

Date : 29-10-2018.

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

To
Income tax officer,
Ward 10(3), Hyd,
I.T. Towers, A.C. Guards,
Hyderabad.

Sir/Madam,

Sub: Income tax Assessment proceedings – Own Case – A.Y.2016-17
submission of information – Reg.

Vide notice u/s.142(1) dated 26-10-2018 certain information requested for is submitted hereunder for your kind consideration.

1. **Note on sale of Agricultural Land admeasuring 16.5 Guntas:**

- The firm in pursuance to its business of real estate developers had purchased various parcels of land at Cherlapally. In financial year 2005-06 a parcel of land admeasuring 16.5 Guntas was purchased. The land purchased is an agricultural land in revenue records and is earmarked as residential use in the master plan. In the accounts this parcel of land is grouped as Phase III land. The total land area purchased is about 10 acres of land.
2. Total land available in Phase III which is on the east and north of phase I was about 15 acrs. Land was acquired in bits and pieces.
 3. A small strip of land between Phase I & Phase III of 16.5 guntas was purchased with a view to acquire the balance 4.5 acres.
 4. Ultimately we failed to purchase about 4 1/2 acres between phase I and Phase III as the landowners were unwilling to sell the same.
 5. After completion of Phase III there was no scope of developing the 16.5 guntas. Therefore it was sold to Modi Properties Pvt. Ltd.
 6. Modi Properties Pvt. Ltd. Purchased the land for stocking its construction material from time to time as it was centrally located in relation to its current projects.
 7. However, after a period of more than 10 years the owners of the 4.5 acres of land which got remained to be not purchased have decided to sell their land. Modi Properties Pvt. Ltd. lost its bid to purchase the land and the land was sold to one Mr. Srikanth Reddy and Others.
 8. Mr. Srikanth Reddy offered a reasonable price for the land and Modi Properties. Pvt. Ltd. Eventually sold the land to him.
 9. With the sale of this parcel of land, the firm could us lock its inventory holding and generate the funds to carry on its real estate projects. The sale has been beneficial to the firm in all the aspects and is out be business expediency and needs.

We hope you will find the above information in order.

Yours faithfully,

For SILVER OAK REALTY,

PARTNER.