e-Proceedings Response Acknowledgement

INCOME TAX DEPARTMENT

PROCEEDING DETAILS	
PAN/TAN	ACXFS3783R
Name	SILVER OAK REALTY
Assessment Year	2016-17
Proceeding Name	Assessment Proceeding u/s 143(3)
Document Reference ID	100000004803905
Notice Section	142(1)
Description	[ITBA]Notice u/s 142(1)of Income Tax Act 1961.
Notice Issue Date	05-12-2018
Due Date for Submission	10-12-2018
Communication Sent date	
Document Id	ITBA/AST/F/142(1)/2018-19/1014033863(1)
RESPONSE SUBMITTED	
Response Type	Partial Response
Response/Remarks	The information requested in connection with the IT assessment proceedings is submitted herewith for y our kind consideration.
Hash * value of remarks	y2wwTuixdl9Va/3F1IBfwkUwZP+hjN8zdFiRMoRIqgk=

Sl No.	Attachment name	Description	Others Description	Size (bytes)	Hash * value of attachment
1	Covering-Letter-10-12-2018.pdf	Others	Covering L etter date d 10.12.20 18	82455	RuuU+KkQ6vc5W8YhwwdG S6mKnqzUy4JyT24nWiQ7 Qas=
2	Annexure-1.pdf	Others	Bifurcatio n of Gross Profit An nexure 1	175004	oNPeIIrmvH7nqjAPNF4S Q5NM/qjhLtAQggmAydqJ M9I=

This is a system generated acknowledgement and does not require signature.

* Hash : This value will uniquely identify the uploaded files and remarks.

Date : 10-12-2018.

From
Silver Oak Realty,
5-4-187/3 & 4, 2nd Floor,
Soham Mansion, M.G. Road,
Secunderabad – 500 003.

To
Income tax Officer,
Ward 10(3)/Hyd.,
IT Towers, A.C. Guards,
Hyderabad.

Sir,

Sub: IT Asst Scrutiny proceedings –own case-Asst Year 2016-17
PAN: AABCM4761E- submission of Information-Reg.
Ref: Your Notice u/s142(1) dated 05-12-2018.

In connection with the income –tax assessment proceedings certain information/explanation requested for vide your above notice dated 05-12-2018 is submitted hereunder for your kind consideration.

1. **Bifurcation of Gross Profit amount to Rs.1,31,92,480/-:**
The Gross Profit bifurcation for the Assessment year 2016-17 as requested by you is given in the enclosed statement **Annexure – 1.**

It may be noted that in view of loss in Phase VII, on advances received of Rs. 80,00,000/- no estimate of gross profit is made. This is on the basis of general prudence that losses are to be recognized. On this Phase VII project, estimated profit got declared in earlier years are as under.

Assessment Year	Amount
2013-14	Rs.51,82,580/-
2014-15	Rs. 49,72,710/-
2015-16	Rs.1,62,500/-
TOTAL	**Rs.1,03,17,790/-**

On the review it is estimated that the project will not result into further profits exceeding the estimated profits that already got declared in earlier years.

2. **Details /Evidence made by the partner -MPPL.**

The details together with bills/vouchers for payments made by one of the partner MPPL on behalf of the firm is being complied. The concerned staff was on leave for consecutive days of 7th (Election day) 8th (Leave official) and 9th (Sunday) and hence the same has not been completed. It is requested to grant 3 days time to submit the same

3. The discrepancy in capital amount in ITR and in Balance Sheet is due to finalizations entry for share of firm tax (provision Rs. 4,60,570-SAT) and TDS receivable Rs. 1,22,807/- which is debited to partners capital account.

Provisions for Tax	Rs. 4,60,570/-
Tds	Rs. 1,22,807/-
Total	**Rs. 5,83,377/-**

Debited to MPIPL	Rs. 5,54,208.15
Debited to Ajeeta Mody	Rs. 29,168.85
Total	**Rs. 5,83,377.00**

Capital as per ITR	Rs. 10,14,84,566/-
Less: Tax debits	Rs. 5,83,377/-
Capital as per Balance sheet	Rs. 10,09,01,189/-

Yours faithfully,
For SILVER OAK REALTY,

PARTNER.

