

**GOVERNMENT OF TELANGANA
COMMERCIAL TAXES DEPARTMENT**

FORM VAT 305A

REVISED NOTICE OF ASSESSMENT OF VALUE ADDED TAX

(See Rule 25 (3))

01. Tax Office Address.

O/o. Assistant Commissioner (ST),
M.G. Road - S.D. Road Circle,
Begumpet Division, 4th Floor,
Pavani Prestige, Ameerpet,
Hyderabad - 500016.

Date	Month	Year
18	03	2020

TIN : 36635086045

03. Name & address of the dealer.

Name : M/s. Alpine Estates.

Address : 5-4-187/3&4, IInd Floor, M.G. Road, Secunderabad - 500 003.

Sub:- TS VAT Act – M/s. Alpine Estates, Hyderabad - VAT audit – Authorisation issued by the Deputy Commissioner (CT), Begumpet Notice issued for production of VAT records – show cause notice issued for the period 2013-14 - certain discrepancies noticed – Reg.

Ref :1.This office audit notification in Form VAT 304 dt.20-11-2018 sent by RPAD on 04-12-2018.

2. Notice dt.20-12-2019 sent through mail to mail id. salestax_a2@yahoo.com available in the VAT registration certificate on 20-12-2019 issued for production of books of account for completion of audit.
3. Another notice dt.20-12-2019 sent through RPAD on 23-12-2019 issued for production of books of account for completion of audit.
4. Notice dt.07-02-2020 sent through mail to mail id. salestax_a2@yahoo.com available in the VAT registration certificate on 07-02-2020 issued for production of books of account for completion of audit.
5. Alpine Estates, Hyderabad filed reply on 14-02-2020.
6. Authorisation for assessment issued by the DC (CT), Begumpet Division Vide Form ADM1C No.2020021501857735193002 / 15-02-2020.

M/s. Alpine Estates, 5-4-187/3&4, IInd Floor, M.G. Road, Secunderabad, Telangana - 500003 are registered under VAT Act and assesses on the rolls of the CTO, M.G. Road - S.D. Road bearing TIN. 36635086045. The dealer is carrying on the business as Works Contract like construction of Flats.

Authorisation for Audit

As per the authorization issued by the Deputy Commissioner (CT), Begumpet Division, a notice in Form VAT 304 dt.20.11.2018 served on the dealer by RPAD on 04-12-2018 for Scrutiny of Books of accounts of the dealer under TVAT Act reference 1st cited.

Notices were issued for productions of books of account vide references 2nd to 4th cited. In response to the notices issued the dealers filed books of accounts for the period April 2013 to March 2014. The dealer filed reply vide reference 6th cited along with local purchase details and P & L Account and Balance Sheet copies.

The turnovers for the period 2013-14 filed by the dealer as follows.

2013-14

Purchases : Nil

Sales

S No	Particulars	Output	Output Tax
1	Exempt sales	10,90,93,431.00	-
2	VAT Sales @ 5%	3,62,97,812.00	18,14,891.00
Total		14,53,91,243.00	18,14,891.00

1. The dealer claimed Exempt sales for an amount of Rs.10,90,93,431/- in the VAT 200 returns for the period 2013-14. There is no evidence to the support of the exempted sales. Hence, it is proposed to levy tax on exempted sales of Rs.10,90,93,431/-.

As per the provisions of VAT Act 2005 under Section 4 (7) (d)

Any dealer engaged in construction and selling of residential apartments, houses, buildings or commercial complexes may opt to pay tax by way of composition at the rate of 4% 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.

= 5% of 25% of 10,90,93,431/-

= 5% of 2,72,73,358/-

= 13,63,668/-.

2. Further, on examination of the sales reported in the VAT 200 returns for a turnover of Rs.14,53,91,243/- with P & L Account reported turnover of Rs.15,36,87,866/- it is noticed that the dealer has not reported a turnover of Rs.82,96,623/-.

As per the provisions of VAT Act 2005 under Section 4 (7) (d)

Any dealer engaged in construction and selling of residential apartments, houses, buildings or commercial complexes may opt to pay tax by way of composition at the rate of 4% 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.

VAT is levied @ 5% on difference turnover reported of Rs.82,96,623/-

= 5% of 25% of 82,96,623/-

= 5% of 20,74,155/-

= 1,03,708/-.

In the end the total liability arrived on assessment of the books of account for the period 2013-14 is as under

S No	Year	Description	Amount
1	2013-14	Tax levied on Exempted Sales	13,63,668-00
2	2013-14	Scrutiny (ITC claimed Cancelled dealers &Tax defaulters)	1,03,708-00
Total			14,67,376-00

Total Tax Due to the Department

Rs. 14,67,376/-

M/s. Alpine Estates are hereby instructed to file their written statement of objections if any against the proposed levy of tax within (7) Seven days of the date of receipt of this notice adducing necessary evidence in support of their contentions failing which it will be construed that they have no objections to file and the proposal will be confirmed without any further notice / opportunity. M/s. Alpine Estates is also informed that if there is desirous of making any personal representation in this matter, they may do so either personally or through their authorized representative before the undersigned in this office at 4th Floor, Pavani Prestige Building, Ameerpet at 12 P.M. on any working day within the time stipulated above. No separate request / correspondence is required in this matter.


Assistant Commissioner (ST), 18/3/2020
M.G. Road - S.D. Road Circle
Assistant Commissioner (ST)
M.G. Road - S.D. Road Circle.
Begumpet Division, Hyderabad.

To,
M/s. Alpine Estates,
5-4-187/3&4, IInd Floor,
M.G. Road, Secunderabad - 500 003.