



GOVERNMENT OF ANDHRA PRADESH
COMMERCIAL TAXES DEPARTMENT
FORM VAT 305
ASSESSMENT OF VALUE ADDED TAX
[See Rule 25 (5)]

Proceedings of the Commercial Tax Officer, Begumpet Circle, Begumpet Division
Present: R. SHASHIDHARA CHARY

AAO:33390

RC No/18/2012-13/28389317452

Dated: 30-04-2013

Sub: - AP VAT Act, 2005 – M/s. Green Wood Estates – TIN 28389317452 Audit conducted–Assessment Proposed–Show Cause Notice – Issued – Objection called for – Objection Received – Considered – Orders – Passed.

- Ref: - 1) Authorization Dt: 23-07-2012 issued by Deputy Commissioner (CT), Begumpet Division in form ADM1B.
2) This office Audit Notice in Form 304 Dt: 30-07-2012.
3) Authorization DT: 23-02-2013 issued by Deputy Commissioner (CT), Begumpet Division for completion of assessment order.
4) This Office Form VAT 305A notice dated: 28-02-2013.
5) The reply of the dealers dated: 26-03-2013

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PREAMBLE:

M/s. Green Wood Estates, Plot No: 5-4-187/344, 2nd Floor, M.G. Road, Secunderabad are registered dealer on the rolls of CTO M.G. Road Circle, Hyderabad with TIN: 28389317452 their EDR is 01-03-2011. The dealer is doing works contract, i.e. constructing Flats & Apartments which are taxable @ 1.25% on filing of option for paying tax under composition scheme. The dealer is filing VAT 200 returns time to time and paying output tax by way of cheque and handing over the same to the sub-registrar at the time of executing sale deed registration (transferring the property to the owner). No VAT audit was conducted previously on the turnovers of the dealers therefore present audit is conducted for the period from March 2011 to December, 2012.

AUTHORIZATION FOR AUDIT AND CONDUCTING OF AUDIT:

The Deputy Commissioner (CT), Begumpet Division authorized CTO Begumpet Circle for conducting VAT audit through ADM 1B, dated: 23-07-2012.

The CTO Begumpet has initiated VAT audit by issuing Form VAT 304 DT: 30-07-2012. The business premises of the dealer were visited on 09-08-2012. The dealer have requested for 20 days time for submitting details and record for verification. The request of the dealers was considered. Later on the dealers have produced their books of account for verification. During the course of audit the correctness and completeness of the returns filed by the dealers is verified with reference to the turnovers recorded in the books of accounts of the dealers. The dealer's statement of sale deeds, Annual Financial statement filed to IT Department, copies of sale agreements are verified in the light of the Form VAT 200 returns of the dealers.

The dealers, being unregistered works contractors, executing only one work i.e., construction of apartments in the name and style of "Greenwood Residency" at Sy. No. 202,203,204 and 206 in Kowkur village, Malkajgiri mandal of Rangareddy district and the same is being continued even now. Other than this, as per the record, they have neither executed nor executing any other work. The Government Memo No 33263/CT-II (1)/2010-5 Dtd. 17-06-2011 wherein Government have permitted those apartment builders, who have not registered and not opted for composition of tax under section 4 (7) (d) under AP VAT Act, 2005 to register themselves as VAT dealers and pay tax @ 1% under composition scheme. They should also pay interest, as applicable under the AP VAT Act, from the due date till the actual payment of the VAT due. The dealers have stated that during the course of the consideration of this issue by the Government they have obtained in M.G. Road Circle as VAT dealers. They have also stated that they were paying VAT, even though they had not taken VAT registration at the rate of 1% under section 4 (7) (d) of AP VAT Act, 2005 by way of cheque and handing over the same to the sub-registrar at the time of executing sale deed registration (transferring the property to the owner). The dealers have not utilized any statutory forms.

TURNOVER DISCLOSED IN THE RETURNS AND FINDINGS OF THE AUDIT:

The dealer has filed copies their P & L accounts up to the year of 2012-13 including the provisional Balance sheet and P & L account for the financial year 2012-13 up to the month of December, 2012. As per these statements the sales turnover put together is **Rs.48,73,07,350/-**.

