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सीमाशुल्क, केंद्रीय उत्पाद शुल्क व सेवा कर आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS, CENTRAL EXCISE & SERVICE TAX
हैदराबाद II आयुक्तालय HYDERABAAD II COMMISSIONERATE
11-5-423/1/A:: सीताराम प्रसाद टावर:: रेड हिलस:: हैदराबाद - 4
SITARAM PRASAD TOWERS:: RED HILLS:: HYDERABAD- 4

OR No: 83/2013 - Adjn.(ST)(ADC)
C.No: IV/16/197/2011-ST.Gr.X

Dt.02.12.2013

SHOW CAUSE NOTICE

Sub::Service Tax - Non-Payment of Service Tax on Taxable Services rendered by M/s. Greenwood Estates- Issue of Show Cause Notice - Regarding.

M/s. Greenwood Estates, #5-4-187/3 & 4, II Floor, Soham Mansion, MG Road, Secunderabad-500 003 (here-in-after referred as "M/s Greenwood" or "the assessee(s)") are engaged in providing "Works Contract Service". The assessee is a registered partnership firm and got themselves registered with the department vide Service Tax Registration Number AAHFG0711BST001.

2. As seen from the records, the assessee entered into 1) a sale deed for sale of undivided portion of land together with semi finished portion of the flat and 2) an agreement for construction, with their customers. On execution of the sale deed the right in a property got transferred to the customer, hence the construction service rendered by the assessee thereafter to their customers under agreement of construction are taxable under Service tax as there exists service provider and receiver relationship between them. As there involved the transfer of property in goods in execution of the said construction agreements, it appears that the services rendered by them after execution of sale deed against agreements of construction to each of their customers to whom the land was already sold **are taxable services under "Works Contract Service".**

3. Accordingly, the following Show Cause Notice had been issued to the assessee, by the Additional Commissioner of Customs, Central Excise and Service Tax, Hyderabad-II Commissionerate.

Sl. No.	SCN O.R. No. Date	Period	Amount of Service Tax demanded Rs.	Status
1	HQPOR No. 77/2010-Adjn (ST), dt. 21-5-2010	Jan-Dec, 2009	9,47,737	Confirmed vide OIO No. 47/2010-ST, dt. 24-11-2010. Party's appeal was dismissed vide OIA No. 11/.2011 (H-II) S.Tax, dated 31-1-2011.
2	OR No. 61/2011, dt. 23-4-2011	Jan-Dec, 2010	48,00,391	Confirmed vide OIO No. 51/2012-Adjn (ST)(ADC), dated 31-8-2012. Ordered de novo by the Commissioner (Appeals) vide OIA No. 39/2013 (H-II) S.Tax for re-quantification of the Service Tax payable.
3	OR No. 52/2012-Adjn (Addl.Commr.), dt. 24-4-2012	Jan-Dec, 2011	46,81,850	Confirmed vide OIO No. 51/2012-Adjn (ST)(ADC), dated 31-8-2012. Ordered de novo by the Commissioner (Appeals) vide OIA No. 39/2013 (H-II) S.Tax for re-quantification of the Service Tax payable.

4. As per information furnished by the assessee vide their letters dated 22-07-2012 and 29-04-2013 and also the statement received on 22-11-2013, it is seen that "**assessee**" have rendered taxable services under the category of "Works Contract Services" during the period **January, 2012 to June, 2012**. The "assessee" had rendered services for a taxable value of **Rs. 4,50,83,432/-** on which service tax (including cesses) works out to **Rs.16,53,856/-**. As seen from the challans submitted by the assessee along with the letters mentioned above, an amount of **Rs. 14,75,641/-** was paid leaving an amount of **Rs.1,78,214/-** unpaid for the services rendered during the said period, as detailed in the Annexure enclosed.

