

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH,2014 (CONTD.)**

**32 SERVICE TAX MATTERS**

The Company had been served 3 Demand cum Show Cause Notices from the Service Tax Department as under:-

Sl.No.	Amount (Rs.)	Remarks
1	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/- to the extent determined plus penalties, if any, amount not quantified.
2	4,277,135	For the period 2011-12 - Excluding interest and penalties, if any, amount not quantified.
3	155,124,810	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.
<b>Total</b>	<b>268,196,839</b>	

As per the expert opinion, the services under S. No. 1 & 2 above on which the demands-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 Commissioner of Service Tax, Delhi.

In respect of S. No. 3 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 during the year to withdraw the said demand.

Therefore, no provision for the demands of Rs. 268,196,839 have been made in the accounts. The same is , however, included as a contingent liability at Note No. 30(a).