



केन्द्रीय कर आयुक्त का कार्यालय :: लेखा आयुक्तालय-II

1-98/B/20, 21 :: कृत्तिका लेआउट :: हाइटेक सिटी :: हैदराबाद - 81

OFFICE OF THE COMMISSIONER OF CENTRAL TAX :: AUDIT-II COMM'ATE
1-98/B/20, 21 :: KRITHIKA LAYPUT :: HITECH CITY :: HYDERABAD - 81

C.No.Audit/CR-I/10/2017-18/SAG-14

Date: | 4 .05.2020

SHOW CAUSE NOTICE

Sub: Service Tax- Non-payment of Service Tax under reverse charge mechanism on Freight and Legal Services and availment of Cenvat Credit on common input services and non-payment of 7% on exempted services by M/s B&C Estates, 5-4-187/3&4, Soham Mansion, M.G.Road, Raniganj, Secunderabad, Telangana - 500003 during the period from April, 2014 to June, 2017- Issuance of Show Cause Notice - Regarding.

M/s B&C Estates, 5-4-187/3&4, Soham Mansion, M.G.Road, Raniganj, Secunderabad, Telangana - 500003 holding Service Tax Registration No. AAHFB7046ASD001 (hereinafter referred to as "the assessee" or "M/s B&C") are engaged in the activity of Construction of Residential Complex Services under the Finance Act, 1994. M/s B&C are paying service tax on the services rendered by them and also claiming exemption from payment of tax on residential apartments sold after receipt of completion certificate. M/s B&C are also availing Cenvat Credit on input services like Architect Services, Security Services, Professional Services etc which are common for both taxable and have utilized the same for payment of service tax.

2. During the course of audit and verification of ledgers with ST-3 Returns, it was observed that Service Tax is being discharged on taxable services viz, construction of residential complex services provided on the amounts received against the flats which were sold before the receipt of occupation certificate. It was also observed that certain amounts were deducted from the value of taxable services as exempted service. Upon enquiry, a statement showing the details of flats sold after receipt of OC i.e. Occupancy Certificate. Perusal of the statement reveals that 07 flats were sold after receipt of OC during the period 01.10.2014 to 30.06.2017. The total receipt from the sale of the above 07 flats is Rs.2,94,69,000/-. No Service Tax was paid on the consideration received from the sale of the above flats on the ground that the said flats were sold after receipt of Completion Certificate from the proper authority. M/s B&C are also availing Credit of Service Tax paid on Input Services. From the scrutiny of the invoices on which input service credit was availed it appears that Cenvat Credit of Service Tax paid on common input services like Architect, Security Services,

Professional Charges, have been availed for provision of both taxable and exempted services and such Cenvat Credit was utilized for payment of service tax. It is observed that though both taxable and exempted services were provided no option has been exercised by M/s B&C Estates as provided under Rule 6(3)A of the Cenvat Credit Rules, 2004.

2.1 In terms of Rule 6(3) of the Cenvat Credit Rules, 2004, where a person is engaged in provision of both taxable and exempted services and avails Cenvat Credit on input services which are common to both taxable and exempted services, the service provider has the option to reverse that portion of the Cenvat Credit attributable to exempted service or pay 6% of the value of exempted services. For ease of reference the said provisions for the period 2015-16, are reproduced hereunder:

(3) Notwithstanding anything contained in sub-rules (1) and (2), the manufacturer of goods or the provider of output service, opting not to maintain separate accounts, shall follow either of the following options, as applicable to him, namely:-

- (i) the manufacturer of goods shall pay an amount equal to five per cent. of value of the exempted goods and the provider of output service shall pay an amount equal to six percent. of value of the exempted services; or*
- (ii) the manufacturer of goods or the provider of output service shall pay an amount equivalent to the CENVAT credit attributable to inputs and input services used in, or in relation to, the manufacture of exempted goods or for provision of exempted services subject to the conditions and procedure specified in sub-rule (3A).*

