



FORM VAT 305-A

**GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT**

**Office of the
Commercial Tax Officer
M.G.Road Circle,Hyd.**

TIN: 36604868066

Date:28-03-2018.

NOTICE OF ASSESSMENT UNDER VALUE ADDED TAX

[See Rule 25 (5)]

Sub : TGVAT Act '05-- M/s Paramount Estates , Sec'bad -VAT-304
dt 01-02-2018 - Assmt year 2013-14 to 2017-18 (upto 06/17)
-Show Cause Notice – Issued – objection called for- req- Reg

- Ref : 1. Authorization issued by Deputy Commissioner (CT), Begumpet
Division in form ADM1B 2018013004804105189201
Dt. 30-01-2018 .
2. This office audit Notice in form VAT-304 Dt: 01-02-2018.
3. Authorization issued by Deputy Commissioner (CT), Begumpet
Division in form ADM1C

M/s. Paramount Estates, 5-4-187/3 and 4, Soham Mansion, M.G.Road. Secunderabad., are registered dealer on the rolls of the Commercial Tax Officer, M.G.Road Circle with TIN:36604868066. They are developers of residential apartments and Commercial Complexes in Hyderabad and. They have opted to pay tax under composition u/s 4 (7) (d) of the TGVAT Act and filed Form VAT 250.

Authorization for Audit and conducting Audit:

The Deputy Commissioner (CT), Begumpet Division has authorized the Commercial Tax Officer- M.G.Road Circle for conducting VAT audit through ADM1B 2018013004804105189201 Dt. 30-01-2018 . The Commercial Tax Officer, M.G.Road Circle has initiated VAT audit by issuing

Form VAT 304. The dealer have attended the office of auditing authority and produced following records for verification and requested to complete Scrutiny/Audit.

- 1) P & L Account Balance Sheet for the year 2013-14 to 2016-17.
- 2) Receipts Statement.
- 3) Details of Flat-wise sales in Hyderabad for the period Apr' 16 to June' 17
- 4) Certain copies of agreement of sales and sale deeds
- 5) Tax payment details
- 6) Copy of Audited Balance sheet for the year 2016-17 and details of advances received from April 2017 to June 2017.

The dealer reported following turnovers through VAT returns for the tax period April 2013-14 to June 2017-2018 :

SALES:

YEAR	Amount in Rs.		
	Exmpted sales	5% sales	Total sales
2013-14	0	0	0
2014-15	1568250	522750	2091000
2015-16	59569875	20372625	79942500
2016-17	33201939	11067314	44269253
2017-18	14237992	5211937	19449929

The dealer is executing works contract in the nature of construction of Residential Apartments and commercial complexes by entering in to a sale agreement for the total sale consideration. Subsequently they are executing the Sale Deed and Agreement of Construction. They have opted to pay tax under composition u/s 4 (7) (d) of the TGVAT Act and filed Form VAT 250s project- wise. Hence the dealer is paying tax on the value of sale deeds along with value of respective additional works executed @ 1.25%. Thus the turnovers represent sales of flats, gross bills, construction receipts and misc. receipts are proposed to be assessed @ 1.25%.

Findings :

On verification of books of accounts, Profit and loss accounts it is observed that, the dealer under declared the sale turnover of apartment sales for the years 2014-15 to 2016-17 as detailed below

Amount in Rs.

YEAR	Total Receipts per the audited P & L account)	Total Receipts per the VAT	Difference
2013-14	-	-	-
2014-15	0	2901000	-2901000
2015-16	45838740	79942500	-34103760
2016-17	115313117	44269253	71043864
Total			3,40,39,104

Total Difference Turnover: Rs 3,40,39,104/-

In view of the above, their final assessments for the years 2013-14 to 2017-18 (Upto 06/2017) are hereby proposed to be completed on the following tax liability.

S.NO	PERIOD	UNDER DECLARATION OF TURNOVER	Tax due@1.25% In Rs.
1	2013-14 TO 2016- 17	3,40,39,104	4,25,488

Total Tax due to the department Rs. 4,25,489/-

M/s Paramount Estates, Secunderabad are hereby requested to file their written objections within (7) days from the date of receipt of this notice, failing which the orders will be passed without any further notice / time.


Commercial Tax Officer
M.G.Road Circle.Hyd.

TO,
M/s Paramount Estates ,
M.G. Road, Sec'bad