

REF: RFMS/BSF/2025-26/GEN/011

December 23, 2025

The Secretary, Listing Department,
Bombay Stock Exchange Limited
Phiroz JeeJeebhoy Towers,
Dalal Street, Mumbai - 400 001, Maharashtra.

Scrip Code: 540843

Dear Sir/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015("LODR Regulations")

This is to inform you that the Company has received an order imposing a demand of ₹3.30 Lakhs pursuant to the show cause notice dated May 8, 2025, for ₹91 Lakhs, issued by the GST Authorities for FY 2021–22.

The Company is examining the order in detail and is exploring appropriate legal recourse to contest the same before the competent authorities.

This is for your kind information and records.

Yours Sincerely,

For RITHWIK FACILITY MANAGEMENT SERVICES LIMITED


S. Jayapandi
COMPANY SECRETARY
Mem no: A21909
Attached: Order Copy



GOVERNMENT OF TAMILNADU – DEPARTMENT OF COMMERCIAL TAXES
PROCEEDINGS OF THE ASSISTANT COMMISSIONER (ST),
GUINDY ASSESSMENT CIRCLE
PRESENT: Present: Tmt. Dr T. Uma, B.S.M.S., M.Sc (Epid)

OFFICE ADDRESS: ROOM NO. 253 & 255, SECOND FLOOR, INTEGRATED COMMERCIAL TAXES AND REGISTRATION BUILDING, SOUTH TOWER, NANDANAM, CHENNAI – 600035.

GSTIN: 33AAECR6158H1ZB/2021-22

Dated: 22.12.2025

Sub	TNGST/CGST Act 2017 – filed by the taxpayers for the period from 01/04/2021 to 31/03/2022-Tvl RITHWIK FACILITY MANAGEMENT SERVICES LIMITED- Discrepancies noticed - Notice DRC-01 issued-Reply filed –order passed - regarding .
Ref	1. This Office Notice in Form DRC-01 issued, vide Ref No ZD3309252665038 Dated: 22.09.2025.
	2. Taxpayer reply filed on 23.10.2025

ORDER:

Note: An appeal against this order lies before the Deputy Commissioner (ST), GST Appeals, Chennai, at No.1, PAPJM Building (Annex), Third Floor, Greams Road, Chennai-06.

Within 90 days of receipt of this order

Tvl. RITHWIK FACILITY MANAGEMENT SERVICES LIMITED (GSTIN 33AAECR6158H1ZB) at RR TOWER III, TVK INDUSTRIAL ESTATE, Guindy, Chennai, Chennai, Tamil Nadu, 600032

On examination of the information furnished in this return under various heads and the information furnished in GSTR-01, GSTR-2A, GSTR-3B, EWB 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 the under declared tax is as follows: You have filed annual return in GSTR-09 for the financial year 2021-22.

SGST Rs.4512727

CGST Rs.4512727

IGST Rs.84791

CESS Rs.10119

Total Rs.9120364

The details of the above tax liability are as follows:

Excess claim of ITC

Defect No 1. ITC to be reversed on non-business transactions & exempt supplies

Under Sec 17(1),(2) & (3) 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.

Sec 2(47) of GST Act, 2017 –exempt supply means supply of any goods or services or both which attracts nil rate of tax or which may be wholly exempt from tax under section 11, or under section 6 of the Integrated Goods and Services Tax Act, and includes non-taxable supply;

Sec 2(78) of GST Act, 2017 –non-taxable supply means a supply of goods or services or both which is not leviable to tax under this Act or under the Integrated Goods and Services Tax Act;

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	Description	Table no. in GSTR-	Value of outward	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8	9
1	Total turnover	5N	21346 37 77	-	-	-	-	-
2	Exempt supplies	5C+5D + 5E+ 5F	11101 18 87	-	-	-	-	-
3	Common input tax credit	4A of GSTR- 3B	-	489852 5	489852 5	75689	138	9872877
4	ITC to be reversed (3 * 2/1)		-	254747 8	254747 8	39362	72	5134390
5	ITC reversed	7C + 7D	-	149850	149850	0	0	299700
6	Excess ITC claimed (4-5)		-	239762 8	239762 8	39362	72	4834690

Therefore, the above amount of ITC is proposed to be recovered along with interest under Section 50(1) of the TNGST/CGST Act 2017.

Reply filed by the taxpayer:

Interest income was specifically assessed within the framework of exempted services according to Entry 27(a) of notification No. 12/2017 and Entry 28(a) of notification No. 9/2017, which refers to services in the form of providing deposits, loans, or advances in the case of consideration presented in the form of interest. Such services are therefore exempt from paying GST and the individual does not need to charge GST on the activity of providing services by providing deposits, loans, or advances if the consideration is interest.

