

**ANNEXURE TO GST ASME-J0**

Trade Name/Legal Name	M/s. JSW Steel Limited
Address	Singhania Tower, Barbil, Dist. Keonjhar, Odisha, Pin: 758035
GSTIN	21AAACJ4323N2ZR
Financial Year Tax Periods	2021-2022 (Upto June, 2021)

Please take notice that the returns filed by your company M/s JSW Steel Limited, GSTIN: 21AAACJ4323N2ZR, Barbil, Odisha under the OGGST/CGST Act alongwith registration records were scrutinized by the undersigned for the period from April, 2021 to June, 2021. During such scrutiny the following facts have been observed.

**1. Activities undertaken by your Company i.e. M/s. JSW Steel Limited, GSTIN: 21AAACJ4323N2ZR, Barbil, Odisha.**

Your Company has been engaged in the business of

- (a) Conducting mining operation, extracting and selling of iron ore and manganese ore. Besides manufacturing and selling of iron and steel goods.
- (b) Transportation of goods by rail /road.

**2. Mining lease given by the State of Odisha to M/s. JSW Steel Ltd.**

From verification of lease deeds, it is observed that your Company has been granted mining lease by the Govt. of Odisha for extracting minerals i.e. Iron ore and Manganese ore at the following mining areas of Odisha on various terms and conditions of lease deeds.

- (i) Nuagaon Iron ore Mines, Village: Nuagaon, Odisha
- (ii) Jajang Iron ore Mines, Village Jajanga, Odisha
- (iii) Narayan Poshi Iron ore Mines, Village, Koira, Odisha
- (iv) Ganua Iron ore Mines, Village: Ganua, Odisha.

**3. Payment of GST on Royalty by M/s. JSW Steel Ltd.**

Basing upon the exploration, removal and dispatch of ores from the above four mines located inside the State of Odisha, your Company i.e. JSW Steel Ltd.

GSTIN: 21AAACH4323N2ZR, Barbil, Odisha has paid SGST amounting to Rs. 57949.88 and CGST amounting to Rs. 57949.88 during the period from April, 2021 to June, 2021 on reverse charge mechanism on the basis of licensing services for rights to use minerals including exploration and evaluation (falling under the Head 9973) against Royalty, DMF, NMET, NPV etc.

4. **Transfer of ITC by M/s. JSW Steel Ltd. GSTIN: 21AAACJ4323N2ZR, Barbil Odisha to M/s. JSW Steel Ltd. (ISD) GSTIN:27AAACJ4323N2ZF, Maharashtra.**

Out of the above amount paid by your Company on RCM basis, you have utilized a portion of the same for offsetting liability against output tax payable. However, examination of part-B of GSTR-2A, GSTR-1 and GSTR3B filed by your Company and GSTR-6 filed by M/s. JSW Steel Ltd. (ISD), GSTIN: 27AAACJ4323N2ZF reveals that during the period from April, 2021 to June, 2021, M/s. JSW Steel Ltd., Barbil Odisha has instead of utilizing the entire tax paid on RCM against the output tax liability has wrongfully and illegally transferred the unutilized ITC amounts to Rs. 915,91,79,745.00 to M/s. JSW Steel Ltd. (ISD) GSTIN:27AAACJ4323N2ZF, located in the state of Maharashtra as detailed below:

Sl. No.	Month	Amount of ITC transferred to M/s. JSW Steel Ltd. (ISD) GSTIN:27AAACJ4323N2ZF, MAHARASTRA.
1	April, 2021	807,136,387.00
2	May, 2021	856,072,942.00
3	June, 2021	348,428,240.00
	<b>TOTAL</b>	

Further, it is observed that M/s. JSW Steel Ltd. (ISD) GSTIN:27AAACJ4323N2ZF, Maharashtra in turn has in contravention of the above provisions of the CGST/SGST/IGST Act has distributed the said amount wrongfully and illegally to other units located outside the State of Odisha.

5. Calculation of Tax and Interest payable by your Company as detailed in the table below:

Calculation of interest (2021-22 up to June 2021)

S. No.	Period	Due date	Date of Notice	No of Days	SGST	CGST	Total Tax	SGST Interest	CGST Interest	Total Interest	Total Payable
1	Apr 21	20.5.20	03.08.20	75	403568193.5	403568194	807136387	10901991	10901991	21803982	8499401
2	May 21	20.6.20	04.08.20	44	428036471	428036471	856072942	12383740	12383740	24767480	8808404
3	Jun 21	20.7.20	03.08.20	14	1742141200	1742141200	3484282400	16037245	16037245	32074490	15163568
<b>Total</b>				<b>133</b>	<b>2573745865</b>	<b>2573745865</b>	<b>5147491729</b>	<b>48322978</b>	<b>48322978</b>	<b>96645956</b>	<b>524413761</b>

6. Hence, you are directed explain the above mentioned discrepancy/discrepancies alongwith supporting documents in Form GST ASMT-11. While showing cause, you are also required to produce/upload all the evidence upon which you intend to rely in support of your defense alongwith your reply in Form GST ASMT-11 on or before the date mentioned in the notice in Form GST ASMT-10.

If you agree to the discrepancies pointed out above, you are required to pay the amount in DRC-03 alongwith interest @24% per annum in Form DRC-03 from your Cash Ledger.

**N.B:** Please note that the interest have been calculated upto the date of notice. While making payment of interest for the period between the date of notice and the date of payment shall also be worked about and paid alongwith the dues stated in the notice.

**The document is digitally signed.**