The dealers have executed the following sale agreements in favour of the customers and stated to be paid the VAT by way of cheque and handing over the same to the sub-registrar at the time of executing sale deed registration (transferring the property to the owner).

Sl. No	Flat No	Buyer Name	Sales consideration	Rate	VAT Payable	Vat paid	Pay order No	Date	Drawn on
1	A-102	Col K.G.A. Kamaldev & Mrs Sheela JAMESINA	1,785,000	1.25%	22,313	22,313	172195	9/7/2012	HDFC
2	A-115	Harjot Singh Pelia	3,257,000	1.25%	40,713	40,713	167787	3/27/2012	HDFC
3	A-119	Satyakam Pandey & Neema Jha	3,340,000	1.25%	41,750	41,750	639580	4/2/2012	HDFC
4	A-120	A. Anita Gnanabharanam	2,518,000	1.25%	31,475	31,475	304712	6/30/2011	HDFC
5	A-123	Wg Cdr B.Magesh Kumar	3,340,000	1.25%	41,750	41,750	172877	10/17/2012	HDFC
6	A-130	LT.Col P.G.Vinod & Shincy Vinod	3,174,000	1.25%	39,675	39,675	172947	10/20/2012	HDFC
7	A-201	Wg Cdr A J Mathews	3,258,000	1%	32,580	32,580	154690	3/10/2010	HDFC
8	A-203	Chritopher pramanik	2,396,000	1%	23,960	23,960	156377/ 156378	6/14/2010	HDFC
9	A-204	Mr.Dewraj Bhardwaj	3,258,000	1%	32,580	32,580	155457/ 155458	4/21/2010	HDFC
10	A-205	Cdr Sameer Swarup & Mrs Payal Swarup	2,579,000	1.25%	32,238	32,238	169333	4/24/2012	HDFC
11	A-206	Mr.Vikrant Patnaik	3,092,000	1%	30,920	30,920	157805	9/1/2010	HDFC
12	A-207	Anil Halder	3,673,000	1%	36,730	36,730	157450	8/12/2010	HDFC
13	A-208	Mr.Srinath reddy	2,426,000	1%	24,260	24,260	156627	6/25/2010	HDFC
14	A-210	Wg cdr Ronanki Prakasa Rao	3,174,000	1.25%	39,675	39,675	164231	9/6/2011	HDFC
15	A-211	Bishnu pada Bakshi	3,507,000	1%	35,070	35,070	154932	3/23/2010	HDFC
16	A-213	Maj Admthe shashikiran Bacchappa	2,634,000	1.25%	32,925	32,925	173342	11/15/2012	HDFC
17	A-215	Lt Col B.Satyanarayan	3,257,000	1.25%	40,713	40,713	170000	5/29/2012	HDFC
18	A-216	Cdr Ramraj vasudevan & Mrs Vidyashree S	2,579,000	1.25%	32,238	32,238	169572	5/7/2012	HDFC
19	A-218	M.H.Kumar & M.V.Ubaya Bharathi	3,173,000	1.25%	39,663	39,663	169995	5/29/2012	HDFC
20	A-219	Mr.Gaurang modi	3,550,000	1.25%	44,375	44,375	165273	11/8/2011	HDFC
21	A-220	Bijay kumar sharma	2,457,500	1.25%	30,719	30,719	166145	12/29/2011	HDFC
22	A-223	Wg Cdr Appini Chakradaram	3,174,000	1.25%	39,675	39,675	173168	11/2/2012	HDFC
23	A-224	Mrs Mary Julie Bora & Mr Phanindra Bora	2,819,000	1.25%	35,238	35,238	170684	7/3/2012	HDFC
24	A-226	Vignesh natesan & Swetha Sree	3,655,000	1.25%	45,688	45,688	172580	9/28/2012	HDFC
25	A-301	Col Sriprakash Sridhar	3,258,000	1%	32,580	32,580	155604	4/29/2010	HDFC
26	A-302	Major Das Gupta	2,396,000	1.25%		29,950	166836	2/6/2012	HDFC

