



CENTRAL BOARD OF EXCISE AND CUSTOMS

Ministry of Finance - Department of Revenue



FORM ST-2

Shri/Ms. Kadakia Modi Housing, 5-4-187/3&4, soham mansion, 2nd floor, m.g.road, secunera-bad. having undertaken to comply with the conditions prescribed in Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994, and any orders issued thereunder is hereby certified to have been registered with the Central Excise Department. The Service Tax Code and other details are mentioned hereunder.

Name :	Kadakia Modi Housing		
Address :	5-4-187/3&4, soham mansion, 2nd floor, m.g.road, secunera-bad.		
PAN No :	AAHFK8714A		
Name as in PAN :	KADAKIA AND MODI HOUSING		
Nature of registration :	Registration of a single premise		
Service Tax Code(Registration Number) :	AAHFK8714ASD001		
Taxable services :	CONSTRUCTION OF RES. COMPLEX, WORKS CONTRACT SERVICES		

ADDRESS OF BUISNESS PREMISES

Name Of Premises/Building :	SOHAM MANSION	Flat / Door / Block No :	5-4-187/3&4
Road / Street / Lane :	M.G.ROAD	Village / Area / Lane :	M.G.ROAD
Block / Taluk / Sub-Division / Town :	SECUNDERABAD	Post Office :	R.P.ROAD
City / District :	HYDERABAD	State / Union Territory :	ANDHRA PRADESH
PIN :	500001	Phone Number-1 :	04066335551
Phone Number-2 :	04066335551	Fax Number-1 :	04027544058
Fax Number 2 :	04027544058	Email Address :	asr.hrm@gmail.com
Premises Code :	521305A001		

This Certificate is issued incorporating the changes intimated by the applicant and the previous certificate of registration bearing Registration Number AAHFK8714ASD001 Issued on 25/04/2010 stand cancelled.

Sl No	Types of Services	Accounting Codes	
		Tax Collection	Other Receipts (Interest / Penalty)
1	CONSTRUCTION OF RES. COMPLEX	00440334	00440335
2	WORKS CONTRACT SERVICES	00440410	00440411
3	EDUCATION CESS	00440298	00440299
4	SECONDARY AND HIGHER EDUCATION CESS	00440426	00440427

Note :

1. In case the registrant starts providing any other taxable service (other than those mentioned above), he shall intimate the department.
2. In case the registrant starts billing from other premises (other than those mentioned above), he shall intimate the department.
3. These intimations and any other information which registrant wishes to bring to the notice of the department can be submitted on-line by the registrant after logging on to web-site.
4. This registration certificate is not transferable.
5. List of Accounting Codes is Enclosed. These may invariably be furnished in the challan at the time of making payment of service tax.

Date of Issue of Original ST-2 : 25/04/2010
Date of Last Amendment of ST-2 : 08/12/2010

Name and Signature of Central Excise Officer

[Signature]
08.12.10
Page 1 of 2
SUPERINTENDENT
Customs, Excise & Service Tax
Service Tax (GROUP X)
Hyderabad - II Commissionerate



CENTRAL BOARD OF EXCISE AND CUSTOMS

Ministry of Finance - Department of Revenue



AMEND FORM ST-1

[Application form for registration under Section 69 of The Finance Act, 1994 (32 of 1994)]

IDENTIFICATION OF BUSINESS REQUIRING REGISTRATION

Name of Applicant :	Kadokia Modi Housing		
Address of the Applicant :	5-4-187/3&4, soham mansion, 2nd floor, m.g.road, secunerabad.		
Details of Permanent Account Number(PAN) of the applicant			
PAN Status :	Allotted	PAN :	AAHFK8714A
Name of the Applicant(as appearing in PAN) :	KADAKIA AND MODI HOUSING		
Constitution Of applicant :	Partnership		
Name of Trustee/Proprietor/HUF :			
Category of Registrant :	Service Provider		
Nature of registration :	Registration of a single premise		
Taxable services provided :	WORKS CONTRACT SERVICES, CONSTRUCTION OF RES. COMPLEX		

ADDRESS OF PREMISES FOR WHICH REGISTRATION IS SOUGHT

Name Of Premises/Building :	SOHAM MANSION	Flat / Door / Block No :	5-4-187/3&4
Road / Street / Lane :	M.G.ROAD	Village / Area / Lane :	M.G.ROAD
Block / Taluk / Sub-Division / Town :	SECUNDERABAD	Post Office :	R.P.ROAD
City / District :	HYDERABAD	State / Union Territory :	ANDHRA PRADESH
PIN :	500001	Phone Number-1 :	04066335551
Phone Number-2 :	04066335551	Fax Number-1 :	04027544058
Fax Number 2 :	04027544058	Email Address :	asr.hrm@gmail.com
Commissionerate :	HYDERABAD-II	Division :	SERVICE TAX DIVISION-II
Range :	SERVICE TAX GROUP-X		

NAME, DESIGNATION AND ADDRESS OF AUTHORIZED SIGNATORIES

Name :	SOHAM MODI	Designation :	Partner
Address :	5-4-187/3&4, SOHAM MANSION, M.G. ROAD, SECUNDERABAD		
Phone Number :	04066335551	Email Address :	asr.hrm@gmail.com

Declaration

I, SOHAM MODI, hereby declare that the information given in this application form is true, correct and complete in every respect and that I am authorised to sign on behalf of the Registrant.

(a) For new Registration : I would like to receive the Registration Certificate by mail/by hand/E-MAIL

(b) For amendments to information pertaining to existing Registrant : Date from which amendments are made:

Date : 08/12/2010

US: modistax 2014
PS: 234 234

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone +91-40-66335551. Fax

Date: 02.07.2009.

