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Paras Gundecha

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Sunil Mantri

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Mayur Shah  
Nayan Shah  
Deepak Goradia

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Boman Irani

HON. JOINT SECRETARIES  
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Harish Patel  
Nainesh Shah

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Ashok Mohanani

JT. TREASURERS  
Mukesh Patel  
L. P. Bhagtani

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Pujit Aggarwal  
Sandeep Runwal

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Sujal Shroff  
Parag Munot  
Rajan Bandelkar  
Vikas Walawalkar  
Jayesh Shah  
Nayan Bheda  
Sanjay Chhabria  
Rajendra Chaturvedi  
Jagdish Ahuja

INVITEE MEMBERS  
Sandeep Raheja  
Mukesh Mehta  
Rakesh Sanghvi  
Suhail Khandwani

MCHI-CREDAI UNITS  
Shailesh Puranik, President,  
Thane  
Shrikant Shitole, Hon. Secretary  
Kalyan-Dombivli  
Shailesh Sanghvi, Secretary  
Mira Virar City  
Rajesh Prajapati, President  
Raigad  
Arvind Goel, President  
Navi Mumbai

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Mohan Deshmukh  
Mofatraj Munot  
Niranjan Hiranandani  
Rajni S. Ajmera  
G. L. Raheja  
(Late) Lalit Gandhi  
(Late) Babubhai Majethia

Ref. No. MCHI/PRES/12-13/083

November 20, 2012

To,  
Hon'ble, Shri Jayant Patil  
Ministry of Finance,  
Govt. of Maharashtra  
Room No. 317, 3<sup>rd</sup> Floor,  
Mantralaya,  
Mumbai - 400 032

Sub: Request to extend the last date of filing VAT Audit Report from 30<sup>th</sup> November 2012 to 31<sup>st</sup> March 2013.

Respected Sir,

Greetings from MCHI-CREDAI

Wish you a very Happy Diwali and Prosperous New Year.

We MCHI-CREDAI, an association of Developers, are receiving number of phone calls from the Developers in Mumbai and Mumbai Metropolitan Region, for the last date of Audit Report to be extended from 30<sup>th</sup> November 2012 to 31<sup>st</sup> March 2013. We are given to understand that a Notification extending the submission date for the Maharashtra VAT Audit report for the year 2011-12 upto 15.1.2013 is being issued shortly.

The last date of payment of VAT liability was 31<sup>st</sup> October 2012 and for filing the VAT Audit Report, the last date is 30<sup>th</sup> November 2012. This involves period of 5 to 6 years. It is very short period to the builders and therefore, we as a representing body of the builders & developers have to request your good offices to extend the date from 30<sup>th</sup> November 2012 to 31<sup>st</sup> March 2013 due to the following reasons;

1. The process of working out /computing VAT liability is just concluded with major exercise of filling & uploading of returns

a. In many cases returns could not be uploaded [although taxes paid] as the Govt website had blocked /given error reports on account of one reason or the other

b. Work on the compilation of Annexure as per Cir no.18T/ 2012 dt 26.9.2012 is presently on and would require some more time to work

c. In almost all cases, the developers have paid the taxes from their own pockets pending recovery from customers/ flat buyers. The efforts are now being made to write to them & pursuing them explaining the VAT working. In most cases, even flat-wise liability is

2019/12/22  
मंत्री, ग्राम  
यॉन्गे नैव्या निया  
महाराष्ट्र  
मंत्रालय, मुंबई ४०० ०३२

MCHI-CREDAI (ISO 9001:2008)

Maker Bhavan II, 4th Floor, 18, V. Thackersey Marg, New Marine Lines, Mumbai - 400 020.  
Tel.: 4212 1421, Fax : 4212 1411/407, Email : secretariat@mchi.net  
Website : www.mchi.net



to be worked out to enable the developers to effect recovery from the flat buyers. The accounting staff is extremely busy with this.

2. In several cases, the data for the preparation of returns was based on the cost sheet or other data readily available with the developers. These statements are now being revisited to counter tally with the audited financial statements before presenting it to the VAT Auditors
3. Media has again reported in last few days about the announcement in respect of allowing the 1% composition scheme to the agreement registered / entered into during the period 20.6.2006 to 31.3.2010 also. If that is done, the working of VAT liability in almost all the cases of developers will be required to be redone.
4. VAT Auditors will require to check /verify huge data of purchases and sales. This is a time consuming process. Auditing accounts for 5 to 6 years at a time also put in extra stress on the resources available at developers' office and at the VAT Auditors' office.
5. Many cases, developers are advised by tax practitioners/ counsels who would now require to co-ordinate with VAT Auditors.
6. Many developers had prepared there VAT returns based on the cost + GP method pending the outcome of the WP in the BHC. Such cases will be required to be reworked out involving lot of time & compiling data
7. The some of the staff members of these builders had proceeded on Diwali holidays.
8. Festive season is also pick time for closing sales deals by developers. Staff would be engaged in various exhibitions and sales promotional schemes and meets.
9. Since tax is already received in the treasury, extending the timeline for furnishing VAT audit report has no revenue implications.
10. The last date of 30<sup>th</sup> November 2012 to file Audit Report was given in the circular issued by the Sales Tax Commissioner on 6<sup>th</sup> August 2012, at that time the last date of payment was 31<sup>st</sup> August 2012 and the last date of Audit Report was 30<sup>th</sup> November 2012. But on 28<sup>th</sup> August 2012, the Supreme Court issued the interim order extending thereto the date for making VAT payments from 31<sup>st</sup> August 2012 to 31<sup>st</sup> October 2012 but the last date of the Audit Report is the same. While the date of payment was extended by two months in the same way, the last date of filing the Audit Report should also be extended at least for four months. i.e. upto 31<sup>st</sup> March 2013.



We request to your goodself to take decision favorably and please issue the necessary instructions to the Competent Authorities to extend the last date of filing of the VAT Audit Report from 30<sup>th</sup> November 2012 to 31<sup>st</sup> March 2013, so that the builders will get some relief and get time to work out for the Audit Report.

Thanking you,

With respectful regards.  
For MCHI-CREDAI

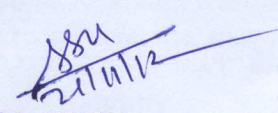


Paras Gundecha  
President

Mobile: 9821092439

CC to :

✓ Shri. Sanjay Bhatia  
Commissioner, Sales Tax  
The Office of Sales Tax Commissioner,  
Vikrikar Bhavan, Mazgaon,  
Mumbai - 400 010

  
**CLERK**

विक्रीकर आयुक्त  
महाराष्ट्र राज्य, मुंबई.