Explanation I.- *If the manufacturer of goods or the provider of output service, avails any of the option under this sub-rule, he shall exercise such option for all exempted goods manufactured by him or, as the case may be, all exempted services provided by him, and such option shall not be withdrawn during the remaining part of the financial year.*

Explanation II.- *For removal of doubt, it is hereby clarified that the credit shall not be allowed on inputs and input services used exclusively for the manufacture of exempted goods or provision of exempted service.*

2.2. Subsequently vide Notification 13/2016 CE (NT) dated 01.03.2016 has amended the above provisions and for ease of reference the same is reproduced hereunder:

(3) (a) A manufacturer who manufactures two classes of goods, namely :-

(i) non-exempted goods removed;

(ii) exempted goods removed; or

(b) a provider of output service who provides two classes of services, namely:-

(i) non-exempted services;

(ii) exempted services, shall follow any one of the following options applicable to him, namely :-

(i) pay an amount equal to six per cent. of value of the exempted goods and seven per cent. of value of the exempted services subject to a maximum of the total credit available in the account of the assessee at the end of the period to which the payment relates; or

(ii) pay an amount as determined under sub-rule (3A).

Provided that if any duty of excise is paid on the exempted goods, the same shall be reduced from the amount payable under clause (i) :

Provided further that if any part of the value of a taxable service has been exempted on the condition that no CENVAT credit of inputs and input services, used for providing such taxable service, shall be taken then the amount specified in clause (i) shall be seven per cent. of the value so exempted :

Provided also that in case of transportation of goods or passengers by rail, the amount required to be paid under clause (i) shall be an amount equal to two per cent. of value of the exempted services.

Explanation 1.- If the manufacturer of goods or the provider of output service, avails any of the option under this sub-rule, he shall exercise such option for all exempted goods manufactured by him or, as the case may be, all exempted services provided by him, and such option shall not be withdrawn during the remaining part of the financial year.

Explanation 2.- No CENVAT credit shall be taken on the duty or tax paid on any goods and services that are not inputs or input services.

Explanation 3.- For the purposes of this sub-rule and sub-rule(3A),-

(a) "non-exempted goods removed" means the final products excluding exempted goods manufactured and cleared upto the place of removal;

(b) "exempted goods removed" means the exempted goods manufactured and cleared upto the place of removal;

(c) "non-exempted services" means the output services excluding exempted services".

3. It is seen from the above provisions that a provider of both non-exempted and exempted services who avails common input services has to pay 7% of the value of the exempted services rendered during the period. M/s B&C vide their letter dated 14.02.2020 submitted that as per the provisions of Rule 6(3) of the Cenvat Credit Rules 2004 which stood amended as per Notification 13/2016 CE (NT) dated 01.03.2016 they were not required to pay 7% of the value of the exempted services as they have not availed any credit of input service as on 01.04.2016. The above contention appears to be incorrect because in terms of the above amended provision it specifies the credit used during the period. The word period should not be narrowly and loosely interpreted to mean during the return period but it means during the entire period of availment of credit on common inputs services for entire period of the provision of both taxable and exempted services viz., entire period of the project. Further the interpretation of B&C appears to be incorrect for the reason that they have availed common input services at the time of commencement of and middle stages of the project and the Occupancy Certificate was received by them much later when the project, viz., the residential complex was complete. Further the law does not provide that a person can avail Cenvat Credit on common input services utilize them for payment of tax on taxable services and also not reverse 7% of the value of the exempted goods or reverse proportionate Cenvat Credit as it amounts to availment of double benefit. Hence it appears that they are liable to pay 7% of the value of the exempted services provided during Oct, 2014 to June, 2017. In the instant case M/s B&C Estates have not exercised their option and neither reversed proportionate credit attributable to exempted services nor paid 7% of the value of the exempted services

thereby it amounts to double benefit which is not permissible as per the above provisions and the very purpose of Rule 6(3) would be defeated. Since M/s B&C have provided both taxable and exempted services and have not followed the procedure prescribed under Rule 6(3) of the Cenvat Credit Rules, 2004, they are liable to pay an amount of Rs.18,20,344/- which is equal to the 7% on the total sale consideration received from the sale of the above 7 flats.

