSTR-3B	3,08,09,513	27,72,856	27,72,856
E	Diff. due to GST liability of Oct'18 paid in Aug'19	18,97,353	1,70,762	1,70,762

1-Apr-19 to 31-Mar-20

Date	Date	Particulars	Vouch her Type	Voucher No.	Un-registered	Narration	Gross Total	Taxable value	CGST	SGST	Installment 2019-20
30-04-2019	Apr-19	A-16 Elamsetti Varahalu	Sales	AGH001/19-20	Un-registered	Sales declared for the month of April'19	1635480.00 Dr	1386000.00	124740.00 Cr	1386000.00 Cr	
30-04-2019	Apr-19	A-38 Kandimalla Shekar Reddy	Sales	AGH002/19-20	Un-registered	Sales declared for the month of April'19	531000.00 Dr	450000.00	40500.00 Cr	450000.00 Cr	
30-04-2019	Apr-19	A-39 Miryala Nagamani	Sales	AGH003/19-20	Un-registered	Sales declared for the month of April'19	494125.00 Dr	418750.00	37687.50 Cr	418750.00 Cr	
30-04-2019	Apr-19	A-81 Polisetty Anjali	Sales	AGH004/19-20	Un-registered	Sales declared for the month of April'19	817740.00 Dr	693000.00	62370.00 Cr	693000.00 Cr	
30-04-2019	Apr-19	A-82 Polisetty Nageswar Rao	Sales	AGH005/19-20	Un-registered	Sales declared for the month of April'19	796500.00 Dr	675000.00	60750.00 Cr	675000.00 Cr	
30-05-2019	May-19	A-51 Y.Ramakrishna	Sales	AGH006/19-20	Un-registered	Being sales declared for the month of May'19	466690.00 Dr	355500.00	35550.00 Cr	35550.00 Cr	
29-06-2019	Jun-19	A-33 Sri Priya & G. Suresh Kumar	Sales	AGH007/19-20	Un-registered	Being sale invoice raised towards June'19	56785.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
29-06-2019	Jun-19	A-57 S. Sharath Reddy	Sales	AGH008/19-20	Un-registered	Being sale invoice raised towards June'19	57250.00 Dr	487500.00	438750.00 Cr	487500.00 Cr	
29-06-2019	Jun-19	A-34 Narendra Taregella	Sales	AGH009/19-20	Un-registered	Being sale invoice raised towards June'19	567875.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
31-07-2019	Jul-19	A-59 R.Vanshi Krishna	Sales	AGH010/19-20	Un-registered	Being sales invoice raised agst villa no.59	752250.00 Dr	637500.00	57375.00 Cr	637500.00 Cr	
31-07-2019	Jul-19	A-60 K. Srinivas	Sales	AGH011/19-20	Un-registered	Being sales invoice raised agst villa no.60	1150500.00 Dr	975000.00	87750.00 Cr	975000.00 Cr	
31-08-2019	Aug-19	A-25 Indrakanthi Rajesh Kiran	Sales	AGH012/19-20	Un-registered	Being sales invoice raised for villa no.55	796500.00 Dr	675000.00	60750.00 Cr	675000.00 Cr	
31-08-2019	Aug-19	A-36 Smt K. Ramana & K. Janardhan	Sales	AGH013/19-20	Un-registered	Being sales invoice raised for villa no.56	1121000.00 Dr	950000.00	85500.00 Cr	950000.00 Cr	
31-08-2019	Aug-19	A-70 Ch. Srinivari	Sales	AGH014/19-20	Un-registered	Being sales invoice raised for villa no.70	1593000.00 Dr	1350000.00	12150.00 Cr	1350000.00 Cr	
30-09-2019	Sep-19	A-29 Netala Chaitanya	Sales	AGH015/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	560500.00 Dr	475000.00	42750.00 Cr	475000.00 Cr	
30-09-2019	Sep-19	A-59 R.Vanshi Krishna	Sales	AGH016/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	752250.00 Dr	637500.00	57375.00 Cr	637500.00 Cr	
30-09-2019	Sep-19	A-65 Dr. Ambati Giri Prasad	Sales	AGH017/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	739860.00 Dr	627000.00	56430.00 Cr	627000.00 Cr	
30-09-2019	Sep-19	A-66 Mandhadi Sreeja	Sales	AGH018/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	541325.00 Dr	488750.00	41287.50 Cr	488750.00 Cr	
30-09-2019	Sep-19	A-81 Polisetty Anjali	Sales	AGH019/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	817740.00 Dr	693000.00	62370.00 Cr	693000.00 Cr	
30-09-2019	Sep-19	A-82 Polisetty Nageswar Rao	Sales	AGH020/19-20	Un-registered	Being sales invoices raised for CST for the month of Sep'19	796500.00 Dr	675000.00	60750.00 Cr	675000.00 Cr	
30-10-2019	Oct-19	A-46 Bhantu	Sales	AGH021/19-20	Un-registered	Being Instalment CST bill raised for the month of Oct'19	1740500.00 Dr	1475000.00	132750.00 Cr	1475000.00 Cr	
30-10-2019	Oct-19	A-69 G. Sunitha	Sales	AGH022/19-20	Un-registered	Being Instalment CST bill raised for the month of Oct'19	1062000.00 Dr	900000.00	81000.00 Cr	900000.00 Cr	
30-10-2019	Oct-19	A-84 Kesa Ravi	Sales	AGH023/19-20	Un-registered	Being Instalment CST bill raised for the month of Oct'19	1239000.00 Dr	1080000.00	94500.00 Cr	1050000.00 Cr	
30-10-2019	Oct-19	A-87 S. Sharath Reddy	Sales	AGH024/19-20	Un-registered	Being sale bill raised for the month of Nov'19	1150500.00 Dr	975000.00	87750.00 Cr	975000.00 Cr	
30-11-2019	Nov-19	A-33 Sri Priya & G. Suresh Kumar	Sales	AGH025/19-20	Un-registered	Being sale bill raised for the month of Nov'19	567875.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
30-11-2019	Nov-19	A-34 Narendra Taregella	Sales	AGH026/19-20	Un-registered	Being sale bill raised for the month of Nov'19	567875.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
30-11-2019	Nov-19	A-40 Neerudu Manu Vani	Sales	AGH027/19-20	Un-registered	Being sale bill raised for the month of Nov'19	1635480.00 Dr	1386000.00	124740.00 Cr	1386000.00 Cr	
30-11-2019	Nov-19	A-55 Indrakanthi Rajesh Kiran	Sales	AGH028/19-20	Un-registered	Being sale bill raised for the month of Nov'19	796500.00 Dr	675000.00	60750.00 Cr	675000.00 Cr	
31-12-2019	Dec-19	Villa No. 19 Modi & Modi Constructions	Sales	AGH029/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-12-2019	Dec-19	A-31 S. Rambabu	Sales	AGH030/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	560500.00 Dr	475000.00	42750.00 Cr	475000.00 Cr	
31-12-2019	Dec-19	A-33 Sri Priya & G. Suresh Kumar	Sales	AGH031/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	567875.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
31-12-2019	Dec-19	Villa No. 43 Modi & Modi Constructions	Sales	AGH032/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	1209500.00 Dr	1025000.00	92250.00 Cr	1025000.00 Cr	
31-12-2019	Dec-19	Villa No. 49 Modi & Modi Constructions	Sales	AGH033/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-12-2019	Dec-19	Villa No. 54 Paramount Builders	Sales	AGH034/19-20	Un-registered	Being Sales Bill raised for the month of Dec'19	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-12-2019	Dec-19	Villa No. 25 Modi & Modi Constructions	Sales	AGH035/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-01-2020	Jan-20	A-34 Narendra Taregella	Sales	AGH036/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	567875.00 Dr	481250.00	43312.50 Cr	481250.00 Cr	
31-01-2020	Jan-20	A-38 Kandimalla Shekar Reddy	Sales	AGH037/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	531000.00 Dr	450000.00	40500.00 Cr	450000.00 Cr	
31-01-2020	Jan-20	A-39 Miryala Nagamani	Sales	AGH038/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	494125.00 Dr	418750.00	37687.50 Cr	418750.00 Cr	
31-01-2020	Jan-20	Villa No.45 Modi & Modi Constructions	Sales	AGH039/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-01-2020	Jan-20	Villa No. 49 Modi & Modi Constructions	Sales	AGH040/19-20	Un-registered	Being sales bill raised for the month of Jan'20-20	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
10-02-2020	Feb-20	A-22 Ram Kumar Kunchakuri	Sales	AGH041/19-20	Un-registered	Extra Specs	16709.00 Dr	14160.20	1274.40 Cr	1274.40 Cr	#REF!
10-02-2020	Feb-20	A-22 Ram Kumar Kunchakuri	Sales	AGH042/19-20	Un-registered	Sales Declared for Feb'2020	70800.00 Dr	600000.00	54000.00 Cr	600000.00 Cr	
31-01-2020	Jan-20	A-39 Miryala Nagamani	Sales	AGH043/19-20	Un-registered	Being GST sales declared for the month of Feb'20	659325.00 Dr	558750.00	50257.50 Cr	558750.00 Cr	
31-01-2020	Jan-20	Villa No.19 Modi & Modi Constructions	Sales	AGH044/19-20	Un-registered	Being sales declared for the month of March'20	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
31-01-2020	Jan-20	Villa No.25 Modi & Modi Constructions	Sales	AGH045/19-20	Un-registered	Being sales declared for the month of March'20	604750.00 Dr	512500.00	46125.00 Cr	512500.00 Cr	
10-02-2020	Feb-20	A-22 Ram Kumar Kunchakuri	Sales	AGH046/19-20	Un-registered	Being sales declared for the month of March'20	120950.00 Dr	102500.00	92250.00 Cr	102500.00 Cr	
10-02-2020	Feb-20	A-22 Ram Kumar Kunchakuri	Sales	AGH047/19-20	Un-registered	Being sales declared for the month of March'20	82600.00 Dr	700000.00	630000.00 Cr	700000.00 Cr	
28-02-2020	Feb-20	A-66 Mandhadi Sreeja	Sales	AGH048/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.19 Modi & Modi Constructions	Sales	AGH049/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH050/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.43 Modi & Modi Constructions	Sales	AGH051/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.45 Modi & Modi Constructions	Sales	AGH052/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.49 Modi & Modi Constructions	Sales	AGH053/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.54 Paramount Builders	Sales	AGH054/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH055/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.34 Narendra Taregella	Sales	AGH056/19-20	Un-registered						
31-02-2020	Mar-20	A-38 Kandimalla Shekar Reddy	Sales	AGH057/19-20	Un-registered						
31-02-2020	Mar-20	A-39 Miryala Nagamani	Sales	AGH058/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.45 Modi & Modi Constructions	Sales	AGH059/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.49 Modi & Modi Constructions	Sales	AGH060/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.54 Paramount Builders	Sales	AGH061/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH062/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.34 Narendra Taregella	Sales	AGH063/19-20	Un-registered						
31-02-2020	Mar-20	A-38 Kandimalla Shekar Reddy	Sales	AGH064/19-20	Un-registered						
31-02-2020	Mar-20	A-39 Miryala Nagamani	Sales	AGH065/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.45 Modi & Modi Constructions	Sales	AGH066/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.49 Modi & Modi Constructions	Sales	AGH067/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.54 Paramount Builders	Sales	AGH068/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH069/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.34 Narendra Taregella	Sales	AGH070/19-20	Un-registered						
31-02-2020	Mar-20	A-38 Kandimalla Shekar Reddy	Sales	AGH071/19-20	Un-registered						
31-02-2020	Mar-20	A-39 Miryala Nagamani	Sales	AGH072/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.45 Modi & Modi Constructions	Sales	AGH073/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.49 Modi & Modi Constructions	Sales	AGH074/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.54 Paramount Builders	Sales	AGH075/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH076/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.34 Narendra Taregella	Sales	AGH077/19-20	Un-registered						
31-02-2020	Mar-20	A-38 Kandimalla Shekar Reddy	Sales	AGH078/19-20	Un-registered						
31-02-2020	Mar-20	A-39 Miryala Nagamani	Sales	AGH079/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.45 Modi & Modi Constructions	Sales	AGH080/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.49 Modi & Modi Constructions	Sales	AGH081/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.54 Paramount Builders	Sales	AGH082/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.25 Modi & Modi Constructions	Sales	AGH083/19-20	Un-registered						
31-02-2020	Mar-20	Villa No.34 Narendra Taregella	Sales	AGH084/19-20	Un-registered						
31-02-2020	Mar-20	A-38 Kandimalla Shekar Reddy	Sales	AGH085/19-20							

