



Date: February 15, 2025

Listing Department <b>National Stock Exchange of India Ltd</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051  <b>NSE Symbol: AVROIND</b>	Listing Department <b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001  <b>BSE Scrip Code: 543512</b>
--	--

**Sub: Order of Deputy Commissioner, Ghaziabad Uttar Pradesh for dropping the proceedings under Section 73 of GST Act.**

**Ref: Regulation 30(4)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam

Pursuant to Regulation 30(4)(i) read with Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and with reference to intimation w.r.t tax dispute dated January 27, 2025, we hereby inform you that Deputy Commissioner, Ghaziabad vide its order dated February 15, 2025 dropped the proceedings w.r.t Show cause notice under Section 73 of GST Act. The copy of order of Deputy Commissioner, Ghaziabad is enclosed herewith.

This is for your information and records.

Thanking You

Yours Faithfully

**For AVRO INDIA LIMITED**

SUMIT  
BANSAL

Digitally signed by SUMIT  
BANSAL  
Date: 2025.02.15 22:08:15  
+05'30'

**Sumit Bansal**  
**(Company Secretary & Compliance Officer)**  
**DIN: 00248707**

Encl: As above

**AVRO INDIA LIMITED**

Registered Office: A-7/36-39, South of G.T Road Industrial Area, Electrosteel Casting Compound, Ghaziabad-201009, Uttar Pradesh

Email: support@avrofurniture.com | Website: www.avrofurniture.com | Helpline No: 9910039125

CIN: L25200UP1996PLC101013

मज़बूत कुर्सी मतलब ऐवरो कुर्सी



**Annexure-A****1. Demand of GST from Deputy Commissioner, Ghaziabad**

S.No.	Disclosure of Ongoing Litigation/Dispute pursuant to SEBI Master Circular:- SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024	
1.	Details of change in status and/or any development in relation to such proceedings.	The Company has filed reply against Show Cause Notice dated September 24, 2024 for discrepancies in GST returns of financial year 2020-21. The Deputy Commissioner, Ghaziabad vide its order dated February 15, 2025 dropped the proceedings under Section 73 of GST Act.
2.	In case of litigations against Key Managerial Personnel or its Promoter or ultimate person in control, regularly provide details of any change in the status and/or any development in relation to such proceedings	Not Applicable
3.	In the event of settlement of proceedings, details of such settlement including terms of settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity	No penalty has been imposed as the Deputy Commissioner, Ghaziabad dropped the proceedings and hence, there is no impact on the financial position of the Company.

**Office of : Deputy Commissioner**  
**Jurisdiction : Ghaziabad Sector-11:Ghaziabad (B):Ghaziabad I:Uttar Pradesh, State/UT : Uttar Pradesh**

Reference No. : ZD0902252029891

Date : 15/02/2025

To

GSTIN/ID : 09AADCA9587C1ZF

Name : AVRO INDIA LIMITED

Address : A-7/36-39, SOUTH SIDE OF G.T. ROAD, INDUSTRIAL AREA, Ghaziabad, Uttar Pradesh, 201009

Tax period : APR 2020 - MAR 2021

F.Y. : 2020-2021

SCN/Statement Reference No. : ZD090924255079V

Date : 24/09/2024

<b>Act/ Rules Provisions :</b>
u/s 73

**Order for dropping the proceedings under section 73/74**

With reference to the above referred show cause notice issued to you for representing your case against the reasons stated in the Annexure attached thereto and on the basis of information available on record, the proceedings are hereby dropped for the reasons and other details stated in the Annexure attached herewith.

Signature Not Verified

Digitally signed by  
AVINASH AZAD  
Date: 2025.02.15  
18:22:57 IST

Signature

Name : avinash avinash  
Designation : Deputy Commissioner  
Jurisdiction : Ghaziabad Sector-11:Ghaziabad  
(B):Ghaziabad I:Uttar Pradesh

# OFFICE OF THE DEPUTY COMMISSIONER

Jurisdiction (Ghaziabad I), (Ghaziabad (B)), (Ghaziabad Sector-11)

M/S AVRO INDIA LIMITED

GSTIN 09AADCA9587C1ZF

TAX PERIOD: 01/04/2020 TO 31/03/2021

FINANCIAL YEAR: 2020-21

DATE 15-02-2025

## ORDER FOR DROPPING PROCEEDING UNDER SECTION 73

व्यापारी द्वारा संदर्भित कर अवधि 2020-21 में दाखिल की गयी विवरणियों GSTR-3B/2A /R1, R9/9C, ITC रिवर्सल नियम 42 एवं 43 के अनुसार प्रदर्शित आंकड़ों के परिशीलन के दौरान प्रकाश में आयीं विसंगतियों के आधार पर मुख्यालय द्वारा पोर्टल के माध्यम से सूचना प्रेषित की गयी थी तथा पोर्टल पर उपलब्ध विवरणों के अनुसार वस्तु एवं सेवा कर अधिनियम 2017 की धारा-61 के अन्तर्गत ( ASMT-10 ) नोटिस जारी किया गया, जिसके अनुपालन में व्यापारी द्वारा कोई उत्तर दाखिल नहीं किया गया और न ही कोई स्थगन प्रार्थना पत्र दाखिल किया गया, जिस कारण व्यापारी को वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 के अन्तर्गत निम्न प्रकार नोटिस जारी किया गया :-

1- आप द्वारा संगत वर्ष हेतु GSTR-2A में उपलब्ध आई0टी0सी0 तथा मासिक रिटर्न GSTR-3B में क्लेम की गयी ITC की धनराशि में निम्न प्रकार अन्तर पाया गया :-