4. From 01.07.2012 onwards as per Section 65(B)44 "Service" means any activity carried out by person for another for consideration and includes a declared service and certain specified services are excluded from the said definition. The subject service is not covered by any of the aforesaid specific exclusions. As per Section 65 B(51), "taxable service" means any service on which service tax is leviable under section 66B. As per Section 68(2) of the Act as amended "Notwithstanding anything contained in sub section (1), in respect of such taxable services as may be notified by the Central Government in the official Gazette, the Service Tax thereon shall be paid by such person and in such manner as may be prescribed at the rate specified in Section 66 and all the provisions of the chapter shall apply to such person as if he is the person liable for payment of Service Tax in relation to such services".

5. It was further observed from the Balance Sheet submitted by M/s B&C that an expenditure of Rs.89,315/- in the F.Y. 2014-15 (Oct, 2014 to Mar, 2015), Rs.84,062/- in the F.Y. 2015-16, Rs.45,150/- in the F.Y. 2016-17 and Rs.4,050/- in the F.Y. 2017-18 (upto June, 2017) was incurred towards Legal Expenses and no Service Tax was paid on such expenditure. M/s. B&C Estates being a Partnership Firm, Service Tax under partial reverse charge under proviso to Section 68(2) of Finance Act, 1994 in terms of Notification No. 30/2012 dated 20.06.2012 to the extent of service tax is payable by the person who receives the service as per Sl. No.5 of Table of the above said notification. In the instant case M/s. B&C Estates being the service recipient, Service Tax is to be paid by M/s. B&C Estates.

5.1 M/s B&C in this regard submitted that though in the ledger they have mentioned legal expenses, the same was not paid to advocates but was for purchase of stamp papers etc and that they are submitting an Annexure evidencing the same. However no Annexures/Enclosures were submitted. Therefore, it appears that it is an afterthought to evade payment of tax by M/s B&C. Hence it appears that Service Tax on above amount to the tune of Rs.11,039/- @12.36% for the F.Y. 2014-15 (Oct, 2014 to Mar, 2015), Rs.12,189/- @14.50% for the F.Y. 2015-16, Rs.6,772/- @15.00% for the F.Y. 2016-17 and Rs.608/- @15.00% for the F.Y. 2017-18 (upto June, 2017) totalling to Rs.30,608/- to be paid along with applicable interest and penalty under Section 75 & 78 of Finance Act, 1994.

6. It was further seen from the Balance Sheet that an expenditure of Rs.4,52,017/- in the F.Y. 2014-15 (Oct, 2014 to Mar, 2015), Rs.2,51,980/- in the F.Y.

2015-16, Rs.2,89,044/- in the F.Y. 2016-17 and Rs.71,605/- in the F.Y. 2017-18 (upto June, 2017) was incurred M/s B&C towards Transportation Charges and no Service Tax was paid on such expenditure. M/s. B&C Estates being a Partnership Firm, Service Tax under partial reverse charge under proviso to Section 68(2) of Finance Act, 1994 in terms of Notification No. 30/2012 dated 20.06.2012 to the extent of service tax is payable by the person who receives the service as per Sl. No.2 of Table of the above said notification after availing abatement as per Sl. No.7 of Notification No. 26/2012 dated 20.06.2012 as amended vide Notification No.8/2016-ST dated 01.03.2016 w.e.f. 01.04.2016 wherein the rate of abatement is reduced from 75% to 70%. In the instant case M/s. B&C Estates being the service recipient, Service Tax is to be paid by M/s. B&C Estates.