5. Vide Finance Act, 2012, sub section (1A) was inserted in Section 73 which reads as under:

SECTION 73 (1A) - *Notwithstanding anything contained in sub-section (1) (except the period of eighteen months of serving the notice for recovery of service tax), the Central Excise Officer may serve, subsequent to any notice or notices served under that sub-section, a statement, containing the details of service tax not levied or paid or short levied or short paid or erroneously refunded for the subsequent period, on the person chargeable to service tax, then, service of such statement shall be*

deemed to be service of notice on such person, subject to the condition that the grounds relied upon for the subsequent period are same as are mentioned in the earlier notices.

6. The grounds and legal position as explained in the show cause-cum-demand notices issued except the Point of Taxation Rules, 2011 are equally applicable to the present case; hence this statement of demand/show cause notice is issued in terms of **Section 73 (1A)** of the **Finance Act, 1994** for the period from **January, 2012 to June, 2012.**

7. In view of the above, **M/s Greenwood Estates, Hyderabad** , are hereby required to show cause to the **Additional Commissioner of Customs, Central Excise & Service Tax, Hyderabad-II Commissionerate, Hyderabad**, within **30 (thirty) days** of receipt of this Notice as to why:-

- (i) an amount of **Rs. 16,53,856/- (Rupees Sixteen Lakhs Fifty Three Thousand Eight Hundred and Fifty Six only)** including Cesses should not be demanded on the **"works contract"** services rendered by them during the period from **January, 2012 to June, 2012** and an amount paid vide Challans listed in the assessee's letters dated 22-07-2012 and 29-04-2013 of **Rs.14,75,641/-** should not be adjusted against the above demand;
- (ii) Interest should not be demanded under **Section 75 of the Finance Act 1994**;
- (iii) Penalty should not be imposed on them under **Section 76 of the Finance Act 1994**; and
- (iv) Penalty should not be imposed on them under **Section 77 of the Finance Act, 1994.**

8. **M/s. Greenwood Estates, Hyderabad** at the time of showing cause as above are required to produce all the evidence upon which they intend to rely in their defence. They are also required to indicate in their written reply whether they wish to be heard in person before the case is adjudicated. If no cause is shown against the action proposed to be taken within the stipulated time or having desired a hearing if they do not appear for the personal hearing on the appointed day & time, the case will be decided on merits, basing on the material/evidence available on record.

9. The assessee filed their ST-3 return for the period October, 2011 to March, 2012 on 4-6-2012 and hence, **the due date for issue of this SCN is 3-12-2013.**

10. This notice is issued without prejudice to any other action that may be taken against the noticees / others under the Finance Act, 1994 or under any other law for the time being in force in India.

10. Reliance for issue of this notice is placed on the following:

- (i) Letters dated 22-07-2012 and 29-04-2013 submitted by **M/s. Greenwood Estates** and also the statement received from them on 22-11-2013.

N. Padmasri

(N. PADMASRI)

2-12-13
B
ADDITIONAL COMMISSIONER

To
M/s Greenwood Estates,
5-4-187/3 & 4, IInd Floor, Soham Mansion,
MG Road, Secunderabad - 500 003. (Through Supdt. Gr-X)

Copy to:
The Superintendent (Adjudication), Hqrs.Office, Hyd-II Commr'ate, Hyd.
The Superintendent, Group - X, Hyd-II Commr'ate, Hyd.
Spare copy.