Tax	IGST	SGST	CGST
ITC as per GSTR-2A (Table 8A of GSTR-9 )	30009560.66	26834060.23	26834060.23
ITC availed in GSTR-3B	30044309.03	26744627.58	26744627.58
<b>Difference</b>	<b>78775.00</b>	<b>0.00</b>	<b>0.00</b>

अतः क्यों न वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 एवं धारा-50 में दिये गये प्राविधान के अनुसार निम्न प्रकार कर ब्याज एवं अर्धदण्ड आरोपित कर दिया जाए :-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	78775.00	00	0.00	78775.00
Penalty u/s 73	20000.00	00	00	20000.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>98775.00</b>	<b>00</b>	<b>00</b>	<b>98775.00</b>

2. आप द्वारा ऑनलाईन पोर्टल पर उपलब्ध 9 के 8A की जांच की गयी जांचोपरान्त पाया गया कि 8A में taxable value 3121552.00 कर , IGST 449211.00, CGST 40350.00, SGST 40350.00 के क्रेडिट नोट प्राप्त प्रदर्शित है, यह क्रेडिट नोट किस मद से संबंधित है तथा इन क्रेडिट नोट के विरुद्ध आप द्वारा कितनी ITC का रिवर्सल किया गया है,के संबंध में साक्ष्य सहित स्थिति स्पष्ट करें, यदि आप द्वारा उक्त के संबंध में कोई साक्ष्य प्रस्तुत नहीं किया जाता है तो यह माना जाएगा कि आप द्वारा उक्त क्रेडिट नोटस के सापेक्ष किसी भी आई0टी0सी0 का रिवर्सल नहीं किया गया है ।

अतः वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 में किये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के अन्तर्गत निम्न प्रकार आई0टी0सी0 रिवर्सल, अर्धदण्ड एवं ब्याज की देयता निर्धारित कर दी जाएगी :-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	449211.00	40350.00	40350.00	529911.00
Penalty u/s 73	44921.00	10000.00	10000.00	64921.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>494132.00</b>	<b>50350.00</b>	<b>50350.00</b>	<b>594832.00</b>

3. आप द्वारा संगत वर्ष में 66 ई-वे बिल धनराशि रु 9352144.00 कर CGST रु 197448.00, SGST रु 197448.00 IGST रु 419717.00 के कैसिल किये गये है । उक्त से संबंधित साक्ष्य सहित कारण स्पष्ट करें एवं इनके स्थान पर कौन से ई-वे बिल जारी किये गये है का विवरण / साक्ष्य भी उपलब्ध कराया जाना अपेक्षित है ।

उपरोक्त के संबंध में यदि आप द्वारा कोई साक्ष्य / स्पष्टीकरण दाखिल नहीं किया जाता है तो यह माना जाएगा कि आपको इस संबंध में कुछ नहीं कहना है । अतः वस्तु एवं सेवा कर अधिनियम की धारा-73 में दिये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के आनुसार कर अर्थदण्ड एवं ब्याज की देयता निम्न प्रकार निर्धारित कर दी जाएगी ।

Particulars	IGST	CGST	SGST	Total
TAX	419717.00	197448.00	197448.00	814613.00
Penalty u/s 73	41971.00	19744.00	19744.00	81459.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>461688.00</b>	<b>217192.00</b>	<b>217192.00</b>	<b>896072.00</b>

4. आप द्वारा संगत वर्ष में आउटवर्ड सप्लाय हेतु जारी किये गये ई वे बिल में से 11 ई-वे बिल धनराशि रु 1281578.00 कर CGST रु 29936.00, SGST रु 29936.00, IGST 68636.00 पर कोई भी बाहन का नम्बर अंकित नहीं किया गया है । उक्त से संबंधित साक्ष्य सहित कारण स्पष्ट करें एवं इनके स्थान पर कौन से ई-वे बिल जारी किये गये है का साक्ष्य भी उपलब्ध कराया जाना अपेक्षित है ।

उपरोक्त के संबंध में यदि आप द्वारा कोई साक्ष्य / स्पष्टीकरण दाखिल नहीं किया जाता है तो यह माना जाएगा कि आपको इस संबंध में कुछ नहीं कहना है । अतः वस्तु एवं सेवा कर अधिनियम की धारा-73 में दिये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के आनुसार कर अर्थदण्ड एवं ब्याज की देयता निम्न प्रकार निर्धारित कर दी जाएगी ।

Particulars	IGST	CGST	SGST	Total
TAX	68636.00	29936.00	29936.00	128508.00
Penalty u/s 73	20000.00	10000.00	10000.00	40000.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>88636.00</b>	<b>39936.00</b>	<b>39936.00</b>	<b>168508.00</b>

5. ऑनलाईन पोर्टल पर उपलब्ध GSTR-2A की जांच की गयी । जांचोपरान्त पाया गया कि आप द्वारा कतिपय फर्मों से रु 31534841.00 की टैक्सेवल वैल्यू की inward supply प्रदर्शित है जिनकी जांच पर पाया गया कि उक्त फर्मों का पंजीयन निरस्त हो चुका है । जिसकी आईटीसी का लाभ नियमानुसार आपको देय नहीं है । अतः रु 31534841.00 की टैक्सेवल वैल्यू पर आईटीसी CGST 1577264.00, SGST 1577264.00, IGST 2464610.00 का रिवर्सल नियमानुसार किया जाना अपेक्षित है ।

