

Attachment to Drop Proceedings

Office details Designation of the assessing officer Unit Range	STATE TAX OFFICER Ghatak 39 (VAD) Division 5 (VAD)
Details of the Tax payer Name Legal Name GSTIN	BEING WOMEN COSMETICS (INDIA) PRIVATE LIMITED BEING WOMEN COSMETICS (INDIA) PRIVATE LIMITED 24AAHCB1041J1Z2
Financial Year	2017-18

Ref : SCN ARN No : AD240923017953Y

SCN ARN Date : 27/09/2023

You have filed annual return in GSTR-09 for the financial year 2017-18.

On examination of the information furnished in this return under various heads and also the information furnished in GSTR-01, GSTR-2A, GSTR-3B and other records available in this office it is found that you have not declared your correct tax liability while filing the annual returns of GSTR-09. The summary of under declared tax is as follows:

SGST Rs.0
CGST Rs.0
IGST Rs.0
CESS Rs.0
Total Rs.0

1. Excess claim of ITC

• Scrutiny of ITC availed:

S.No	Description	SGST	CGST	Total
1	2	3	4	5
1	ITC in the year as per Table 8A of GSTR-09	78545	78545	157090
2	ITC from ISD table 4A (4)	0	0	0
3	ITC from imports table 4A (1) +4A (2)	0	0	0
4	Inward Supplies liability to reverse charge 4A(3) (other than 4A(1) & 4A(2))	0	0	0
5	ITC brought forward from previous FY to current FY, Table 8C of previous FY GSTR-09	0	0	0
6	ITC carried forward from present FY to subsequent FY, Table 8C of GSTR-09	0	0	0
7	Reversals in Table 4B of GSTR-3B	0	0	0
8	ITC Available for use in the same year (S.No 1+2+3+4+5-6-7)	78545	78545	157090
9	ITC used in same year as per 4C of GSTR-3B	175783	175783	351566
10	Net excess used (S.No 9-8)	97238	97238	194476

Response of the tax payer :

The tax payer has 'Not agreed' for the following amount in the SCN.

SGST : 97238 CGST : 97238 IGST : 0 CESS : 0

The reasons cited by the tax payer for disagreeing/partially disagreeing are:

1. Amounts are not payable because of any circular notifications -

Total SGST: 97238 Total CGST:97238 Total IGST:0 Total CESS:0

a. Circular No: 183/15/2022; Circular Date: 2022-12-27; SGST: 97238;
CGST:97238; IGST:0; CESS:0

Observations and conclusion of the assessing authority :

Agreed with Tax Payer

Collections :

Total :

SGST Rs: 0 CGST Rs: 0 IGST Rs: 0 CESS Rs: 0 Interest Rs: 0 Penalty Rs: 0

Final Amounts determined by the Assessing Authority in this Order :

SGST Rs: 0 CGST Rs: 0 IGST Rs: 0 CESS Rs: 0

• **ITC to be reversed on non-business transactions & exempt supplies**

Under Sec 17(1) & (2) where the goods or services or both are used by the registered person partly for the purpose of business, partly for other purposes or partly used for effecting exempt supply and partly for taxable supply then the amount of credit shall be restricted to so much of the input tax as is attributable to the taxable supplies in the course of business. Therefore the taxable person needs to make an apportionment of available input tax credit under Rule 42 & 43 to arrive at the eligible ITC.

However as seen from the GSTR-09 return filed it is evident that you have not made such apportionment resulting in excess claim of ITC than you are eligible. The details of the working are as under:

S.No	Issue	Table no. in GSTR-09	Value of outward supply	SGST	CGST	Total
1	2	3	4	5	6	7
1	Total supplies	5N+10-11	17915382	-	-	-
2	Exempt supplies	5C + 5D + 5E + 5F or {Sum of 3.1 (c) + 3.1(e) of GSTR 3B of all months in FY } which ever is higher	290370	-	-	-
3	Proportion of common ITC which has to be reversed to the extent of exempt supply (2/1 above) “(Maximum value is ‘1’)”		0.016208	-	-	-
4	Common input tax credit	6O+13	-	175783	175783	351566
5	ITC to be reversed {S.No.4 (x) [S.No.2 /S.No.1]}		-	2849	2849	5698
6	ITC reversed	{7C + 7D + 7F + 7G} or {Sum of 4B (1) of GSTR 3B of all months in FY} which ever is higher	-	0	0	0
7	Difference/Excess ITC claimed (S.No.5-S.No.6)		-	2849	2849	5698

Response of the tax payer :

The tax payer has 'Not agreed' for the following amount in the SCN.

SGST : 2849 CGST : 2849 IGST : 0 CESS : 0

The reasons cited by the tax payer for disagreeing/partially disagreeing are:

1. Other Reasons Mentioned by Tax Payer:

SGST :2849 CGST :2849 IGST :0 CESS :0

Reason:

INPUT IS ALSO EXEMPTED

Observations and conclusion of the assessing authority :

Agreed with Tax Payer

Collections :

Total :

SGST Rs: 0 CGST Rs: 0 IGST Rs: 0 CESS Rs: 0 Interest Rs: 0 Penalty Rs: 0

Final Amounts determined by the Assessing Authority in this Order :

SGST Rs: 0 CGST Rs: 0 IGST Rs: 0 CESS Rs: 0

Summary :

Annexure with details for the above discrepancies are already sent with show cause notice.

The total tax payable on account of these deficiencies after giving credit to the payments made in cash and ITC adjusted is arrived as follows:

1. Item wise summary

S.No	Issue	ACT	SCN Amount	Tax Payer Agreed Amounts	AA Determined Amounts	Total Tax Collections	Amount to be Determined In DRC 07
1	2	3	4	5	6	7	8
1	Scrutiny of ITC availed	SGST CGST IGST CESS	97238 97238 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
2	ITC to be recovered on non-business transactions & exempt supplies	SGST CGST IGST CESS	2849 2849 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0
	Total Tax liability	SGST CGST IGST CESS	100087 100087 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0

2. Interest and Penalty

S.No	Category	ACT	AA Determined Amounts	Total Interest and Penalty Collections	Amount to be Determined In DRC-07
1	2	3	4	5	6
1	Interest	SGST	0	0	0
		CGST	0	0	0
		IGST	0	0	0
		CESS	0	0	0
2	Penalty	SGST	0	0	0
		CGST	0	0	0
		IGST	0	0	0
		CESS	0	0	0
	Total	SGST	0	0	0
		CGST	0	0	0
		IGST	0	0	0
		CESS	0	0	0

3. Summary

S.No	Category	SGST CGST	IGST CESS	Total
1	2	3	4	5
1	Total Tax liability	0 0	0 0	0
2	Interest	0 0	0 0	0
3	Penalty	0 0	0 0	0
	Grand Total	0 0	0 0	0