GREENWOOD ESTATES

Annexure to SCN for the period January to June, 2012

Block No	Bungalow No	Receipt No	Receipt Date	Receipt Amount	Towards VAT	Towards Other Non-Taxable Receipts (Excess received refunded to Customer)	Taxable Value	Tax rate under works contract with composition	ST payable	Estimate of tax liability (ST paid)	Difference due
A	511	2615	3.1.2012	150000			150,000		-	0	-
		2600	13.1.25012	25000			25,000		-	0	-
		2617	2.1.2012	100000	-	35,000	65,000	4.12	2,678	-	2,678
		2621	1/2/2012	35,000			35,000		-	-	-
		2622	1/2/2012	175,000			175,000		-	-	-
		2623	3.1.2012	25,000			25,000		-	-	-
		2624	3.1.2012	50,000			50,000		-	-	-
		70039	2.1.2012	100,000			100,000		-	-	-
		2631	4.1.2012	120,000			120,000		-	-	-
A	310	2632	1/4/2012	2,432,577	32,238	52,609	2,347,730	4.12	96,726	72,913	23,814
A	220	2628	1/5/2012	542,000	-	-	542,000	4.12	22,330	1,442	20,888
		2627	5.1.2012	115,000			115,000		-	-	-
A	511	2626	1/5/2012	86,024	-	86,024	-	4.12	-	-	-
		2630	5.1.2012	58,000			58,000		-	-	-
A	119	2636	1/7/2012	750,000	-	-	750,000	4.12	30,900	30,612	288
		2633	6.1.2012	800,000			800,000		-	-	-
A	115	2634	1/9/2012	225,000	-	-	225,000	4.12	9,270	9,270	-
A	310	2635	1/9/2012	125,000	39,675	85,325	-	4.12	-	-	-
A	310	2638	1/10/2012	17,744	-	17,744	-	4.12	-	-	-
		2645	16.1.2012	25,000			25,000		-	-	-
A	315	2643	1/10/2012	200,000	41,001	-	158,999	4.12	6,551	6,551	-
A	206	2637	1/11/2012	198,397	30,920	167,477	-	4.12	-	-	-
A	307	2640	1/12/2012	500,000	-	-	500,000	4.12	20,600	20,600	-
A	310	2639	1/12/2012	3,115	-	3,115	-	4.12	-	-	-
A	307	2646	1/17/2012	320,000	39,675	231,325	49,000	4.12	2,019	1,760	259
		2647	18.1.2012	25,000			25,000		-	-	-
		2648	19.1.2012	200,000			200,000		-	-	-
A	514	2650	1/18/2012	322,432	-	-	322,432	4.12	13,284	13,284	-
A	514	2651	1/18/2012	42,308	-	-	42,308	4.12	1,743	1,743	-
A	304	2656	1/20/2012	10,000	-	10,000	-	4.12	-	-	-
		2652	18.1.2012	200,000			200,000		-	-	-
A	305	2653	1/20/2012	868,434	-	-	868,434	4.12	35,779	35,779	-
A	305	2654	1/20/2012	150,000	-	-	150,000	4.12	6,180	6,180	-

Block No	Bungalow No	Receipt No	Receipt Date	Receipt Amount	Towards VAT	Towards Other Non-Taxable Receipts (Excess received refunded to Customer)	Taxable Value	Tax rate under works contract with composition	ST payable	Estimate of tax liability (ST paid)	Difference due
A	305	2655	1/20/2012	112,862	-	-	112,862	4.12	4,650	4,650	-
		2659	23.1.2012	100,000	-	-	100,000	-	-	-	-
		2660	23.01.2012	100,000	-	-	100,000	-	-	-	-
A	220	2676	1/25/2012	100,000	-	-	100,000	4.12	4,120	4,120	-
A	415	2663	1/25/2012	389,800	-	-	389,800	4.12	16,060	16,060	-
		2667	30.1.2013	400,000	-	-	400,000	-	-	-	-
		2673	6.2.2012	25,000	-	-	25,000	-	-	-	-
		2668	2.02.2012	83,000	-	-	83,000	-	-	3,420	(3,420)
A	319	2665	1/31/2012	605,491	-	-	605,491	4.12	24,946	24,946	-
		2666	7.2.2012	400,000	-	-	400,000	-	-	16,480	(16,480)
A	119	2670	2/3/2012	380,000	-	-	380,000	4.12	15,656	15,656	-
A	302	2675	2/7/2012	200,000	-	-	200,000	4.12	8,240	8,240	-
A	407	2671	2/7/2012	450,000	44,175	64,816	341,009	4.12	14,050	14,050	-
A	218	2679	2/8/2012	150,000	-	-	150,000	4.12	6,180	6,180	-
A	302	2681	2/9/2012	230,000	29,950	111,901	88,149	4.12	3,632	3,632	-
		2682	10.2.2012	25,000	-	-	25,000	-	-	-	-
C	109	2680	2/9/2012	2,451,677	-	-	2,451,677	4.12	101,009	70,233	30,776
A	203	2672	2/10/2012	79,397	-	79,397	-	4.12	-	-	-
C	416	2683	2/10/2012	50,000	-	-	50,000	4.12	2,060	2,060	-
C	416	2684	2/10/2012	50,000	-	-	50,000	4.12	2,060	2,060	-
		2685	7.2.2012	250,000	-	-	250,000	-	-	-	-
		2686	14.2.2012	200,000	-	-	200,000	-	-	-	-
A	132	2657	2/13/2012	366,333	-	-	366,333	4.12	15,093	15,093	-
C	421	2687	2/14/2012	67,000	39,975	1,914	25,111	4.12	1,035	1,035	-
		2691	15.2.2012	20,000	-	-	20,000	-	-	-	-
A	211	2692	2/15/2012	464,188	39,975	201,536	222,677	4.12	9,174	9,174	-
A	326	2689	2/15/2012	400,000	-	-	400,000	4.12	16,480	10,424	6,056
A	305	2688	2/17/2012	405,566	34,550	71,312	299,704	4.12	12,348	12,348	-
		2693	16.2.2012	63,380	-	-	63,380	-	-	-	-
		2694	16.2.2012	175,000	-	-	175,000	-	-	-	-
C	416	2695	2/17/2012	514,000	23,100	255,800	235,100	4.12	9,686	9,686	-
A	407	2697	2/18/2012	19,165	-	19,165	-	4.12	-	-	-
		2698	18.2.2012	49,900	-	-	49,900	-	-	-	-
		2700	18.2.12	49,900	-	-	49,900	-	-	-	-
A	201	2701	2/22/2012	144,493	32,580	111,913	-	4.12	-	-	-