					29,950				
27	A-304	Maj Gen M S S Krishnan	3,175,000	1.25%	39,688	39,688	165410	11/16/2011	HDFC
28	A-305	Paramjit Bedi	2,764,000	1.25%	34,550	34,550	166470	1/17/2012	HDFC
29	A-306	Lt Col Apollo ghosh	3,258,000	1%	32,580	32,580	163641	7/29/2011	HDFC
30	A-307	Mr.Kodam Sayanna	3,174,000	1.25%	39,675	39,675	166451	1/16/2012	HDFC
31	A-310	Major sarang chavan	3,174,000	1.25%	39,675	39,675	166323	1/10/2012	HDFC
32	A-311	Col Ramesh P.S.	3,175,000	1%	31,750	31,750	155682	5/4/2010	HDFC
33	A-312	Mr.R.Nand Kishore	2,456,000	1%	24,560	24,560	156379	6/14/2010	HDFC
34	A-314	Capt Veeramallu Kamal Kumar	3,174,000	1.25%	39,675	39,675	167786	3/27/2012	HDFC
35	A-315	Major Clinton Reuben	3,257,000	1.25%	40,713	40,713	166448	1/16/2012	HDFC
36	A-316	Shivkumar viswanath	2,942,000	1.25%	36,775	36,775	169071	4/16/2012	HDFC
37	A-319	Major Clinton Reuben	3,174,000	1.25%	39,675	39,675	169477	5/2/2012	HDFC
38	A-322	K.Vani prasad	3,340,000	1.25%	41,750	41,750	167008	2/17/2012	HDFC
39	A-324	Abdul Karim Basha & Soubhagya laxmi nayak	2,757,000	1.25%	34,463	34,463	173884	12/10/2012	HDFC
40	A-330	Maj Gavin R Faria & Dr. Suvrita Jhingan	3,382,000	1.25%	42,275	42,275	934182	12/29/2012	HDFC
41	A-332	N.N.Subramanian	3,655,000	1.25%	45,688	45,688	172572	9/27/2012	HDFC
42	A-401	Lt Col Narayan Menon	3,174,000	1%	31,740	31,740	153624	1/13/2010	HDFC
43	A-402	Ms. Monisha pepper	2,334,000	1.25%	29,175	29,175	164231	9/10/2011	HDFC
44	A-403	Naresh pant & Jaya pant	2,394,000	1%	23,940	23,940	162021	5/4/2011	HDFC
45	A-405	Mr.Kamesh Gopa Raju	2,764,000	1%	27,640	27,640	164092	8/26/2011	HDFC
46	A-406	Gp Capt Sanjay Seth	3,258,000	1.25%	40,725	40,725	165198	11/4/2011	HDFC
47	A-407	Lt cdr Sanjoy kumar	3,174,000	1.25%	39,675	39,675	167011	2/17/2012	HDFC
48	A-408	Mr. Vijay K Sharma	2,333,000	1.25%	29,163	29,163	165029	10/28/2011	HDFC
49	A-410	Lt Col Manish Dewangan	3,258,000	1%	32,580	32,580	158261	10/7/2010	HDFC
50	A-411	Cdr Y.V.Rama Krishna	3,423,000	1.25%	42,788	42,788	167639	3/20/2012	HDFC
51	A-412	Mr.Vasanth kumar	2,400,000	1.25%	30,000	30,000	165199	11/4/2011	HDFC
52	A-415	CMDE T.M.J.Champion	3,174,000	1.25%	39,675	39,675	169577	5/3/2012	HDFC
53	A-416	Major Suvendu Padhy & Mrs Manisha Padhy	2,579,000	1.25%	32,238	32,238	171718	8/18/2012	HDFC
54	A-418	T.C.Anil/Gowri anil	3,275,000	1.25%	40,938	40,938	165320	11/10/2011	HDFC
55	A-422	Gurudanti Venkat raman murthy & Mrs Vijaya kamal	3,488,000	1.25%	43,600	43,600	170683	7/3/2012	HDFC
56	A-432	Col Sukumar Vinod & Mrs Smita Vinod	3,488,000	1.25%	43,600	43,600	173407	11/20/2012	HDFC
57	A-501	Wg cdr GummaRajnish	3,174,000	1%	31,740	31,740	157967	9/13/2010	HDFC
58	A-504	Lt Col Jyoti prakash panda	3,175,000	1%	31,750	31,750	156171	6/3/2010	HDFC