To,
The Superintendent of Service Tax
Hyderabad -II Commissionerate
L. B. Stadium Road, Basheerbagh
Hyderabad - 500 004

Dear Sir,

Sub: Non-filing of ST-3 returns for the half year ended 31.03.2009

Ref: Our STC No. AAHFK8714AST001.

1. We acknowledge the receipt of the above referred letter on 06.06.2009. We had earlier corresponded with Asst Com of Service Tax (AE) as to non-applicability of service tax liability for our operation.
2. With this regard, we again wish to clarify the above with the brief background of our company for your better appreciation. We are engaged in development of residential projects. The present project is with respect to development and selling of the residential flats. The transaction with the customer shall be as under
 - a. The customer interested in buying the property approaches us.
 - b. We sell the undivided portion of land along with the semi-constructed flat on which applicable stamp duty shall be paid by the purchaser.
 - c. We also enter into the construction/completion agreement with each of such customer for the construction/finishing of the flat.
 - d. The total consideration shall be received in installments, which is generally spread across the period i.e. right from the customer approach and completion of construction.
3. We have paid service tax on the said projects under "construction of complex service"/ "Works Contract Service" upto December 2008. However we have not made any remittance of tax for the month of January 2009 onwards in view of view the circular 108/2/2009-ST dated 29.01.2009 and the decided case given in the subsequent points.

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

4. The consideration received for the first part of the transaction is not taxable for the reason
 - a. The transaction is in the nature of sale of immovable property therefore the same is not liable for service tax.
 - b. The construction undertaken is for oneself and there is no distinct service receiver and provider.
5. The above view is as per the Gauhati High Court in case of Magus Construction (P) Ltd., [2008 (11) S.T.R. 225 (Gau.)] and circular no. 108/02/2009-ST dated 29.01.2009.
6. The second part of the consideration is not taxable in view of the recent clarification given vide **circular no.108/02/2009-ST** dated 29.01.2009 clarifies that if the ultimate owner enters into a contract for construction of a residential complex with a promoter / builder / developer, who himself provides service of design, planning and construction; and after such construction the ultimate owner receives such property for his personal use, then such activity would not be subjected to service tax.
7. Instantly in our case, we execute construction for the owner of the semi-constructed flat, where the construction, service of designing and planning is done by our self. On completion of the said construction such owner receives for his/her personal use. Therefore the said circular exactly applies in our case and therefore we are not liable for payment of service tax.
8. Since the personal use exclusion is given in the definition on residential complex definition, there shall be no levy either under Construction of Complex service or under works contract service.
9. Therefore the service provided by us is not covered in the definition of the residential complex given under section 65(91a) of the Finance Act and accordingly no service tax is payable either under construction of complex service or under works contract service. Therefore the entire amount remitted by us has to consider as a deposit and not tax and accordingly we are eligible for refund of the same.

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.

Phone : +91-40-66335551, Fax :

10. Further we also wish to clarify that this circular does not states that exclusion is only when the entire complex is being put to use by a single person. Any such notion may not be in line with clarification provided in the circular. This clarification is provided with an intention of construction of residential units only, therefore the same is applicable although the same is put to use by multiple service receiver.
11. In view of the above we have stopped paying service tax with effect from January 2009. Since the service provided by us in not liable for service tax no returns is required to be filed as clarified in the Board Circular no. 97/08/2007 dated 23.08.2007 in Para 6.1.
12. However since some amount has been paid in this regard till December 2008, we are submitting the returns herewith duly filled along with the late filing fee of Rs. 2000/- as prescribed.

We hope our understanding is clear and correct. We would like to request your good self to drop initiating any further proceedings in this regard.

We shall be glad to provide any further information or explanation in this regard. Kindly acknowledge the receipt of the following

Thanking You
Yours truly,

For Kadakia & Modi Housing,



Managing Partner

Encl

1. Copy of Circular No.108/02/2009-ST dated 29.01.2009
2. ST- 3 returns
3. Copy of counterfoil of the payment challan.

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

To,
The Additional. Commissioner,
Anti Aviation, Service Tax
Central Excise, Customs & Service Tax
Commissionerate II
Hyderabad.

Date: 13.09.2010

Respected Sir

Sub: Gentle follow up on our earlier letter – Reg
Ref: Our letter dated 16.08.2010.

The above referred letter was filed in your office and was duly acknowledge on 16.08.10. In that letter, we had communicated our understanding with respect to the liability of service tax under the category "Construction of Complex Service".

We request you to kindly confirm if our understanding therein is correct or otherwise so that appropriate decision can be taken at our end as to whether service tax has to be collected and paid.

Requesting to revert on this at the earliest as per convenience on this issue.

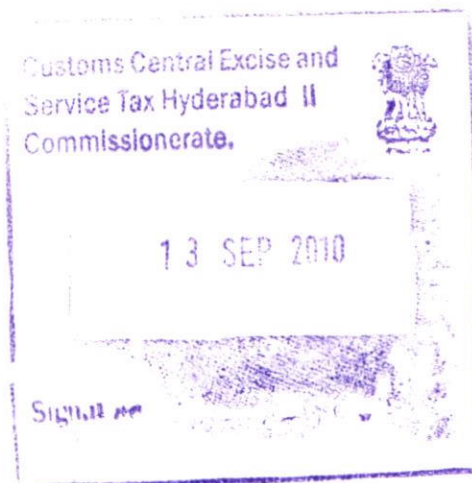
Thanking You.

Yours Truly

For KADAKIA & MODI HOUSING,



Authorised Signatory.



KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

To,
The Additional Commissioner,
Group III, Hyderabad – II Commissionerate,
L.B. Stadium Road,
Basheerbagh,
Hyderabad – 500004.

Date: 16.08.2010.

Dear Sir,

Sub.: Intimation regarding payment of service tax from 01.07.2010.
Ref.: STC No. AAHFK8714SD001.

