Ref.No.RFC/F.11(222)\textsuperscript{183} \hspace{1cm} \text{Dated: June 26, 2006}

CIRCULAR

Reg:- Charging of Service Tax: Accounting Treatment

Attention is invited towards PG Circular No. 1153 (LA-443) dated 19.06.2006 directing to charge Service Tax @ 12% and 2% Education Cess thereon from the borrower on the amount of Loan Application Fee, Processing Charges, Fee for Consultancy Services etc as per the directions contained in the above referred circular dated 19.06.2006.

Accordingly, to record the collected Service Tax and Education Cess thereon, the Branches are advised to collect the Service Tax and Education Cess from the borrowers as per applicable rates and Credit the GL Code: “3542” with Initial “STEC” & titled as “Service Tax & Education Cess”.

Since it has been decided to charge the Service Tax and Education Cess thereon from the borrowers, the proforma for furnishing the information of service tax as prescribed vide circular No. RFC/F.11(222)/472 dated 18.10.2005 is revised and given overleaf to this circular. It may be ensured that the information of Service tax & Education Cess should reach us in the prescribed proforma (given overleaf) on or before 3\textsuperscript{rd} day of the subsequent month positively.

All concerned are advised to make a note of above and ensure compliance.

\[\text{(K.S.RATHORE)}\]
Chairman & Managing Director

Copy to:-
-All RO/BO/DO
-Standard Circulation

<table>
<thead>
<tr>
<th>Name of Applicant</th>
<th>Loan Amount Applied</th>
<th>Loan Amount sanctioned</th>
<th>Application Fee received</th>
<th>Services Charges/Processing Charges Received</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Date</td>
<td>Amount</td>
<td>Date</td>
<td>Amount</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee for Consultancy received</th>
<th>Service Tax Received</th>
<th>Education Cess Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td>Amount</td>
<td>Date</td>
</tr>
</tbody>
</table>

Less: Application Fee/Processing Charges
Refunded, if any with details