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**OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE & SERVICE TAX
AUDIT COMMISSIONERATE
KENDRIYA SHULK BHAVAN, L.B. STADIUM ROAD, BASHEER BAGH
HYDERABAD-500004**

C.No. V/ST/54/28/2015-16/Gp-54

Date : .06.2015

To

**M/s VISTA HOMES
5-4-187/3&4, SOHAN MANSION
M.G.ROAD
RANIGANJ, SCEUNDERABAD
ANDHRA PRADESH-500003**

(Service Tax Registration No.:AAGFV2068PSD001)

Sir/ Madam,

Sub: Service Tax - Intimation for conducting Service Tax Audit – Reg.

The Internal Service Tax Audit Party headed by Shri Ch.Ramana Rao, Superintendent Mobile No. 9346684759 & B.Syed Ahammad, Superintendent Mobile No. 9441676530 of Service Tax (Audit), IAP No. SAG-54 will take up the audit of the accounts/records of your unit in **July/August 2015**. It is requested that the following documents may be furnished immediately to this office for the period from previous audit by Departmental Audit Party till 31st March 2015 / from the last 5 years till 31st March 2015, whichever is less.

List of Documents / Records for Audit for the relevant Audit Period:

1. A copy of application for registration (ST-1) and copy of Registration (ST-2).
2. List of Centralized Registration with Branches.
3. A copy of list of all records maintained by your office including Memoranda received from your Branch office, if any.
4. Copy of intimation filed under Rule 5(2) of the Service Tax Rules, 1994, in respect of records being maintained.
5. Copies of Balance Sheet, Profit & Loss Account Statement, Gross Trial Balance, Annual Reports.
6. Copy of Company's Internal Audit Report, if any.
7. List of all Ledger Accounts wherein entries have taken place.
8. List of Ledger Accounts relevant from Service Tax point of view (This would be subset of list at S.No.7 above).
9. Copies of Tax Audit Reports.
10. Copies of Cost Audit Reports, if any, conducted under Section 233B of the Companies Act, 1956.
11. Details of Registration with any other Government Departments / Agency or Regulatory Authority as the case may be. Copy of any other Return/ Declaration sent to any other Departments/ Agency or to the Designated Regulatory Authority.
12. List of Input Service suppliers, if any (including full details).
13. List of input suppliers, if any (including full details).
14. List of the Bank Accounts maintained for the business transactions with name of the Bank, Branch and Account numbers with changes during the Audit Period.
15. Sample copies of Bills/ Invoices/ Debit Notes/ Credit Notes issued from the date of levy of Service Tax till the date of Audit.

16. Income Tax Returns of the Company/ Concern/ Unit; Proprietor/ Partners/ Directors as the case may be.
17. Details about maintaining Account System, whether centralized or not.
18. Details about Billing pattern including Billing stages.
19. List of Branch Offices, if any, along with their respective value of taxable services.
20. Particulars of Service Tax paid during the relevant Audit Period including value of taxable service, input credit utilized and net Service Tax paid (Photocopies of ST-3 Returns will suffice).
21. Half yearly CENVAT Credit Returns filed under Rule 9(7) of Cenvat Credit Rules, 2004.
22. List of Show Cause Notice(s) issued, if any and their present status.
23. Contract, MOU, Agreements with principals, clients, other group companies or any other persons to whom any service is provided/ received.
24. Duly filled Questionnaire in the Proforma enclosed [ANNEXURE - XV] herewith.
25. Duly filled Reconciliation Datasheet, for each completed financial year, in the Proforma [ANNEXURE - VI] & Annexure - III enclosed herewith.

I request you to extend full co-operation to the Audit party in carrying out the audit. As you are aware the auditors have to mainly rely on the records maintained by the taxpayer in the ordinary course of their business for conducting the audit. You are already aware that as per sub-rule 2 of Rule 5(A) of the Service Tax Rules, 1994, every assessee is required to furnish a list of all the records prepared or maintained by them for accounting of their transactions, apart from the financial records maintained by them in the normal course of business. The auditors may call for the above mentioned records and any other relevant records, documents, returns etc, for their scrutiny. You are therefore requested to keep all the relevant records ready so that the audit can be conducted smoothly.

