

Rs 200 cr service tax evasion by exploration firm Shiv Vani Oil unveiled

Central revenue department officials have detected about Rs 200 crore alleged service tax evasion by a Delhi-based oil and gas exploration service provider firm.

Acting on a specific intelligence, a case of alleged service tax evasion was registered against Shiv Vani Oil and Gas Exploration Services Ltd, official sources said.

The officials of Directorate General of Central Excise Intelligence had also conducted 'survey' in the premises of Shiv Vani in the national capital earlier this month, the sources said.

An email query and phone calls to the firm by PTI did not yield any response.

During the survey, the officials found that the company had not filed its mandatory service tax returns or ST-3 form with the government since October 2010, they said.

The firm officials, in a recorded statements before the financial intelligence sleuths, have allegedly admitted that they could not pay service tax to the government due to some "financial constraints", the sources said.

The estimated alleged service tax evasion by the firm is about Rs 200 crore, they said.

Shiv Vani provides services related to exploration and exploitation of oil and gas to its clients including Oil and Natural Gas Corporation (ONGC) and Oil India Ltd, among others.

At present, 12.36 per cent tax is liable on commercial services provided by firms.

Following the department's action, Shiv Vani has given post dated cheques of Rs 150 crore towards their past service tax liability, sources said.

Of these cheques, the revenue department has already realised Rs five crore as service tax to the government exchequer, they added.

(Financial Express)