31-03-2020	Mar-20	Villa No.49 Modi & Modi Realty Hyd Pvt Ltd	Sales	AGH1048/19-20	Un-registered	Being sales declared for the month of March'20	1209500.00	Dr	1025000.00	92250.00	Cr	1025000.00 Cr
31-03-2020	Mar-20	Villa No.51 Modi & Modi Realty Hyd Pvt Ltd	Sales	AGH1049/19-20	Un-registered	Being sales declared for the month of March'20	826000.00	Dr	700000.00	63000.00	Cr	700000.00 Cr
31-03-2020	Mar-20	Villa No.52 Modi & Modi Realty Hyd Pvt Ltd	Sales	AGH1050/19-20	Un-registered	Being sales declared for the month of March'20	826000.00	Dr	700000.00	63000.00	Cr	700000.00 Cr
31-03-2020	Mar-20	Villa No.54Modi - Housing Pvt Ltd	Sales	AGH1051/19-20	Un-registered	Being sales declared for the month of March'20	1209500.00	Dr	1025000.00	92250.00	Cr	1025000.00 Cr
		Total					41093099.00	Dr	3482460.20	3134219.40	Cr	34810500.00 Cr

Credit Notes

1-Apr-19 to 31-Mar-20		Particulars			Narration			taxable value		CGST		SGST	
Date	Mont h	Voucher Type	Voucher No.	GSTIN/ UIN									
28-Feb-20	2.00	A-16 Elamsetti Varahalu	Credit Note	1	Un-registered	Being credit note raised towards changes in sale consideration		531000.00	Cr	450000.00	40500.00	40500.00	Dr
28-Feb-20	2.00	A-46 Bhanu	Credit Note	2	Un-registered	Being credit note raised towards changes in sale consideration		442500.00	Cr	375000.00	33750.00	33750.00	Dr
28-Feb-20	2.00	A- 60 K. Srinivas	Credit Note	3	Un-registered	Being credit note raised towards changes in sale consideration		295000.00	Cr	250000.00	22500.00	22500.00	Dr
01-Mar-20	3.00	Villa No. 19 Modi & Modi Constructions	Credit Note	4	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	Villa No. 43 Modi & Modi Constructions	Credit Note	5	Un-registered	Being credit note raised towards cancellation of villa		1209500.00	Cr	92250.00	92250.00	92250.00	Dr
01-Mar-20	3.00	Villa No. 49 Modi & Modi Constructions	Credit Note	6	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	Villa No. 49 Modi & Modi Constructions	Credit Note	7	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	Villa No. 54 Paramount Builders	Credit Note	8	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	Villa No. 25 Modi & Modi Constructions	Credit Note	9	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	Villa No.45 Modi & Modi Constructions	Credit Note	10	Un-registered	Being credit note raised towards cancellation of villa		604750.00	Cr	512500.00	46125.00	46125.00	Dr
01-Mar-20	3.00	A-70 Ch. Srihari	Credit Note	11	Un-registered	Being credit note raised towards changes in sale consideration		649000.00	Cr	550000.00	49500.00	49500.00	Dr
31-Mar-20	3.00	A-34 Narendra Tanguella	Credit Note	12	Un-registered	Being credit note raised due to Installement excess raised, now reversed		221250.00	Cr	187500.00	16875.00	16875.00	Dr
<i>Grand Total</i>								6976750.00		5912500.00	5,32,125.00		

INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT

[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-3, ITR-4(SUGAM), ITR-5, ITR-6, ITR-7 filed and verified]
(Please see Rule 12 of the Income-tax Rules, 1962)

Assessment Year
2020-21

PAN	ABCFM6774G		
Name	MODI REALTY (MIRYALAGUDA) LLP		
Address	5-4-187/3-4, SOHAM MANSION, M.G.ROAD, RANIGUNJ, SECUNDERABAD, TELANGANA, 500003		
Status	Firm	Form Number	ITR-5
Filed u/s	139(1)-On or before due date	e-Filing Acknowledgement Number	735747671211120
Taxable Income and Tax details	Current Year business loss, if any	1	2673837
	Total Income	2	0
	Book Profit under MAT, where applicable	3	0
	Adjusted Total Income under AMT, where applicable	4	0
	Net tax payable	5	0
	Interest and Fee Payable	6	0
	Total tax, interest and Fee payable	7	59491
	Taxes Paid	8	-59490
	(+)Tax Payable /(-)Refundable (6-7)	9	0
	Dividend Tax Payable	10	0
	Interest Payable	11	0
	Total Dividend tax and interest payable	12	0
	Taxes Paid	13	0
	(+)Tax Payable /(-)Refundable (11-12)	14	0
	Accrued Income as per section 115TD	15	0
	Additional Tax payable u/s 115TD	16	0
	Interest payable u/s 115TE	17	0
	Additional Tax and interest payable	18	0
	Tax and interest paid	19	0
(+)Tax Payable /(-)Refundable (17-18)			
Income Tax Return submitted electronically on 21-11-2020 16:25:20 from IP address 49.206.39.133 and verified by SOHAM SATISH MODI			
having PAN ABMPM6725H on 21-11-2020 16:25:20 from IP address 49.206.39.133 using Digital Signature Certificate (DSC).			
DSC details: 50455484CN=Capricorn CA 2014,2.5.4.51=#131647352c56494b41532044454550204255494c44494e47,STREET=18,LAXMI NAGAR DISTRICT CENTER,ST=DELHI,2.5.4.17=#1306313130303932,OU=Certifying Authority,O=Capricorn Identity Services Pvt Ltd,C=IN			
DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU			