In case of any difficulty, you may contact the undersigned through Telephone Number / Fax mentioned above.

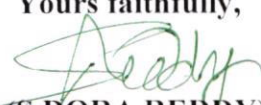
The receipt of this letter may please be acknowledged.

Encl : As above

Copy for information and necessary action to:

The Superintendent, Group No-III, Service Tax Division III-B, Service Tax Commissionerate, Hyderabad.

Yours faithfully,


एस. (S.DORA REDDY)
Assistant Commissioner (Audit)
 Asst. Commissioner (Audit)
 केंद्रीय उत्पाद शुल्क एवं सेवा कर
 Central Excise & Service Tax
 सर्कल-V लेखा परीक्षा आयुक्तालय,
 Circle-V, Audit Commissionerate

[see para 6.1.2]

Part I - Taxpayer Profile

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

3. Details of Permanent Account Number (PAN)

(i) Not applied for PAN ☐ (ii) Applied for PAN but not received number ☐ (iii) Allotted PAN number ☐

(a) PAN

--	--	--	--	--	--	--	--	--

[illegible]

Period	Name & Description of Service	Value of taxable services	Service Tax payable/paid	Total input credit utilized	Net Service Tax paid in cash (GAR-7)
Year 1					
H ₁					
H ₂					
Year 2					
H ₁					
H ₂					
Year 3					
H ₁					
H ₂					

7. Details of cases pending with CESTAT/High Court/Supreme Court.

Part II - Other information

2. Form of Organisation (i.e. whether individual/partnership/Limited Liability Partnership or private or public limited company etc.) (tick only one box)

3. Details of proprietor / partner / CEO / Chairman / Managing Director (as applicable).

(a) Name

[illegible]

										P	T								
--	--	--	--	--	--	--	--	--	--	---	---	--	--	--	--	--	--	--	--

(i) Name of Premises/Building

[illegible][illegible][illegible][illegible][illegible]

(vii) State/Union Territory

[illegible]

Post office

[illegible]

(ix) Telephone Nos.:

(b) residence

[illegible][illegible]

(issued by the Income Tax Department)

[illegible]

4. Details of registration with any other Government Department/Agency or Regulatory Authority as the case may be.

yes no if yes give

[illegible]

yes no if yes give

[illegible]

yes no if yes give

[illegible]

yes no if yes give

[illegible]

yes no if yes give

[illegible]

if yes give details.

[illegible]

if yes give details.

Name, designation and address of sub contractor(s):

[illegible]

Name of Premises/Building	

[illegible][illegible][illegible][illegible][illegible][illegible][illegible][illegible]

7. Name of the designated bank where the Service Tax is deposited.

Name of the bank																			
Name of the branch																			

8. Details of the Bank accounts used for business transaction with name of the bank, its specific branch and account number.

(a) Account 1

(i) Name of the bank

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(ii) Name of the branch

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(iii) Account No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Details of more Accounts used for business transactions yes no

If yes,-

(b) Account 2

1. Name of the bank

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

2. Name of the branch

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

3. Account No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Note: In case of more than two bank accounts, two major bank accounts may be entered above.

9. Accounting system- whether centralized or not. Yes ☐ No ☐

10. Billing pattern - (a) whether centralized or decentralized, Yes ☐ No ☐

☐

(b) billing stages e.g. billing of 20% of gross amount on conclusion of contract, another 20 % on completion of preliminary work and so on.