Mehta & Modi Homes
Assessment Year 2016-17
Construction Account Phase II

Particulars	Amount	Particulars	Amount
To Opening Stock		By Sales	4,100,000.00
Land	462,000.00	By Closing Stock	
Work in progress	4,619,376.12	Land	462,000.00
To Construction Expenses during the year	26,852.00	Work in progress	956,228.12
To Gross Profit	410,000.00		
	5,518,228.12		5,518,228.12

Construction Account Phase III

Particulars	Amount	Particulars	Amount
To Opening Stock	-	By Sales	25,725,000.00
		By Closing Stock	
Land	3,159,115.88	Land	1,403,389.99
Work in progress	30,371,766.36	Work in progress	18,391,313.36
To Construction Expenses during the year	9,379,921.00		
To Gross Profit	2,608,900.11		
	45,519,703.35		45,519,703.35

Construction Account Phase VII

Particulars	Amount	Particulars	Amount
To Opening Stock		By Sales	42,550,000.00
Land	-	By Closing Stock	
Work in progress	35,939,636.45	Land	-
To Construction Expenses during the year	15,351,523.00	Work in progress	7,730,839.45
To Gross Profit	(1,010,320.00)		
	50,280,839.45		50,280,839.45

Construction Account 16.5 Guntas

Particulars	Amount	Particulars	Amount
To Opening Stock		By Sales	12,000,000.00
Land	816,100.00		
To Gross Profit	11,183,900.00		
	12,000,000.00		12,000,000.00

Gross Profit	
Phase II	410,000
Phase III	2,608,900
Phase VII	(1,010,320)
16.5 Guntas	11,183,900
	13,192,480

SILVER OAK REALTY		A.Y.2016-2017

Details of Work in Progress - Phase - II

Opening Balance (1-4-15)		4,619,376.12
		-
Building Materials	2,876.00	
Labour Allowances	23,976.00	
	26,852.00	
	-	26,852.00
		4,646,228.12
Less: Sale declared flats expenses debited to construction account		3,690,000.00
		956,228.12

Building & Other Materials II

Plywood II	2,726.00
Sundry Purchases II	150.00
	2,876.00

Labour Allowances

Allowance for Equipment II	19,181.00
Labour Charges II	4,795.00
	23,976.00

Details of Work in Progress - Phase - III

Opening Balance (1-4-15)		30,371,766.36
Work in progress IV		99,500.00
Estimated Profit on Instalments received / receivable Rs. @ 10% F	1,340,000.00	
		1,340,000.00
Building Materials	5,202,007.00	
Labour Allowances	1,749,114.00	
Job Work Charges	220,460.00	
Contractors Providend Fund	1,882,475.00	
Other Exp	636,627.00	
	9,690,683.00	
Less: Miscellaneous Income	61,412.00	
	9,629,271.00	
Less: Estimated profit declared on sold flats	1,303,600.00	
	8,325,671.00	
Less: Extra Specifications for Plots	348,850.00	7,976,821.00
		39,788,087.36
Less: Sale declared flats expenses debited to construction account		21,396,774.00
		18,391,313.36

Building & Other Materials III

Aluminium Windows - III	172,803.00
Bricks / Solid / Hollow Blocks - III	560,303.00
Cement & RMC - III	1,500,040.00
Chemicals - III	4,860.00
Consumables - III	10,504.00
Doors/wood-III	83,561.00
Electrical Goods - III	228,366.00

AJAY MEHTA
Chartered Accountant
M.No.235449
SECUNDERABAD

SILVER OAK REALTY A.Y.2016-2017

Allow for Const Eq Madhav Pollai - III	57,350.00	
Allow for Const Eq Mannem - III	188,913.00	
Allow for Const Eq N.Nagaraju - III	3,500.00	
Allow for Const Eq Radha Krishna - III	1,200.00	
Allow for Const Eq Raghu - III	2,550.00	
Allow for Const Eq Snehalatha - III	319,014.00	
	636,627.00	

Other expenses III

Allowances for Statutory Payment - B.Basappa	60,885.00	
Consultancy Charges - III	145,000.00	
Contractors-Allowances for Statutory Payment.	18,248.00	
Electricity Bill No.2209-04410	110,777.00	
Electricity Bill No.3409-07057	1,939.00	
Electricity Bill No.3409-07713	4,103.00	
Electricity Bill No.3409-07720	1,905.00	
Electricity Bill No.3409-07797	1,661.00	
Electricity Bill No.3409 07807	1,876.00	
Electricity Bill No.3409-07808	1,876.00	
Electricity Bill No.3409-07809	1,876.00	
Electricity Charges - III	56,476.00	
Fees & Permissions 16 5 Gunts	20,000.00	
Hamali Charges	9,480.00	
House Keeping Charges - III	789,861.00	
Misc Exp - III	141,143.00	
Petrol Diesel & Oil - III	2,160.00	
Repairs & Maintenance - III	7,325.00	
Salaries - Construction Division III	12,210.00	
Security Charges - III	310,152.00	
Shreyas Services-Allowances for Statutory Payment	35,110.00	
Surveyor Charges -	6,500.00	
Transportation - III	113,306.00	
United Security Services-Allowances for Statutory	28,606.00	
	1,882,475.00	