Name Of Assessee	: Modi Realty (Miryalaguda) Llp		
PAN	: ABCFM6774G		
Office Address	: 5-4-187/3-4, Soham Mansion, M.g.road, Ranigunj, Secunderabad, Telangana-500003		
Status	: FIRM (LIMITED LIABILITY)	Assessment Year	: 2020 - 2021
Ward No	: WARD 11(1),HYDERABAD	Financial Year	: 2019 - 2020
D.O.I.	: 23/02/2016		
Mobile No.	: 8885583001		
Email Address	: info@modiproperties.com		
Name Of Bank	: Hdfc Bank		
Micr Code	: 500240003		
Ifs Code	: Hdfc0000042		
Address	: Hyderabad - Secunderabad		
Account No.	: 50200023040541		
Return	: Original (Filing Date : 21/11/2020 & No. : 735747671211120)		

COMPUTATION OF TOTAL INCOME

Profits And Gains From Business And Profession

0

Modi Realty (Miryalaguda) Llp

Profit Before Tax As Per Profit And Loss Account

Add :		-2757400
Depreciation Disallowed	28011	
Disalloweed U/s 36	61090	
Disalloweed U/s 37	18223	
Disalloweed U/s 43B	4250	111574
		-2645826

Less :

Interest On Income Tax Refund

Allowed Depreciation	200	
	28011	-28211
		-2674037

Out Of Loss Of Rs. 2674037, Unabsorbed Depreciation Is Rs. 28011 & Business Loss Is Rs. 2646026

Income From Other Sources

Interest On Income Tax Refund		200
Total		200
		200

Inter-head Adjustment Of Losses U/s 71

Business Loss Set Off From Income From Other Sources

-200

Current Year Losses Carried Forward

Business Loss Of Rs. 2645826

Unabsorbed Depreciation Of Rs. 28011

Gross Total Income

Total Income

Nil

Nil

COMPUTATION OF TAX ON TOTAL INCOME

Tax On Rs. Nil

Nil

Less Tax Deducted At Source

Section 194a: Other Interest

19491

Section 194-ia: Tds On Sale Of Immovable Property

40000

59491

-59491

Refundable

Tax Rounded Off U/s 288B

(59491)

(59490)

SOHAM SATISH MODI
(Managing Partner)

Information regarding Turnover/Gross Receipt Reported for GST

GSTR No.

36ABCFM6774G2ZZ

Amount of turnover/Gross receipt as per the GST return filed

30809513

FIXED ASSETS

Block	Rate	WDV as on 01/04/2019	Addition		Deduction	Total	Depreciation for the Year	WDV as on 31/03/2020
			More than 180 Days	Less than 180 Days				
			Rs.	Rs.				
MACHINERY AND PLANT	15.00%	54,340.00	0.00	0.00	0.00	54,340.00	8,151.00	46,189.00
MACHINERY AND PLANT	40.00%	49,651.00	0.00	0.00	0.00	49,651.00	19,860.00	29,791.00
Total		1,03,991.00	0.00	0.00	0.00	1,03,991.00	28,011.00	75,980.00

LOSSES TABLE

A.Y.	HEAD	LOSSES		
		BROUGHT FORWARD	SET-OFF	CARRIED FORWARD
2017-18	Ordinary Business	3222208	-	3222208
2017-18	Unabsorbed Depreciation	8366	-	8366
2018-19	Ordinary Business	7379510	-	7379510
2018-19	Unabsorbed Depreciation	28390	-	28390
2019-20	Ordinary Business	1128536	-	1128536
2019-20	Unabsorbed Depreciation	42690	-	42690
2020-21	Ordinary Business	-	-	2645826
2020-21	Unabsorbed Depreciation	-	-	28011

As per Form 26AS [File Creation Date: 02-11-2020] last imported on 02-11-2020 06:07 PM

Details of Tax Deducted at Source on Income other than Salary

Sl. No.	Tax Deduction Account Number (TAN) of the Deductor	Unique TDS Certificate No.	Name and address of the Deductor	Amount paid /credited	Date of Payment /Credit	Total tax deducted	Amount claimed for this year
194A : Other Interest							
1.	MUMH03189E		HDFC BANK LIMITED	194914	31/03/2017	19491	19491
			Grand Total	194914		19491	19491

Details of Tax Deducted at Source on Sale of Immovable Property u/s 194IA

Sr. No.	TDS Certificate Number	Name of Deductor	PAN of Deductor	Acknowledgement Number	Total Transaction Amount	Transaction Date	TDS Deposited / TDS B/F	Date of Deposit	Date of Deduction	TDS Credit Claimed in own hands
1	XBTGEDA	VAMXX XXISHNA	ARNPK3766 B	8G1012896	4000000	27/12/2019	40000	12/06/2020	27/12/2019	40000
				Grand Total	4000000		40000			40000

ALLOWED/DISALLOWED U/S 43B

Particulars	Assessment Year	Disallowed Amount (Rs.)	Allowed Amount (Rs.)	Balance Amount (Rs.)
Professional Tax Payable	2020-21	4250	-	4250
Total		4250	-	4250

DISALLOWED U/S 36

Sr. No.	Particulars	Amount
1	EMPLOYEE CONTRIBUTION OF PF PAID AFTER DUE DATE	54393.00
2	EMPLOYEE CONTRIBUTION OF ESI PAID AFTER DUE DATE	6697.00
	Total	61090.00

DISALLOWED U/S 37

Sr. No.	Particulars	Amount
1	Interest on TDS	14793.00
2	Interest on PF	1925.00
3	Interest on PT	1505.00
	Total	18223.00

Name Of Assessee	: Modi Realty (Miryalaguda) Ltd		
PAN	: ABCFM6774G		
Office Address	: 5-4-187/3-4, Soham Mansion, M.g.road, Ranigunj, Secunderabad, Telangana-500003		
Status	FIRM (LIMITED LIABILITY)	Assessment Year	: 2020 - 2021
Ward No	WARD 11(1),HYDERABAD	Financial Year	: 2019 - 2020
D.O.I.			
Mobile No.			
Email Address			
Name Of Bank	Hdfc Bank		
Micr Code	500240003		
ifs Code	Hdfc0000042		
Address	Hyderabad - Secunderabad		
Account No.	50200023040541		
Return	Original		

COMPUTATION OF TOTAL INCOME

Profits And Gains From Business And Profession

0

Modi Realty (Miryalaguda) Ltd

Profit Before Tax As Per Profit And Loss Account	-2757400
Add:	
Depreciation Disallowed	28011
Disallowed U/s 36	61090
Disallowed U/s 37	18223
Disallowed U/s 43B	4250
	<u>111574</u>
	-2645826
Less:	
Interest On Income Tax Refund	200
Allowed Depreciation	28011
	<u>-28211</u>
	<u>-2674037</u>

Out Of Loss Of Rs. 2674037, Unabsorbed Depreciation Is Rs. 28011 & Business Loss Is Rs. 2646026

Income From Other Sources

200

Interest On Income Tax Refund	200
Total	<u>200</u>

Inter-Head Adjustment Of Losses U/s 71

-200

Business Loss Set Off From Income From Other Sources

Current Year Losses Carried Forward

Business Loss Of Rs. 2645826

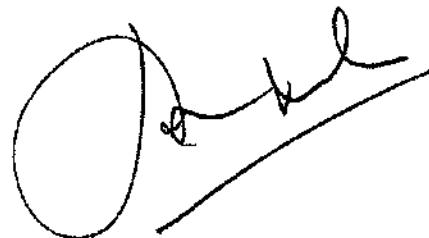
Unabsorbed Depreciation Of Rs. 28011

Gross Total Income

Nil

Total Income

Nil



COMPUTATION OF TAX ON TOTAL INCOME

Tax On Rs. Nil

Nil

Less Tax Deducted At Source

Section 194a: Other Interest	19491
Section 194-ia: Tds On Sale Of Immovable Property	40000
	<u>59491</u>
	-59491

Refundable

Tax Rounded Off U/s 288B	(59491)
	<u>(59490)</u>

SOHAM SATISH MODI
(Managing Partner)