उक्त क्रेडिट से संबंधित साक्ष्य / विवरण जांच हेतु प्रस्तुत किया जाना अपेक्षित है । यदि उक्त के संबंध में आप द्वारा कोई भी साक्ष्य / अभिलेख जांच हेतु प्रस्तुत नहीं किये जाते है तो यह समझा जाएगा कि आपको इस संबंध में कुछ नहीं कहना है । तो वस्तु एवं सेवा कर अधिनियम की धारा-73 एवं धारा-50 में दिये गये प्राविधानों के अनुसार निम्न प्रकार कर, ब्याज एवं अर्थदण्ड आरोपित कर दिया जाएगा:-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	2464610.00	1577264.00	1577264.00	5619138.00
Penalty u/s 73	246461.00	157726.00	157726.00	561913.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>2711071.00</b>	<b>1734990.00</b>	<b>1734990.00</b>	<b>6181051.00</b>

6. आप द्वारा दाखिल GSTR-9 के अनुसार संगत वर्ष में taxable value ₹0 7560077.00 कर CGST 576578.00, SGST 576578.00, IGST 207656.00 के क्रेडिट नोट जारी करना प्रदर्शित किया गया है। किन्तु आप द्वारा उक्त क्रेडिट नोटस से संबंधित कोई भी साक्ष्य / अभिलेख जांच हेतु प्रस्तुत नहीं किये गये हैं। अतः क्यों उक्त क्रेडिट पर देय कर कर CGST 576578.00, SGST 576578.00, IGST 207656.00 को नियमानुसार जमा करना सुनिश्चित करें।

यदि उक्त के संबंध में आप द्वारा कोई भी साक्ष्य/अभिलेख जांच हेतु प्रस्तुत नहीं किये जाते हैं तो यह समझा जाएगा कि आपको इस संबंध में कुछ नहीं कहना है तथा वस्तु एवं सेवा कर अधिनियम की धारा-73 एवं धारा-50 में दिये गये प्राविधानों के अनुसार निम्न प्रकार कर, ब्याज एवं अर्थदण्ड आरोपित कर दिया जाएगा:-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	207656.00	575578.00	575578.00	1358812.00
Penalty u/s 73	20765.00	57557.00	57557.00	135879.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>228421.00</b>	<b>633135.00</b>	<b>633135.00</b>	<b>1494691.00</b>

उपरोक्तानुसार व्यापारी को वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 के अन्तर्गत नोटिस जारी करते हुए दिनांक 24-10-2024 की तिथि तक पोर्टल पर स्पष्टीकरण दाखिल करने हेतु अवसर प्रदान किया गया तथा व्यक्तिगत सुनवाई हेतु दिनांक 30-10-2024 की तिथि नियत की गयी, व्यापारी न तो स्वयं और न ही अपने अधिकृत प्रतिनिधि के माध्यम से उपस्थित हुए और न ही ऑनलाईन पोर्टल के माध्यम से कोई स्पष्टीकरण दाखिल किया गया। व्यापारी द्वारा ऑनलाईन पोर्टल के माध्यम से स्थगन प्रार्थना पत्र दाखिल किया गया, जिसके माध्यम से व्यापारी द्वारा 15 दिन का समय प्रदान करने की मांग की गयी। उक्त स्थगन प्रार्थना पत्र पर विचार करते हुए व्यापारी को पुनः एक अवसर और प्रदान करते हुए दिनांक 04-02-2025 की तिथि तक पोर्टल पर स्पष्टीकरण दाखिल करने हेतु अवसर प्रदान किया गया तथा व्यक्तिगत सुनवाई हेतु दिनांक 06-02-2025 की तिथि नियत की गयी। उक्त नोटिस के अनुपालन में व्यापारी द्वारा ऑनलाईन पोर्टल के माध्यम से ARN ZD090924255079V DATE 01-02-2025 के द्वारा स्पष्टीकरण दाखिल किया गया है तथा व्यक्तिगत सुनवाई हेतु नियत तिथि पर अधिवक्ता फर्म श्री प्रतीक गुप्ता, अधिवक्ता एवं श्री वेद प्रकाश अधिवक्ता फर्म उपस्थित हुए पोर्टल पर अपलोड स्पष्टीकरण में उल्लिखित तथ्यों को दौहराते हुए स्पष्टीकरण को स्वीकार करने का अनुरोध किया गया।

**व्यापारी द्वारा ऑनलाईन पोर्टल के माध्यम से दाखिल किया गया स्पष्टीकरण का बिन्दुवार विवरण निम्न प्रकार है :-**

We acknowledge the receipt of Show Cause Notice (SCN) issued U/s 73 dt. 24/09/2024 for the FY 2020-2021 (April 2020 to March 2021). The reply to DRC-01 notice is being made within the limitation period prescribed under the GST Act. The company is making the reply point wise along with supporting reconciliations and annexures to each of the issue raised in the SCN.

1- आप द्वारा संगत वर्ष हेतु GSTR-2A में उपलब्ध आईटीसी तथा मासिक रिटर्न GSTR-3B में क्लेम की गयी ITC की धनराशि में निम्न प्रकार अन्तर पाया गया :-

Tax	IGST	SGST	CGST
ITC as per GSTR-2A (Table 8A of GSTR-9 )	30009560.66	26834060.23	26834060.23
ITC availed in GSTR-3B	30044309.03	26744627.58	26744627.58
<b>Difference</b>	<b>78775.00</b>	<b>0.00</b>	<b>0.00</b>

अतः क्यों न वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 एवं धारा-50 में दिये गये प्राविधान के अनुसार निम्न प्रकार कर ब्याज एवं अर्धदण्ड आरोपित कर दिया जाए :-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	78775.00	00	0.00	78775.00
Penalty u/s 73	20000.00	00	00	20000.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>98775.00</b>	<b>00</b>	<b>00</b>	<b>98775.00</b>

### **Reply to Point No. 1**

It is submitted that the pointed-out difference of Rs 78,775/- in IGST pertains to ITC carry forwarded by the company from F.Y. 2020-21 to F.Y. 2021-22, this ITC has been claimed in the F.Y 2021-22 upto the specified period in compliance of Section 16(4) of the CGST / UPGST Act,2017.