1. With reference to above, we would like to inform that we are Builders/Developers of Residential Villas (independent houses in a gated community). We wish to recall our letter no. Nil dated 12.03.009 wherein, we had informed that we would not be liable for service tax and accordingly we had stopped remitting the payment of service tax also.
2. The reason for termination of payment of service was as under
 - a. Single Agreement: since the transaction involved is sale of immovable property (stamp duty has been suffered) service tax would not be payable in view of the Gauhati High Court in case of Magus Construction (P) Ltd., (2008 (11) S.T.R. 225 (Ga.)) and circular no. 108/02/2009-ST dated 29.0.2009.
 - b. Sale deed & construction agreement: For the consideration relating to Sale Deed (transfer of vacant land), the stand same as mentioned for single agreement would be applied. In case of construction, since the construction is for the customer for his personal use, the same has been excluded in the definition of the Residential Complex, which was also clarified vide Circular no. 108/02/2009-ST dated 29.01.2009.
 - c. Chennai Tribunal in case of Macro Marvel has held that independent houses in a gated community would not be liable for service tax.
 - d. Customer was not reimbursing the service tax, since the same was not liable based on the above view.
3. Now we understand that, recently there are amendments vide the Finance Act, 2010 r/w recent circulars and notifications issued in this regard. The essence of the amendment is that if we receive any amount/advance prior to taking completion certificate, then we would be liable for service tax under "Construction of Residential Complex Service", whereas if the entire consideration is received post obtaining completion certificate, then the same would be totally excluded from the service tax.

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

4. We understand that such explanation inserted is not constitutionally valid for the reason that this intends to tax transfer of immovable property by applying the Doctrine of Pith and substance. Transfer of immovable property has been governed by List II of the seventh Schedule to Indian Constitution, which is exclusively state subject and union cannot levy tax on the same. Interim stay by the Bombay High Court has also been granted in this regard,
5. Further we understand, since the taxable object in the instant case is "Residential Complex", which excludes personal use of the customer. Therefore insertion of this explanation in the taxable service definition does not dilute our view taken in our earlier letter. Further to illustrate this with an example in construction of a single independent house and advance is taken prior to completion certificate would not be liable for service tax even w.e.f. 01.07.2010. Similarly the personal use complex would also be not liable for service tax.
6. However if we intend not litigating on the above ground, we understand that such amendment is prospective and applicable only from 01.07.2010 for the reasons mentioned below.
 - a. Since there is no specific retrospective provision in Finance Act 2010 as provided for the explanation inserted for "Commercial Coaching & training Center Service".
 - b. The explanation was inserted to enhance the scope of the existing service and hence the same can be only prospectively and ~~not~~^{not} retrospectively. This view is also supported by a recent decision of Supreme Court in case of Union of India v. Martin Lottery Agencies Ltd. (2009) 20 STT 203(SC).
 - c. Circular F.No.334/03/2010-TRU dated 01.07.2010 clarifies that this service came into effect only after 01.07.2010 and further the receipts received prior to such date was not liable for service tax as the same was specifically exempted.
7. Hence the transactions and receipts prior to 01.07.2010 are not liable to service tax at all. In the instant case the taxable event is "Construction of Complex" and for such construction of complete if the consideration has been received in advance/installments before the completion certificate then the same is deemed to be taxable service. Therefore the construction (taxable event) performed prior to 01.07.2010 would not be taxable.
8. Based on the above explanation, we have approached our customer, whether they are willing to reimburse service tax. Most of the customers expressed their willingness to pay service tax if at all they are liable from 01.07.2010 at 2.575% for the amounts payable by them after this date.

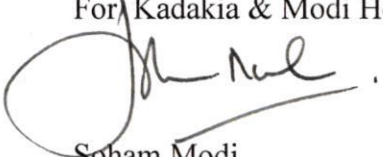
KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

9. Hence we would be paying only in respect of amounts received after 01.07.2010. we would be paying service tax at the rate of 2.575% (i.e., on 25% of value @ 10.3%). We understand this exemption would not be eligible subject to following condition
- Not availing the CENVAT credit
 - Not availing exemption under notification 12/2003-ST as amended.
 - Not only completion and finishing services in relation to residential complex.
 - Value of goods and materials supplied or provided or used for providing the taxable service by the service provider should be included in the value.
 - Cost of land has not been separately recovered from the buyer by the builder or his representative.
10. In our case we have satisfied all the condition above and hence we would be paying service on the amount received after 01.07.2010.
11. We had earlier classified ourself under works contract service as per the advice of the Additional Commissioner under works contract service upto Dec 2008 later the payment was stopped in view f exclusion for personal use. Now our customer are willing to pay service tax at 2.575% levied under 'Residential Complex Service' hence we intend to pay the same accordingly as long as the same is reimbursed by the customer.
12. We hope all our understanding is corrected and we would be glad to provide you with any further information that may be required in this regard. We request you to kindly confirm the same so that we can start collecting and making the payment of service tax.

Kindly acknowledge the receipt of the same.

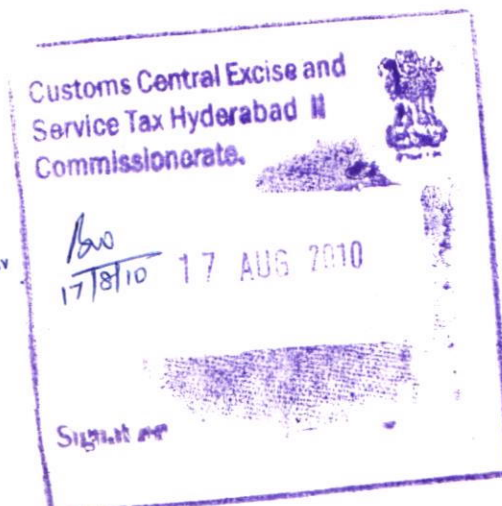
Thank You,
Yours Faithfully,
For Kadakia & Modi Housing,


Soham Modi
Managing Partner

CC to AC/DC, Asst. Commissioner (A.E)

*Received
2 Copies
A.C. & Addl. Commr*

- 3 -



Ole

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

30.12.11

To,
The Superintendent of Service Tax, (Group-II)
Hyderabad – II Commissionerate,
Opposite Singareni Bhavan,
Sitaram Bagh, Red Hills
Hyderabad – .