Information regarding Turnover/Gross Receipt Reported for GST

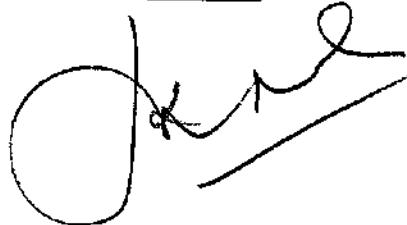
GSTR No.	36ABCFM6774G2ZZ
Amount of turnover/Gross receipt as per the GST return filed	30809513

FIXED ASSETS

Block	Rate	WDV as on 01/04/2019	Addition		Deduction	Total	Depreciation for the Year	WDV as on 31/03/2020
			More than 180 Days	Less than 180 Days				
			Rs.	Rs.				
MACHINERY AND PLANT	15.00%	54,340.00	0.00	0.00	0.00	54,340.00	8,151.00	46,189.00
MACHINERY AND PLANT	40.00%	49,651.00	0.00	0.00	0.00	49,651.00	19,880.00	29,791.00
Total		1,03,991.00	0.00	0.00	0.00	1,03,991.00	28,011.00	75,980.00

LOSSES TABLE

A.Y.	HEAD	LOSSES		
		BROUGHT FORWARD	SET-OFF	CARRIED FORWARD
2017-18	Ordinary Business	3222208	-	3222208
2017-18	Unabsorbed Depreciation	8366	-	8366
2018-19	Ordinary Business	7379510	-	7379510
2018-19	Unabsorbed Depreciation	28390	-	28390
2019-20	Ordinary Business	1128536	-	1128536
2019-20	Unabsorbed Depreciation	42690	-	42690
2020-21	Ordinary Business	-	-	2645826
2020-21	Unabsorbed Depreciation	-	-	28011



Details of Tax Deducted at Source on Income other than Salary

Sl. No.	Tax Deduction Account Number (TAN) of the Deductor	Unique TDS Certificate No.	Name and address of the Deductor	Amount paid /credited	Date of Payment /Credit	Total tax deducted	Amount claimed for this year
194A : Other Interest							
1.	MUMH03189E		HFDFC BANK LIMITED	194914	31/03/2017	19491	19491
			Grand Total	194914		19491	19491

Details of Tax Deducted at Source on Sale of Immovable Property u/s 194IA

Sr. No.	TDS Certificate Number	Name of Deductor	PAN of Deductor	Acknowledgement Number	Total Transaction Amount	Transaction Date	TDS Deposited / TDS B/F	Date of Deposit	Date of Deduction	TDS Credit Claimed in own hands
1.	XBTGEDA	VAMXX XXISHNA	ARNPK3768 B	BG1012896	4000000	27/12/2019	40000	12/06/2020	27/12/2019	40000
				Grand Total	4000000		40000			40000

ALLOWED/DISALLOWED U/S 43B

Particulars	Assessment Year	Disallowed Amount (Rs.)	Allowed Amount (Rs.)	Balance Amount (Rs.)
Professional Tax Payable	2020-21	4250	-	4250
Total		4250	-	4250

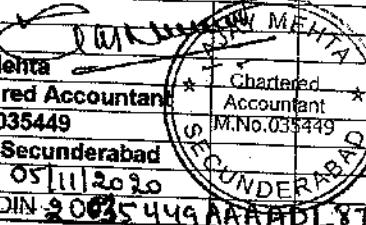
DISALLOWED U/S 36

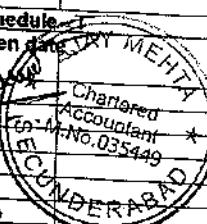
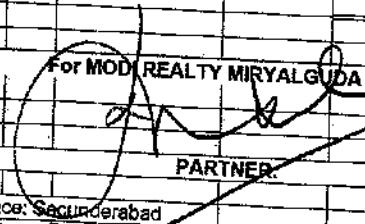
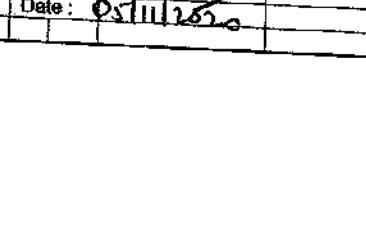
Sr. No.	Particulars	Amount
1	EMPLOYEE CONTRIBUTION OF PF PAID AFTER DUE DATE	54393.00
2	EMPLOYEE CONTRIBUTION OF ESI PAID AFTER DUE DATE	6697.00
	Total	61090.00

DISALLOWED U/S 37

Sr. No.	Particulars	Amount
1	Interest on TDS	14793.00
2	Interest on PF	1925.00
3	Interest on PT	1505.00
	Total	18223.00



ASSESSMENT YEAR	2020-2021		BALANCES AS ON:	31-03-2020		
NAME OF THE ENTITY:	M/s. MODI REALTY MIRYALGUDA LLP					
BALANCE SHEET	SCHED	ULE	AMOUNT	ASSETS	SCHEDULE	AMOUNT
PARTNERS CAPITAL	A		3,64,92,446	CASH IN HAND	H	1,45,561
DUTIES & TAX	B		2,73,463	CASH AT BANK	I	1,66,168
OUTSTANDING EXPENSES	C		92,152	FIXED ASSETS	J	75,978
LOANS & ADVANCES	D		1,75,08,366	DEPOSITS, LOANS & ADVANCES	K	3,36,86,670
SUNDY CREDITORS	E		54,42,627	SUNDY DEBTORS	L	1,67,25,034
CUSTOMER ACCOUNTS	F		4,74,69,387	CLOSING STOCK	M	4,51,42,161
INSTALMENTS RECEIVABLE	G		(1,13,36,870)			
			9,59,41,572			9,59,41,571
						0
Notes to Accounts Schedule - T						
As per my report of even date						
						
Ajay Mehta	Chartered Accountant			For MODI REALTY MIRYALGUDA LLP,		
M.NO.035449	M.NO.035449			PARTNER.		
Place: Secunderabad				Place: Secunderabad		
Date : 05/11/2020				Date : 05/11/2020		
ICAI UDIN : 0035449 AAAAPD 8716						

ASSESSMENT YEAR	2020-2021	BALANCES AS ON:	31-03-2020		
NAME OF THE ENTITY:		M/s. MODI REALTY MIRYALGUDA LLP			
CONSTRUCTION ACCOUNT FOR THE YEAR ENDED 31-03-2020					
To	Opening Stock		4,09,26,430.59	By	Revenue Recognized
To	Construction Expenses during the year		6,90,01,461.32	By	Closing Stock
To	Gross profit		80,25,559.88		
			11,79,53,451.79		
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2020					
EXPENDITURE	SCHEDULE	AMOUNT	INCOME	SCHEDULE	AMOUNT
To	Promotions Expenses	N	8,57,830.03	By	Gross profit
To	Financial expenses	O	44,26,376.60	By	Interest on Income tax refund
To	Statutory Interest & Penalties	P	18,223.00		754.84
To	Professional Services	Q	19,90,870.74		
To	Salaries & Employee benefits	R	21,23,169.46		
To	Other Indirect expenses	S	13,67,244.76		
To	Net Profit Transferred to partners:				
A. Purushottam (22%)		(6,06,627.97)			
Ashish Modi (11.25%)		(3,10,207.49)			
Karan Mehta (15%)		(4,13,609.98)			
Modi Housing Pvt. Ltd. (5%)		(1,37,869.99)			
Nirav Modi (11.25%)		(3,10,207.49)			
Soham Modi (17.5%)		(4,82,544.98)			
Uma Rani (18%)		(4,96,331.98)	(27,57,399.87)		
			80,26,314.72		80,26,314.72
Notes to Accounts Schedule					
As per my report of even date 05/11/2020					
					
					
					
					