59	A-506	Mr.Mohit chaturvedi	3,340,000	1.25%	41,750	41,750	167161	2/24/2012	HDFC
60	A-507	Mr.Neeraj Pandey	3,174,000	1%	31,740	31,740	161481	4/2/2011	HDFC
61	A-511	Mr.Vissam raju Raghavendra	3,507,000	1%	35,070	35,070	160602	2/12/2011	HDFC
62	A-514	Col Satya Narain Singh, Mrs Kiran Singh	3,174,000	1.25%	39,675	39,675	169475	5/2/2012	HDFC
63	A-516	Rahul kumar B Bhatt & Nayana R Bhatt	2,819,000	1.25%	35,238	35,238	172400	9/20/2012	HDFC
64	A-518	Mrs.Shyamala Durai swamy	3,738,000	1.25%	46,725	46,725	173343	11/15/2012	HDFC
65	A-522	Vimal Kumar Srivastava & Mrs. Preeti Srivastava	3,655,000	1.25%	45,688	45,688	172089	9/4/2012	HDFC
66	A-523	Mr. Alex Thomas & Mrs Mileu Alex	3,446,000	1.25%	43,075	43,075	171293	7/27/2012	HDFC
67	A-531	Mr. G.Satish Chander	3,655,000	1.25%	45,688	45,688	172731	10/8/2012	HDFC
68	A-532	Wg cdr Perisetty venu Madhav & Perisetty Manjeera	3,655,000	1.25%	45,688	45,688	172669	10/4/2012	HDFC
69	B-406	Mr.Atul Kumar Sahu & Mrs Sony Sahu	2,504,000	1.25%	31,300	31,300	172946	10/20/2012	HDFC
70	C-103	Lt.Col. Mushfique Ahmed Khan & Nigar Khan	2,579,000	1.25%	32,238	32,238	169232	4/19/2012	HDFC
71	C-105	Col Deepak Makhija & Mrs Bhawna Makhija	3,571,000	1.25%	44,638	44,638	171717	8/18/2012	HDFC
72	C-106	Vijaya Padmanabhan	3,790,000	1.25%	47,375	47,375	173717	12/3/2012	HDFC
73	C-108	Mr.Venkatesh Andhe	2,696,000	1.25%	33,700	33,700	173081	10/30/2012	HDFC
74	C-109	Cdr Satish Mishra	3,174,000	1.25%	39,675	39,675	167720	3/22/2012	HDFC
75	C-110	Mr.Vinayak Chaturvedi & Mrs Bhairavi Chaturvedi	3,460,000	1.25%	43,250	43,250	173464	11/22/2012	HDFC
76	C-114	Wg Cdr Joachim Joseph	3,142,250	1%	31,423	31,425	153271	12/21/2009	HDFC
77	C-115	Lreena chandran	2,279,000	1%	22,790	22,790	16989/896/897	2/23/2011	HDFC
78	C-117	Mr.Joydas gupta	3,176,000	1%	31,760	31,760	147433	3/11/2009	HDFC
79	C-118	CDR Rohit Mehra & Mrs Anupama Mehra	3,174,000	1.25%	39,675	39,675	170788	7/6/2012	HDFC
80	C-119	Mr.Ravi shekar	2,641,000	1.25%	33,013	33,013	167454	3/9/2012	HDFC
81	C-120	Tejal Modi	2,186,000	1%	21,860	21,860	137799	1/3/2008	HDFC
82	C-122	Mr.Sambit Mohanty	3,340,000	1%	33,400	33,400	146346	1/15/2009	HDFC
83	C-123	Mr.Mohan Nambiar	3,317,000	1%	33,170	33,170	139866	4/9/2008	HDFC
84	C-124	Lt Col K S P S Prasad	3,275,000	1%	32,750	32,750	149156	6/19/2009	HDFC
85	C-125	Mr.Vijay Kiran Agastya	2,186,000	1%	21,860	21,860	139864	4/9/2008	HDFC
86	C-127	Gp Capt kulmeet singh	2,239,000	1%	22,390	22,390	162511	6/4/2011	HDFC
87	C-128	Lt Col Srinivas	3,275,000	1%	32,750	32,750	150879	8/26/2009	HDFC
88	C-129	Mr.Eppa Venkat reddy	3,175,500	1%	31,755	31,755	147910	4/2/2009	HDFC
89	C-201	Uma Vishwanath	2,006,600	1%	20,066	20,066	160221	1/20/2011	HDFC