Dear Sir,

Sub: **Payment of Service tax under protest for the period 01.04.2011 to 30.09.2011**

Ref: Our STC No.AAHFK8714ASD001

1. We M/s. Kadakia and Modi Housing are engaged in development and sale of residential villas on the land purchased by us outright. We enter into agreement to sell with the customer and later the same would be registered by executing a sale deed after the completion of the construction.
2. We understand that we are not liable to service tax based on the decision of Gauhati High Court in case of Magus Construction (P) Ltd., [2008 (11) S.T.R. 225 (Gau.)] , the clarification given by Board vide Circular No. 108/02/2009 – ST dated 29.01.2009 and also the trade notice No. Commissioner of Central Excise, Pune-III, Trade facility No. 1/2011, dated 15-2-2011 which clearly clarifies that there was no liability of service tax on the same upto 01.07.2010.
3. We also understand that since the flat is put to personal use, service tax is not applicable even today due to exclusion of the same in definition of "Residential Complex" under section 65(91a) of the Finance Act and also as clarified by the board vide Circular No. 108 referred above.
4. However since the matter has been litigated by the department, for the sake of operational convenience, we would be paying service tax on the consideration received after 01.07.2010 and also for the flats sold upto receipt of the completion certificate. However, for the payments towards service tax made by us shall be adjusted to the liability arising post 01.07.2010.

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soham Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

5. We understand for the service rendered after 1-7-2010 for which payment was made prior to 1-7-2010, service tax has been exempted by Government, based on documentary evidence vide notification no. 36/2010- ST dated 28-6-2010 as amended.
6. We shall make the payment of service tax at the rate of 2.575% as per notification 1/2006-ST, dated 01.03.2006. Tax on sale made after receiving Completion Certificate shall be exempt so we shall ignore all collection for the flats book after receipt of such certificate.

We assume the above understand is in accordance with the law, in case the same is otherwise please let us known for our future course of action. We shall be glad to provide any further information of explanation in this regard. Kindly acknowledge the receipt of the same.

Thanking you,
Yours sincerely,
For Kadakia and Modi Housing

Authorized signatory



TO BE PRINTED ON THE LETTER HEAD OF THE COMPANY AFTER VERRIFYING THE
FACTS

To
The
Supt of ST



Dear Sir

Sub: Intimation regarding payment of service tax for projects undertaken by Kadakia and Modi.

Ref: STC No. _____

1. With reference to above, we would like inform that we are Builders/Developers of Residential Apartments. We wish to recall our letter No. Nil dated _____ where in, we had informed that we would not be liable for service tax and accordingly we had stopped remitting the payment of service tax also.
2. The reason for termination of payment of service was as under:
 - a. **Single Agreement:** Since the transaction involved is sale of immovable property (stamp duty has been suffered) service tax would not be payable in view of the Gauhati High Court in case of Magus Construction (P) Ltd., [2008 (11) S.T.R. 225 (Gau.)] and circular no. 108/02/2009-ST dated 29.01.2009.
 - b. **Sale Deed & Construction Agreement:** For the consideration relating to Sale Deed, the same stand as mentioned for single agreement would be applied and consequently no service tax shall be leviable. In case of construction, since the construction is for the customer which is put for his personal use, the same has been excluded in the definition of the Residential Complex, which was also clarified vide Circular No. 108/02/2009-ST dated 29.01.2009 and therefore the same shall be out of service tax net.
 - c. Customer was not reimbursing the service tax, since the same was not liable based on the above view.

3. Now we understand that, recently there are amendments vide the Finance Act, 2010 r/w recent circulars and notifications issued in this regard. The essence of the amendment is that if we receive any amount/advance prior to taking completion certificate, then we would be liable for service tax under "Construction of Residential Complex Service", whereas if the entire consideration is received post obtaining completion certificate, then the same would be totally excluded from the service tax.
4. We understand that such explanation inserted is not constitutionally valid for the reason that this intends to tax transfer of immovable property by applying the Doctrine of Pith and substance. Transfer of Immovable Property has been governed by List II of the Seventh Schedule to Indian Constitution, which is exclusively state subject and Union cannot levy tax on the same. It is pertinent to note that the Interim stay by the Bombay High Court has also been granted in this regard.
5. Further we understand, since the taxable object in the instant case is "Residential Complex", which excludes personal use of the customer. Therefore insertion of this explanation in the taxable service definition does not dilute our view taken in our earlier letter. Further to illustrate this with an example in construction of an independent house and advance is take prior to completion certificate would not be liable for service tax even w.e.f 01.07.2010. Similarly the personal use complex would also be not liable for service tax.
6. However if we intend not take a chance on the above ground, we understand that such amendment is prospective and applicable only from 01.07.2010 for the reasons mentioned below:
 - a. Since there is no specific retrospective provision in Finance Act 2010 as provided for explanation inserted for "Commercial Coaching & Training Center Service" in the same Finance Act.
 - b. The explanation was inserted to enhance the scope of the existing service and hence the same can be only prospectively and not retrospectively. This view is also supported by a recent decision of Supreme Court in case of Union of India v. Martin Lottery Agencies Ltd. [2009] 20 STT 203 (SC).