ASSESSMENT YEAR		2020-2021	BALANCES AS ON:		31-03-2020
NAME OF THE ENTITY:		M/s. MODI REALTY MIRYALGUDA LLP			
PARTNERS CAPITAL ACCOUNTS					
A PURUSHOTTAM					
To	Balance c/fd. (31-3-2020)	(2,17,550)	By	Balane b/fd. (1-4-2019)	3,89,078
			By	Share of Profit (22%)	(6,06,628)
		(2,17,550)			(2,17,550)
ASHISH MODI					
To	Balance b/fd. (01-04-2020)	3,54,562	By	Share of Profit (11.25%)	(3,10,207)
To	Balance c/fd. (31-3-2020)	(6,64,770)			
		(3,10,207)			(3,10,207)
KARAN MEHTA					
To	Balance c/fd. (31-3-2020)	37,45,307	By	Balane b/fd. (1-4-2019)	41,58,917
			By	Share of Profit (15%)	(4,13,610)
		37,45,307			37,45,307
MODI HOUSING PVT. LTD.					
To	Amounts withdrawn during the	7,50,427	By	Balane b/fd. (1-4-2019)	52,39,918
To	Balance c/fd. (31-3-2020)	2,40,75,501	By	Amount Received during the year	1,97,23,880
		2,48,25,928	By	Share of Profit (5%)	(1,37,870)
					2,48,25,928
NIRAV MODI					
To	Balance c/fd. (31-3-2020)	73,35,230	By	Balane b/fd. (1-4-2019)	76,45,438
			By	Share of Profit (11.25%)	(3,10,207)
		73,35,230			73,35,230
SOHAM MODI					
To	Balance b/fd. (1-4-2019)	9,07,097	By	Share of Profit (17.5%)	(4,82,545)
To	Balance c/fd. (31-3-2020)	(13,89,642)			
		(4,82,545)			(4,82,545)
UMA RANI					
To	Balance c/fd. (31-3-2020)	35,08,369	By	Balane b/fd. (1-4-2019)	40,04,701
			By	Share of Profit (18%)	(4,96,332)
		35,08,369			35,08,369



Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsxBS SCHEDULE

ASSESSMENT YEAR	2020-2021	BALANCES AS ON: 31-03-2020
NAME OF THE ENTITY:		M/s. MODI REALTY MIRYALGUDA LLP
SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31-03-2020		
SCHEDULE-A		Amount in Rs.
PARTNERS CAPITAL:		
Fixed Capital:		
A Purushottam Fixed Capital		22,000.00
Ashish Modi Fixed Capital		11,250.00
Karan Mehta Fixed Capital		15,000.00
Modi Housing Pvt. Ltd. Fixed Capital		5,000.00
Nirav Modi Fixed Capital		11,250.00
Soham Modi Fixed Capital		17,500.00
Uma Rani Fixed Capital		18,000.00
Running Capital		
A Purushottam		(2,17,549.58)
Ashish Modi		(6,64,769.63)
Karan Mehta		37,45,307.10
Modi Housing Pvt. Ltd.		2,40,75,501.37
Nirav Modi		73,35,230.33
Soham Modi		(13,89,641.71)
Uma Rani		35,08,368.52
		3,64,92,446.37
SCHEDULE-B		
DUTIES & TAX:		
TDS Payable		2,73,463.32
		2,73,463.32
SCHEDULE-C		
OUTSTANDING EXPENSES:		
Professional tax payable		4,250.00
Audit Fees payable		36,183.00
Electricity Bills payable		26,554.00
Hoardings rent payable		3,307.00
ESI Payable		3,707.00
Provident Fund payable		18,151.00
		92,152.00
SCHEDULE-D		
LOANS & ADVANCES:		
UNSECURED LOANS:		
Gaurang Mody HUF		37,36,250.00
Gaurang Mody Loan		5,33,750.00
Modi & Modi Constructions -Loan		37,93,567.00
Paramount Builders Loan		12,64,794.00
Paramount Estates Loan		80,99,823.00
Soham Modi Loan		80,182.00
		1,75,08,366.00
SCHEDULE-E		
SUNDRY CREDITORS:		
Contractors - on A/c:		
A. Navin on A/c		12,511.75
Bipin Nahak On A/c		23,170.00
D. Shekhar on A/c		40,000.00
Janardhan Prasad on A/c		66,062.50
K. Srinu on A/c		1,66,337.55
K. Upender Chary on A/c		991.00
Radha Krishna on Account		1,48,812.74



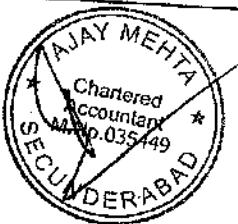
Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsxBS SCHEDULE

		Amount in Rs.	
R. Balu Nayak on A/c	300.00		
Shaik Moiz on A/c	7,990.50		
Sk Zaid on A/c	16,500.00		
Sriravanti Sripaadi on A/c	170.75		
Tari Syam-On A/c	18,200.00		
Veera Chary on Account	5,038.00		
V. Mallajah on Account	1,40,326.37		
Yellaiah Orsu on A/c	96.00	6,46,507.16	
Credit Balances - Staff Salaries A/c.			
K. Vijitha Salary A/c	13,944.00		
P. Anitha Salary A/c	13,599.00	27,543.00	
Expenses Card			
Modi R Miryalguda L Chagal Raj Kumar Expenses C	836.00		
Modi R Miryalguda L MD Zakir Hossain Expenses C	1,083.00		
Modi R Miryalguda L Pasunuru Anitha Expenses C	503.00	2,422.00	
Loans & Advances			
AVR Gulmohar Homes Owners Association	30,050.00	30,050.00	
Other Creditors			
Expert Security Services	45,649.00		
Hiregange & Associates	1,29,600.00		
Modi Properties Pvt Ltd -Admin Exp	1,08,000.00		
Shreya Services	17,797.00		
Social DNA	61,605.00	3,62,651.00	
Suppliers Accounts			
Akash Steels	46,504.00		
Dilpreet Tubes Pvt Ltd	31,433.00		
Ganapathi Iron & Cement Syndicate	31.00		
Gautham Enterprises	3,990.00		
G.P Buildcon Materials	8,673.00		
Mahalakshmi Industries	1,43,100.00		
Praful Sanitary	4,55,450.00		
Premier Engineering Corporation	9,50,144.00		
Priyanka Printers	750.00		
Reflections Electricals Pvt Ltd	50,400.00		
Sai Shiva Graphics	35,700.00		
Shah Traders	16,388.87		
Shiv Shakti Machine Tools	13,240.00		
Shri Kripalu Trading Company	1,590.00		
Shubham Enterprises	39,708.00		
Sri Balaji Printers	1,512.00		
Sri Ganesh Pumps & Machinery Center	25,480.00		
Sri Sai Metal Industries (Upender)	2,49,767.00		
Sri Venkateshwara Bricks Industries	44,000.00		
Sri Venkateswara Steels	127.00		
Summit Sales LLP	15,72,407.89		
Summit Sales LLP (Common Exp)	69,697.00		
Summit Sales LLP Logistics	2,70,488.00		
Uni Ads Limited	20,880.00		
V Green Media Pvt Ltd	9,270.00		
Vivid World	655.00		
Y.Pushpalatha - Gardener	7,750.00	40,69,135.76	
Work Orders			
Karunakar Reddy. V Supplier W.O	2,99,318.00		
Ramulu W.O A/c	5,000.00	3,04,318.00	
		54,42,626.92	
SCHEDULE F			
CUSTOMERS ACCOUNTS			
A-16 Bhupesh Varalakshmi	52,360.00		



Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsxBS SCHEDULE

		Amount in Rs.	
Yes Bank		1,66,168.00	
		1,66,168.00	
SCHEDULE-J			
FIXED ASSETS:			
As per statement		75,978.12	
		75,978.12	
SCHEDULE-K			
DEPOSITS, LOAND & ADVANCES:			
DEPOSITS:			
BPCL Deposit		10,000.00	
BSNL Phone-Deposit		1,995.00	
Happy Card-Deposit A/c		50,000.00	
J.Nageswara Rao - Hoarding Security Deposit		11,500.00	
MHPL-Deposit		65,000.00	
Soham Modi HUF Deposit		50,000.00	
Summit Builders - Statutory Deposit		12,897.00	
Summit Sales LLP Deposits	24,98,189.00	26,99,581.00	
LOANS & ADVANCES:			
Advances - Contractors			
Ashok Constructions	56,86,762.96		
Anand Jyothi Babu on A/c	20,000.00		
Bharat Patel on A/c	34,277.00		
Mangilal Bishnoi on A/c	1,68,611.00		
Ramulamma on A/c	1,849.75	59,11,500.71	
Advances - Suppliers			
Ayappa Traders Iron & Steel Cement Syndicate	23,433.00		
JSW Cement Limited	19,799.60		
Purnima Mosaic Tiles	2,23,467.00		
Sri Venkateshwara Power Tech	58,675.00		
Venkateshwara Irrigation Service	16,681.00	3,42,055.60	
Commission Or Brokerage			
Brokerage/commission	50,003.00	50,003.00	
Contractors Loans			
Shaik Moiz Loan A/c	39,000.00	39,000.00	
JDA Deposits			
A.Ajay Reddy	64,50,000.00		
A.Vasuda Reddy	64,50,000.00	1,29,00,000.00	
Loans & Advances Others			
AVR Group LandLord Running A/c	3,21,134.00		
Gst Input	1,12,59,167.99		
Summit Builders - Statutory Payments	14,578.00		
Tds Receivable	19,491.40		
Tds Receivable 19-20	40,000.00	1,16,54,371.39	
Staff Petty Cash			
Zakir Hussain Petty Cash A/c	16.00	16.00	
Staff Salaries			
Ahmad Hussain Salary A/c	1,396.00		
B.Anil Kumar Salary	14,500.00		
Bikunali Harika Salary A/c	4,471.00		
Ch. Rajkumar Salary A/c	29,880.00		
Sheraaz Ahmed Mohammed Salary A/c	575.00		
Swathi.K Salary A/c	37,960.00		
Zakir Hussain Salary A/c	1,360.00	90,142.00	
		3,36,86,669.70	



