

PROCEEDINGS OF THE ASSISTANT COMMISSIONER,
EGMORE ASSESSMENT CIRCLE.
PRESENT: TMT. R. JANAKI B.Sc.,
STATION: No. 88, MAYOR RAMANATHAN SALAI, TALUK OFFICE BUILDING,
2ND FLOOR,
SPUR TANK ROAD, CHETPET, CHENNAI-600 031.

GSTIN: 33AAACT2381C1ZU/2019-20

Dated: 24.08.2024

<u>Sub:-</u>	GST Act, 2017- Commercial Taxes Department – O/o Egmore Assessment Circle - TVL. Tamil Nadu Steel Tubes Limited – Assessment Year 2019-20 – SAS Mismatch - Notice issued – Reply filed – Order Issued - regarding
<u>Ref :-</u>	1. DRC 01 issued in SCN: ZD330524320225V, dated. 30.05.2024 2. Reply filed by the tax payer in the GST Portal

ORDER :

Tvl. Tamil Nadu Steel Tubes Limited is a registered taxpayer in the Office of the Assistant Commissioner (ST), Egmore Assessment Circle in GSTIN: 33AAACT2381C1ZU and DRC-01 was issued for the defects noticed in the SAS. The tax payer have filed reply as below and the same was verified as detailed below,

1. Defect No. 1: Output mismatch – GSTR 3B Vs GSTR 1

Tax Payer reply:

1.1. As per the SCN, there is a mismatch in the values reported between the GSTR 1 and GSTR 3B filed during the year 2019-20. The screenshot of the relevant portion of the notice is reproduced for your reference

PARTICULARS	TAX RATE	TURNOVER	SGST	CGST	IGST	CESS
GSTR1	18	514371717.00	39089664.90	39089664.90	14407579.26	0.00
GSTR 3B		509031940.88	39192742.00	39192742.00	14674604.00	0.00
Mismatch		5339776.12	-103077.10	-103077.10	-267024.74	0.00

1.2. The GSTR 1 consists of many tables such as B2B, B2C (large), B2C (others), Credit notes registered, credit notes unregistered, advance received, advance adjusted, etc. Out of the above tables, only two tables B2B and B2C (others) have been considered for comparison. The other tables are not considered for comparison and hence the data populated in the notice in relation to GSTR 1 is incorrect to that extent. Similarly, the data reported the GSTR 3B is also not correct since both details of Table 3.1(a) and 3.1(d) is taken for consideration. Table 3.1(d) is pertaining to

Inward supplies liable to reverse charge and hence has no relevance to the outward supplies reported in the GSTR 1 statement. In such a case, including those values will distort the reconciliation.

1.3. The Actual values to be used for computation of GSTR 1 turnover are as follows.

Values reported in GSTR 1:

Particulars	Taxable value	IGST	CGST	SGST
B 2 B	51,12,74,122.00	1,43,56,714.86	3,88,36,313.55	3,88,36,313.55
B 2 C	30,97,595.00	50,864.40	2,53,351.35	2,53,351.35
Credit notes	-53,23,507.48	-5,962.88	-4,76,134.18	-4,76,134.18
Advance recd	4,18,029.05	18,632.90	28,306.18	28,306.18
Advance adj	-4,34,297.69	-21,561.26	-28,306.18	-28,306.18
Total	50,90,31,940.88	1,43,98,688.02	3,86,13,530.72	3,86,13,530.72

Values reported in GSTR 3B

Particulars	Taxable value	IGST	CGST	SGST
3.1 (a)	50,90,31,940.88	1,43,98,688.20	3,86,13,531.73	3,86,13,531.73

On comparing the above 2 figures, it can be seen that there is no turnover difference or tax difference between the GSTR 1 and GSTR 3B for the FY 2019-20. A copy of the system computed GSTR 1 and GSTR 3B for the FY 2019-20 is enclosed with this submission (Annexure 2).

Proper officer remarks; Tax payer reply is accepted and the defect is dropped.