- c. Circular F.No.334/03/2010-TRU dated 01.07.2010 clarifies that this service came into effect only after 01.07.2010 and further the receipts received prior to such date was not liable for service tax as the same was specifically exempted.
7. Hence the transactions and receipts prior to 01.07.2010 are not liable to service tax at all. In the instant case the taxable event is "Construction of Complex" and for such construction of complex if the consideration has been received in advance/installments before the completion certificate then the same is deemed to be taxable service. Therefore the construction (taxable event) performed prior to 01.07.2010 would not be taxable.
8. Based on the above explanation, we have approached our customer, whether they are willing to reimburse service tax. Most of the customers expressed their willingness to pay service tax if at all there are liable from _____.2010 at ____% for the amounts payable by them after this date.
9. Hence we would be paying only in respect of amounts received after _____ we would be paying service tax at the rate of _____.
10. We had earlier classified ourself under works contract service as per the advice of the Additional Commissioner under works contract service upto _____ later the payment was stopped in view of exclusion for personal use.
11. Based on the above background and legal position, we submit the details in respect of projects undertaken by Kadakia and Modi as under::
- a. The tax shall be paid under the category of 'works contract services' from 01.10.11.
12. We hope all our understanding is correct and we would be glad to provide you with any further information that may be required in this regard. We request you to kindly confirm the same so that we can start collecting and making the payment of service tax.

Kindly acknowledge the receipt of the same.

**Thanking You
Yours Truly
For Kadakia and Modi**

Authorised signatory

CC to AC/DC, Ald Comm

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soharh Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

To,
The Superintendent,
Office of the Commissioner of Customs,
Central Excise & Service Tax,
Hyderabad - II, Commissionerate, Group X,
Opp: Singareni Bhavan,
Sitaram Bagh, Red Hills,
Hyderabad.

Date 22nd July 2012

Dear Sir,

Subject : Intimation of payment - Service Tax.
Reference : STC No. AAHFP4040NST001

1. We have had extensive correspondence with the department regarding the applicability of service tax to our firm.
2. We have computed service tax liability for the period Jan 12 to Mar 12 under works contract services, composition scheme. Details of receipts during the said period and computation of service tax liability is attached herein. Receipts were first appropriated towards
 - a. Sale deed,
 - b. Then towards the agreement of construction,
 - c. Towards additions and alternations and
 - d. Finally towards VAT, service tax, stamp duty, registration charges, excess consideration received, etc.
3. The receipts under the following heads were excluded for computation of taxable amount under work contract services:
 - a. Receipts towards value of sale deed.
 - b. Receipts towards payment of VAT, service tax, stamp duty and registration charges that were remitted to the government either in advance or on a later date.
 - c. Receipts that are in excess of the agreed sale consideration which were refunded or liable to refunded to the purchaser.
 - d. Receipts towards the other charges like corpus fund, maintenance charges, electricity charges, etc. received on behalf of the Owners Association or the electricity department which were paid to them in advance or on a later date.
4. Accordingly, the taxable amount under works contract services was computed to be Rs. 28,07,121.00 and tax liability there on @ 4.12% is Rs. 1,15,653.00.
5. CENVAT credit of Rs. 3,970.00 has been adjusted against the tax liability and the balance amount of Rs. 1,11,683.00 has been paid under protest by:

KADAKIA & MODI HOUSING

5-4-187/3 & 4, II Floor, Soharh Mansion, M.G. Road, Secunderabad - 500 003.
Phone : +91-40-66335551, Fax :

- a. Challan No. 01100841506201200017 of Rs. 19,275.00 -
- b. Challan No. 01100841306201200007 of Rs. 19,275.00
- c. Challan No. 0110084__062012000__ of Rs. 19,275.00
- d. Challan No. 01100842806201200030 of Rs. 19,275.00
- e. Challan No. 0110084 02082012000__ of Rs. 19,275.00
- f. Challan No. 0110084 09072012000__ of Rs. 15,308.00

6. We hope that our understanding is correct and we would be glad to provide you with any further information that may be required in this regard. We request you to kindly confirm the same.

Thank You.

Yours faithfully,
For Paramount Builders


Authorized Signatory

- Encl.: 1. Statement of receipts from Jan '12 to Mar'12 and details of ST computation.
2. CENVAT statement for the period Jan '12 to Mar'12.
3. Copy of Challans referred to above.

- CC To: 1. Assistant Commissioner.
2. Deputy Commissioner.
3. Additional Commissioner.



Kadakkia Modi Housing Service Tax Details

Bungal ow No	Buyer Name	Receipt Date	Cheque No	Amount Received	Receipt No	Towards sale deed	Towards Developme nt charges	Towards aggr. for const. net of discount	Additions and alterations	Taxes, other charges, advances and refunds	Taxable amount total = K + L + N	Tax rate under works contract services with compositio n	Tax amount
59	Mrs.S.E.Velankanni S	03-01-2012	956543	1,00,000	1092			1,00,000			1,00,000	4.12	4,120
12	Col KGA Kamaldev	10-01-2012	410620	1,863	1093					1,863	-	4.12	-
11	Syed Sibgatullah vajid	11-01-2012	010795	61,852	1098			61,852			61,852	4.12	2,548
60	Mr.Sai Prashant & Mr	17-01-2012	093308	2,00,000	1094			92,885	5,075	1,02,040	97,960	4.12	4,036
11	Syed Sibgatullah vajid	17-01-2012	010793	1,35,493	1096			1,17,413	1,621	16,459	1,19,034	4.12	4,904
11	Syed Sibgatullah vajid	17-01-2012	010794	2,00,000	1097					2,00,000	-	4.12	-
60	Mr.Sai Prashant & Mr	07-02-2012	164002	45,000	1100					45,000	-	4.12	-
60	Mr.Sai Prashant & Mr	07-02-2012	950071	1,75,033	1099					1,75,033	-	4.12	-
59	Mrs.S.E.Velankanni S	28-02-2012	956544	50,000	50000			50,000			50,000	4.12	2,060
68	Commander.U.Sathyai	03-03-2012	508519	9,84,600	1402			9,84,600			9,84,600	4.12	40,566
26	Mr.Sadula Vijay Kum	23-03-2012	677078	6,00,000	1404			6,00,000			6,00,000	4.12	24,720
40	Mr.Ravi Rajshekar &	30-03-2012	410618	8,62,800	1403			7,93,675		69,125	7,93,675	4.12	32,699
	Grand Total			704,29		91.96	198.56	391.07	2.02	20.68	591.65	0.01	24.21
	Total for 1/1/12 to 31/3/12			34,16,641	-	-	-	28,00,425	6,696	6,09,520	28,07,121	49	1,15,653