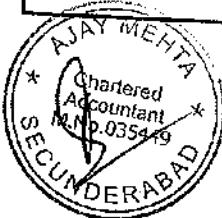
Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsxBS SCHEDULE

		Amount in Rs.	
A-21 P. Vijay Kumar	8,90,176.00		
A-22 Ram Kumar Kunchakuri	9,464.00		
A-29 Netala Chaitanya	2,64,500.00		
A-30 M. Parameshwar	7,93,046.00		
A-31 S. Rambabu	2,44,500.00		
A-32 B. Srinivasa Ramanujan	18,06,856.90		
A-33 Sri Priya & G. Suresh Kumar	6,48,725.00		
A-34 Narendra Tangella	2,33,875.00		
A-35 Vasantha Kumari	7,83,046.00		
A-37 V. Rama Kotireddy	5,82,250.00		
A-40 Neerudu Manju Vani	7,03,520.00		
A-41 Paduru Vinay	5,52,721.00		
A-48 G. Sanjeeda	10,48,772.40		
A-55 Indrakanthi Rajesh Kiran	8,54,000.00		
A-56 Smt K. Ramana & K. Janardhan	8,09,000.40		
A-57 Kurakunta Gopinath	4,98,750.00		
A-59 R. Vamshi Krishna	12,51,296.00		
A-60 K. Srinivas	2,18,296.00		
A-61 B. Vijayalakshmi	7,99,182.00		
A-63 P. Gurumurthy	4,89,586.00		
A-64 Yedula Durga Rani	8,41,646.40		
A-65 Dr Ambati Giri Prasad	2,70,516.00		
A-66 Mandhadi Sreeja	1,17,200.00		
A-69 G. Sunitha	52,000.00		
A-6 Chilkuri Gopinath	9,48,250.00		
A-74 K. Chenna Keshwar Rao	9,93,046.00		
A-76 M. Pratap Reddy	1,56,050.00		
A-81 Polisetty Anajaih	14,06,580.00		
A-82 Polisetty Nageswar Rao	11,26,500.00		
A-87 S. Sharath Reddy	2,65,750.00		
A-91 Y. Ramakrishna	5,07,726.00		
Villa No. 19 Modi & Modi Constructions	45,00,000.00		
Villa No. 25 Modi & Modi Constructions	45,00,000.00		
Villa No. 43 Modi & Modi Constructions	45,00,000.00		
Villa No. 45 Modi & Modi Constructions	45,00,000.00		
Villa No. 49 Modi & Modi Constructions	45,00,000.00		
Villa No. 54 Paramount Builders	45,00,000.00		
Cancellation Flats		4,72,19,387.10	
A-28 Bhuyyankar Shyam Sunder	25,000.00		
A-45B. Ravindra Babu - Cancelled	25,000.00		
A-45B. Ravindra Babu - Cancelled	1,25,000.00		
A-82 - Mrs Sucharitha - Cancelled	25,000.00		
A-84 Amulya - Cancelled	25,000.00		
A-87 Kranthi Kiran Cancelled	25,000.00	2,50,000.00	
		4,74,69,387.10	
SCHEDULE-G			
INSTALMENTS RECEIVABLE:			
INST-Instalments receivable		(1,13,36,870.15)	
		(1,13,36,870.15)	
SCHEDULE-H			
CASH IN HAND			
Cash		1,45,561.00	
		1,45,561.00	
SCHEDULE-I			
BANK BALANCES:			



Modi Realty Miryaguda LLP IT Return AY 2020-21.xlsxBS SCHEDULE

SCHEDULE-L		Amount in Rs.
SUNDRY DEBTORS:		
CUSTOMERS		
A-38 Kandimalla Shekar Reddy		35,500.00
A-39 Miryala Nagamani		73,625.00
A-46 Bhanu		3,48,000.00
A-70 Ch. Srihari		9,97,500.00
A-75 BV Lakshmi		9,25,408.68
A- 84 Kesa Ravi		8,29,000.00
Villa No.19 Modi & Modi Realty Hyd Pvt Ltd		11,17,250.00
Villa No.25 Modi & Modi Realty Hyd Pvt Ltd		11,17,250.00
Villa No.43 Modi & Modi Realty Hyd Pvt Ltd		22,34,500.00
Villa No.45 Modi & Modi Realty Hyd Pvt Ltd		15,26,000.00
Villa No.49 Modi & Modi Realty Hyd Pvt Ltd		22,34,500.00
Villa No.51 Modi & Modi Realty Hyd Pvt Ltd		15,26,000.00
Villa No.52 Modi & Modi Realty Hyd Pvt Ltd		15,26,000.00
Villa No.54modi Housing Pvt Ltd		22,34,500.00
		1,67,25,033.68
SCHEDULE-M		
CLOSING STOCK:		
Land & WIP		4,51,42,160.64
		4,51,42,160.64

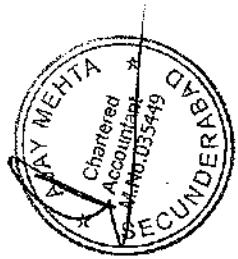


Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsx P&L SCHEDULES

ASSESSMENT YEAR	2020-2021	BALANCES AS ON:	31-03-2020
NAME OF THE ENTITY:	M/s. MODI REALTY MIRYALGUDA LLP		
SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-3-2020			
SCHEDULE-N			
Promotions Expenses:			
Advertisement	6,90,426.03		
Hoarding Rent	1,67,404.00		
	8,57,830.03		
SCHEDULE-O			
Financial expenses:			
Bank Charges -Exempt	2,973.60		
Interest Paid on Un-Secured Loans	44,23,403.00		
	44,26,376.60		
SCHEDULE-P			
Statutory Interest & Penalties:			
Interest on Professional Tax	1,505.00		
Interest on Provident Fund	1,925.00		
Interest on Tds	14,793.00		
	18,223.00		
SCHEDULE-Q			
Professional Services:			
Administration Exp	13,97,261.68		
Consultancy Charges	2,12,755.00		
Legal Exp	17,110.00		
CR Consultation Charges 18%	1,51,610.00		
QC Charges 18%	1,39,000.00		
Service Charges 18%	73,134.06		
	19,90,870.74		
SCHEDULE-R			
Salaries & Employee benefits			
Staff Welfare Expenses	69,635.00		
Vehicle Maintenance	18,671.00		
Bonus	30,704.00		
Commission-URD	7,91,502.00		
Conveyance	14,300.00		
ESI A/c	42,625.00		
ESI Prior period item	75,036.00		
Prior periods items	72,975.46		
Incentives	6,127.00		
Medical Claim Reimbursement Exp	16,364.00		
Mobile Allowance to Staff	39,900.00		
Provident Fund A/c	1,14,932.00		
Referred Incentives	5,000.00		
Staff Salaries	8,25,398.00		
	21,23,169.46		
SCHEDULE-S			
Other Indirect expenses:			
Computer & Peripherals	25,184.20		
Office Expenses	25,279.00		
Printing & Stationery	77,572.00		
Repairs & Maintenance	66,315.00		
Audit Fees 18%	46,173.00		
Bad Debts / Credits Written Off	41,572.38		

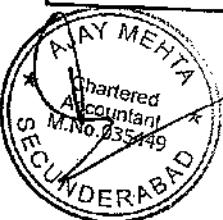


ASSESSMENT YEAR		2020-2021		BALANCES AS ON 31-03-2020					
NAME OF THE ENTITY:		M/s. MODI REALTY MIRYALGUDA LLP							
FIXED ASSETS		W.D.F.	Additions	Additions	Deductions	Total	Rate of Depreciation	Amount of Depreciation	W.D.V. C/f. 31.03.2020
Sl.No.	Name of the Asset	01.04.2019	Before 30.09.19	After 30.09.19	30.09.19				
1	FA-Activas	43,535				43,535	1.5%	6,530	37,005
2	FA-Computers	18,331				18,331	40%	7,332	10,998
3	FA-Laptop	25,841				25,841	40%	10,336	15,505
4	FA-Printers	5,479				5,479	40%	2,192	3,287
5	Air Cooler	10,804				10,804	1.5%	1,631	9,183
		1,03,920				1,03,920		28,011	75,978

