

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,2015 (CONTD.)

32 SERVICE TAX MATTERS

A. A Demand of Rs. 108,794,894 for the period 2006-07 to 2009-10 comprising of Service Tax of Rs. 106,427,051 and interest of Rs. 2,367,843 was raised on the company by The Commissioner of Service Tax. The demand was contested and The Commissioner of Customs and Central Excise vide order dt. 22.01.2015 (received on 03.02.2015) revised the demand of Service Tax to Rs. 41,040,683 alongwith penalty of Rs. 41,040,683 plus Rs. 10,000 & interest till the date of payment with the condition that penalty amount would stand waived by 75% in case payment is made within 30 days.

The company paid Rs. 88,130,922 on 25.02.2015 comprising of Service Tax of Rs. 41,040,683 alongwith penalty of Rs. 10,270,171 and interest of Rs. 36,820,068 under protest. An Appeal against the order dt. 22.01.2015 has been filed with CESTAT on 24.04.2015.

B. In addition the company had been served the following demands cum show cause notices by the Service Tax Department for the various periods as under:

Sr. No.	Amount (Rs.)	Remarks
i	42,77,135	For the period 2011-12 - excluding interest and penalties, if any, amount not quantified.
ii	46,68,575	For the period 2013-14 excluding interest and penalties, if any, amount not quantified.
iii	51,68,167	For the period 2012-13 excluding interest and penalties, if any, amount not quantified.
iv	15,51,24,810	For the period 2007-08 to 2009-10 -Comprising of Service Tax of Rs. 154,340,285 and interest of Rs. 784,525 plus penalty, if any, amount not quantified.
Total	16,92,38,687	

As per the expert opinion, the services under Sr. No. A and B (i to iii) above on which the demands/demand-cum-show cause notices were served, do not fall within the ambit of Service Tax. The demands have been contested by the company with the respective authorities.

In respect of Sr. No. B (iv) above, the applicable Service Tax has already been paid and nothing remains to be paid to the Department in that respect as per the calculations of the Company. Accordingly, the Service Tax Department has been requested to withdraw the said demand.

No provision for the demand of Rs. 257,369,609 (Rs. 88,130,922 plus Rs. 169,238,687) has accordingly been made in the accounts. The demand of Rs. 257,369,609 is, however, included as a Contingent Liability at Note No. 30(a).

The amount of Rs. 88,130,922, paid under protest with the Service Tax Department has been reflected in the accounts under the head "Service Tax Recoverable".

33 CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the company during the year as per Section 135 of the Companies Act 2013 - Rs. 34,355,816 (2% of average surplus of last 3 financial years).

B. Amount spent during the year :

		In Cash	Yet to be paid in Cash	Total
(i)	Construction/ acquisition of any assets	-	-	-
(ii)	On purposes other than (i) above	Rs. 4,303,373	-	Rs. 4,303,373

C. Amount unspent - Rs. 30,052,443