The Tax Invoice wise list of the ITC carry forwarded is enclosed as **Annexure – 1**.

Thus the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 1 of the SCN must be dropped considering the above submissions and reconciliations.

2. आप द्वारा ऑनलाईन पोर्टल पर उपलब्ध 9 के 8A की जांच की गयी जांचोपरान्त पाया गया कि 8A में taxable value 3121552.00 कर , IGST 449211.00, CGST 40350.00, SGST 40350.00 के क्रेडिट नोट प्राप्त प्रदर्शित है, यह क्रेडिट नोट किस मद से संबंधित है तथा इन क्रेडिट नोट के विरुद्ध आप द्वारा कितनी ITC का रिवर्सल किया गया है,के संबंध में साक्ष्य सहित स्थिति स्पष्ट करें, यदि आप द्वारा उक्त के संबंध में कोई साक्ष्य प्रस्तुत नहीं किया जाता है तो यह माना जाएगा कि आप द्वारा उक्त क्रेडिट नोटस के सापेक्ष किसी भी आईटीसी का रिवर्सल नहीं किया गया है ।

अतः वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 में किये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के अन्तर्गत निम्न प्रकार आईटीसी रिवर्सल, अर्धदण्ड एवं ब्याज की देयता निर्धारित कर दी जाएगी :-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	449211.00	40350.00	40350.00	529911.00
Penalty u/s 73	44921.00	10000.00	10000.00	64921.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>494132.00</b>	<b>50350.00</b>	<b>50350.00</b>	<b>594832.00</b>

### **Reply to Point No. 2**

It is submitted that the pointed-out difference of Rs 449211/- in IGST and Rs 40350/- in CGST and SGST each pertains to ITC on Total credit notes reflecting in GSTR-2A/2B. The company has reversed the ITC on credit notes pertaining to inward supply Tax Invoices received by the company for the goods and services received by the company. However out of total credit notes reflecting in GSTR-2A/2B some of the credit notes do not pertain to inward supply received by

the company, such erroring supplier(s) have rectified their mistake by issuing the credit notes. Thus, no liability arises for reversal of ITC on Invoices which do not belong to the inward supply made by the company as these Invoices are not pertaining to inward supply of goods or services made by the company and ITC on such Tax Invoices was never booked in the books of accounts of the company for claiming , thus no liability arises on the company for reversing such ITC due to credit notes issued by such unknown suppliers for first wrongly declaring the tax invoice and then rectifying their mistake by issuing credit notes.

Reconciliation of Credit notes mapped with Inward Supply Tax Invoices and details of reversal and GSTR-3B in which such Tax is reversed is enclosed as **Annexure – 2**.

Thus the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 2 of the SCN must be dropped considering the above submission and reconciliations.

3. आप द्वारा संगत वर्ष में 66 ई-वे बिल धनराशि रु0 9352144.00 कर CGST रु0 197448.00, SGST रु0 197448.00 IGST रु0 419717.00 के कैसिल किये गये है । उक्त से संबंधित साक्ष्य सहित कारण स्पष्ट करें एवं इनके स्थान पर कौन से ई-वे बिल जारी किये गये है का विवरण / साक्ष्य भी उपलब्ध कराया जाना अपेक्षित है ।

उपरोक्त के संबंध में यदि आप द्वारा कोई साक्ष्य / स्पष्टीकरण दाखिल नहीं किया जाता है तो यह माना जाएगा कि आपको इस संबंध में कुछ नहीं कहना है । अतः वस्तु एवं सेवा कर अधिनियम की धारा-73 में दिये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के अनुसार कर अर्थदण्ड एवं ब्याज की देयता निम्न प्रकार निर्धारित कर दी जाएगी ।

Particulars	IGST	CGST	SGST	Total
TAX	419717.00	197448.00	197448.00	814613.00
Penalty u/s 73	41971.00	19744.00	19744.00	81459.00
Interest@18%				
TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>461688.00</b>	<b>217192.00</b>	<b>217192.00</b>	<b>896072.00</b>

### **Reply to Point No. 3**

S. NO.	PARTICULAR	No. of E-way Bills	TAXABLE	CGST	SGST	IGST	TOTAL TAX
1	TOTAL E-WAY BILL GENERATED FOR OUTWARD SUPPLY (TAX INVOICE + CHALLAN)	5268	76,65,11,011.43	3,19,86,704.13	3,19,86,704.13	2,86,58,370.29	9,26,31,778.55
2	LESS:- ACTIVE E-WAY BILL (TAX INVOICE + CHALLAN)	5169	74,78,50,666.60	3,11,05,583.28	3,11,05,583.28	2,79,31,946.09	9,01,43,112.65
3	LESS: CANCELLED TAX INVOICE E-WAY BILL	54	1,38,28,396.38	8,80,631.25	8,80,631.25	7,26,424.20	24,87,686.70
4	LESS: CANCELLED CHALLAN E-WAY BILL	45	48,31,948.45	489.60	489.60	-	979.20
5	Total of 2+3+4	5268	76,65,11,011.43	3,19,86,704.13	3,19,86,704.13	2,86,58,370.29	9,26,31,778.55
3+4	TOTAL CANCELLED EWAY BILL	99	1,86,60,344.83	8,81,120.85	8,81,120.85	7,26,424.20	24,88,665.90
	AS PER NOTICE CANCELLED EWAY BILL	66	93,52,144.00	4,19,717.00	1,97,448.00	1,97,448.00	8,14,613.00
	Difference between Total Cancelled E-way Bills and Notice	33	93,08,200.83	4,61,403.85	6,83,672.85	5,28,976.20	16,74,052.90