Accounting Code of the Service										Amount Tendered in Rupees									
0	0	4	4	0	4	1	0			0	0	0	0	0	1	9	2	7	5
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	0	0	0
Total										0	0	0	0	0	1	9	2	7	5

Received from Assessee Code No. A A H F K 8 7 I 4 A S D 0 0 1

(In words) Rupees Nineteen thousand two hundred and seventy five only Only)

In Cash / By Bank Pay Order No. 339165 Dated 23.6.12 Drawn on HDFC

On account of Union Service Tax as detailed in this taxpayer's counterfoil and on stamp affixed and signed therein

TAX PAYER'S COUNTERFOIL

RECEIVING BANK BRANCH STAMP

STATE BANK OF HYDERABAD

R.P. Road Br. Secunderabad

BSR Code No. 0010094

JRNL. No. 2101667

Challan No. 30

mo li

Signature of the Assessee

Accounting Code of the Service								Amount Tendered in Rupees									
0	0	4	4	0	4	1	0	0	0	0	0	0	1	9	2	7	5
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total								0	0	0	0	0	1	9	2	7	5

Received from Assessee Code No. **A A H F K 8 7 1 4 A S D 0 0 1**

(In words) Rupees **Nineteen thousand two hundred and seventy five only** Only)

By Cash/Cheque/Draft/Pay Order No. **339232** Dated **09.6.12** Drawn on **STATE BANK OF HYDERABAD**

on account of Union Service Tax as detailed in this taxpayer's counterfoil and on stamp affixed and signed therein

AX PAYER'S COUNTERFOIL

RECEIVING BANK BRANCH STAMP

STATE BANK OF HYDERABAD
P. Road Br. Secunderabad
BRN Code: 00000004

JRNL. No. **1268737**

Challan No. **7**

Signature of the Assessee

Accounting Code of the Service								Amount Tendered in Rupees									
0	0	4	4	0	4	1	0	0	0	0	0	0	1	9	2	7	5
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total								0	0	0	0	0	1	9	2	7	5

Received from Assessee Code No. **A A H F K 8 7 1 4 A S D 0 0 1**

(In words) Rupees **Nineteen thousand two hundred and seventy five only** Only)

By Cash/Cheque/Draft/Pay Order No. **527712** Dated **02.06.12** Drawn on **Hdfc Bank Ltd**

on account of Union Service Tax as detailed in this taxpayer's counterfoil and on stamp affixed and signed therein

AX PAYER'S COUNTERFOIL

RECEIVING BANK BRANCH STAMP

STATE BANK OF HYDERABAD
P. Road Br. Secunderabad
BRN Code: 00000004

JRNL. No. **1306048**

Challan No. **7**

Kadakia and Modi Housing - Details of Suppliers ST Input - ST 1.1.2012 to 31.3.12

Service						TIN NO
						SERVICE
						TAX
						REGISTRATI
						ON NO
S.No	Date	Supplier Name	Invoice No	Amount	Tax	Remarks
1	31-03-12	Ajay Mehta		30,000.00	3,090.00	
2	06-01-12	Varna Media	386	8,034.00	136.00	
3	27-01-12	Varna Media	395	8,034.00	136.00	
4	23-02-12	Varna Media	420	8,034.00	136.00	
5	22-03-12	Varna Media	465	3,125.00	53.00	
6	21-01-12	BSNL-8418244051		233.00	21.79	
7	21-01-12	BSNL-8418244039		1,103.00	103.00	
8	25-02-12	BSNL-8418244051		545.00	41.24	
9	25-02-12	BSNL-8418244039		1,103.00	103.00	
10	19-03-12	BSNL-8418244039		1,123.00	103.00	
11	19-03-12	BSNL-8418244051		516.00	47.30	
				3,970.33		



KADAKIA & MODI HOUSING

5-4-187/3 & 4, IInd Floor, Soham Mansion, M.G. Road, Secunderabad – 500003

Phone: +91-40-66335551, Fax: 040-27544058

Date: 11th November 2013

To,
The Superintendent,
Office of the Commissioner of Customs,
Central Excise & Service Tax,
Hyderabad – II, Commissionerate, Group X,
Opp: Singareni Bhavan,
Sitaram Bagh, Red Hills,
Hyderabad.

Dear Sir,

Sub: Intimation of payment – Service Tax. – Apr'13 to Sep'13
Ref: STC No. AAHFK8714AST001

1. We have had extensive correspondence with the department regarding the applicability of service tax to our firm. As per understanding service tax is not applicable to the transactions undertaken by our firm.
2. We have computed service tax liability for the period **1st April 2013 to 30th September 2013** under works contract services, composition scheme. Details of receipts during the said period and computation of service tax liability is attached herein. Receipts were first appropriated towards
 - a. Sale deed.
 - b. Then towards the agreement of construction.
 - c. Towards additions and alternations and
 - d. Finally towards VAT, Service tax, stamp duty, registration charges, excess consideration received etc.
3. The receipts under the following heads were excluded for computation of taxable amount under work contract services:
 - a. Receipts towards value of sale deed.
 - b. Receipts towards payment of VAT, service tax, stamp duty and registration charges that were remitted to the government wither in advance or on a later date.
 - c. Receipts that are in excess of the agreed sale consideration which were refunded or liable to refunded to the purchaser.
 - d. Receipts towards the other charges like corpus fund, maintenance charges, electricity charges, etc received on behalf of the Owners Association or the electricity department which were paid to them in advance or on a later date.
4. Accordingly, the taxable amount under works contract services with composition was computed to be Rs. 4,650,423.00 and tax liability there on @ 4.944% is Rs. 229,917.00.

