

MEHTA & MODI HOMES

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

Date: 21st August 2012

To,
The Commercial Tax Officer,
M.G. Road Circle,
Hyderabad

Sir,

Sub: Stay Petition filed for the collected of disputed Tax – For the year 2005-06 & 2006-07/VAT - Reg.

Ref: 1) Proceedings No. CCT. Ref. L.III (2)/112/2012 dated 24/07/2012 from the Addl. Commissioner (CT) Legal, Hyderabad.
2) Extension of time order dated 17/08/2012 passed by Addl. Commissioner (CT) Legal, Hyderabad.

As per the directions of the Additional Commissioner (CT) Legal, in his proceedings cited above, we are enclosing Cheque No. 636125 dated 18th August 2012 for Rs.8,05,937/- (Rupees Eight Lakhs Five Thousand Nine Hundred Thirty Seven Only) as per the details furnished below.

Disputed Tax	:Rs.38,81,737/-
Stay granted for 50% of the Disputed Tax	:Rs.19,40,869/-
Balance payable	:Rs.19,40,869/-
As per the effectual order dt.24/05/2012 the tax paid is	Rs.11,34,932/-
Balance, Now Paid	:Rs. 8,05,937/-

Kindly acknowledge

Thanking you,

Yours faithfully
For **MEHTA & MODI HOMES**


Authorised Signatory

Encl: 1. Cheque No. 636125 dated 18th August 2012
2. Extention Order copy
3. Stay Order Copy



HDFC BANK

A/c. Payee Only

USHA KIRAN COMPLEX, 6th FLOOR, PARADISE CIRCLE
SAROJINI DEVI ROAD, SECUNDERABAD-500 003, ANDHRA PRADESH
RTGS/NEFT IFSC : HDFC0000042

Imperia
Premium Banking

18/08/12
D D M M Y Y Y Y

Pay **C.T.O., M.G. ROAD CIRCLE**

Or Bearer

या धारक को

Rupees रुपये *Eight lakhs five thousand*
nine hundred thirty seven only अदा करें

₹ *8,05,937/-*

A/c No.
खाता नं.

00422000011257

CA

Payable at par through clearing/transfer at all branches of HDFC BANK LTD

For MEHTA AND MODI HOMES

Authorised Signatories

Please sign above / कृपया यहाँ हस्ताक्षर करें

⑈636125⑈ 500240003⑈ 133699⑈ 29

PROCEEDINGS OF THE ADDITIONAL COMMISSIONER(CT) (LEGAL), OFFICE OF
THE COMMISSIONER OF COMMERCIAL TAXES, ANDHRA PRADESH,
HYDERABAD.

PRESENT: SRI D. RAMACHANDRA REDDY, B.Sc, B.L., CAIIB, M.B.A.,
A.C. Order No.195
CCT.Ref.No.L.III (2)/ 112 /2012 Dated.17 -08-2012

Sub:- Stay Petitions – M/s. Mehta & Modi Homes, M.G.Road, Secudnerabad - for the
tax period 2005-2006 & 2006-2007 - under APVAT Act'2005 – Heard the case
– Orders – passed – Extention of time – Reg.

- Ref:-1) CTO (Audit), Begumpet Division, Form 305, in TIN.No.28840298894,
dt.12-08-2007 of Mehta & Modi Homes.
2) Proceedings of the DC(CT), Begumept Division, Hyderabad DC order.No.
162 Rc.No.E3/R/219/2011, Dt.23-4-2012.
3) Application in Form 406, dated. 29-06-2012 filed by the dealer.
4) A.R.No:259/2012 M/s.Mehta & Modi Homes, M.G. Road, Secunderabad
pending before the Hon'ble STAT, Hyderabad.
5) Proceedings in CCT's Ref.LIII(2)/112/2012 dt.24-07-2012
6) Lr.No.Nil dt.16-08-2012 by M/s. Mehta & Modi Homes, M.G.Road,
Secunderabad.



Extention of time:

M/s. Mehta & Modi Homes, M.G.Road, Secunderabad have filed a representation on
the stay orders issued by the undersigned as in the reference 5th cited stating that they have
received the orders on the evening of 13-08-2012 and therefore they are unable to comply the
orders of the undersigned due to non availability of their Managing Director to remit 50% of
the disputed tax on or before 14-8-2012 and hence requested to extend the time upto 22-08-
2012 to comply the orders.

In view of the request made by the appellant, the time is hereby extended upto
22-08-2012 as desired by the appellant to comply with the orders as in reference 5th cited.