90	C-203	Mr.Vinay kumar	2,555,000	1%	25,550	25,550	140706	5/16/2008	HDFC
91	C-204	Flt Lt Palivela Tejedhar	2,395,000	1%	23,950	23,955	159353	12/6/2010	HDFC
92	C-205	Capt D.V.Prasad	3,342,000	1%	33,420	33,420	153269	12/21/2009	HDFC
93	C-206	Major Sachin Annarao Nimbalkar	3,134,000	1%	31,340	31,340	113526	7/13/2010	HDFC
94	C-208	Mr.N.V.Kishore naidu	2,463,000	1%	24,630	24,630	143051	8/26/2008	HDFC
95	C-209	Mr.G V R Swamy	3,151,000	1%	31,510	31,510	154148	2/10/2010	HDFC
96	C-210	Capt K.R.Murthy	3,109,000	1%	31,090	31,090	158595	10/25/2010	HDFC
97	C-211	Mr.P.Anand kumar	2,433,000	1%	24,330	24,330	144748	10/29/2008	HDFC
98	C-213	Mr.Surya prakash Rao	3,673,000	1%	36,730	36,730	163651	7/8/2011	HDFC
99	C-214	Col Asim Kumar Ambast	3,090,000	1%	30,900	30,900	156759	7/6/2010	HDFC
100	C-215	Mr.Raju Rijh Singhani	2,433,000	1.25%	30,413	30,413	166444	1/16/2012	HDFC
101	C-216	Mr.Shyam Sunder Mouray	2,371,000	1%	23,710	23,710	140903	5/24/2008	HDFC
102	C-218	Mr.I .Rajashekar	2,900,000	1%	29,000	29,000	138525	2/6/2008	HDFC
103	C-219	Mr.Phinny Vargheese	2,187,000	1%	21,870	21,870	137801	1/3/2008	HDFC
104	C-220	Dr.Viren Kansangara	2,490,000	1%	24,900	24,900	160714	2/17/2011	HDFC
105	C-221	Dr .B.shekar reddy	3,175,000	1%	31,750	31,750	153373	12/29/2009	HDFC
106	C-224	Lt Col O Sridhar reddy	2,940,000	1%	29,400	29,400	152104	12/29/2009	HDFC
107	C-225	Mr.Kapil R mehta	2,248,000	1%	22,480	22,480	139474	3/22/2008	HDFC
108	C-228	Capt Saiyed Nazar Ahmed	3,092,000	1%	30,920	30,920	156287	6/7/2010	HDFC
109	C-229	Mohd Fakruddin	3,090,000	1%	30,900	30,900	153267	12/21/2009	HDFC
110	C-301	Wg Cdr Vijay Kumar	3,143,000	1%	31,430	31,430	151050/ 151049	9/5/2009	HDFC
111	C-302	Mr.Vibha Bhasin	2,371,000	1%	23,710	23,710	154930	3/23/2010	HDFC
112	C-304	V.S.Vidya raj	2,371,000	1%	23,710	23,710	145223	11/19/2008	HDFC
113	C-305	Lakshi Anand	3,359,000	1%	33,590	33,590	141705	7/4/2008	HDFC
114	C-306	Mr.Venkatesh Mahadevan	3,175,500	1%	31,755	31,755	158827	11/9/2010	HDFC
115	C-307	G.sivarama krishna	2,396,000	1%	23,960	23,960	151251	9/15/2009	HDFC
116	C-309	Col Dinesh Anand	3,400,000	1%	34,000	34,000	152101	10/29/2009	HDFC
117	C-310	Mr.Sujit kumar Bowmick	3,400,000	1%	34,000	34,000	141622	6/30/2008	HDFC
118	C-311	Major P.Mallikarjun	2,310,000	1%	23,100	23,100	152567	11/19/2009	HDFC
119	C-312	Mrs. S.Seetha	2,371,000	1%	23,710	23,710	162768	6/18/2011	HDFC
120	C-315	Mr.B.Nagabhushanam	2,310,000	1%	23,100	23,100	157926	9/9/2010	HDFC
121	C-316	Mr.Rajesh V mallan	2,186,000	1%	21,860	21,860	144132	10/1/2008	HDFC
122	C-317	Miss Ritu Chawla	3,067,000	1%	30,670	30,670	139957	4/15/2008	HDFC
123	C-319	Mr.Chandan Ghosh	2,186,000	1%	21,860	21,860	139770	4/3/2008	HDFC