Block No	Bungalow No	Receipt No	Receipt Date	Receipt Amount	Towards VAT	Towards Other Non-Taxable Receipts (Excess received refunded to Customer)	Taxable Value	Tax rate under works contract with composition	ST payable	Estimate of tax liability (ST paid)	Difference due
		2702	23.2.2012	25,000			25,000		-	-	-
		2703	22.2.12	25,000			25,000		-	-	-
A	314	2704	2/22/2012	197,000	-	-	197,000	4.12	8,116	8,116	-
A	322	2705	2/23/2012	825,000	-	-	825,000	4.12	33,990	5,413	28,577
A	220	2706	2/25/2012	100,000	-	-	100,000	4.12	4,120	4,120	-
		2707	28.2.2012	25,000			25,000		-	-	-
A	119	2708	2/27/2012	645,000	-	-	645,000	4.12	26,574	26,574	-
		2709	27.2.2012	400,000			400,000		-	-	-
		2712	27.2.2012	25,000			25,000		-	-	-
		2713	5.3.2012	100,000			100,000		-	-	-
A	506	2714	3/3/2012	266,000	46,250	7,220	212,530	4.12	8,756	8,756	-
A	201	2715	3/5/2012	430	-	430	-	4.12	-	-	-
		2716	7.3.2012	100,000			100,000		-	4,120	(4,120)
A	506	2717	3/7/2012	78,785	-	78,785	-	4.12	-	-	-
C	109	2718	3/9/2012	60,790	-	-	60,790	4.12	2,505	2,505	-
		2719	9.3.2012	200,000			200,000		-	-	-
A	214	2720	3/10/2012	200,000	-	-	200,000	4.12	8,240	8,240	-
C	210	2723	3/10/2012	1,000	-	1,000	-	4.12	-	-	-
		2726	12.3.2012	333,000			333,000		-	-	-
		2727	12.3.2012	158,000			158,000		-	-	-
		2728	13.3.2012	200,000			200,000		-	-	-
		2734	14.3.2012	200,000			200,000		-	-	-
		2735	15.3.2012	100,000			100,000		-	-	-
		2737	14.3.2012	200,000			200,000		-	-	-
C	119	2739	3/15/2012	545,800	-	-	545,800	4.12	22,487	22,487	-
C	119	2740	3/15/2012	819,200	-	-	819,200	4.12	33,751	9,703	24,048
A	411	2742	3/16/2012	2,942,292	-	-	2,942,292	4.12	121,222	78,704	42,518
		2743	19.3.2012	125,000			125,000		-	-	-
		2744	19.3.2012	25,000			25,000		-	-	-
		2745	20.3.2012	100,000			100,000		-	-	-
		2746	21.3.2012	145,000			145,000		-	-	-
C	508	2741	3/19/2012	13,132	-	13,132	-	4.12	-	-	-
A	415	2748	3/22/2012	389,900	-	-	389,900	4.12	16,064	16,064	-
A	205	2750	3/24/2012	1,474,479	-	-	1,474,479	4.12	60,749	38,418	22,330
		2751	22.3.2012	25,000			25,000		-	-	-