Details of Work in Progress -VII

Opening Balance (1-4-15)		35,939,636.45
		-
		35,939,636.45
Building Materials	11,522,335.00	
Labour Allowances	4,155,506.00	
Job Work Charges	140,615.00	
Allowance for Construction Equipment	611,230.00	
Other Exp	1,170,205.00	
	17,599,891.00	
Less: Estimated profit on sales declared flats	-	
Less: Miscellaneous Income	73,285.00	
Less: Extra spects	2,175,083.00	15,351,523.00
		51,291,159.45
Less: Construction cost for sold Flats		43,560,320.00
		7,730,839.45

AJAY MEHTA
Chartered Accountant
M.No.025449
SECUNDERABAD

SILVER OAK REALTY		A.Y.2016-2017

Groupings

Phase -II

Opening balance (01-04-2015)		462,000.00
		-
		462,000.00

Phase -III

Opening balance (01-04-2015)		3,159,115.88
Less. Land value of sales declared Flats tr. To Construction Account		1,755,726.00
		1,403,389.88

Land 16.5 Guntas

Opening balance (1-4-15)		816,100.00
Tr. To Construction Account		816,100.00
		-

Phase - IX

Opening balance (01-04-2015)	91,060,300.00	
	-	
		91,060,300.00
		92,925,689.88

AJAY MEHTA
Chartered Accountant
M.No.035149
SECUNDERABAD

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
INCOME TAX DEPARTMENT
OFFICE OF THE INCOME TAX OFFICER
WARD 10(3),HYDERABAD

To,

SILVER OAK REALTY
5-4-187/3&4 II FLOOR 5-4-187/3&4 II FLOOR ,SOHAM MANSION M G ROAD
RANIGUNJ 500003,Telangana
India

PAN:	AY:	Dated:	Notice No :
ACXFS3783R	**2016-17**	**05/12/2018**	**ITBA/AST/F/142(1)/2018-19/1014033863(1)**

Notice under Sub Section (1) of Section 142 of the Income Tax Act, 1961

Sir/ Madam/ M/s,

In connection with the assessment for the assessment year **2016-17** you are required to:

a) Furnish or cause to be furnished on or before **10/12/2018** at **05:36 PM** the accounts and documents specified overleaf.

b) Furnish and verified in the prescribed manner under Rule 14 of I.T. Rules 1962 the information called for as per annexure and on the points or matters specified therein on or before **10/12/2018** at **05:36 PM.**

c) The above mentioned evidence/information is to be furnished online electronically in 'E-Proceeding' facility through your account in 'e-filing' website of Income Tax Department.

d) Para(s) (a) to (c) are applicable if you have an account in e-filing website of Income Tax Department. Till such an account is created by you, assessment proceedings shall be carried out either through your e-mail account or manually (if e-mail is not available).

e) In cases where order has to be passed under section 153A/153C of the Income Tax Act, 1961 read with section 143(3), assessment proceedings would be conducted manually.

Yours faithfully,

SARALA BASAVARAJU
WARD 10(3),HYDERABAD

Note: If digitally signed, the date of digital signature may be taken as date of document.
I T TOWER, AC Guards, Masab Tank, HYDERABAD, Andhra Pradesh, 500004
Email: HYDERABAD.ITO10.3@INCOMETAX.GOV.IN,

ANNEXURE

1.Please refer to the reply submitted on 22-11-2018, wherein bifurcation of gross profit and method adopted for computation of Gross Profit was furnished. In this connection you are requested to furnish the bifurcation of Gross Profit amounting to Rs.1,31,92,480/-on the basis of estimated profits on installments received during the year phase wise and profits on sold flats as per Phase II, III, VII and the sale of land.

2.Further refer to the notice u/s.142(1) dated 01-12-2018 where in the copies of evidences were called for, for which the partner has made payments on behalf of the firm. In this connection inorder to verify the genuiness of the payments made you are requested to furnish the copies of the bills and vouchers for verification. You may either upload the bills and vouchers or produce the same on 10-12-2018 at 11.00AM in my office at I.T.Towers.

3.The discrepancy in the capital account is with reference to the Part A-BS ,column c of the ITR filed for the AY 2016-17. Furnsih the clarification for the discrepancy in the amounts as per financial statements and ITR filed.

SARALA BASAVARAJU
WARD 10(3),HYDERABAD

(In case the document is digitally signed please refer Digital Signature at the bottom of the page)

This document is digitally signed
Signer: SARALA BAS RAJU
Date: Wednesday, D mber 05, 2018 5:36 PI
Location: HYDERAB , India