



Office of the Deputy Commissioner
State Goods and Services Taxes
Mattancherry
Date:- 21.08.2018

From

The Deputy Commissioner
State GST Department
Mattancherry

To

Assistant Commissioner, Mattancherry/ Muvattupuzha
All STO's

Sir,

Sub:- Disaster Management – instructions to officers – reg.

The devastating flood has badly affected business community as well. Large scale damage of goods has been reported from all parts of Mattancherry. The situation may not be different in other districts also.

As per section 17(5)(h) input tax credit shall not be available in respect of goods lost, stolen, destroyed written off or disposed of by way of gift or free samples

By virtue of section 73(1) a proper officer may issue a show cause notice in Form DRC-1 requesting him to pay the amount specified in the notice along with interest (@18%) and penalty. The proper officer may serve a statement containing input tax wrongly availed in Form DRC-2.

Upon receipt of DRC-1 and 2, if the tax payer pays the tax along with interest within 30 days of issue of SCN, no penalty shall be payable and all proceedings in respect of the said notice shall be deemed to be concluded.

However the tax payer can pay the amount of tax along with interest on the basis of his own asertainment of such tax or the tax as ascertained by the proper officer and inform the proper officer in writing of such payment. The proper officer shall after considering the reply if any, determine the amount of tax, interest and penalty equivalent to 10% of tax or Ten thousand rupees whichever is higher.

The following instructions are issued to the officers.

- 1) Affix notices in office premises requesting the tax payers to report the damage/ loss of goods.
- 2) Conduct meeting of tax consultants and practitioners locally.
- 3) Send mail/mange to all the tax payers to report the loss or damage of goods in the following format.

Stock statement of damaged items.

a) Stock lost /damaged for which ITC available

(i) Goods statement for traders

(ii) Finished /semi finished goods for manufactures

(b) Stock lost/ damaged for which ITC not availed. (inward supply during August or Return not filed).

(i) Goods statement for traders

(ii) Finished /semi finished goods for manufactures[illegible]

(c) Stock lost/damaged inward supply from unregistered persons.

(i) Goods statement for traders

Sl. No	Item	HS N	Quantity	Value	Rate of tax	Bill of supply / Invoice No and date	Supplier GSTIN	Whether entire quantity damaged		If No	
								Yes	No	Total Invoice Value	Quantity

(ii) Finished /semi finished goods for manufactures

Sl. No	Item	HS N	Quantity	Value	Rate of tax	Value of raw material consumed	Item	HSN	Rate of tax	Bill of supply / Invoice No and date	Supplier GSTIN	Total Invoice Value	Quantity

4) Conduct field visit to ascertain the genuineness of the damage reported

5) Cross verify the damage / loss statement with GST data in Backend system.

Further instructions are awaited from Commissionerate.

Yours faithfully

Deputy Commissioner,
Mattancherry.