1 ANNEXURE – VI

[see para 6.2.8]

A. Reconciliation Questionnaire data for Receipts:

Name of the assessee being audited..... :

Service Tax Registration No..... :

Period covered for audit..... :

Type of
accounting.....:

Mercantile /
Cash

Data For Reconciliation of year wise total income/ sales as shown in the Annual Financial Accounts and Ledgers:

Sr.No.	Particulars	Year 1		Year 5	Source of data as shown in the col.-2
1	2	3	4	7	8
1	Gross Receivables as per ledgers (Credit side)				
1.1	Service Tax charged, if not included in Ledgers' receipt				
1.2	Amount of entries reversed / debited other than related to expenditure (Has no relevance with opening Gross Receipts)				
2	Gross Income as per Annual Report (Trial Balance in case of multiple registrations)				
2.1	Service Tax charged, if not included in the income				
	3.1 Opening debtors (Taxable service related)				
	3.2 Advance payments received (w.e.f. 16.06.2005)				
	3.3 TDS received related to unpaid bills				
	3.4 Value of free material received, if any				
	3.5 Receipt of re-imbursement of expense (other than as a pure agent)				
	3.6 Withheld retention money released by clients				
	3.7 Recovery of Bad debts earlier written off				
	3.8 Reimbursement of expenses made during provision of service if not billed				
	3.9 Outstanding amount in respect of bills raised to Associated Enterprises [Section 65(7b)]				
	3.10 Others additions (specify):				
	4.1 Closing debtors (Taxable services related)				

4.2	Exported service income (PI see Foot note 1)				
4.3	Exempted service income (PI see Foot note 2)				
4.4	Non-taxable service income (PI see Foot note 3)				
4.5	Trading income, if any				
4.6	Sales of goods not linked with provision of service (if any)				
4.7	Sale of goods linked to Service under Notification No.12/2003-ST				
4.8	Interest income				
4.9	Dividend income				
4.10	Short Term / Long Term Capital gains				
4.11	Tax refund (including IT, Central Excise, ST, Customs, VAT, Sales Tax, etc)				
4.12	TDS received in previous year related to bills paid in current year (related to taxable services)				
4.13	Receipt of re-imbursement of expenses incurred as a pure agent (related to taxable services)				
4.14	Bad debts related to taxable services written off				
4.15	Advance payments adjusted on which S.T. paid in previous year(s)				
4.16	Adjustment for Previous year in respect of bills raised to Associated Enterprises [Section 65(7b)]				
4.17	Others deductions (specify):				

Signature of the Taxpayer / Representative

FOOT NOTES:

1 Export of
services..... :

Please furnish here details as to under
which category exports fall, as well as what
conditions have been fulfilled

2 Exempted service income (excluding non
taxable services)..... :

Please furnish here Exemption Notification
No. and date. If the exemption is
conditional, please comment as to
fulfilment of such conditions

3 Non-taxable service
income..... :

Please furnish details of each type of non-
taxable service(s) and offer comment(s) as
to non-taxability

4 Abatement
claimed..... :

Please indicate Notification No. and date

5 Cash basis accounting system.....
:

In the case of cash basis accounting
system, Opening Debtors and Closing
Debtors to be taken as zero

S.No.	Explanations:	
1	Gross receivable/ income as per all income ledgers (Credit side):	The Gross receivable/ income consists of all the income receivable by the service provider and shown in the income ledger. Some entries of the income ledger should be checked with journal entries, vouchers and invoices at the time of walk through. In case of discrepancies all the entries should be checked with invoices.
1.1, 2.1	Service Tax charged, if not included in Ledgers' receipt/ income in Annual Report/ Trial balance	If Service tax charged is not included in the income ledger then the same should be added to get the Gross Receipts as per Ledgers inclusive of Service Tax
3.1, 4.1	Opening/ Closing balance of debtors (Taxable Services related)	Adjustment for opening and closing balance of debtors has to be made in case the Service provider is following accounting on Mercantile basis. In cases of Cash basis of accounting, it should be nil
3.5	Receipt of re-imbursement of expense (other than as a pure agent)	Any reimbursement in any form is to be added to the Gross Income except the reimbursements received as pure agent
3.6	Withheld retention money released by clients	Some times on the basis of a contract or otherwise the customer withholds a part of the money which is paid after satisfactory completion of the Service. This money could be in the form of retention money, caution money etc. Any such receipt must be added in the Gross income.
4.13	Receipt of re-imbursement of expenses incurred as a pure agent	Reimbursements received as pure agent are deductible from the Gross income receipts