124	C-320	Mr.Alok Sawhney	2,125,000	1%	21,250	21,250	137713	12/31/2007	HDFC
125	C-321	Lt Col J Alexander	3,175,000	1%	31,750	31,750	151830	10/15/2009	HDFC
126	C-322	Maj Khwaja Sultan Ahmed	3,738,000	1.25%	46,725	46,725	172088	9/4/2012	HDFC
127	C-324	Mr.Jittendar sharma	2,818,000	1%	28,180	28,180	137715	12/31/2007	HDFC
128	C-325	Smt K Padma & Venkat kiran	2,433,000	1%	24,330	24,330	162785	6/18/2011	HDFC
129	C-326	Mr.Ramsuraj singh	2,080,000	1%	20,800	20,800	138905	2/22/2008	HDFC
130	C-327	Mr.Pratyush khare	2,080,000	1%	20,800	20,800	137803	1/3/2008	HDFC
131	C-329	Mrs. Shalini manish jain	2,818,000	1%	28,180	28,180	137711	12/31/2008	HDFC
132	C-401	Mr.A V M Devendranath	3,176,000	1%	31,760	31,760	151696	10/9/2009	HDFC
133	C-402	Mrs.Alamelu Ramdas	2,432,000	1%	24,320	24,320	143049	8/26/2008	HDFC
134	C-403	Mr.Amit Gupta	2,309,000	1%	23,090	23,090	137879	1/7/2008	HDFC
135	C-405	Atluri durga rani	2,951,000	1%	29,510	29,510	141044	6/2/2008	HDFC
136	C-406	Mrs. PadminiArun	3,175,500	1%	31,755	31,755	156641	6/26/2010	HDFC
137	C-408	Mr.Sabyasachi ray	2,494,000	1%	24,940	24,940	139862	4/9/2008	HDFC
138	C-410	Mr.Narinder Mohal	3,067,000	1%	30,670	30,670	139108	3/4/2008	HDFC
139	C-412	Mr.Vijaya kumar	2,371,000	1%	23,710	23,710	162777	6/18/2011	HDFC
140	C-415	Mr.Kaushi jena	2,494,000	1%	24,940	24,940	143243	9/2/2008	HDFC
141	C-416	Mr.Srinivas Oruganti	2,310,000	1%	23,100	23,100	138527	2/6/2008	HDFC
142	C-417	Mr.Ajit Knott	3,109,000	1%	31,090	31,090	140292	4/26/2008	HDFC
143	C-421	Mr.Rakesh Gupta	3,174,000	1.25%	39,675	39,675	165025	10/28/2011	HDFC
144	C-422	Colnal Ashish Ranjan	3,488,000	1.25%	43,600	43,600	171627	8/14/2012	HDFC
145	C-423	Ajay Mehta	3,174,000	1.25%	39,675	39,675	167627	3/20/2012	HDFC
146	C-425	V.V.S.Chaitanya	2,371,000	1%	23,710	23,710	140296	4/26/2008	HDFC
147	C-426	Mr.Kamalakarrrao	2,310,000	1%	23,100	23,100	139472	3/23/2008	HDFC
148	C-428	Dr Thuppala Sreedhar	3,400,000	1%	34,000	34,000	145068	11/13/2008	HDFC
149	C-503	Wg Cdr Srinvasan	2,446,000	1%	24,460	24,460	152771	11/30/2009	HDFC
150	C-506	Mr.Shyam kumar Dosapati	3,673,000	1%	36,730	36,730	159524	12/15/2010	HDFC
151	C-508	Mr.Dibin raj	2,394,000	1.25%	29,925	29,925	166078	12/26/2011	HDFC
152	C-509	Mr.Rajeev Bishit	2,951,000	1%	29,510	29,510	139726	3/31/2008	HDFC
153	C-511	Col Darryal	2,764,000	1%	27,640	27,640	163643	7/29/2011	HDFC
154	C-513	Mr.Brijesh kumar	3,174,000	1%	31,740	31,740	163642	7/29/2011	HDFC
155	C-514	Mr.George Thomas	3,174,000	1%	31,740	31,740	163707	8/3/2011	HDFC
156	C-516	Flt Lt Rakesh Sharma	2,395,000	1%	23,950	23,950	158170/ 169896 /897/898	04.10.10 / 23.2.11	HDFC