Block No	Bungalow No	Receipt No	Receipt Date	Receipt Amount	Towards VAT	Towards Other Non-Taxable Receipts (Excess received refunded to Customer)	Taxable Value	Tax rate under works contract with composition	ST payable	Estimate of tax liability (ST paid)	Difference due
A	220	2752	26.3.2012	455,554	-	-	455,554	4.12	-	-	-
A	220	2753	3/26/2012	100,000	-	-	100,000	4.12	4,120	4,120	-
A	411	2749	3/26/2012	59,708	-	-	59,708	4.12	2,460	2,460	-
A	507	2752	3/26/2012	455,554	31,740	206,035	217,779	4.12	8,972	8,972	-
		2757	26.3.2012	200,000	-	-	200,000	-	-	-	-
		2758	26.3.2012	145,000	-	-	145,000	-	-	-	-
C	514	2759	3/26/2012	200,000	31,740	41,400	126,860	4.12	5,227	5,227	-
A	418	2766	3/27/2012	1,100,000	40,938	107,295	951,767	4.12	39,213	39,213	-
A	220	2761	3/29/2012	600,000	-	-	600,000	4.12	24,720	24,720	-
A	314	2763	3/29/2012	274,777	31,740	44,715	198,322	4.12	8,171	8,171	-
A	315	2760	3/29/2012	60,311	-	60,311	-	4.12	-	-	-
		2763	29.3.2012	274,777	-	-	274,777	-	-	-	-
C	426	2764	3/29/2012	328,000	-	-	328,000	4.12	13,514	13,514	-
C	502	2767	3/29/2012	400,000	-	-	400,000	4.12	16,480	16,480	-
A	115	2762	3/30/2012	250,833	41,013	86,171	123,649	4.12	5,094	5,094	-
C	514	2770	4/2/2012	68,960	66,000	2,960	-	4.944	-	-	-
A	218	2769	4/3/2012	250,000	-	-	250,000	4.944	12,360	12,360	-
A	115	2765	4/9/2012	1,950	-	1,950	-	4.944	-	-	-
A	119	2778	4/11/2012	352,405	41,750	134,878	175,777	4.944	8,690	8,690	-
C	125	2790	4/11/2012	64,486	-	64,486	-	4.944	-	-	-
A	132	2658	4/13/2012	366,333	-	-	366,333	4.944	18,112	18,112	-
A	316	2658	4/17/2012	950,000	-	-	950,000	4.944	46,968	46,968	-
C	221	2787	4/17/2012	1,000	-	1,000	-	4.944	-	-	-
A	302	2780	4/18/2012	34,071	-	34,071	-	4.944	-	-	-
A	119	2811	4/24/2012	58,777	-	58,777	-	4.944	-	-	-
A	205	2802	4/24/2012	589,756	-	2,300	587,456	4.944	29,044	29,044	-
A	314	2799	4/24/2012	2,351	-	2,351	-	4.944	-	-	-
A	319	2800	4/24/2012	1,012,949	-	-	1,012,949	4.944	50,080	50,080	-
A	514	2796	4/24/2012	438,794	-	-	438,794	4.944	21,694	21,694	-
A	220	2803	4/25/2012	100,000	-	-	100,000	4.944	4,944	4,944	-
A	514	2806	4/26/2012	571,691	39,675	191,132	340,884	4.944	16,853	16,853	-
A	415	2808	4/28/2012	296,846	-	-	296,846	4.944	14,676	14,676	-
C	502	2812	4/28/2012	400,000	-	-	400,000	4.944	19,776	19,776	-
C	319	2810	5/2/2012	1,000	-	1,000	-	4.944	-	-	-
A	319	2813	5/3/2012	100,000	-	-	100,000	4.944	4,944	4,944	-