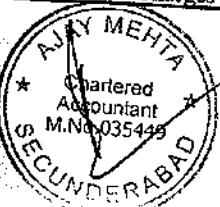


Modi Realty Miryalguda LLP IT Return AY 2020-21.xlsxP&L SCHEDULES

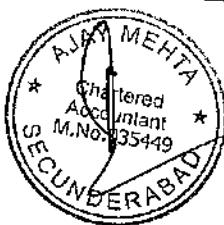
Car Hire Charges 18%	8,54,353.00		
Depreciation	28,011.50		
Miscell Exp Exempt	5,471.00		
News Paper Periodicals	2,940.00		
Petrol /Diesel-Exmt	95,903.00		
Professional Tax 17-18	7,250.00		
Registration Expenses	2,360.00		
Registration Expenses 18%	1,205.00		
Rounding Off	22.68		
Site Office Expenses-URD	6,267.00		
Telephone / Internet Charges Ex	15,099.00		
Tour/Travelling Expenses-Urd	56,960.00		
Xerox Charges	9,307.00		
	13,67,244.76		



ASSESSMENT YEAR	2020-2021	BALANCES AS ON:	31-03-2020
NAME OF THE ENTITY:	M/s. MODI REALTY MIRYALGUDA LLP		
DETAILS OF CONSTRUCTION EXPENSES			
Allowance for Const Equipment			
Algubelly Gopal Reddy- Allow for Const Equip -URD	3,850.00		
Allowance for Const Equip Reg-18%	2,01,533.60		
Allowance for Statutory - Janardhan Prasad	1,48,003.00		
A.Surender Reddy Allow Foe Const Equip	11,937.00		
Chithaluri Sai Ram - Allow for Const Equip	3,41,137.00		
CH.Ramakrishna-Allow For Const Equip-URD	11,300.00		
Janardhan Prasad - Allowance for Const Equip URD	37,429.00		
K. Srinu - Allow for Const Equip	1,05,625.00		
K. Upender Chari - Allow for Const Equip URD	2,645.00		
M. Ganesh Pola - Allow for Const Equip	61,662.00		
Nagaraju - Allowance for Const Equip-URD	38,662.00		
Navin A - Allow for Const Equip	9,950.00		
N.Ramakrishna Reddy - Allow for Equip URD	4,959.00		
N.Ramesh - Allow for Const Equip	1,23,900.00		
P. Ashok Allow for Const Equip	9,700.00		
Radhakrishna-Allow for Const Equip-Reg	27,725.00		
Radhakrishna-Allow for Const Equip-Urd	6,39,965.00		
Ravi Kotta-Allow for Const Equip	2,53,494.00		
R.Balu Nayak-Allow for Const Equip-URD	5,96,509.00		
Sayyed Yusuf Baba-Allow for Const Equip-URD	64,223.00		
Shaik Moiz - Allowance for Const Equip URD	58,150.00		
Sk Zaid - Allow for Const Equip	65,925.00		
S . K Zamceruddin - Allow for Equip	59,088.00		
Veera Chary-Allow For Const Equip-URD	94,187.00		
V. Vamshi - Allowance for Const Equipment URD	37,625.00		
V. Venkateshwarlu Allow for Cont Equip-URD	7,577.00	30,16,760.60	
Building Material			
Allumium Sections	9,11,904.17		
Bricks	5,450.00		
Cement	6,34,195.50		
Consumables	72,620.62		
Electrical Material	37,57,306.95		
Hardware	3,28,685.80		
Metal	1,08,636.48		
Paints	11,12,435.60		
Plumbing	42,97,598.03		
Purchase (@18%	60,386.17		
Sand	9,79,578.23		
Steel	12,53,376.52		
Stones	5,72,349.92		
Sundry Purchases.	55,859.15		
Tiles	35,17,437.11		
Tools	44,567.20		
Wood/Doors/Plywood	13,85,316.03		
Electrical Connection Charges	9,80,148.00		
Granite18%	33,079.20		
GSB 5%	7,24,293.50		
LT & HT Works 18%	8,18,200.00		
Solid Blocks - URD	1,89,000.00		
SS Railing 18%	3,15,278.90	2,21,57,703.08	
Labour Allowances-Reg			
Allowance for Consumables Reg-18%	1,00,766.80		
Brick Work & Plastering 18%	75,36,387.50		
Civil Works 18%	1,43,01,525.90		
Labour Charges-Reg-18%	2,01,533.60		



RCC Works 18%		1,24,51,917.50	3,45,92,131.30	
Labour Allowances-Unreg		11,33,467.43		
Allowance for Consumables URD		21,37,031.07		
Allowance for Const Equip URD		5,49,582.80		
Allowance for Equipment URD		25,007.20		
Labour Charges - Un Registered		22,66,016.84	61,11,105.34	
Labour Charges URD				
Other Expenses				
Allowances for Statutory-Abdul Aziz A/c		1,56,212.00		
Allowance for statutory compliance contractors		44,393.00		
Creche Teacher Fees		12,000.00		
Electrical Meters Expenses		2,790.00		
Electricity Charges-3201450949		4,47,252.00		
Electricity Expenses		1,542.00		
Salaries Construction division		10,12,353.00		
Bonus Construction division		27,406.00		
Gardening Charges		1,06,352.00		
House Keeping Charges		2,50,689.00		
Loading & Unloading		11,760.00		
Security Charges-URD		6,10,202.00		
Transportation Charges 12%		2,72,000.00		
Transportation Charges 18%		1,20,100.00		
Transportation Expenses-URD		28,581.00		
Water Tanker Charges-URD		1,11,200.00		
Welding Work		6,525.00	32,21,357.00	
			6,90,99,057.32	
CLOSING STOCK				
Opening Stock (1-4-2020)				4,09,26,430.59
Construction Expenses during the year				
Allowance for Const Equipment				
Building Material		30,16,760.60		
Labour Allowances-Reg		2,21,57,703.08		
Labour Allowances-Unreg		3,45,92,131.30		
Other Expenses		61,11,105.34		
Less: Extra specs		32,21,357.00		
Less: Room Rent		6,90,99,057.32		
Less: Cost recognized during the year		14,160.00		
Closing Stock (31-3-2020)		83,436.00	6,90,01,461.32	#####
			6,47,85,731.27	
			4,51,42,160.64	



MODI REALTY MIRYALGUDA LLP
ASSESSMENT YEAR :: 2020-2021
SCHEDULE "T":
Notes to Accounts

1) Significant Accounting Policies

a) Accounting Conventions

The accounts have been prepared using historical cost conventions and on the basis of going concern with revenues recognized and expenses incurred on accrual basis unless otherwise stated.

b) Use of Accounting Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the management makes estimates and assumptions that effect the reported amounts of assets & liabilities as at the date of the financial statements. The reported amount of revenues & expenses during the reported period, actual results could differ from the estimates.

c) Inventories

- i) Land is stated at cost.
- ii) Building construction work is stated at cost including estimated profits declared year to year till completion of the project.

d) Revenue Recognition:

Revenue from property development activity which are in substance similar to delivery of goods is recognized when all significant risks and rewards of ownership in the land and/or building are transferred to the customer and a reasonable expectation of collection of the sale consideration from the customer exists.

Revenue from these property development activities which have the same economic substance as that of a construction contract is recognized based on the 'Percentage of Completion method' (POC).

The revenue is recognized where the progress on the project has reached to a reasonable stage of 25% completion. The work percentage of work completion is determined with reference to the proportion of project cost incurred for work performed upto the balance sheet date bear to the estimated total cost of each project.

The estimated of cost and revenue are reviewed by management periodically and effect of any change in such estimates is recognized in the period in which such changes are determined.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.



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e) Fixed Assets:

Fixed Assets are stated at historical cost net of tax / duty credit availed, if any. Cost comprises the cost of acquisition / construction and any cost attributable to bring the asset to its working condition for its intended use.

f) Depreciation:

Depreciation on Fixed assets is provided on W.D.V. method at the rates and in the manner specified under I.T. Act/Rules.

g) Borrowing Costs:

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs which are not attributable to any fixed assets are charged to the Profit and Loss account.

h) Provisions:

Provisions are recognized when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a realizable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet Date.

i) Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the controls of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

The percentage of work completed under the project upto 31-3-2020 is 64% Which is determined with reference to the proportion of project cost incurred for work performed upto Balance Sheet date bear to the estimated total cost of project. The details of revenue recognized and cost recognized accordingly is as under:

Revenue Recognized	Rs.7,28,11,291/-
Cost recognized	Rs.6,47,85,731/-

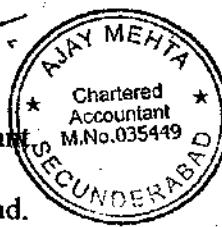
4. Expenses not supported by external as taken as certified and authenticated by the management.



A handwritten signature in black ink, appearing to read "AJAY MEHTA".