Exempt supplies Rs. 11,10,11,887/- mentioned in GSTR-09 is reimbursement for utility expenses. Since no ITC Claimed against the Interest income so proportion ITC reversal is not applicable under rule 43 section 17(2) of CGST act 2017.

Findings of the Assessing Authority: -

The exempted income mentioned in GSTR 9 is interest income and reimbursement expenses. Hence rule 42 ITC reversal cannot be warranted.

Defect No 2. Claim of Ineligible ITC-Sec 17(5):

Under Sec 17(5) of the SGST Act, 2017 input tax credit shall not be available in respect of the list of commodities & services mentioned therein subject to certain conditions.

It is seen from GSTR-09 and other information that they have claimed ITC on these commodities and therefore the ITC claimed on these commodities or services is proposed to be recovered.

S.No	Commodity/Service	HSN code	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
1	Insurance and pension services	99713	49350	49350	0	0	98700
2	Services auxillary to insurance and pensions	99716	1904	1904	0	0	3808
3	Construction services	9954	95336	95336	0	0	190672
4	Beverages , soup,	2202,2206,2207,2208	2248	2248	0	0	4496
5	Sanitary Goods, taps, etc	69101000,7324,3922,84818020,84818010	693	693	0	0	1386
6	Electrical Goods	8544,8539,8535,8536,8537,8504,7011	28542	28542	0	0	57084
7	Paints	3209	1487	1487	0	0	2974

S.No	Description	Table no. in GSTR-09	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7	8
1	Total ineligible ITC u/s 17(5)		179560	179560	0	0	359120
2	Ineligible ITC declared	7E	0	0	0	0	0
3	Excess ITC claimed (1-2)		179560	179560	0	0	359120

Reply filed by the taxpayer:

The notice issued regarding that We wish to clarify that we have not claimed any ineligible Input Tax Credit (ITC), we respectfully submit that the ITC claimed by us pertains to eligible business-related expenses, as detailed below:

1. Construction Services – ITC of ₹95,336 CGST and ₹95,336 SGST relates to maintenance services for elevators, which form part of plant and machinery. These services relate to capital maintenance activities essential to the ongoing operations of our business and are not in connection with the construction of immovable property. Therefore, the ITC is rightly eligible under the CGST provisions in accordance with Section 16 read with the relevant definitions and exclusions under the Act. Out of the total amount, ITC of ₹91,374 (CGST) and ₹91,374 (SGST) has been claimed by us, and the balance of ₹3,962 (CGST) and ₹3,962 (SGST) has not been claimed.

2. Insurance and Pension Services – ITC of ₹49,350 CGST and ₹49,350 SGST relates to building insurance, which is mandatory and exclusively for business purposes, thus allowable under Section 17(5)(b). Accordingly, the ITC is not ineligible or blocked. Out of the total ITC, we have claimed ₹46,006 (CGST) and ₹46,006 (SGST), while the remaining amount of ₹3,344 (CGST) and ₹3,344 (SGST) has not been claimed by us.

3. Paints – ITC of ₹1,487 CGST and ₹1,487 SGST pertains to materials purchased for repair and maintenance of machinery, which are business inputs and qualify as eligible ITC. Out of the total amount, we have claimed only ₹319 (CGST) and ₹319 (SGST), while the remaining ₹1,168 (CGST) and ₹1,168 (SGST) has not been claimed by us.

4. Services Auxiliary to Insurance and Pension – ITC of ₹1,904 CGST and ₹1,904 SGST relates to vehicle repair and maintenance services, and not insurance. These services are used in the course of business and are therefore eligible. Out of the total amount, we have claimed ₹1,309 (CGST) and ₹1,309 (SGST), while the balance of ₹595 (CGST) and ₹595 (SGST) has not been claimed by us.

5. Sanitary Goods (Taps, Tank, etc.) – ITC of ₹693 CGST and ₹693 SGST relates to installation of water tank and sanitary fittings required for maintaining functional

infrastructure in business premises, and are not in the nature of capital construction. Hence, eligible.

6. Beverages and Soup – ITC of ₹2,248 CGST and ₹2,248 SGST was not claimed by us. This may have been incorrectly picked up during reconciliation. Kindly exclude this from the proposed disallowance.