It is submitted that 99 Outward Supply E-way Bills have been cancelled primarily due to data entry punching mistakes, the E-way Bills were generated manually during the period 2020-21 and not through API system i.e. automated system of pushing the data from Accounting / Billing Software to E-way Bill Portal as this year the accounts team of the company was working from home due to Covid-19 and restrictions imposed by the Government for safety of people so the accounting team did not had access to API system for generating E-way Bills for outward / inward supply. The questioned 99 outward supply E-way Bills have been cancelled primarily due



to punching mistakes such as HSN Code Punching Mistake, Rate Punching Mistake, Party GSTIN Number Punching Mistake, Billing / Shipping Address Punching Mistake, Delivery Pin code Punching Mistake, Transport Vehicle Number Punching Mistake. Fresh E-way Bills with corrected details were issued immediately rectifying the mistake, in most of the cases the correction has been made within 10 to 15 minutes. The immediate rectification of the inadvertent mistake by the accounts team committed while generating E-way Bill proves that the mistakes were bonafide mistakes and there is no malafide intention of the taxpayer.

Detailed reconciliation of 99 Cancelled E-way Bills mapped with new / fresh E-way Bills and Invoices / Challans along with reasons for cancellation/fresh issue of E-way Bills is enclosed as **Annexure – 3**.

Based on the above submissions and reconciliations the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 3 of the SCN must be dropped.

#### **Reply to Point No. 4**

4. आप द्वारा संगत वर्ष में आउटवर्ड सप्लाय हेतु जारी किये गये ई वे बिल में से 11 ई-वे बिल धनराशि रु0 1281578.00 कर CGST रु0 29936.00, SGST रु0 29936.00, IGST 68636.00 पर कोई भी बाहन का नम्बर अंकित नहीं किया गया है। उक्त से संबंधित साक्ष्य सहित कारण स्पष्ट करें एवं इनके स्थान पर कौन से ई-वे बिल जारी किये गये है का साक्ष्य भी उपलब्ध कराया जाना अपेक्षित है।

उपरोक्त के संबंध में यदि आप द्वारा कोई साक्ष्य / स्पष्टीकरण दाखिल नहीं किया जाता है तो यह माना जाएगा कि आपको इस संबंध में कुछ नहीं कहना है। अतः वस्तु एवं सेवा कर अधिनियम की धारा-73 में दिये गये प्राविधान एवं धारा-50 में दिये गये प्राविधानों के अनुसार कर अर्थदण्ड एवं ब्याज की देयता निम्न प्रकार निर्धारित कर दी जाएगी।

Particulars	IGST	CGST	SGST	Total
TAX	68636.00	29936.00	29936.00	128508.00
Penalty u/s 73	20000.00	10000.00	10000.00	40000.00
Interest@18%				
TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>88636.00</b>	<b>39936.00</b>	<b>39936.00</b>	<b>168508.00</b>

It is submitted that it is wrongly alleged that 11 E-way bills generated by the Taxpayer company do not contain the details of Vehicle Number in E-way Bills. The E-way Bills generated by the company for inward supply are with complete details in Part-A and Part-B of the E-way Bill which can also be verified from the Common Portal / E-way Bill Portal.

Further it is important to note that no list of such alleged 11 E-way Bills have been provided along with the SCN, so the company is unable to reply on this issue without complete information.

Thus the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 4 of the SCN must be dropped considering the above submissions and reconciliations.

5. ऑनलाईन पोर्टल पर उपलब्ध GSTR-2A की जांच की गयी। जांचोपरान्त पाया गया कि आप द्वारा कतिपय फर्मों से रु0 31534841.00 की टैक्सेवल वैल्यू की inward supply प्रदर्शित है जिनकी जांच पर पाया गया कि उक्त फर्मों का पंजीयन निरस्त हो चुका है। जिसकी आईटीसी का लाभ नियमानुसार आपको देय नहीं है। अतः रु0 31534841.00 की टैक्सेवल वैल्यू पर आईटीसी CGST 1577264.00, SGST 1577264.00, IGST 2464610.00 का रिवर्सल नियमानुसार किया जाना अपेक्षित है।

उक्त क्रेडिट से संबंधित साक्ष्य / विवरण जांच हेतु प्रस्तुत किया जाना अपेक्षित है। यदि उक्त के संबंध में आप द्वारा कोई भी साक्ष्य / अभिलेख जांच हेतु प्रस्तुत नहीं किये जाते है तो यह समझा जाएगा कि आपको इस संबंध में कुछ नहीं कहना है

। तो वस्तु एवं सेवा कर अधिनियम की धारा-73 एवं धारा-50 में दिये गये प्राविधानों के अनुसार निम्न प्रकार कर, ब्याज एवं अर्थदण्ड आरोपित कर दिया जाएगा:-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	2464610.00	1577264.00	1577264.00	5619138.00
Penalty u/s 73	246461.00	157726.00	157726.00	561913.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>2711071.00</b>	<b>1734990.00</b>	<b>1734990.00</b>	<b>6181051.00</b>

### **Reply to Point No. 5**

It is submitted that in the SCN it is mentioned that reversal of ITC be made on inward supply received from 29 cancelled/ suspended dealers from which the taxpayer made inward purchases, but it is important to note that no ITC has been claimed by the taxpayer on the inward supply received from any Cancelled dealers whose registration has been cancelled prior to the date of Tax Invoice issued by such questioned dealers for the supply made during the F.Y. 2020-21, thus there is no question of reversal of ITC.