6.1 M/s B&C in this regard submitted that the said expenditure was incurred for payment towards trollies, Autos by Goods Transport Operators and not Goods Transport Agencies and the said goods transport Operators have not issued any consignment notes. As per Entry No.A(ii) of **Notification 30/2012 ST** dated 20.06.2012, reverse charge is applicable only when taxable service provided or agreed to be provided by a goods transport agency in respect of transportation of goods by road, where the person liable to pay freight is,—

- a) any factory registered under or governed by the Factories Act, 1948 (63 of 1948);
- b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India;
- c) any co-operative society established by or under any law;
- d) any dealer of excisable goods, who is registered under the Central Excise Act, 1944 (1 of 1944) or the rules made there under;
- e) any body corporate established, by or under any law; or
- f) any partnership firm whether registered or not under any law including association of persons;

6.2 From the above it is appears that subsequent to the introduction of Negative List from 01.07.2012 Service Tax is payable by the recipient of service irrespective whether consignment note is issued or not as there is no mention of the same in the above provisions of law. Hence, it appears that the Service Tax after proper abatement on above amount to the tune of Rs.13,967/- @12.36% for the F.Y. 2014-15 (Oct, 2014 to Mar, 2015), Rs.10,961/- @14.50% for the F.Y. 2015-16, Rs.13,007/- @15.00% for the F.Y. 2016-17 and Rs.3,223/- @15.00% for the F.Y. 2017-18 (upto June, 2017) totalling to Rs.41,158/- to be paid along with applicable interest and penalty under Section 75 & 78 of Finance Act, 1994.

7. From 01.07.2012 onwards both the above services appear to be covered by Section 65B(44) *ibid*. Further, these services are not listed in the Negative

list of services under Section 66D of Finance Act, 1994 and are not covered under any exemption notification and hence continue to be taxable service.

8. During the course of verification of ST-3 returns, it was observed that half-yearly ST-3 Returns had been belatedly filed by M/s B&C during the period as given in the table below. It was further observed that in some cases Late Fee had been fully or partially paid by the assessee. However, there is short payment of such Late Fee due. The details of short payment, not payment or excess payment of Late Fee on delayed filing of ST-3 Returns for the period from 04/2014 to 06/2017 are as follows:

Sl. No.	Period of ST-3s	No. of Days (Delay)	Late Fee Payable	Late Fee Paid	Late Fee Dues
1.	Apr - Sep, 2013	21	Rs.500/-	NIL	Rs.500/-
2.	Oct - Mar, 2014	32	Rs.1,200/-	Rs.1,200/-	Rs.1,200/-
3.	Oct - Mar, 2015	34	Rs.1,400/-	Rs.1,200/-	Rs.200/-
4.	Apr - Sep, 2015	104	Rs.8,400/-	Rs.2,300/-	Rs.6,100/-
5.	Oct - Mar, 2016	62	Rs.4,200/-	Rs.4,500/-	(-) Rs.300/-
6.	Oct - Mar, 2017	380	Rs.20,000/-	Rs.25,000/-	(-) Rs.5,000/-
7.	Apr - Jun, 2017	274	Rs.20,000/-	NIL	Rs.20,000/-
				TOTAL =	Rs.22,700/-

8.1 Rule 7 of the Service Tax Rules which deals with the statutory return to be filed by every provider of taxable service provides as follows:

Where the return prescribed under rule 7 is furnished after the date prescribed for submission of such return, the person liable to furnish the said return shall pay to the credit of the Central Government, for the period of delay of:

(i) fifteen days from the date prescribed for submission of such return, an amount of five hundred rupees;

(ii) beyond fifteen days but not later than thirty days from the date prescribed for submission of such return, an amount of one thousand rupees ;and

(iii) beyond thirty days from the date prescribed for submission of such return an amount of one thousand rupees plus one hundred rupees for every day from the thirty first day till the date of furnishing the said return:

Provided the total amount payable in terms of this rule shall not exceed the amount specified in Sec.70 of the Act.