B. Réconciliation Questionnaire data for GTA (Expenditure):

Period covered for audit..... :

Data for Reconciliation of year-wise expenditure incurred by the recipient of services towards transportation of goods by road (GTA), as shown in the Annual Financial Accounts/ Ledgers:

Type of Accounting..... Mercantile /Cash

Sr.No.	Particulars	(YEAR)	(YEAR)	Source of data as shown in the col.-2
1	2	3	4	5
1	1.1 Gross expenditure towards transportation of goods by road (expenditure ledger debit side)			
	1.2 Transportation charges capitalised			
	1.3 Amount of entries reversed / credited for expenditure booked. (i.e. Services not received)			
2	2.1 Opening creditors (Relating to taxable GTA service)			
	2.2 Opening provisions for GTA expenditure			
	2.3 Creditors related to GTA service earlier written off and now written back			
	2.4 Any Other Additions (please specify)			
3	3.1 Closing creditors (Relating to taxable GTA service)			
	3.2 Closing provisions for GTA expenditure			
	3.3 Transportation expenses, if any, on which ST paid by transporters			
	3.4 Creditors related to GTA service, written off			
	3.5 Freight expenses for exempted GTA service (Notification No.33/2004)			
	3.6 Freight expenses for exempted GTA service (Notification No. 34/2004)			
	3.7 Any Other Deductions (please specify)			
5	Abatement admissible (---%) Notification No.13/2008, dated 1.3.2008			

FOOT NOTES:

1 Cash basis accounting system..... :

In the case of cash basis accounting system, opening creditors, closing creditors and opening provisions, closing provisions to be taken as zero.

Signature of the Taxpayer / Representative

(C) Reconciliation Questionnaire data for Expenditure other than GTA:

Name of the Assessee being

audited.....:

Service Tax Registration No.....:

Period covered for audit.....:

Type of Accounting..... Mercantile
/Cash

Data for Reconciliation of year-wise expenditure by recipient of specified service other than GTA, as shown in the Annual Financial Accounts:

Sr.No.	Particulars	Year	Year	Source of data as shown in the col.-2
1	2	3	4	8
1	1.1	Gross expenditure on the services received from abroad as per Taxation of Services (Provided from Outside India and Received in India) Rules, 2006 (expenditure ledger debit side)		
	1.2	Gross expenditure in case of service provided by insurance agent		
	1.3	Gross expenditure for receipt of business auxiliary service of distribution of mutual fund by a mutual fund distributor or an agent		
	1.4	Gross expenditure for receipt of sponsorship service by a body corporate or firm		
	1.5	Amount of entries reversed / credited other than related to expenditure		
	Gross expenditure for services mentioned in 1 above as shown in Annual Report / Trial Balance			
2				
	2.1	Opening Creditors for services mentioned in 1 above.		
	2.2	Opening provisions for services mentioned in 1 above		
	2.3	TDS/ Withholding tax, if any, paid on behalf of the service provider		
	2.4	Outstanding amount in respect of bills raised to Associated Enterprises [Section 65(7b)]		
	2.5	Other additions, if any (Please specify)		
3				
	3.1	Closing Creditors relating to services mentioned in 1 above		
	3.2	Closing provisions for services mentioned in 1 above		
	3.3	Expenditure made against non-taxable service (Please specify)		

	3.4	Expenditure made against exempted services (Please specify)			
	3.5	Adjustment for Previous year in respect of bills raised to Associated Enterprises [Section 65(7b)]			
	3.6	Other deductions from expenditure (Please specify)			
7		Abatement admissible, if any (---- %) Notification No. & date			

FOOT NOTES:

- 1 Cash basis accounting system..... : In the case of cash basis accounting system, opening creditors, closing creditors and opening provisions, closing provisions to be taken as zero.

