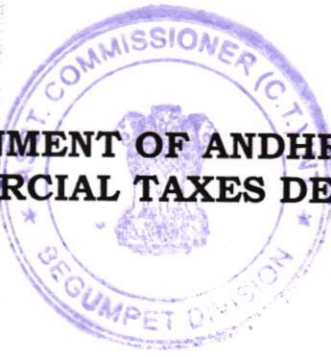


**GOVERNMENT OF ANDHRA PRADESH
COMMERCIAL TAXES DEPARTMENT**



FORM: VAT 305 A

FOR TAX

NOTICE OF ASSESSMENT OF VALUE ADDED TAX

[See Rule 25(5)]

Date	Month	Year
01	09	2012

01. Tax Office Address:
Asst. Commissioner (CT) LTU.,
Begumpet Divn. Hyderabad.

02. TIN 2 8 9 5 2 2 4 5 9 3 9

01. Name: M/s. MODI VENTURES,
Address: 5-4-187/3 & 4, 3rd floor, Soham Mansion,
M.G.Road, Secunderabad.

Examination of your records on 25-08-2012 has shown that the amounts of Value Added Tax have not been declared in the VAT returns listed below. Under the provisions of APVAT Act 2005 the following tax periods shown below:

Tax Period	Particulars (input tax / output tax)	Tax declared / net credit / or Refund Claimed	Tax found to be due / net credit / or Refund due	Tax over declared Due to dealer	Tax under declared Due to Tax dept.	Total Due to Tax Dept.
2009 - 10	Output Tax	884375	895483	-	11108	11108
2010 - 11	Output Tax	748415	756843	-	8428	8428
2011 - 12	Output Tax	969121	981852		12731	12731
						32267

Total Tax due to the Department: Rs. 32267
(Rupees Thirty Two Thousand Two Hundred and Sixty Seven only)

Explanation for the above Proposals:

M/s Modi Ventures, 5-4-187/3, 2nd floor, Soham Mansion, M.G.Road, Secunderabad are registered dealers under VAT Act, 2005 holding TIN No. 28952245939 and assessee on the rolls of Commercial Tax Office, M.G.Road Circle, Secunderabad. They are doing business in construction and selling of flats.

As per the authorization of the Deputy Commissioner (CT) Begumpet Division, Hyderabad the Assistant Commissioner (CT) VM-I issued a notice in form VAT 304 dt.23-06-2011 and served it on them on 23-06-2011 to produce the books of accounts maintained by them with reference to the books. In response to the notice they filed a letter dt. 27-6-2011 and requested 2 days time. They have not turned up to

produce the books and in connection a notice dt.12-7-2011 has been issued for submission of records. The assessee is registered under VAT w.e.f.01-01-2010. The assessee filed VAT 250 and opted under composition in construction of apartments and sales. The assessee constructing the apartments at Survey No. 93, 94 & 95, situated at Mallapur, UppalMandal, Ranga Reddy district.

The records produced for verification for the above site have since been verified and found that they have opted for composition of tax under section 4 (7)(d) of APVAT Act 2005. The assessee have not claimed input tax in their monthly returns. They have purchased i.e. Sand, Metal, Bricks, Cement, Plywood, Glass fittings etc, from the registered dealers. They are paying tax upto 13-9-2011 @ 4% on 25% and 5% on 25% from 14-9-2011 onwards on 25% turnover under Section 4(7)(d) of APVAT Act 2005 respectively.

Under Rule 17(4)(i) of AP VAT Rules, the VAT dealer mentioned in clause (a) above shall pay an amount equivalent to one per cent (1%) and 1 ½ on the total consideration received or receivable or the market value fixed for the purpose of stamp duty whichever is higher. The payment shall be made by way of Demand Draft obtained in favour of the Commercial Tax Officer or Assistant Commissioner concerned and the instrument is to be presented at the time of registration of the property to the Sub-Registrar, who is registering the property duly furnishing his TIN No. and full address of the Commercial Tax Officer / Assistant Commissioner concerned on the reverse of the Demand Draft., The Sub-Registrar shall send the same to the Commercial Tax Officer /Assistant Commissioner concerned every week.

Clause (i) was added by G.O. Ms .No. 1614 Rev. CT.II dt. 31-8-2005 w.e.f 31-8-2011.

Verified the books of accounts and the tax liability is worked out as under.

2009-2010:

Amount	Rate of Tax	Tax due
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Sale and registered apartments	Rs.88437500	@ 1%	Rs.884375
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Verified the purchase invoices and noticed that the assessee purchased the goods from non VAT dealers for Rs.96589. Hence the difference tax @ 11.5% is worked out and proposed to tax of Rs.11108.

Total tax due	Rs.	895483
Tax paid at Sub-registrar at the time of flat registration	Rs	884375
		.
Net payable	Rs	11108

2010-2011:

Amount	Rate of Tax	Tax due
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Sale and registered apartments	Rs.74841500	@ 1%	Rs.748415
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Verified the purchase invoices and noticed that the assessee purchased the goods from non VAT dealers for Rs.62432. Hence the difference tax @ 11.5% is worked out and proposed to tax of Rs.8428.

Total tax due	Rs.	756843
Tax paid at Sub-registrar at the time of flat registration	Rs	748415
		.
Net payable	Rs	8428

2011-2012:

Amount	Rate of Tax	Tax due
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Sale and registered apartments			
from 01.04.2011 - 13.09.2011	Rs.33438233	@ 1%	Rs. 334382
from 14.09.2011 - 31.03.2012	Rs.50779120	@ 1.25%	Rs. 634739

Verified the purchase invoices and noticed that the assessee purchased the goods from non VAT dealers for Rs.94306. Hence the difference tax @ 11.5% is worked out and proposed to tax of Rs.12731.

Total tax due	Rs.	981852
Tax paid at Sub-registrar at the time of flat registration	Rs	969121
		.
Net payable	Rs	12731

M/s Modi Ventures, Secunderabad are requested to file their written objections if any to the above proposals within (7) days from the date of receipt of this notice, failing which orders will be passed under the provisions of AP VAT Act 2005, without any further notice / time.


Assistant Commissioner (CT) LTU
Begumpet Division, Hyderabad.

01/09/2012