8.2 In terms of Section 70 of the Finance Act, the amount specified is Rs 20,000/- (Twenty Thousand Only). In this regard M/s B&C submitted that the return for April to September 2013 and October 2013 to March 2014 has been filed on 15.11.2013 and 27.05.2014 respectively and hence the same is time barred and they

would be paying the balance and submitting the challan. However they have neither paid the same till date nor forwarded the same. Hence, it appears that M/s B&C are liable to pay an amount of Rs.21,000/- as Late Fee under Section 70 of Finance Act, 1994 read with Rule 7 of Service Tax Rules, 2004.

9. During the verification of challans and ST-3s, it was noticed that there was delay in payment of service tax during the financial years as given in the table below. It was further observed that in some cases interest had been paid by the assessee. However, there is short payment of such interest due. The details of short payment or non payment of interest on delayed payment of Service Tax for the period from 04/2014 to 06/2017 are as follows:

Sl. No.	Period of ST-3s	Interest Payable	Interest Paid	Interest Due
1.	Oct – Mar, 2014	Rs.19,778/-	Rs.16,062/-	Rs.3,716/-
2.	Apr – Sep, 2015	Rs.56,638/-	Rs.42,338/-	Rs.14,300/-
3.	Oct – Mar, 2016	Rs.1,59,792/-	Rs.1,30,902/-	Rs.28,890/-
4.	Apr – Sep, 2016	Rs.1,30,066/-	Rs.84,416/-	Rs.45,650/-
5.	Oct – Mar, 2017	Rs.1,33,914/-	Rs.49,708/-	Rs.84,206/-
6.	Apr – Jun, 2017	Rs.10,314/-	Rs.3,27,050/-	Rs.3,16,736/-
			TOTAL =	Rs.4,93,498/-

9.1 Section 75 of Finance Act 1994, stipulates that *Every person, liable to pay the tax in accordance with the provisions of section 68 or rules made there under, who fails to credit the tax or any part thereof to the account of the Central Government within the period prescribed, shall pay simple interest [at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as is for the time being fixed by the Central Government, by notification in the Official Gazette for the period by which such crediting of the tax or any part thereof is delayed.* Hence it appears that M/s B&C are required to pay the interest short paid.

10. From the foregoing it appears that M/s B&C have availed cenvat credit of service tax paid on input services like Architect, Security Services, Professional Charges which are common services for both taxable and exempted services but chose not to reverse proportionate credit or pay 7% of the value of the exempted services during the period. Further, they have never informed the department that they were availing cenvat credit on input services which were common for both taxable and exempted services. They have also chosen not to reverse proportionate credit not paid 7% of the value of the exempted services. Hence it appears that they have deliberately suppressed material facts from the department only with the intent to evade payment of 7% of the value of the exempted services and would not have come to light but for

the verification conducted by the department and hence it appears that the extended period of limitation as provided under Rule 14 of the Cenvat Credit Rules read with proviso to Section 73(1) of the Finance Act, 1994 is invokable in the instant case to demand the 7% not paid. It also appears that M/s B&C have rendered themselves liable to penalty under Rule 15(3) of the Cenvat Credit Rules, 2004 read with Section 78 of the Finance Act, for suppression of facts with the intent to evade payment of tax. It also appears that they are liable to pay interest under Rule 14 of the Cenvat Credit Rules 2004 read with Section 75 of the Finance Act, 1994.

11. It further appears from the foregoing that M/s B&C have been incurring expenditure towards Legal Expenses and Freight which were chargeable to service tax under reverse charge mechanism but have chosen not to pay the same. They also chose not to declare the same in the statutory returns filed by them with the department. The fact of non-payment of Service Tax under Reverse Charge Mechanism on taxable services has come to light only on verification of the financial records viz., Balance Sheets, Ledgers, of the assessee during the course of Audit by the officers of the department. Therefore it appears that M/s B&C have suppressed material facts only with an intention to evade payment of Service Tax and hence it appears that the extended period of limitation in terms of Proviso to Section 73(1) of the Finance Act, 1994 appears invokable in the instant case to demand the service tax not paid/evaded. Consequently it appears that they are also liable to penalty under Section 78 of the Finance Act 1994 read with as amended to demand the Service Tax not paid and they are liable for Penalty under Section 78 ibid for suppression of facts and contravention of the provisions of Act and Rules made there under with the intent to evade payment of tax. It further appears that M/s B&C are also liable to pay the Interest at the applicable rates under Section 75 of the Finance Act, 1994 as amended.