Yours faithfully,

Date: _____

Place: _____

signatory)

(Signature of CEO / Director / Authorised

_____ (Name & Designation)

M/s _____

I, Mr / Ms _____ (name), _____ (designation), working in M/s _____, address _____, do hereby solemnly affirm that whatever is stated above is true to the best of my knowledge and belief and nothing has been concealed therein.

(Signature of CEO / Director / Authorised signatory)

_____ (Name & Designation)

2 ANNEXURE - XV

[see Annexure IV]

QUESTIONNAIRE FOR ASSESSEE –

(Information to be given for the period covered in Audit)

(i) **General:**

01.	Name & address of Service Provider	:	
02.	Name and contact number of the Authorized person for Audit.	:	
03.	Service tax Registration No. & date	:	
04.	Whether Service Tax Registration is Centralized?	:	
05.	Whether the assessee is also registered as an Input Service Distributor?	:	
06.	Whether the assessee is a Proprietary, Partnership firm, Limited liability Partnership firm (LLP), Pvt. Ltd Company, Public Limited Company?	:	
07.	Details of transactions with Associated Enterprise as defined in Section 65(7b) of Chapter V of the Finance Act, 1994.	:	
08.	Details of Taxable Services provided.	:	
09.	Details of Taxable Services received for which tax has to be paid under reverse charge.	:	
10.	Details of exempted Services provided, if any, & Notification No.	:	
11.	If both Taxable and Exempted Services are provided, whether separate accounts are maintained in terms of Rule 6 of the CENVAT Credit Rules, 2004.		
12.	Details of Taxable Service Exported	:	
13.	Whether e-filing of returns and e-payment are mandatory? If so, whether complied or not?	:	
14.	Whether list of records maintained is filed with the S.T. department? [Rule 5(2) of the Service Tax Rules 1994]	:	
15.	Whether any periodical report/statement is furnished to any State / Central Government / Authority / Regulatory bodies? If yes, details thereof.	:	
16.	Whether any trading of goods/ materials carried out? If so details thereof.	:	

17.	Whether Registered with Central Excise? If so, details thereof.	:	
18.	Whether any offence case is booked in respect of Service Tax, Central Excise, Income Tax, VAT/ Sales Tax. If so, details thereof.	:	
19.	Whether any service is sub-contracted partially or wholly? If so, details thereof.	:	
20.	Is there any case where services provided in the State of Jammu & Kashmir?	:	
21.	Whether CENVAT Credit on input services availed? If so, details of major input services may be indicated.	:	
22.	Whether CENVAT Credit on inputs availed? If so, details of major inputs may be indicated.		
23.	Whether CENVAT Credit on Capital Goods availed? If so details of such Capital goods, along with their Central Excise Tariff Heading (CETH).		
24.	Whether CENVAT credit is taken after making payment of the invoice amount (including Service Tax) to the input service provider?	:	
25.	In case the assessee is also registered as an Input service distributor, whether he is having any unit in which only exempted products are manufactured? If yes, whether he is distributing the credit in respect of services related to that unit also?	:	
26.	Whether any amount payable/ paid to the Client has been adjusted against the receipt/ receivable and net income shown in the P&L Account.	:	
27.	Whether any advance payment is received towards providing services? If yes, whether Service Tax is paid on such receipts?	:	
28.	Is there any expenditure to any entity abroad which has been made but on which assessee is not required to pay service tax under reverse charge mechanism? If yes, details thereof.	:	
29.	Whether service tax is paid on the gross value received including TDS amount deducted by the service recipients?	:	
30.	Whether PF/ ESI or any other charges of the personnel of the service provider are being directly paid by the service recipients? If so whether service tax is paid on such amount.	:	

31.	Details of agreements entered into by the assessee for providing / receiving services	:	
32.	Details of expenditure in foreign currency on which service tax has neither been charged by the assessee nor it is payable under Sec. 66 A i.e. under reverse charge mechanism	:	