Block No	Bungalow No	Receipt No	Receipt Date	Receipt Amount	Towards VAT	Towards Other Non-Taxable Receipts (Excess received refunded to Customer)	Taxable Value	Tax rate under works contract with composition	ST payable	Estimate of tax liability (ST paid)	Difference due
A	319	2814	5/3/2012	45,152	-	-	45,152	4.944	2,232	2,232	-
A	319	2815	5/3/2012	200,000	39,675	146,140	14,185	4.944	701	701	-
C	103	2818	5/3/2012	520,000	-	-	520,000	4.944	25,709	25,709	-
C	103	2819	5/3/2012	100,000	-	-	100,000	4.944	4,944	4,944	-
A	107	2816	5/7/2012	144,000	-	-	144,000	4.944	7,119	7,119	-
A	220	2821	5/8/2012	150,000	-	-	150,000	4.944	7,416	7,416	-
A	305	2824	5/8/2012	10,063	-	10,063	-	4.944	-	-	-
C	125	2828	5/8/2012	1,315	-	1,315	-	4.944	-	-	-
C	208	2826	5/8/2012	256,074	24,630	166,853	64,591	4.944	3,193	3,193	-
C	201	2829	5/9/2012	32,912	-	32,912	-	4.944	-	-	-
A	411	2820	5/11/2012	51,715	-	-	51,715	4.944	2,557	2,557	-
A	218	2833	5/14/2012	100,000	-	-	100,000	4.944	4,944	4,944	-
A	507	2834	5/16/2012	50,000	-	50,000	-	4.944	-	-	-
A	218	2840	5/19/2012	100,000	39,663	14,105	46,232	4.944	2,286	2,286	-
A	216	2843	5/22/2012	629,600	-	-	629,600	4.944	31,127	31,127	-
A	216	2844	5/22/2012	870,400	-	-	870,400	4.944	43,033	43,033	-
A	218	2847	5/24/2012	145,000	-	145,000	-	4.944	-	-	-
A	220	2849	5/25/2012	100,000	-	-	100,000	4.944	4,944	4,944	-
C	426	2850	5/26/2012	190,311	23,100	144,971	22,240	4.944	1,100	1,100	-
A	215	2853	5/28/2012	454,970	41,013	53,563	360,394	4.944	17,818	17,818	-
A	218	2860	5/29/2012	46,591	-	46,591	-	4.944	-	-	-
A	322	2861	5/30/2012	800,000	-	-	800,000	4.944	39,552	39,552	-
A	326	2833	5/30/2012	400,000	-	-	400,000	4.944	19,776	19,776	-
C	502	2866	5/30/2012	400,000	-	-	400,000	4.944	19,776	19,776	-
A	316	2870	6/9/2012	500,000	-	-	500,000	4.944	24,720	24,720	-
A	132	2872	6/12/2012	246,333	-	-	246,333	4.944	12,179	12,179	-
B	306	2883	6/13/2012	527,625	-	-	527,625	4.944	26,086	26,086	-
A	132	2881	6/14/2012	118,231	-	-	118,231	4.944	5,845	5,845	-
A	132	2882	6/14/2012	1,769	-	-	1,769	4.944	87	87	-
A	423	2875	6/14/2012	381,365	-	-	381,365	4.944	18,855	18,855	-
C	103	2879	6/14/2012	775,000	-	-	775,000	4.944	38,316	38,316	-
A	430	2888	6/19/2012	216,559	-	-	216,559	4.944	10,707	10,707	-
A	220	2892	6/21/2012	55,541	-	-	55,541	4.944	2,746	2,746	-
A	416	2893	6/21/2012	629,440	-	-	629,440	4.944	31,120	31,120	-
A	215	2894	6/22/2012	41,000	-	41,000	-	4.944	-	-	-