ADDITIONAL COMMISSIONER (CT) (LEGAL)

To
M/s. Mehta & Modi Homes, M.G.Road, Secunderabad
through the Commercial Tax Officer(Audit) Begumept Division
(in duplicate) for service and return of served copy immediately.

Copy to the Commercial Tax Officer (Audit) Begumept Division
Copy to the Deputy Commissioner (CT), Begumpet Division.

6084
31/12/12
7/18/2012

PROCEEDINGS OF THE ADDITIONAL COMMISSIONER(CT) (LEGAL), OFFICE OF THE
COMMISSIONER OF COMMERCIAL TAXES, ANDHRA PRADESH, HYDERABAD.

PRESENT: SRI D. RAMACHANDRA REDDY, B.Sc, B.L., CAIIB, M.B.A.

A.C. Order No.176

CCT.Ref.No.L.III (2)/ 112 /2012

Dated.24-07-2012

Sub:- Stay Petitions – M/s. Mehta & Modi Homes, M.G.Road, Secudnerabad - for the tax period 2005-2006 & 2006-2007 - under APVAT Act'2005 – Heard the case – Orders – passed.

- Ref:-1) CTO (Audit), Begumpet Division, Form 305, in TIN.No.28840298894, dt.12-08-2007 of Mehta & Modi Homes.
2) Proceedings of the DC(CT), Begumept Division, Hyderabad DC order.No. 162 Rc.No.E3/R/219/2011, Dt.23-4-2012.
3) Application in Form 406, dated. 29-06-2012 filed by the dealer.
4) A.R.No:259/2012 M/s.Mehta & Modi Homes, M.G. Road, Secunderabad pending before the Hon'ble STAT, Hyderabad.

ORDER:

The stay petition is filed by M/s. Mehta & Modi Homes, M.G.Road, Secunderabad against the revision orders passed by Deputy Commissioner (CT), Begumpet Division raising a demand of Rs.38,81,737/- under Section 4(7) (c) of APVAT Act 05. Inter alia, the appellant's Authorised Representative Sri M. Ramachandra Murthy, Chartered Accountant has specifically contended that even though the appellant enters into agreement for construction and agreement for development charges subsequently the amounts mentioned in these two agreements have already been shown in the original agreement of sale (mother agreement) and the appellant has paid VAT @ 1% on the total consideration received as per the original agreement of sale. Thus the payment of tax @ 1% by the appellant is strictly as per the provisions of Section 4(7) (d) which is also accepted by the assessing authority.

The Authorised Representative submitted that the appellant is engaged in the business of construction and selling of independent bungalows / Villas at Charlapally and has opted for payment of tax @ 4% on 25% of the consideration received or receivable (1%) under composition scheme under Section 4(7) (d) of the Act). The appellant has declared the turnover relating to the constructions and sale of bungalows in the monthly VAT returns and paid tax on the amounts received from the customers @ 1%. Even though the appellant enters into agreement for construction and agreement for development charges subsequently the amounts mentioned in these two agreements have already been shown in the original agreement of sale (mother agreement) and the appellant has paid VAT @ 1% on the total consideration received as per the original agreement of sale. Thus the payment of Tax @ 1% by the appellant is strictly as per the provisions of Section 4(7) (d) which is also accepted by the assessing authority. In the revision notice it is alleged that the appellant executes a sale deed for sale of land and later enters into two separate contracts for development of plot and for constructions of bungalow.

The Authorised Representaive then submitted that it is quite clear that if the property is registered only as a land through a sale deed and there is no subsequent registration after completion of construction the applicant shall ensure payment of 1% of total consideration received ro receivable as per the initial agreement of sale. The appellant reiterates that in the course of business the appellant enters into agreement with the prospective buyers for sale of independent bungalows of similar size, similar elevation, same colour, scheme etc along with certain amenities.

It was further submitted that the Advance Ruling Authority in the ruling M/s. Maytas Hills County (P) Ltd – vide CCT's Ref.No.PMT/T&L/AR com-180/2006 dt.30-07-2006 without any ambiguity has clearly given the ruling that VAT has to be paid @ 1% on the total consideration received as per initial agreement of sale originally agreed upon whether in separate portions for land and constructions cost the above clarification is clearly applicable to the appellant's case as the appellant is very much a builder and developer and has exclusive right to sell the property and very much entitled to opt for composition under clause (d) of sub section (7) of Section of the said Act.