M.C. Modi Educational Trust

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

Date: 30-11-2020
Place: Secunderabad.

From,
M/s M C Modi Educational Trust
5-4-187, Soham Mansion,
M.G. Road, Ranigun,
Secunderabad,
Telangana, 500003.
GSTIN: 36AAATM5488Q2ZO

To,
Assistant commissioner (ST) (FAC)
M G Road – S D Road Circle,
Begumpet Division,
Hyderabad.

Sir,

Sub : Reply to notice dated 09th October 2020 – Late filing of GSTR 3B on which interest is liable for delayed payment – Reg.

We are in receipt of your notice dated 09th October 2020, issued u/s 50(1) of the SGST Act, 2017.

1. As per CBIC circular no 122/41/2019, dated 5th November 2019. Every notice/letter/communication is required to have DIN. However, your letter does not contain DIN. Thus the notice/letter/communication is considered bad in law.

2. Without prejudice to the above point, we would like to submit the following for your kind consideration.

3. As per the Notification No.31/2020 – Central Tax dated 03rd April 2020, The rate of interest per annum specified for the class of registered persons whose aggregate turnover is up to Rs.1.5 Crore in the preceding financial year is "**NIL**" if the Form - GSTR 3B of March 20 is furnished on or before 03rd July 2020.

4. Since our Turnover in the preceding financial year i.e FY 18-19 is less than Rs. 1.5 Crores, the applicable due date for furnishing of GST returns for the period March 20 without interest/late fee is 03rd July 2020.
5. On a combined reading of Notification No.31/2020 – Central Tax dated 03/04/2020 and Circular No. 141/11/2020- GST, for the month of Mar-20 the rate of interest is as follows:
   a. Nil Interest upto 3rd July 2020
   b. Interest @ 9% p.a, thereafter till 30th Sep 2020
   c. After the specified date Interest @ 18% p.a shall be charged for any further period of delay in furnishing the returns.

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6. Considering the above, the Interest Payable is re-computed as under :

S No	Tax Period	Duedate (9% Interest)	Duedate (18%Interest)	Filing Date	Delay in Days(9% Interest is charged)	Delay in Days(18% Interest is charged)	Tax Paid in Cash			Interest Payable		
							IGST	CGST	SGST	IGST	CGST	SGST
1	Aug-17	-	20-Sep-17	07-Nov-17	-	48	-	36,800	36,800	-	871	871
2	Sep-17	-	20-Oct-17	07-Nov-17	-	18	-	36,800	36,800	-	327	327
3	Oct-17	-	20-Nov-17	17-Dec-17	-	27	-	36,800	36,800	-	490	490
4	Jan-18	-	20-Feb-18	26-Feb-18	-	6	-	36,163	36,163	-	107	107
5	Nov-18	-	20-Dec-18	26-Dec-18	-	6	-	39,125	39,125	-	116	116
6	Mar-20	03-Jul-20	30-Sep-20	09-Jul-20	6	-	-	31,159	31,159	-	46	46
	Total						-	**2,16,847**	**2,16,847**	-	**1,957**	**1,957**

7. Hence an amount of CGST Rs.1,957 and SGST Rs.1,957 is payable on account of Interest payable on delayed filing of GSTR 3B. A copy of Challan and filed DRC-03 are attached for your reference

We hope, that you find the above submissions in order.

Thanking you,

Yours faithfully,

For M.C. Modi Educational Trust

Authorised Signatory

Enclosures :

1. Payment Challan Date: 13-11-2020
2. DRC-03 FY 2017-18 dated : 27-11-2020
3. DRC-03 FY 2018-19 dated : 27-11-2020
4. DRC-03 FY 2019-20 dated : 27-11-2020
5. Notification No.31/2020 – Central Tax dated 03/04/2020
6. Circular No. 141/11/2020 dated; 24th June 2020- GST

Assistant Commissioner (ST)
RECEIVED
15/12/2020
Sig............
M.G. Road-S.D. Road Circle

GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT

Office of the
Assistant Commissioner (ST),
M.G.Road - S.D.Road Circle
Begumpet Division, Hyderabad.

GSTIN: 36AAATM5488Q2ZO **DATE: 09-10-2020.**

INTEREST NOTICE
[Sec.50(1) of SGST Act' 2017]

To
M/s. M.C.MODI EDUCATIONAL TRUST
Address:, 5-4-187/3 and 4, 2ND FLOOR, M.G ROAD, SECUNDERABAD, NULL, TGRAN, 36, 500003
E-mail ID: jayaprakash@modiproperties.com
Phone No: 8309830723

Late filing of GSTR 3B on which interest is liable for delayed payment.

It has come to the notice of the Department that you have filed GSTR 3B returns after due date resulting in the delayed payment of tax. The Interest details are enclosed separate working sheet for the period as under.

S.No	Tax Period	GSTR 3B Due Date	Filed date	Delay in days	Tax paid in Cash			Interest @ 18 % p.a.			
					SGST	CGST	IGST	SGST	CGST	IGST	Total
1	Aug,2017	20-09-2017	07-11-2017	48	36800	36800	0	871	871	0	1742
2	Sep,2017	20-10-2017	07-11-2017	18	36800	36800	0	327	327	0	653
3	Oct,2017	20-11-2017	17-12-2017	27	36800	36800	0	490	490	0	980
4	Jan,2018	20-02-2018	26-02-2018	6	36163	36163	0	107	107	0	214
5	Nov,2018	20-12-2018	26-12-2018	6	39125	39125	0	116	116	0	232
6	Mar,2020	05-05-2020	09-07-2020	65	31159	31159	0	999	999	0	1998

As per Section 50(1) of the SGST Act, 2017, every person who is liable to pay tax in accordance with the provision of this act or rules made there under but fails to pay tax or any part thereof, to the Government within the prescribed time then he shall for the period for which the tax or any part thereof remains unpaid pay on his own interest at such rates not exceeding 18%. Further, the Government has notified the rate of interest as 18% through notification No.13 of 2017, Central Tax, dated. 28-06-2017 for the tax payable under Section 50 (1) of the SGST Act, 2017.

The principal Commissioner of Central Tax, Hyderabad GST Commissionerate in standing order No.01/2019, dated. 04-02-2019 clarified that ITC/credit in balance in the Electronic Credit Ledger cannot be treated as the tax paid, unless it is debited in the said credit ledger while filing the returns for offsetting the amounts in the "Liability Ledger", the interest liability under Section 50 is mandatorily attracts on the entire tax remained unpaid beyond the due date prescribed. The ITC in balance as on the due date for filing the returns as no relevance with regard to the interest liability under Section 50. It is immaterial whether the self assessment tax is paid through credit/ITC or the cash. Once the payment is beyond the prescribed date, interest liability is attracted on the entire tax amount.

It is pertinent to mention that the amount of the interest payable in terms of Section 50 would automatically become recoverable arrear, which needs to be recovered in terms of Section 79 of the SGST Act, 2017.

In view of foregoing facts and the legal position M/s. M.C.MODI EDUCATIONAL TRUST, are hereby advised to pay the interest amount immediately, failing to which action will be initiated under Section 79 of the SGST Act, 2017.

Sd/-
ASSISTANT COMMISSIONER (ST)(FAC),
M.G.ROAD-S.D.ROAD CIRCLE