2. Defect No. 2: Input Mismatch (GSTR 3B vs 2A)

Tax Payer reply:

2.1. As per the notice, verification of Inward supply between GSTR-3B and GSTR-2A reveals the following differences:

<u>2. INPUT MISMATCH (GSTR 3B vs 2A)</u>		
Verification of Inward supply between GSTR-3B and GSTR-2A reveals the following differences :		
	PARTICULARS	SGST ITC CGST ITC
	ITC as per GSTR3B (As per Table 4C)	29928342.56 29928342.56
	ITC as per GSTR2A	29136515.52 29136516.53
	ITC MISMATCH(GSTR3B-GSTR2A)	791827.04 791826.03

2.2. In this comparison, it has to be noted that the ITC as per table 4C is actually the sum total of the rows 4(a)(1) to 4(a)(5). Out of the above rows, only 4(a)(5) will be auto

populated in the GSTR 2A. Hence the applicable row for comparison is not 4C but 4(a)(5). Similarly, the values reported as “ITC as per GSTR-2A” is also not consistent with the auto populated GSTR 2A values in Form 9.

2.3. The actual comparison for ITC between 3B and 2A is as follows:

Particulars	CGST	SGST	IGST
ITC as per 2A - GSTR 9 Table 8	2,95,48,931.90	2,95,48,930.89	2,33,36,448.95
Less: ITC availed in the next year	1,60,067.19	1,60,067.19	56,258.10
Net Comparable ITC as per GSTR 2A	2,93,88,864.71	2,93,88,863.70	2,32,80,190.85
ITC as per GSTR3B (As per Table 4(a)(5)	2,93,49,131.59	2,93,49,131.59	2,32,80,062.54
Balance ITC available in GSTR 2A lapsed	39,733.12	39,732.11	128.31

2.4. In other words, ITC availed as per GSTR 3B is actually lesser than the ITC available in GSTR 2A for the year. This can be evidenced by table 8 of Form 9 for the FY 2019-20. A copy of the Form 9 is enclosed as part of this submission (annexure 3).

Proper officer remarks > Tax payer reply is accepted and the demand is dropped.

3. **Defect No. 3: GSTR-9 Verification**

Tax payable variation

Tax Payer reply:

Since the difference cited in the notice is round off difference only, no reconciliation is provided for the same

4. **Defect No. 4:**

ITC variation

Tax Payer reply:

As pointed above, the total ITC as per GSTR 3B is consisting of both

- All other ITC
- ITC on which RCM is paid

The comparable figure for comparison with GSTR 2A should be “All other ITC” only as already pointed out in Point no 2.

5. **Defect No. 5:**

Data to be verified

C. DATA TO BE VERIFIED

DESCRIPTION	TAXABLE VALUE	SGST	CGST	IGST	CESS
ITC on inward supplies received during 2017-18 but availed during April to September, 2018	0.00	160067.19	160067.19	56258.10	0.00

Tax Payer reply:

In some cases, ITC is available in GSTR 2A but has not been availed as ITC in GSTR 3B during the FY 2019-20. This is due to the fact that the GSTR 2A is a dynamic document and even if the GSTR 1 return is filed by a party after the due date, it will still reflect in the original month only. In our case, valid and eligible ITC pertaining to the FY 2019-20 could be availed only in the next financial year since the supplier has filed the GSTR 1 belatedly and we have availed ITC as per Rule 36(4) which enables us to avail ITC only after the same is available in GSTR-2A.

Proper officer remark; Tax payer reply is accepted and the demand is dropped,

6. Defect No. 6:

Interest payable on belated filing of GST returns

GSTIN	SGST INTEREST PAYABLE	CGST INTEREST PAYABLE	IGST INTEREST PAYABLE	CESS INTEREST PAYABLE
33AAACT2381C1ZU	1200.20	199.20	444.74	0.00

Tax Payer reply:

This interest has already been paid at the time of filing the GST annual returns for the year and the DRC 03 filed along with the calculations is submitted for your perusal (Annexure 3).

Proper officer remarks; Tax payer reply is accepted and the demand is dropped.

7. Defect No. 7:

Outward E way bill verification

Tax Payer reply:

As per the notice, it is stated that E-way bills have not been generated for the months of April, May, June and July 2019 and that penalty is payable for the said noncompliance. In this regard, we wish to submit that the e way bills have been duly generated for the said months and we are enclosing sample e way bills for the period Apr to Jul 2019

evidencing our statement (Annexure 4). Since there is no mismatch between the e way bills generated and the GSTR 1 turnover, we submit that no amount is payable as penalty. The same can be verified directly from the portals.

Proper Officer Decision

The tax payer reply is accepted and the demand is dropped.

**ASSISTANT COMMISSIONER (ST),
EGMORE ASSESSMENT CIRCLE.**

To,

Tvl. Tamil Nadu Steel Tubes Limited

1st Floor, No.22, Wheat Croft Road,

Nungambakkam, Chennai, Tamil Nadu, 600034