MODI PROPERTIES PVT. LTD. INWARD No. 381 Date 04/10/19 Sign. SEC'BAD

FORM VAT 305A

GOVERNMENT OF TELANGANA
COMMERCIALTAXES DEPARTMENT

NOTICE FOR ASSESSMENT OF VALUE ADDED TAX
See Rule 25 (5)

TIN No: 36547131584/VAT/Audit   Dated 03-10-2019

Sub : T VAT Act '05 – M/s Paramount Builders, M.G.Road, Secunderabad - Audit conducted for the period April 2015 to June 2017 - Show Cause Notice issued – Regarding.

Ref : 1. Notification for Scrutiny of Accounts of VAT in Form VAT 304, dated 14-12-2018
2. Authorization for assessment issued in Admn 1C, dated 03-10-2019 by Deputy Commissioner (CT), Hyderabad.

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M/s Paramount Builders, M.G. Road, Secunderabad are the registered dealer on the rolls of CTO M.G.Road-S.D.Road Circle with TIN No 36547131584 and are engaged in the business of Construction and Selling of Apartments in the name & style of Paramount Residency at Nagaram Village, Keesara Mandal, R.R. Dist. They have opted for composition scheme under section 4(7)(d) of T VAT Act by filing Form VAT 250, dated 20-03-2013 and paying taxes at the rate of 5% on 25% of the total consideration received.

On authorization of Deputy Commissioner (CT) Begumpet Division they were served Form-VAT-304 to produce the books of accounts. Accordingly the assessee has filed the books of accounts and connected records for the period April 2015 to June 2017 for audit verification as under.

1) Reported Statement as per VAT-200
2) Sales Accounts and Statement
3) Sample Sale deed copies
4) P&L Accounts.

On verification of books of account submitted by the dealer with reference to the monthly VAT-200 Returns filed during the period from 01-04-2016 to 30-06-2017 the following turnovers arrived which have been assessed as per the authorization issued in Admn 1C dated 03-10-2019 in the reference 2nd cited.

with the conditions stipulated in Section 4(7)(d) and Rule 17(4), they cannot be denied the benefit of composition there under for the construction made by them for the very same person, after execution of a registered deed for the sale of a semi finished structure. Denial of the benefits of the composition scheme under Section 4(7)(d) to such dealers, for the post-sale construction made in terms of the initial agreement is illegal and is contrary to the provisions of the Vat Act and the rules made there under.

However the dealer is requested to produce all Original agreements of sale, Original Sale deeds and Original construction agreements for further verification which were produced on sample basis at the time of audit.

In view of the above it is proposed to assess on the following under declared tax for the period April 2015 to June 2017 as under :

1. Short payment of Tax : Rs. 71774-00
2. Tax on under declared turnover: Rs. 57131-00
   Total : **Rs. 128905-00**

The dealer is requested to file written objections if any against the proposed turnovers within (7) days of receipt of this notice failing which this notice will be confirmed without any further intimation in this matter.

State Tax Officer -1 (I/c)
M.G.Road – S.D.Road Circle

State Tax Officer-I
M.G.Road-S.D.Road Circle,
Hyderabad

To,
M/s Paramount Builders,
5-4-187/3 and 4, 2nd Floor, Soham Mansion,
M.G.Road, Secunderabad.