UNDERTAKING

Date: 28/02/16

From,
Mr. Kumar Wins & Mrs. Sangeeta Kumari
H. No: 5-14-123, HB Colony,
Indira Nagar, Moula Ali,
Hyderabad - 500 040

To,
The Managing Partner,
M/s. Vista Homes (Builder),
5-4-187/3&4, II floor
Soham Mansion, M.G. Road,
Secunderabad - 03

Sub.: Undertaking for payment of service tax & VAT.
Ref.: Booking for flat no. 402, on fourth floor in block 'H' in the project known as 'Vista Homes' situated at Sy. Nos. 193 to 195, Kushaiguda, Hyderabad 500 062.

Dear Sir,

I have booked the above referred flat / villa and in that regard documents like booking form, Agreement of Sale, Sale Deed, Construction Agreement etc., were executed. As per the terms agreed between us, I have agreed to pay the VAT & service tax that is leviable or may become leviable for the purchase of the said flat / villa.

Service tax & VAT are applicable for the transaction between Builder/ Developer and Purchaser. However, the applicability of the rules is not clear. I have been informed about the divergent views regarding the applicability of service tax & VAT for the flat / villa purchased by me.

I am also aware that the Builder is liable to collect VAT & service tax from its prospective purchasers and remit the same to government from time to time. I am also aware that service tax and VAT are paid on monthly/quarterly basis on the composite transactions of the Builder for a given period after claiming credit for items like CENVAT, input credit for materials, etc. (if any).

I have also been informed that the Builder can only provide proof of payment of VAT / service tax that is paid periodically and proof of payment for an individual unit cannot be given.

Liability towards VAT & service tax has been estimated for my transaction based on our present understanding of the applicability of the rules. The amount paid by me as per the estimate may be held as deposit with you.

I request you to pay VAT & service tax, from time to time, as you may deem fit, that is applicable or may become applicable for the purchase of my flat /villa in light of the divergent views as to applicability of taxation as on date and also for the reason that the final outcome is uncertain.

Kumar wins