7. Electrical Goods – ITC of ₹28,542 CGST and ₹28,542 SGST pertains to electrical materials used for repair and maintenance of business equipment and facilities. These are essential for day-to-day functioning and are eligible as inputs. Out of the total ITC, we have claimed ₹20,944 (CGST) and ₹20,944 (SGST), and the remaining ₹7,598 (CGST) and ₹7,598 (SGST) has not been claimed by us.

We have enclosed copies of the relevant tax invoices for all the above mentioned services and goods to substantiate the eligibility of our ITC claims.

Findings of the Assessing Authority: -

The taxpayer replied that the ITC taken under construction services is related to capital maintenance activity, ie, lift which is an immovable asset equally treated as building. Since, the ITC related to lift which is attached to the building is ineligible, further ITC related to maintenance of lift also ineligible. Hence ITC taken for maintenance of lifts has to be reversed along with applicable interest.

Since the building ITC is not eligible for claim, building insurance also an ineligible claim. Hence, demand proposed in S.I 1,2,3 is confirmed.

Defect No 3. ITC claimed from cancelled dealers, return defaulters & tax non payers:

Under Sec 16(2)(c) every registered person shall be entitled to take credit of ITC on supply of goods or services to him subject to the condition that the tax charged in respect of such supply has been actually paid to the Government either in cash or through utilization of ITC admissible in respect of such supply.

However as seen from the office records, it is observed that you have taken ITC from the taxpayers who have not paid tax on their outward supplies to you.

S.No	Description	SGST	CGST	IGST	CESS	Total
1	2	3	4	5	6	7
1	Supplier registration cancelled before date of invoice	0	0	0	0	0
2	Supplier failed to file GSTR-3B and did not pay tax on the invoices declared in GSTR-01	0	0	0	0	0
3	Supplier filed GSTR-3B with Nil turnover and did not declare or pay tax corresponding to the invoices declared in GSTR-01	7070	7070	0	0	14140
4	Total Ineligible ITC (1+2+3)	7070	7070	0	0	14140

The above amount of ITC is proposed to be recovered along with interest under Section 50(1) of the CGST/TNGST Act 2017.

Reply filed by the taxpayer:

An amount of Rs. 7,070/- CGST & Rs. 7,070/- SGST is proposed to be levied on account of counter party tax return status. We have paid the same amount through DRC 03.

Findings of the Assessing Authority: -

The reply filed by the taxpayer is found to be acceptable and hence further proceedings are concluded.

Interest Calculation

Defect No 4. Interest on late reporting of invoices:

Analysis of GSTR-1 filed by you for a particular tax period revealed that you have reported certain invoices related to previous tax periods in the said GSTR-1 statement. Thus, you are hereby liable to pay interest on the entire tax value reported in those invoices as per section 50(1) of

Reply filed by the taxpayer:

S.No	No of invoices reported belatedly	SGST Interest	CGST Interest	IGST Interest	CESS Interest	Total Interest
1	2	3	4	5	6	7
1	1	117	117	0	0	234
Particular	SGST	CGST	IGST			
Interest Payable	117	117	-			
Interest already paid on GSTR 3B	-	-	-			
Difference	117	117	-			

Findings of the Assessing Authority: -

The taxpayer paid the interest liability through DRC-03. Hence further proceedings are concluded.

Late fee calculation**Defect No 5. GSTR-1 late fee:**

You have belatedly filed GSTR-1 outward statement for the FY 2021-22. Hence you are liable to payment of late fee as per section 47 of TNGST/CGST Act, 2017.

S.No	No of GSTR-1 filed	SGST late fee	CGST late fee
1	2	3	4
1	3	425	425

Reply filed by the taxpayer:

Particular	SGST	CGST	IGST
Interest Payable	425	425	-
Interest already paid on GSTR 3B	-	-	-
Difference	425	425	-

The interest and Late fees amount due to late filing of GSTR 3B that we have paid through DRC 03 and we uploaded the acknowledgement for your reference.

Findings of the Assessing Authority: -

The taxpayer paid the liability through DRC-03.Hence further proceedings are concluded.

Revenue Abstract:

The total tax payable on account of these deficiencies is arrived as follows:

S.No	Description	SGST	CGST	Total
1	Total tax due	146590	146590	293180
2	Interest	6000	6000	12000
3	Penalty on amount in S.No.1	14659	14659	29318
5	Total (1+2+3)	167249	167249	334498

The taxpayer is hereby ordered to pay the above demand amount within 90 days from the date of this order. Further, the taxpayer shall be liable to pay interest from the date of this order until the actual date of payment.

Accordingly, DRC-07 is issued.

Assistant Commissioner (ST),
Guindy Assessment Circle.