157	C-517	Vandan Jain	1,893,000	1%	18,930	18,930	151829	10/15/2009	HDFC
158	C-518	Lt Col Premlal T.d.	3,175,500	1%	31,755	31,755	153347	12/26/2009	HDFC
159	C-519	Mr.Tishi Khurana	2,371,000	1%	23,710	23,710	140294	4/26/2008	HDFC
160	C-521	Kombara Maheendran	3,076,000	1%	30,760	30,760	159786	12/28/2010	HDFC
161	C-522	Sudha Chandran	3,076,000	1%	30,760	30,760	159781	12/28/2010	HDFC
162	C-523	Mrs. Shanti kumar	3,117,000	1%	31,170	31,170	138975	2/27/2008	HDFC
163	C-524	Mr.Rohni kumar	3,117,000	1%	31,170	31,170	139795	4/4/2008	HDFC
164	C-526	Mr.Parveen kumar singh	2,335,000	1%	23,350	23,350	156645	6/26/2010	HDFC
165	C-527	Rajesh S Kheemani	2,584,000	1%	25,840	25,840	157572	8/18/2010	HDFC
166	C-528	Lt Cdr Madhu kiran	3,557,000	1%	35,570	35,570	162212	5/14/2011	HDFC
167	C-529	Mr.Amrish chowdhary	1,845,000	1%	18,450	18,450	158052	9/28/2010	HDFC

Total: 487,307,350 5,366,142 5,366,158

The turnover as per the P&L account for period up to Dec. 2012: **Rs.487307350/-**

The turnover as per the sale agreements entered into with
customers and tax paid: **Rs.487307350/-**

Since, these are same and no variation is found no further action is warranted.

Further, Sec. 4 (7) (e) of AP VAT Act, 2005 which was in force up to **15-09-2011** says:

“e) any dealer having opted for composition under clauses (b) or (c) or (d), purchases or receives any goods from outside the State or India or from any dealer other than a Value Added Tax dealer in the State and uses such goods in the execution of the works contracts, such dealer shall pay tax on such goods at the rates applicable to them under the Act and the value of such goods shall be excluded (from the total turnover) for the purpose of computation of turnover on which tax by way of composition at the rate of four percent (4%) is payable;”

In the light of the above, with a presumption that generally in any construction the goods like sand, metal and bricks would be purchase from unregistered dealers or TOT dealers the purchases of the dealers have been examined. But it is found that the dealers have purchased even the sand, metal and bricks from registered VAT dealers. The details are as under:

BRICKS: Siri Flyash Brick Industry (TIN: 28386274659); Sai Enterprises (TIN: 28978746070); Viswakarma Enterprises (TIN: 28216192150); Sai Datta Flyash Bricks (TIN: 28488104496)