5. Balances standing to debit/credit to various accounts are subject to confirmation.

V. Patel
Ajay Mehta
Chartered Accountant
M.No.035449
Place : Secunderabad.
Date : 05/11/2020



UDIN : 20035449AAAADL8716

For MODI REALTY MIRYALGUDA LLP,

V. Patel
(Partner)

Place : Secunderabad.
Date : 05/11/2020

ASSESSMENT YEAR	2020-2021	BALANCES AS ON:
NAME OF THE ENTITY:		M/s. MODI REALTY MIRYALGUDA LLP
Estimated of IT - Percentage completion method		
PROJECT ESTIMATION		
Proposed Const Bunglows Owner	91 Bunglows	
Proposed Const Bunglows Develoer	44,360	sft
Ammunities - Club House	95,550	sft
	9,600	sft
Revenue		
Sale rate	2,842	Rs
	27,15,35,647	Rs
Exp		
Land	-	Rs
Sanction cost	52,61,686	Rs
Development & Costruction rate	1,496	Rs
Development & Costruction cost	20,92,96,662	Rs
Amenities - Club House rate	2,200	Rs
Amenities - Club House Cost	2,11,20,000	Rs
Total cost	23,56,78,348	Rs
Gross Profit	3,58,57,300	Rs
Gross profit %	13.21%	

ASSESSMENT YEAR	2020-2021	BALANCES AS ON 31.03.2020								
NAME OF THE ENTITY:	M/s. MODI REALTY MIRYALGUDA LLP									
PROJECT NAME										
Date of financial statements	A	31.03.2020								
Total expected revenues from the project	B	AGH								
Total expected project costs	C	23,56,73,348								
Total expected gross margin	D (B-C)	3,58,57,300								
Total expected gross margin as % of A	E (D/B)	13%								
Total costs incurred as on the date of A above	F	15,06,78,348								
% of costs incurred A above	G (F/C)	64%								
Revenue recognition if the progress made is in excess of	H	-	Doubt							
Total revenue upto A above	I	12,15,92,998								
Less: Revenue recognized during the previous periods	J	4,37,81,707								
Revenue for the current reporting period	K (I-J)	7,28,11,291								
Cost for the current reporting period	L	10,55,36,187								
Less: cost recognized during the previous periods	M	4,07,50,456								
During the year: cost recognised	N	6,47,85,731								
Profit	O	80,25,560								
Consolidated details	None	77,890	None							
Names of the purchase	Project Name	Unit No.	Area in Sq Feet	sale price in Rs. Per square feet	Other fixed charges, if any	Total expected proceeds	Advances received	Revenue to be recognised	Costs to be recognised	Test should be OKAY for
(1)	(2)	(3)	(4)	(5)	(6)	(7=(4X5)+6)	(8)	(9)	(10)	(11)
Mr. Ranga Madhavi	AGH	16	2340	1923	45,00,000	45,00,000	28,7,025	24,97,103	24,97,103	(13)
Modi & Modi Realty Hyderabad pvt Ltd	AGH	19	2340	1771	41,44,000	41,44,000	26,4,421	22,99,555	22,99,555	TRUE
Vijay Kumar	AGH	21	2340	1923	45,00,000	45,00,000	28,7,025	24,97,103	24,97,103	TRUE
Mr. Ram Kumar Kunichakuri	AGH	22	1250	2880	36,00,000	36,00,000	23,01,620	19,97,683	19,97,683	TRUE
Modi & Modi Realty Hyderabad pvt Ltd	AGH	25	1250	2880	36,00,000	36,00,000	23,01,620	19,97,683	19,97,683	TRUE
Mr. Netaal Chaitanya	AGH	29	2340	1923	45,00,000	45,00,000	28,7,025	24,97,103	24,97,103	TRUE
M. Parameshwar	AGH	30	1250	3360	42,00,000	42,00,000	26,85,224	23,30,630	23,30,630	TRUE

Names of the purchaser	Project Name	Unit No.	Area in Sq.Feet	sale price in Rs. Per square feet	Other fixed charges, if any	Total expected proceeds	Advances received	Revenue to be recognised	Costs to be recognized	Test should be OKAY for B & C Estates
Mr S. Rambabu	AGH	31	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
Bocra Srinivasa Ramamujan	AGH	32	1250	3360		42,00,000		26,85,224	23,30,630	TRUE
Sri Priya & G. Suresh Kumar	AGH	33	2340	2276		53,25,000		34,04,480	29,54,906	TRUE
Narendria Tangella	AGH	34	1250	3400		42,50,000		27,17,191	23,58,375	TRUE
Vasanthi Kumari	AGH	35	1250	3000		37,50,000		23,97,321	20,80,919	TRUE
V.Rama Koti Reddy	AGH	37	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
Mr. Kandimalka Sheikhar Reddy	AGH	38	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
Mr. Miriyala Nagamani	AGH	39	2840	1709		40,00,000		25,57,356	22,19,567	TRUE
Mr. Neerudu Manju Vani	AGH	40	2340	1603		37,50,000		23,97,521	20,80,919	TRUE
Padmuri Vihay S/o P.Ramana Reddy	AGH	41	2340	2540		59,44,000		38,00,231	32,96,396	TRUE
Modi & Modi Realty Hyderabad pvt ltd	AGH	43	1250	3195		39,94,000		25,53,520	22,16,318	TRUE
Modi & Modi Realty Hyderabad pvt ltd	AGH	45	2840	1923		45,00,000		28,77,025	24,97,103	TRUE
Pelapolu Bharu	AGH	46	2340	2564		60,00,000		38,36,034	33,29,471	TRUE
G.Sanjeeva	AGH	48	2340	2051		48,00,000		30,68,827	26,63,577	TRUE
Modi & Modi Realty Hyderabad pvt ltd	AGH	49	1250	2880		36,00,000		23,01,620	19,97,683	TRUE
Modi Housing pvt ltd	AGH	54	2840	1923		45,00,000		28,77,025	24,97,103	TRUE
Mr. Indrakanthi Rajesh Kiran	AGH	55	2340	1923		45,00,000		28,77,025	24,97,103	TRUE
Smt. K. Ramana W/o K. Janardhan	AGH	56	2340	2479		58,00,000		37,08,166	32,18,489	TRUE
Kurukula Gopinath	AGH	57	1250	3360		42,00,000		26,85,224	23,30,630	TRUE
Mr. Raydurg Yamshi Krishna	AGH	59	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
chilukuri Gopinath	AGH	6	2340	2350		55,00,000		33,16,364	30,52,015	TRUE
K. Srinivas	AGH	60	1250	2640		33,00,000		21,99,819	18,31,209	TRUE
P. Vijayalakshmi	AGH	61	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
P. Gurumurthy	AGH	63	1250	3133		39,16,000		25,03,651	21,73,035	TRUE
Mrs. Yetula Durga Rani	AGH	64	1250	3133		39,16,000		25,03,651	21,73,035	TRUE
Dr Ambati Giriprasad	AGH	65	2840	2315		54,16,000		34,62,660	30,05,403	TRUE
Mandhadi Sreeja	AGH	66	2340	2376		55,60,000		35,54,725	30,85,310	TRUE
Gouri Sunitha	AGH	69	2340	1709		40,00,000		25,57,356	22,19,567	TRUE
Mr. Chalasani Sri Hari	AGH	70	2340	1538		36,00,000		23,01,620	19,97,683	TRUE
Mr. K. Chenna Keshwar Rao/Mrs. K Eastwood	AGH	74	1250	2960		37,00,000		23,65,554	20,53,174	TRUE
B.V.Lakshmi	AGH	75	1250	2618		32,72,500		20,92,237	18,15,949	TRUE
Pratap Reddy	AGH	76	1250	2512		31,40,000		20,07,524	17,42,423	TRUE
Mr. Polisetty Anjali	AGH	81	2340	2540		59,44,000		38,00,231	32,98,396	TRUE
Mr. Polisetty Nageshwar Rao	AGH	82	2840	2479		58,00,000		37,08,166	32,18,489	TRUE
Mr. Kesa Ravi	AGH	84	1250	3680		46,00,000		29,40,959	25,52,595	TRUE
S. Sharath Reddy	AGH	87	1250	3440		43,00,000		27,48,157	23,86,121	TRUE



Names of the purchaser	Project Name	Unit No.	Area in Sq Feet	sale price in Rs. Per square feet	Other fixed charges, if any	Total expected proceeds	Advances received	Revenue to be recognised	Costs to be recognized	Test should be OKAY for B & C Estates
Mr.Y.Ramakrishna	AGH	91	1250	2851		35,64,000		22,78,604	19,77,706	B & C Estates TRUE
			77,890	1,13,921		19,01,85,500	-	12,15,92,998	10,55,36,187	
						2,442				