12. From the foregoing it appears that M/s. Covalent contravened the following provisions of Chapter V of the Finance Act, 1994:-

- (i) Section 67 of the Finance Act, 1994 as amended, by not including the value of services received by them and thereby by not properly assessing the taxable value;
- (ii) Section 68(2) of the Finance Act, 1994 as amended read with Rule 6(1) of the Service Tax Rules, 1994 in as much as they did not pay the appropriate amount of Service Tax on the gross value of taxable services received by them;
- (iii) Section 70 of the Finance Act, 1994 read with Rule 7 of the Service Tax Rules, 1994 in as much as they failed to correctly self-assess their

Service Tax liability and also failed to file periodical returns with correct details about the value of services rendered; and

- (iv) Rule 6(3) of the Cenvat Credit Rules, 2004 for availing Cenvat Credit on common input services for provision of both taxable and exempted services but not following the procedure prescribed therein by either not reversing the proportionate credit or paying 7% of the value of the exempted services.

13. Now therefore, M/s B&C Estates, 5-4-187/3&4, Soham Mansion, M.G.Road, Raniganj, Secunderabad, Telangana - 500003, are hereby required to show cause to the Assitant/Deputy Commissioner of Central Taxes Secunderabad GST Division, Salike Senate, D.No.2-4-416 & 417, Ramgopalpet, M.G.Road, Secunderabad - 500003 within thirty days from the date of receipt of this notice as to why:-

- (i) An amount of **Rs 20,62,830/-** (Rs Twenty Lakhs Sixty Two Thousand Eight Hundred and Thirty Only) which is equal to the 7% on the total sale consideration received from the sale of the 7 flats after issuance of occupation certificate during the period 2016 to 2017, should not be recovered from them under Rule 14 of the Cenvat Credit Rules, 2004 read with proviso to Section 73(1) of the Finance Act, 1994;
- (ii) Service Tax amounting to **Rs. 30,608/-** (Rupees Thirty Thousand Six Hundred and Eight Only) [inclusive of applicable cesses] as detailed in the show cause notice, should not be demanded from them in terms of the proviso to Section 73(1) of Finance Act, 1994 as amended for the Legal Services under Reverse Charge Mechanism;
- (iii) Service Tax amounting to **Rs. 41,158/-** (Rupees Forty One Thousand One Hundred and Fifty Eight Only) [inclusive of applicable cesses] as detailed in the show cause notice, should not be demanded from them in terms of the proviso to Section 73(1) of Finance Act, 1994 as amended towards Goods Transport Agency Services, under Reverse Charge Mechanism;
- (iv) Late fee of **Rs 21,000/-** (Rupees Twenty One Thousand Only) should not be demanded towards Late fee for delayed filing of ST-3 Returns under Rule 7 of the Service Tax Rules, 1994 read with Section 70 of the Finance Act, 1994;
- (v) An amount of **Rs 4,93,498/-** (Rupees Four Lakhs Ninety Three Thousand Four Hundred and Ninety Eight Only) as discussed in Para 9 above, being the interest short paid on delayed payment of service tax should not be demanded from them under Section 75 of the Finance Act, 1994
- (vi) Interest at applicable rate(s) should not be demanded / recovered from them under Rule 14 of the Cenvat Credit Rules, 2004 read with Section 75 of Finance Act, 1994 on the amount demanded at (i) above;
- (vii) Interest at applicable rate(s) should not be demanded / recovered from them under Section 75 of Finance Act, 1994 on the amount of Service Tax demanded at (ii) & (iii) above;
- (viii) Penalty should not be imposed on them equivalent to the amount demanded at (i) above, Rule 15(3) of the Cenvat Credit Rules, 2004,

read with Section 78 of Finance Act, 1994 for wilful suppression of the facts with intent to evade payment of service tax;

- (ix) Penalty should not be imposed on them equivalent to the amount demanded at (ii) & (iii) above under Section 78 of Finance Act, 1994 for wilful suppression of the facts with intent to evade payment of service tax.