✓



KADAKIA & MODI HOUSING

5-4-187/3 & 4, IInd Floor, Soham Mansion, M.G. Road, Secunderabad – 500003

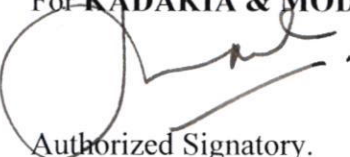
Phone: +91-40-66335551, Fax: 040-27544058

5. CENVAT credit Rs. 2,577.00 has been adjusted against the tax liability and an amount of Rs.227,340.00 has been paid under protest as per details given below.
- Challan No. 01100841008201300006 of Rs. 40,000.00
 - Challan No. 01100841708201300010 of Rs. 36,105.00
 - Challan No. 01100842709201300009 of Rs. 680.00
 - Challan No. 63600670711201300009 of Rs. 1,50,555.00
6. We hope that our understanding is correct and we would be glad to provide you with any further information that may be required in this regard. We request you to kindly confirm the same.

Thank You.

Yours sincerely,

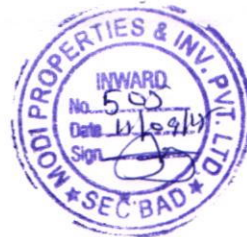
For **KADAKIA & MODI HOUSING**



Authorized Signatory.

- Encl: 1. Statement of receipts from 01.04.13 to 30.09.13 and details of ST.
2. CENVAT statement for the period from 01.04.13 to 30.09.13
3. Copy of Chalan copies (GR7).

- CC To: 1. Assistant Commissioner.
2. Deputy Commissioner.
3. Additional Commissioner



सेवा कर प्रधान आयुक्त का कार्यालय

OFFICE OF THE PRINCIPAL COMMISSIONER OF SERVICE TAX

सेवा कर आयुक्तालय :: **SERVICE TAX COMMISSIONERATE**

11-5-423/1/A:: सीताराम प्रसाद टावर:: रेड हिलस:: हैदराबाद - 500 004

11-5-423/1/A:: SITARAM PRASAD TOWER::RED

HILLS::HYDERABAD-500004

HQST No.121/2015 - ST-AE Gr- VIII

Dt. 08/09/2015

To
M/s. Kadakia & Modi Housing,
5-4-187/3&4 II Floor,
Soham Mansion, M.G.Road
Secunderabad 500003

REMINER I/URGENT

Gentlemen,

Sub: Service Tax -Certain information called for-Reg.

Please refer to this office letter of even number dated 24.08.2015 on the above cited subject. You are once again requested to submit following documents / information to this office at earliest.

- 1 Details of Commercial/Residential Construction projects under taken during the period from 2010-11 to 2014-15
- 2 Please furnish the details of the said projects in the following proforma and in respect of Project "Bloomdale" built by your firm at survey No 1139 Shamirpet village Hyderabad 500076

Name of the Project and complete address
Total Residential/ Commercial area/ Developed
Sales

Sl No	Name of the buyer and address	Area sold	Value	Advances received Date wise	Balance	Sale Deed
Details of Service Tax paid	Building permit Order	OC issued by GHMC If any	Present Status of the Project			

Please furnish copies of project report/ sale deeds/ and completion certificates Also please furnish the complete details of the land on which the project was built in the following proforma

Survey No/plot No and area	Area purchased and the date of purchase	Purchased from whom and his complete address	Purchase value	Is it an absolute sale or is there any development agreement with the land owner

Pl furnish the copy of the land Registration deeds for each of the project.

3 Copies of the Balance sheets/Income Tax Returns for the year 2010-11 to 2013-14. And also for 2014-15 if filed.

4 Copies of Income and Expenditure Ledgers Partywise/ item wise for the period 2010-11 to 2014-15 Copies of Invoices issued to the Customers

5 Works Contract Orders for the period 2010-11 to 2014-15

6 Detailed note on the nature of activities undertaken by the firm

Yours Sincerely

(A. DHILEEBAN)

ASSISTANT COMMISSIONER
SERVICE TAX (ANTI-EVASION)



सेवा कर प्रधान आयुक्त का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF SERVICE TAX
 सेवा कर आयुक्तालय :: SERVICE TAX COMMISSIONERATE

11-5-423/1/A:: सीताराम प्रसाद टावर:: रेड हिलस:: हैदराबाद - 500 004

**11-5-423/1/A:: SITARAM PRASAD TOWER::RED
 HILLS::HYDERABAD-500004**

HQST No.121/2015 - ST-AE Gr- VIII

Dt. 24/08/2015

To
 M/s. Kadakia & Modi Housing,
 5-4-187/3&4 II Floor,
 Soham Mansion, M.G.Road
 Secunderabad 500003

Gentlemen,

Sub: Service Tax -Certain information called for-Reg.

You are requested to submit following documents /
 information to this office at earliest.

1 Details of Commercial/Residential Construction projects under taken
 during the period from 2010-11 to 2014-15

2 Please furnish the details of the said projects in the following
 proforma and in respect of Project "Bloomdale" built by your firm at
 survey No 1139 Shamirpet village Hyderabad 500076

Name of the Project and complete address
 Total Residential/ Commercial area/ Developed
 Sales

Sl No	Name of the buyer and address	Area sold	Value	Advances received Date wise	Balance	Sale Deed
Details of Service Tax paid	Building permit Order	OC issued by GHMC If any	Present Status of the Project			

Please furnish copies of project report/ sale deeds/ and completion certificates Also please furnish the complete details of the land on which the project was built in the following proforma

Survey No/plot No and area	Area purchased and the date of purchase	Purchased from whom and his complete address	Purchase value	Is it an absolute sale or is there any development agreement with the land owner
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Pl furnish the copy of the land Registration deeds for each of the project.