(ii) **Invoicing pattern**

01.	Is invoice issued in all transactions? If not, reasons for not issuing invoice.	:	
02.	How many series of invoices are being used?	:	
03.	If more than one series is used, give details of each such series.	:	
04.	If there are more than one series of invoices, is service tax paid on all the series of invoices?	:	
05.	If not, then the reasons for not paying service tax on such series of invoices (e.g. exempted / exports / trading / non taxable services). Give details	:	
06.	Whether the invoice contains the STC number?	:	
07.	Is invoice issued on the date of provision of service or before or later?	:	
08.	List the different heads under which amounts are billed in invoices and their corresponding heads in the Trial Balance.	:	
09.	Name the heads in the invoice on which Service Tax is not paid.	:	
10.	Is there any sale of goods involved?	:	
11.	Is sales tax or VAT paid on value of goods sold?	:	
12.	Is the value of sale of goods included in the Gross amount charged declared in ST-3?	:	
13.	Are there any reimbursements billed in the invoice?	:	
13.1	Are there any debit/ credit notes issued for claiming reimbursements?	:	
14.	If yes, is service tax paid on these reimbursements? If not, reasons thereof.	:	
15.	Whether invoices are generated on Computer. If yes, then whether the Invoice Numbers are generated automatically or is fed manually. What safe guards are provided in the system for data security? Give the name and designation of the person having the	:	

	authority to cancel an invoice.		
16.	Whether any amount is recovered by issue of debit note and whether it is included in the gross value of services?	:	
17.	Give a brief on sale pattern of services liable to service tax	:	
18.	Are any goods or services provided by the service receiver free of cost or at subsidized price?	:	

(iii) **Accounts and records**

01.	Whether accounts are prepared on mercantile basis or cash basis?	:	
02.	Whether the Accounts are maintained electronically? If yes, the name of accounting packages / computer software installed for maintaining accounts in the units like Tally, FAS etc	:	
03.	Whether accounting software was switched over to some other software during the audit coverage period.	:	
04.	Whether any changes have been made in the accounting policies affecting ST liability relating to reimbursement of expenses, timing of payment of Service Tax and treatment of payments in foreign currency?	:	
05.	Whether accounts are audited by Statutory Auditor? If so, name and address of the auditor.	:	
06.	Whether Cost Accounting records as prescribed under Section 233 B of the Companies Act, 1956 are required to be maintained?	:	
07.	Whether Cost Audit Report is conducted and if yes report thereof is prepared?	:	
08.	Whether there is any system of Internal Auditing?	:	

4. **Making of ST-3 return**

01	Whether payment of Service Tax is on Billing basis or receipt basis?	:	
02	List the ledger/ accounts from where the monthly gross amount received is taken for taxable service.	:	
03	List the ledger/accounts from where the amount received towards gross monthly amount of Exports is taken.	:	

04	List the ledger/accounts from where the amount received towards gross monthly amount of exempted service is taken.	:	
05	List the ledger/accounts from where the gross monthly amount of amount received as pure agent is taken.	:	
06	List the ledger/ accounts from where the gross monthly amount billed is taken.	:	

(i) **Exports**

01	What is the sub clause of section 64(105) of the Finance Act, 1994 where the service claimed to have been exported categorized.	:	
02	Under which clause of sub rule 1 of rule 3 of Export of Services Rules, 2005 is this service categorized? [Rule 3(i), 3(ii) or 3(iii)]	:	
03	Please elaborate how the conditions of the said rule are fulfilled.	:	
04	Is the service provided from India and used outside India for all such transactions (prior to 27.02.2010)?	:	
05	Is the payment for such service received by the service provider in convertible foreign currency for all such transactions?	:	

(ii) **Exemption**

01	Please list the exemptions being claimed.	:	
02	Please list the conditions prescribed in each of the exemption claimed. Please specify if the conditions of exemption are fulfilled.	:	
03	If abatement is being claimed, is the CENVAT of capital goods, inputs or input services claimed?	:	
04	If abatement is being claimed, is the benefit of notification No.12/03-ST, dated 20/6/2003 also claimed?	:	

(iii) **MIS**

01	What is the organization structure?	:	
02	Who is responsible for billing and sales?	:	
03	What reports are given to his seniors on the daily, weekly, monthly sales? Give sample copies.	:	