13. M/s. B&C are also informed that in terms of clause (i) of the second proviso to Section 78(1) of the Finance Act, 1994, where Service Tax demanded with interest is paid within a period of thirty days of the date of service of notice under the proviso to sub-section (1) of Section 73, the penalty payable shall be fifteen per cent of such Service Tax and proceedings in respect of such service tax, interest and penalty shall be deemed to be concluded provided the said reduced amount of penalty is also paid within the said thirty (30) days.

14. Further, M/s B&C are required to produce all the evidences which they intend to rely upon in support of their defence at the time of showing cause to the adjudicating authority. They are also required to indicate in their written reply as to whether they wish to be heard in person before the case is adjudicated, failing which it would be construed that they do not wish to be heard in person.

15. If no reply is received to this notice within the stipulated period of time as above or if they do not indicate their wish for a personal hearing or having indicated so, if they do not appear before the adjudicating authority when the case is posted for personal hearing, then it shall be construed that they do not have anything to state in their defence and the case shall be decided on merits ex-parte based on the material available on record, without any further notice/intimation to them.

16. This notice is issued without prejudice to any other action that may be initiated against M/s B&C either under the Finance Act, 1994 or under the Central Excise Act, 1944 or Rules made there under or any other law for the time being in force and enforceable in India.

17. Provisions of Finance Act, 1994, Central Excise Act, 1944 and Rules made there under are validated vide Section 174(2) of Central Goods and Services Act, 2017.

18. Reliance for issue of this notice is based on the following documents/ attached to the Show Cause Notice.

- (i) ST-3 Returns filed by M/s B&C during the relevant period;
- (ii) Input Invoices on which Cenvat Credit was availed by M/s B&C;

(iii) Letter dated 14.02.2020 of M/s B&C Estates;

(iv) Worksheet evidencing the receipt of Rs 2,94,69,000/ towards sale of flats after receipt of Occupancy Certificate;

(v) Balance Sheet evidencing incurring of expenditure towards Legal Charges and Freight during the period Oct, 2014 to June, 2017.

12/9 11/14/1
14/05/2020
(SHIV NARAYAN)
JOINT COMMISSIONER

To

M/s. B&C Estates,
5-4-187/3&4, Soham Mansion,
M.G.Road, Raniganj, Secunderabad,
Telangana – 500003; (along with copy of relied upon documents)

Copy to:-

1. The Additional / Joint Commissioner of Central Taxes and Central Excise, Secunderabad GST Commissionerate, GST Bhavan, Opp. L.B.Stadium, Hyderabad along with relied upon documents.
2. The Assistant / Deputy Commissioner of Central Tax & Central Excise, Secunderabad Division, Salike Senate, D.No.2-4-416 & 417, Ramgopalpet, M.G.Road, Secunderabad - 500003.
3. The Superintendent of Central Tax, Ramgopalpet-I GST Range, Ramgopalpet - I Range, Salike Senate, D.No.2-4-416 & 417, Ramgopalpet, M.G.Road, Secunderabad – 500003.
- ~~4~~ The Superintendent of Central Tax, Group 14, Audit- II Commissionerate, with a direction to serve the SCN on the assessee and obtain a dated acknowledgement and submit to this office.
5. The Superintendent (MIS – II), Audit – II Commissionerate, Hyderabad.
6. Office Copy/Spare Copy/Master File.