Further it is submitted that the purchases (inward supply) by the taxpayer from the alleged 29 specified vendors (outward suppliers) is performed in normal course of business and each of such inward supply of goods / services have actually took place during the period between April'2020- March'2021 when the GST registration of all the 29 questioned dealers was very much 'Active' as per the Common Portal of GST. As an inward supplier the taxpayer has duly verified the valid existence for the purpose of GST of the outward supplier through its GST registration from the Common Portal at the time of purchase including the identity proof of the key person, physical existence/presence in market and some other registrations. The taxpayer has no other means under law or provided by the government to verify any further about the authenticity or genuinity of the GST registered dealer as on the date of purchase of goods / services from the 29 questioned dealers. The 29 questioned outward suppliers had filed their GSTR-1 and GSTR-3B for the period April 2020 to March 2021 as per the Common Portal of the Government , further the GST registration of the 29 questioned dealers have been cancelled at a date much after the date of the tax invoice issued by them for the questioned transaction thus demanding reversal of ITC as per Sec 16(2)(c) of CGST / UPGST Act,2017 is totally uncalled. It cannot be disputed that the 29 questioned dealers were not existing at time of the inward supply made by the taxpayer. Detailed Statement showcasing the compliance and effective date of grant of registration and effective date of cancellation of registration along with the month till the required compliance of filing of GSTR-1 and GSTR-3B has been made by such outward suppliers is enclosed as **Annexure –4 (Colly.)**

S. No.	Trade Name	GSTIN	Total Value (₹)	Taxable Value (₹)	Integrated Tax (₹)	Central Tax (₹)	State/UT tax (₹)	Effective Date of Cancellation	Status of Cancellation
1	SHAKTI PLASTIC INDUSTRIES	07AAEPA7021R1ZN	8,49,600.00	7,20,000.00	1,29,600.00	-	-	26-Dec-23	Cancelled on application of Taxpayer
2	MUKUL TRADERS	06AAGPV6542E1ZL	1,28,307.30	1,08,735.00	19,572.30	-	-	30-Apr-22	Cancelled on application of Taxpayer
3	SHIVAM ENTERPRISES	07COUPM6489R1ZE	9,45,888.00	8,01,600.00	1,44,288.00	-	-	10-Dec-21	Cancelled on application of Taxpayer
4	CLOUDTAIL INDIA PVT LTD	06AAQCS4259Q1ZE	56,43,618.56	48,29,794.50	8,13,824.06	-	-	10-Apr-24	Cancelled on application of Taxpayer
5	CLOUDTAIL INDIA PRIVATE LIMITED	27AAQCS4259Q1ZA	2,05,773.83	1,74,979.50	30,794.33	-	-	09-Feb-24	Cancelled on application of Taxpayer
6	CLOUDTAIL INDIA PVT LTD	29AAQCS4259Q1ZE	1,99,069.05	1,69,297.50	29,771.55	-	-	04-Aug-24	Cancelled on application of Taxpayer
7	CLOUDTAIL INDIA PRIVATE LIMITED	36AAQCS4259Q1ZB	60,635.28	51,546.00	9,089.28	-	-	09-Feb-24	Cancelled on application of Taxpayer
8	DOLAT METAL WORKS	07AAIFD8864B1ZD	2,773.00	2,350.00	423.00	-	-	14-Jul-23	Suspended
9	FDK LOGISTICS PRIVATE LIMITED	07AADCF9682P1ZR	3,199.10	2,711.10	488.00	-	-	25-Jul-22	Cancelled suo-moto
10	SWASTIK FURNITURE	27AHVPD0511H1ZJ	3,83,144.77	3,24,698.96	58,445.81	-	-	30-Sep-21	Cancelled on application of Taxpayer
11	JINDAL MACHINERY STORE	07AAAFJ0005C1ZC	13,216.00	11,200.00	2,016.00	-	-	08-Aug-22	Suspended
12	KAILASHPATI POLY PLAST PRIVATE LIMITED	09AACCK7304G1ZN	1,84,86,175.00	1,56,66,250.00	-	14,09,962.50	14,09,962.50	31-Mar-23	Cancelled on application of Taxpayer
13	K K SECURITIES LTD.	27AAACK1882B1ZU	88,500.00	75,000.00	13,500.00	-	-	25-Jul-23	Cancelled on application of Taxpayer
14	MANORAMA EMPORIUM	09AHQP1724P1ZQ	5,30,115.00	4,49,250.00	-	40,432.50	40,432.50	31-May-22	Cancelled on application of Taxpayer
15	ARYA SALES	03BLVPM0680D2Z3	83,323.34	70,613.00	12,710.34	-	-	14-Jan-23	Suspended
16	DURGA IRON TRADERS	09AVEPS1529H1ZE	61,102.76	51,782.00	-	4,660.38	4,660.38	03-Jan-25	Suspended
17	NATASHA ENTERPRISES	09AALFN8945N1Z9	3,34,646.82	2,83,599.00	-	25,523.91	25,523.91	09-May-23	Cancelled suo-moto
18	SHRI BALAJI TRADERS	09BFMPV9540L1ZF	1,10,153.00	93,350.00	-	8,401.50	8,401.50	31-Oct-22	Cancelled on application of Taxpayer
19	SHREE BALAJI INTERNATIONAL	07ANTPA5580H2ZP	24,62,365.00	20,86,750.00	3,75,615.00	-	-	18-Feb-23	Suspended
20	SHREE SHIV SHAKTI PLASTIC UDYOG	07AENPB0247F1ZW	1,90,157.00	1,61,150.00	29,007.00	-	-	30-Nov-23	Cancelled on application of Taxpayer
21	RMT PACKAGING	09EHJPK5691F1ZV	12,18,597.38	10,32,709.60	-	92,943.89	92,943.89	31-Oct-22	Cancelled on application of Taxpayer
22	S. B. PLASTO	07AHEPG5565D1ZJ	28,46,160.00	24,12,000.00	4,34,160.00	-	-	16-Nov-23	Suspended
23	Umang Enterprises	07AJFPG8321C2ZM	5,90,000.00	5,00,000.00	90,000.00	-	-	31-Jul-22	Cancelled on application of Taxpayer
24	MONARCH STEELS FURNITURE	03AAZPL0929Q1ZY	49,560.00	42,000.00	7,560.00	-	-	12-Sep-21	Cancelled on application of Taxpayer
25	SHREEJI ENTERPRISE	24AHMPD3103C1ZE	6,35,327.08	5,38,412.78	96,914.30	-	-	01-Aug-23	Cancelled suo-moto
26	Shivay Mercantile LLP	07AEFFS6845E1ZU	7,90,688.50	6,70,075.00	1,20,613.50	-	-	08-Jun-21	Cancelled on application of Taxpayer
27	SAI PLASTIC	07AAKPK2859D1ZO	21,15,450.90	17,92,755.00	3,22,695.90	-	-	19-Jan-24	Suspended
28	TAB TREE ENTERPRISES PRIVATE LIMITED	09AADCN5158Q1ZQ	7,499.99	6,355.93	-	572.03	572.03	28-Mar-22	Cancelled on application of Taxpayer
29	VIKAS ROAD CARRIERS LIMITED	08AAACV4685M1ZP	5,040.00	4,800.00	-	120.00	120.00	31-May-23	Cancelled on application of Taxpayer
		Total-	3,90,40,086.66	3,31,33,764.87	27,41,088.37	15,82,616.71	15,82,616.71		

