**Brief History:VAT**

M/s. Shree Venkateshwara Turnkey Project Solution Pvt Ltd hereinafter would be called as a “Dealer” or “Assesse” under.

Maharashtra Value Added Tax Act, 2002 for brevity. Dealer M/s. Shree Venkateshwara Turnkey Project Solution Pvt Ltd was selected for Assessment. Notice in F-301 dt.**29/06/2017** for assessment of the period 2015-16 was served to the dealer and called on dt.**24/07/2017**.The Assessment proceedings of the dealer were completed by this office. Dealer is assessed u/s 23(2) of MVAT Act, 2002.

Dealer is electrical works contractor. Dealer is holding TIN 27921088655V and duly registered under MVAT Act, 2002.

**Attendance:**

Shri. Pravin Bhise, CA attended in response to reminder issued dated 11**/11/2019** and produced Profit and loss A/c, Balance sheet, Sale purchase register, sample sales invoices.

This assessment is based upon the documents produced by Shri. Pravin Bhise, CA details of the records viz.-Profit and loss A/c, Balance sheet, Sale purchase register, sample sales invoices and F-704. After that Shri. Pravin Bhise, CA has failed to attend and produced the relevant documents. He was heard before passing this order and best judgment order is passed.

**Facts & Figures:**

Dealer is electrical works contractor and also doing trading of Air Conditioner and electrical item. The dealer has claimed deduction of turnover of Rs.2016258/- under earlier ACT under section 96(1g). Shri. Pravin Bhise, CA has failed to produce the relevant documents in this matter; therefore, this deduction is disallowed and taxed accordingly.

The dealer is assessed as under:-

G.T.O. of sales as per F-704 is to the tune of Rs.15367091/-. Hence, GTO of Sales is determined to the tune of Rs.15367091/-.

**Deductions & Exemptions Disallowed:**

Deduction of service tax and tax collection is allowed to the tune of Rs.92682/- and Rs.547013/-, respectively. Dealer has taken standard deduction u/r 58 on total contract value (Including VAT). The said fact was bought to the notice of the dealer during the assessment proceedings. Standard deduction of Labour of Rs.2415143/- (as per working 2415144)is allowed.

The dealer has claimed deduction of turnover of Rs.2016258/- under earlier ACT under section 96(1g). Shri. Pravin Bhise, CA has failed to produce the relevant documents in this matter; therefore, this deduction is disallowed and taxed accordingly.

Hence, net taxable turnover is to the tune of Rs.12286916/-

**Tax:**

Turnover of Rs.12286916/- is taxed at the rate of 12.5 percent and tax is worked out to the tune of Rs.1535864/-.

Total tax payable is at Rs.1535864/-.

**Purchases &Input Tax Credit claims of the dealer:**

G.T.O. of purchases determined as per F-704 is at Rs.10361040/-. URD purchase of Rs.189326/- is allowed. Other deduction of Rs.505264/- is allowed. Balance purchases eligible for set off are at Rs.9666450/-.

The dealer has claimed the ITC of Rs.881516/-. Dealer has failed to produce the online ledger confirmation of some suppliers as per Annex J2. After scrutiny of purchase register and Annex.J2XJ1, matched ITC of Rs.742872/-is allowed.

Total ITC allowed is to the tune of Rs.742872/-.

**Excess Credit Brought forwarded and tax paid with return:**

Dealer has brought forwarded excess credit of Rs. 45148/- from previous period, dealer has failed to produce related document, hence excess credit of Rs. 45148/- is disallowed. Dealer has paid Rs.NIL with return.

Hence, after allowing the deduction of ITC, the tax payable is at Rs.792992/-

**Excess Tax Collection**

Dealer has shown excess tax collection in F-704 of Rs.25338/-, which is forfeited and added into tax liability.

Hence, balance tax payable to the dealer is worked out to the tune of Rs.818330/‑.

**Interest:**

Interest u/s 30(3) of MVAT ACT 2002 is worked out at Rs.799441/-.

**Penalty:**

Penalty u/s 29(3) of MVAT ACT 2002 is levied at 25 percent of the tax liability and worked out at Rs.198248/- .

Penalty u/s 29(10) of MVAT ACT 2002 is worked out at Rs.2000/-.

Assessment proceedings resulted into demand of Rs.1818019/-.

Issue Demand Notice accordingly.