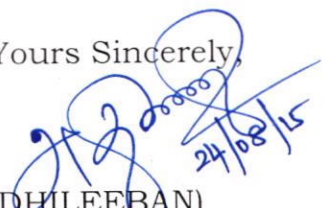
3 Copies of the Balance sheets/Income Tax Returns for the year 2010-11 to 2013-14. And also for 2014-15 if filed.

4 Copies of Income and Expenditure Ledgers Partywise/ item wise for the period 2010-11 to 2014-15 Copies of Invoices issued to the Customers

5 Works Contract Orders for the period 2010-11 to 2014-15

6 Detailed note on the nature of activities undertaken by the firm

Yours Sincerely,


(A. DHILEEBAN)
ASSISTANT COMMISSIONER
SERVICE TAX (ANTI-EVASION)



सेवा कर प्रधान आयुक्त का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF SERVICE TAX
सेवा कर आयुक्तालय :: SERVICE TAX COMMISSIONERATE

11-5-423/1/A:: सीताराम प्रसाद टावर:: रेड हिलस:: हैदराबाद - 4

11-5-423/1/A:: SITARAM PRASAD TOWER::RED HILLS::HYDERABAD - 4.

HQ ST NO 121/2015-STAE-VIII

Date: 29.09.2015

To
M/s Kadakia & Modi Housing,
5-4-187/3&4 II Floor,
Soham Mansion, M.G.Road
Secunderabad 500 003

MOST URGENT

Gentlemen,

Sub : Service Tax -Certain information called for -Regarding

Please refer to this office letter of even number dated 24.08.2015 and reminder dated 08/09/2015 seeking information regarding Commercial and Residential Projects undertaken by you.

It is observed that no information has been furnished by you so far. Hence You are requested once again to furnish the details immediately without any further delay.

Yours sincerely

(Signature)

(A.VENKATESHAM)
ASSISTANT COMMISSIONER (AE)

Kadokia & Modi Housing

Office: 5-4-187/3 & 4, II floor,
Soham Mansion, M G Road,
Secunderabad – 500 003.
Ph: +91 40 66335551.

Date: 5th October 2015

To,
The Assistant Commissioner,
Office of the Principal Commissioner of Service Tax
Service Tax Commissioner ate,
11-5-423/1/A, Sitaram Prasad Tower
Red Hills, Hyderabad - 4

Sub: Submission of the below documents

Ref.: Your letter No. HQST No.121/2015-ST.AE Gr-VIII dated 8th September 2015

We have received your notice dated 8th September 2015 requesting for documents pertaining to the period from 1st April 2010 to 31st March 2015. Please find enclosed the following documents as request by you.

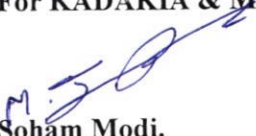
1. Audited books of accounts.
2. Audited profit and loss statement and balance sheet.
3. Scanned copies of agreement of sale, sale deed and agreement of construction for all flats in the said project.
4. Details of service tax paid.
5. Scanned copies of service tax challans.
6. Summary of sale transaction of each customer as per your letter dated 8th September 2015
7. Detailed calculation for estimating service tax liability under works contract services. Here the amounts received from customers were appropriated as follows:
 - a. Towards sale deed
 - b. Towards agreement of construction & other taxable receipts
 - c. Towards VAT, registration charges, etc.
 - d. Towards other non-taxable receipts like electricity charges, maintenance charges, corpus fund, excess receipts that were paid or refunded to electricity department, owners association, housing finance company, etc., and excess amount received was refunded to customer.
8. Summary of estimate of service tax liability – quarter wise.
9. Statement of land details as per your format.
10. Detailed Note on the nature of activities undertaken by the firm.

Hard copies for items given in point no. 4, 5, 6, 7, 8, 9 & 10 are attached herein. Please let us know if any further information is required. Please note that details of payment of VAT, stamp duty, registration charges, electricity bills and transfers to third parties like owners association, refund to customers, etc., can be verified from audited books of accounts.+

Thank You.

Yours sincerely

For KADAKIA & MODI HOUSING


Soham Modi.
Partner

Kadakia & Modi Housing

Office: 5-4-187/3 & 4, II floor,
Soham Mansion, M G Road,
Secunderabad – 500 003.
Ph: +91 40 66335551.

Note on KNM services tax
Date: 05.10.2015

Kadakia & Modi is the owner of about 5 acres of land on which it is developing 72 villas. Construction of about 60% of the villas is completed or nearing completion. Balance villas are yet to be sold.

Because of the ambiguity on applicability of service tax before the amendment to the Act in 2012, we were given to understand that service tax is not applicable for the activity undertaken by us. However, as per the advice by consultants we already started paying service tax from the last quarter of 2011.

Service tax department had advised us to change our registration under construction of complex services to works contract services (copy of letter enclosed). Accordingly we are paying tax under works contract services (as per clarification given in circular No.108/02/2009-ST dated 29th January 2009).

We are executing a sale deed in favour of our customers for land and/or land with semi finished construction. For the balance consideration an agreement of construction is being executed. Tax under works contract services is being paid regularly on the value of agreement of construction.

For purposes of payment of service tax, receipts from customers are being first appropriated to the value of sale deed and thereafter towards agreement of construction. Amounts received on behalf of third parties like registration charges, VAT, service tax, electricity charges, maintenance charges have been excluded for the purposes of estimating service tax liability. Such amounts received have been paid to appropriate departments/govt. and are not taxable.