That on perusal of the above table it would be very clear that GST registration of 29 alleged vendor/outward suppliers/dealer has been cancelled / suspended at a date much after the date of actual purchase/ issue of 'Tax Invoice' by them. The copy of Tax Invoices, Party Ledger, E-way Bill and Bank Statement for the questioned inward supply from the alleged cancelled dealers is enclosed as **Annexure- 4**. Thus, all the alleged 29 cancelled / suspended dealers as per the SCN were very much active and hold a valid GST Registration during the F.Y. 2020-2021 and their GSTIN is subsequently cancelled/suspended from the date which is much later than the date of tax invoice issued and declared by them.

Further on perusal of the information available on the 'Common Portal' for the questioned dealers, it is evident that these questioned dealers have filed GSTR-1 and GSTR-3B for subsequent periods also even much after the date of the actual inward supply transaction for which the ITC reversal is being demanded from the Taxpayer. Thus, each of the alleged dealer was very much operational and existent even after date of the transaction of inward supply in question. Therefore, the outward supply transactions which are duly reported by these 29 dealers in their GSTR-1 and GSTR-3B which simultaneously reflected in our GSTR-2A cannot be termed as bogus or not satisfying the conditions of Section 16(2) (c) of the CGST/UPGST Act,2017.

The above-mentioned suppliers/vendors had already collected the principal amount for the goods or services supplied by them and have also separately charged GST amount from the taxpayer which has been paid by the taxpayer in their bank account. The bank account of such questioned dealers will prove that the GST amount had been collected from the taxpayer in the bank of such questioned dealer.

Reference is invited to the judgement of Hon'ble Delhi High in the case of **Kwatra Auto Industries versus Commissioner of Delhi Goods and Service Tax (2024) 15 CENTAX 505 (Del.)**. *the court held that registration was to be cancelled with effect from the date when assessee had stopped its business.*

Thus denial of ITC due to subsequent cancellation of registration of the alleged outward suppliers is not legally correct as these 29 outward suppliers were doing business during the

period when questioned purchase transactions took place as well as each of the alleged outward suppliers had duly filed the necessary GST returns declaring the outward transactions as explained in the above referred paragraphs supported by the evidences from the 'Common Portal' of the government.

That the Hon'ble Calcutta High Court in the case of **Gargo Traders Vs. Joint Commissioner, Commercial Taxes (State Tax) & Ors. (WPA 1009 of 2022)** has observed that that-

*12. The main contention of the petitioner that the transactions in question are genuine and valid and relying upon all the supporting relevant documents required under law, the petitioner with due diligence verified the genuineness and identity of the supplier and name of the supplier as registered taxable person was available at the Government Portal showing its registration as valid and existing at the time of transaction.*

*13. Admittedly at the time of transaction, the name of the supplier as registered taxable person was already available with the Government record and the petitioner has paid the amount of purchased articles as well as tax on the same through bank and not in cash.*

*16. The respondent authorities only taking into consideration of the cancellation of registration of the supplier with retrospective effect have rejected the claim of the petitioner without considering the documents relied by the petitioner.*

*18. In view of the above, the impugned orders are set aside. The respondent no. 1 is directed to consider the grievance of the petitioner afresh by taking into consideration of the documents which the petitioner intends to rely in support of his claim.*

That the Hon'ble Delhi High Court in the case of **Pratima Tyagi Versus Commissioner of GST (W.P. (C) 16016/2023)** has observed that the effect of cancellation of GST is from the date of the closure of the business.