CHIPS & STONE DUST: Sai Vishal Enterprises (TIN: 28849300591); Sai Ram Enterprises (TIN: 28682858309)

GRANITE: Krupa Sai Granites (TIN: 28182102471)

METAL: Sai Vishal Enterprises (TIN: 28849300591); Viswakarma Enterprises (TIN: 28216192150)

SAND & MUD: Sai Vishal Enterprises (TIN: 28849300591); Viswakarma Enterprises (TIN: 28216192150); Sai Ram Enterprises (TIN: 28682858309); Kiran Enterprises (TIN: 28118203707)

The original Tax invoices along with the ledger copies submitted by the dealers are verified and found to be correct. But, even though the following purchases are stated to be made from the registered VAT dealers and figured in ledgers, the dealers have failed to produce original tax invoices.

Sl. No.	Name of the Dealer	Date of Purchase	Commodity	Purchase Turnover
1	Sai Datta Flyash Bricks	23-03-2011	Bricks	99310
2	Bharat Patel	25-03-2011	Tiles	101668
3	Viswakarma Enterprises	26-03-2011	Sand	19750
4	Viswakarma Enterprises	16-04-2011	Bricks & Sand	13500
6	Viswakarma Enterprises	04-06-2011	Bricks	33200
7	Sai Enterprises	14-03-2011	Bricks	133900
			Total	459538

Since the dealers have failed to produce the original tax invoices, it is construed that these purchases are made from unregistered dealers and proposed to levy the tax under Sec. 4 (7) (e) of AP VAT Act, 2005 as per schedule rates by adding gross profit under.

Turnover pertains to sand & bricks @ 4%	Rs. 357870
Add 10% GP	Rs. 35787
Total	Rs. 393657 tax proposed @ 4% = Rs. 15746/-

Turnover pertains Tiles @ 14.5%	Rs. 101668
Add 20% GP	Rs. 20333
Total	Rs. 122001 tax proposed @ 14.5% = Rs. 17690/-

In the light of the above, the total tax due to the department is Rs. 33,436/-

AUTHORIZATION FOR ASSESSMENT AND CONDUCTING OF ASSESSMENT:

On perusal of the findings of the audit the Deputy Commissioner (CT) Begumpet has authorized the Commercial Tax officer, Begumpet under Rule 59 of AP VAT Rules, 2005 to conduct VAT Assessment under section 21 of APVAT Act, 2005 through authorization dated: 23-02-2013. In the light of the above it is proposed to assess the turnovers of the dealers from March' 2011 to December' 2012.

Accordingly a show cause notice was issued in Form VAT 305A DT: 28-02-2013 and the same was served on the dealer on 28-02-2013 inviting their written objections, if any, against the proposed assessment and levy of tax. The dealers were also provided with an opportunity of personal hearing in this matter and they were advised to utilize the opportunity within 15 days from the receipt of the show cause notice. In response to the show cause notice, the dealers have first approached and requested orally for 15 days time for furnishing reply as their STP was basing with the financial year ending activities. Their request was considered. Then the dealers have submitted a no-objection letter dated 26-03-2013 for the proposed turnovers & levy of the tax and requested to pass the orders.

In view of the above, the turnovers and tax proposed in the show-cause notice are hereby confirmed.

The amount of **Rs. 33,436-00** shall be paid within 30 days of the receipt of this order. Failure to make the payment will result in recovery proceedings under the AP VAT Act, 2005.

Since this is a case of clear under declaration of tax, penalty provisions are initiated separately as per the provisions of AP VAT Act, 2005.

An appeal against these orders can be filed before ADC (CT), Punjagutta, Office of the Commissioner of Commercial Taxes, Opp: Gandhi Bhavan, Nampally, Hyderabad within (30) days.

To
M/s Green Wood Estates,
Plot No: 5-4-187/344, 2nd Floor,
M.G. Road, Secunderabad.

R. K. A.
30/04/2013
Commercial Tax Officer,
Begumpet Circle, Hyderabad.
Accepted
30/4/2013 **Commercial Tax Officer**
Begumpet Circle