



**GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT**

Date: 21-01-2020

NOTICE OF ASSESSMENT OF VALUE ADDED TAX

[See Rule 25 (5)]

01. TAX OFFICE ADDRESS :

Deputy Commercial Tax Officer-II
O/o Commercial Tax Officer,
Marredpally Circle, Begumpet Division,
6th Floor, Pavani Prestige Building,
Ameerpet, Hyderabad.

02. TIN: 36389317452

03. Name: M/s. GREEN WOOD ESTATES

**Address : 5/4/187/344,2ND FLOOR M G ROAD, MG ROAD,
SECUNDERABAD - 500003**

Circle: MG ROAD - SD ROAD

Sub:TVAT Act, 2005 – M/s **GREEN WOOD ESTATES** – VAT Audit conducted
On authorization issued by the Deputy Commissioner (CT), Begumpet
Division - Show cause notice issued – Objections called for -
Regarding.

Ref-1) DC (CT) Begumpet Division authorization for conducting VAT Audit
in ADM 1 B No:2019112301864175250801, Dt:23-11-2019

2) This office notification of audit in Form VAT 304, dt.25.11.2019

3) DC(CT), Begumpet Divn., Authorization authorization for completion
of assessment vide ADM 1C No:2020012101864175250802, Dt:21-
01-2020

M/s **GREEN WOOD ESTATES.**, TIN **36389317452**, are registered dealers
under TVAT Act, 2005 & CST Act, 1956 and they are on the rolls of the Commercial
Tax Officer, MG Road- SD Road Circle. They are into construction of residential
flats. The Deputy Commissioner (CT), Begumpept Division, Hyderabad has
authorized to conducted VAT audit in the instant case. Accordingly, the business
premises of the dealers has been notified to the dealers in Form VAT 304, dated:

25-11-2019 for production of their books of accounts. In response to the notices, the dealers have submitted the Statements of Sales, Purchases and P & L Account statements, Development agreement, copy of Form 250 for the period June,2014 to June,2017.

The dealers have reported turnovers of output / input in the monthly returns in Form VAT 200 for the period June,2014 to June,2017 are as under:

PURCHASES:

Particulars	2014-15 (June,14 to March,15)		2015-16		2016-17		2017-18 (Upto June,2017)	
	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax
A)Non-creditable purchases	-	-	-	-	-	-	-	-
B)Creditable purchases	-	-	-	-	-	-	-	-
5% Rate	-	-	-	-	-	-	-	-
14.5% Rate	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-

SALES:

Particulars	2014-15 (June,14 to March,15)		2015-16		2016-17		2017-18 (Upto June,2017)	
	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax	Turnover (Rs.)	Tax
B)Interstate Sales	-	-	-	-	-	-	-	-
C) Exports	-	-	-	-	-	-	-	-
D) VAT Sales	-	-	-	-	-	-	-	-
Exempt Sales	56716500	-	53606258	-	35722000	-	-	-
5% Rate	18905500	945275	17868753	893437	11995153	599757	-	-
14.5% Rate	-	-	-	-	-	-	-	-
TOTAL	75622000	945275	71475011	893437	47717153	599757	0	0

The correctness and completeness of the turnovers reported in the monthly VAT 200 returns filed for the audit period have been verified with reference to their books of accounts and annual Statement / P & L Accounts and made the following observations:

The assesses have entered an agreement with Sri K.Bhasker & Other 4 partners for development of property admeasuring Ac 6.05 Gts at Kowkur (V) Malkajgiri (M) Ranga Reddy Dist. As seen from development agreement the developers share is 284 flats out of 345 flat (i.e. around 82%)

The dealers have opted to pay tax under section 4(7)(d) of TVAT Act, 2005 duly filing Form VAT 250 as required under Rule 17(4)(b) of TVAT Act, 2005. The section 4(7)(d) reads as "any dealer engaged in construction and selling of Residential Apartments, Houses, buildings and commercial complexes may opt to pay tax by way of composition at the rate of 5% of Twenty five percent (25%) of the consideration received or receivable or the market value fixed for the purpose of stamp duty whichever is higher subject to such conditions as may be prescribed".

On verification of Annual statements / P&L account statement noticed that, the sale consideration is more than the reported sales in the monthly VAT 200 returns except for the year 2015-16. As such, sales as in P & L account statement is adopted for the purpose of assessment.

Further, as seen from trial balance for the period 04/2017 to 06/2017, the dealers have received advances of Rs.10,08,120-00, the same is proposed to tax U/s 4(7)(d) of TVAT Act, 2005 as the Rule 17(1)(c) and (i) have been omitted.

Thus, the dealers VAT liability is computed for the period June, 2014 to June, 2017 is as under:

Particulars	2014-15 (6/14 to 03/15)	2015-16	2016-17	2017-18 (Upto June, 2017)
Total sale consideration received towards sale of Flats	118375000	53430000	50057000	1008120
(-) Being assessed separately under APVAT for 04/14 & 05/14.	(-)29264000 89111000	0	0	0
25% of taxable turnover	22277750	13357500	12514250	252030
Tax @ 5%	1113888	667875	625713	12602
Tax Paid	954475	948279	130046	0
Balance tax payable	159413	(+)280404	495667	12602

Year wise tax liability is abstracted as below:

2014-15 (06/2014 to 03/2015)	Rs.1,59,413-00
2015-16 (+)	Rs.2,80,404-00
2016-17	Rs.4,95,667-00
2017-18 (Upto June,17)	Rs. 12,602-00

Total tax payable **Rs.3,87,278-00**

Therefore, M/s **GREEN WOOD ESTATES**, are hereby requested to submit their objections in writing on the proposed tax of **Rs.3,87,278-00** within (7) days from the date of receipt of this notice. Failing which orders will be passed confirming tax without any further notice.


21/01/2020
Deputy Commercial Tax Officer-II,
Marredpally Circle, Begumpet Division.

Particulars	2014-15 (01/15 to 03/15)	2015-16	2016-17	2017-18 (Upto June 2017)
Total sale consideration received towards sale of	18335000	23430000	20037000	10081300
Less: VAT assessed	(22264000)			
Separately under ARVAT for 04/11 & 05/14		0	0	0
25% of taxable turnover	8911000	13357200	12814250	2520300
Tax @ 5%	1113886	667375	625413	12602
Tax Paid	98475	948270	130046	0
Balance tax payable	159413	(+1280104)	955667	12602