In the present case the 29 questioned dealers were very much active during the relevant Financial Year i.e. 2020-21 and their respective GST registration was cancelled / suspended much later after the transactions took place. Therefore, the taxpayer has rightly claimed the ITC in accordance with the law.

That in the case of **Engineering Tools Corporation v. the Assistant Commissioner (ST), Chennai (Writ Petition No.3505 of 2024)** The Hon'ble Madras High Court held that an *Input Tax Credit ('ITC')* claim cannot be rejected merely on the ground that the supplier's GST registration was cancelled with retrospective effect. It further held that the genuineness of the claim needs to be verified by considering relevant documents from the transaction.

It is very relevant to taken into consideration that all the above-mentioned judgements of Hon'ble High Courts provide for the availment of the ITC in case of cancellation of Supplier and the claimed ITC by the recipients were considered as valid. Therefore, it important to note in the present case of the taxpayer, the cancellation of the supplier GSTIN is subsequent to the availment of the ITC and that too from the period subsequent to the ITC availed period. The taxpayer has legally and validly availed the ITC on the tax invoices issued from the 29 questioned dealers whose registration were cancelled/ suspended subsequently i.e. effective date of cancellation of GSTIN is after the period of availment of ITC.

Thus the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 5 of the SCN must be dropped considering the above submissions and reconciliations.

6. आप द्वारा दाखिल GSTR-9 के अनुसार संगत वर्ष में taxable value ₹0 7560077.00 कर CGST 576578.00, SGST 576578.00, IGST 207656.00 के क्रेडिट नोट जारी करना प्रदर्शित किया गया है। किन्तु आप द्वारा उक्त क्रेडिट नोट्स से संबंधित कोई भी साक्ष्य / अभिलेख जांच हेतु प्रस्तुत नहीं किये गये हैं। अतः क्यों उक्त क्रेडिट पर देय कर कर CGST 576578.00, SGST 576578.00, IGST 207656.00 को नियमानुसार जमा करना सुनिश्चित करें।

यदि उक्त के संबंध में आप द्वारा कोई भी साक्ष्य/अभिलेख जांच हेतु प्रस्तुत नहीं किये जाते हैं तो यह समझा जाएगा कि आपको इस संबंध में कुछ नहीं कहना है तथा वस्तु एवं सेवा कर अधिनियम की धारा-73 एवं धारा-50 में दिये गये प्राविधानों के अनुसार निम्न प्रकार कर, ब्याज एवं अर्थदण्ड आरोपित कर दिया जाएगा:-

Particulars	IGST	CGST	SGST	Total
Reversal of ITC	207656.00	575578.00	575578.00	1358812.00
Penalty u/s 73	20765.00	57557.00	57557.00	135879.00
Interest@18% TILL DATE OF DEPOSIT	00	00	00	00
<b>Total</b>	<b>228421.00</b>	<b>633135.00</b>	<b>633135.00</b>	<b>1494691.00</b>

उपरोक्त क्रम में दिनांक 21-10-2024 तक बिन्दुवार स्पष्टीकरण साक्ष्य सहित ऑनलाईन पोर्टल पर अपलोड करना अथवा अधोहस्तक्षरी के कार्यालय में दाखिल करना सुनिश्चित करें। नियत तिथि तक यदि आप द्वारा कोई जवाब / स्पष्टीकरण दाखिल नहीं किया जाता है तो यह समझा जाएगा कि आपको इस संबंध में कुछ नहीं कहना है। वस्तु एवं सेवा कर अधिनियम 2017 की धारा-73 में दिये गये प्राविधान के अनुसार नियमानुसार कार्यवाही की जाएगी।

### **Reply to Point No. 6**

It is submitted that the pointed-out difference of Rs 2,28,421/- in IGST, RS 6,33,135/- in CGST and SGST each pertains to total outward supply credit notes which have been duly declared in GSTR-1 and GSTR-9 and taxpayer has not passed on any excess ITC to the recipient.

The List of credit notes mapped with Outward Supply Tax Invoice and details of GSTR-3B in which such Tax liability is reduced is enclosed as **Annexure – 5**.

Thus the proposed demand of reversal of Tax, Interest and penalty on the issue as raised at point 6 of the SCN must be dropped considering the above submissions and reconciliations.

Based on the above detailed submissions made for each of the issue, it is clear that the Taxpayer have duly provided all the necessary documents and information clarifying the proposed demand of tax, interest and penalty on the 6 issues as raised in the SCN.

Taxpayer shall be obliged for having an opportunity of personal hearing. Further if any further clarification / document regarding any submissions is required then Taxpayer shall be obliged to be present before your good self the same.

व्यापारी द्वारा उपरोक्तानुसार दाखिल किया गया स्पष्टीकरण एवं जारी किये गये नोटिस पर बिन्दुवार जांच की गयी जांचोपरान्त व्यापारी द्वारा दाखिल किया गया स्पष्टीकरण स्वीकार योग्य पाया गया।

AVINASH AZAD  
H AZAD

Deputy Commissioner State GST  
Sector-11, Ghaziabad.

Digitally signed by AVINASH AZAD  
DN: c=IN, o=Personal, title=2622,  
2.5.4.20=f0ca00beba4eed2e748c42b91  
f4b940f2f3848f05eb9f1c2fad27b7e5d5  
93485, postalCode=224190, st=Uttar  
Pradesh,  
serialNumber=7c239d4476d83a4e17c0  
2fd4bdf6cc8106738e660d9e29986bba  
325e48b019b4, cn=AVINASH AZAD  
Date: 2025.02.15 18:20:59 +05'30'