<Dial 18002666868> <Wear Masks. Stay Safe>

भारतीय डाक

India Post

RN068256018IN IVR:8278068256018
RL SECUNDERABAD H.O <500003>
Counter No:1,02/06/2021,08:27
To:COMM OF CENTRAL TAX..
PIN:500004, Khairatabad H.O
From:MODI PROPERTIES..
Wt:210gms
Amt:75.00(Cash)
<Track on www.indiapost.gov.in>
<Dial 1800...

भारतीय डाक

India Post

EN443988812IN IVR:6978443988812
SP SECUNDERABAD H.O <500003>
Counter No:2,14/12/2020,12:37
To:THE COMMISSIONER S GST C..
PIN:500029, Himayathnagar S.O
From:MODI PROMOTIES,.
Wt:41gms
Amt:17.70(Cash)Tax:2.70
<Track on www.indiapost.gov.in>

PARAMOUNT
AVENUE
Site Office : Sy. No. 233, Nagaram,
Hyderabad – 500 083, ☎ +91-40-6453 7111.
✉ pmr@modiproperties.com
Owned & Developed by : PARAMOUNT ESTATES

Date: 08-12-2020
Place : Secunderabad

From
Parmount Estates
5-4-187, Soham Mansion
M.G. Road, Ranigunj
Secunderabad, Hyderabad
Telangana, 500003.
GSTIN: 36AAJFP4202C1ZP

To,
The Commissioner
Secunderabad GST Commissionerate
Basherbagh, Hyderabad

Sir,

Sub: Reply to notice dated 06-11-2020 – **GST – Complaint of Sri Chiranjan Roy** – DIN-20201156YO0000005E6D

We are in receipt of your notice dated 06-11-2020, regarding refund of GST under PMAY-CLSS Scheme. In this connection our submissions are as under:

1. The above notice is addressed to "Modi Properties" but the project is developed by the name "M/s Paramount Estates" with the GSTIN: 36AAJFP4202C1ZP.

2. Sri Chiranjan Roy is a customer who purchased Flat No.115, C Block in the project "Paramount Avenue" situated at SY.No 233, Nagaram, Hyderabad-500083

3. The Agreement of sale between Paramount Estates (Builder) and Sri Chiranjan Roy (Customer) was entered into on 3rd November 2018. Agreement of sale attached as *Annexure-1*.

Following are the details of Sale Consideration/Payment Terms:

Description	Amount	Cheque No/Date of receipt
Booking Amount	25,000	368357/30-10-2018
1st Instalment	2,00,000	368358/30-10-2018
2nd Instalment	4,76,550	368359/12-11-2018
3rd Instalment	22,75,450	3167/16-07-2019
4th Instalment	2,00,000	3167/16-07-2019
Total	**31,77,000**	

Other Statutory Payments are as under:

Description	Amount	Date
Registration Charges	1,90,631	27-07-2019
GST-April 19	84,186	27-07-2019
GST-July 19	2,97,054	27-07-2019
GST-Extra Specs	2,403	27-07-2019
Documentation Charges	5,074	27-07-2019
Extra Specs	13,350	27-07-2019

Buyerinfo sheet is attached as *Annexure-2*.

4. The GST rate prevalent on Construction services of a single dwelling or multi-dwelling or multi-storied residential buildings is 18% on 2/3rd of the taxable value, where the effective rate of GST comes to 12%. Accordingly, on total sale consideration of Rs.31,77,000, a GST @ 12% amounting to Rs.3,81,240/- is collected from the customer and deposited to the Government.

5. The Possession of the flat was handed over to Sri Chiranjan Roy on 10th August 2019 and a No Due Certificate was also issued on 27th July 2019. The same is attached as *Annexure-3* for your reference.

6. In reply to your point 2 and 3 of the notice it is to be noted that reference of Notification No. 01/2018-Central Tax (Rate) dated 25.01.2018 and Para 2 of Notification No. 11/2017-CT (Rate) dated 22.08.2017 can be only taken to arrive at the effective rate of GST for customers falling under CLSS of PMAY Scheme. The above notification do not provide any clarification on the mechanism of how the effective rate of GST is to be implemented in cases where the customer obtains the eligibility of CLSS of PMAY scheme after taking the possession of the property and how the excess GST is to be refunded to the customer

7. Therefore, we seek reference from notification F.No. 354/52/2018-TRU dated 7th May'2018, which clarifies the method of refunding the GST to the customer and reporting the same in GSTR 3B returns. It states that
"Where the builder has collected higher GST from the buyer in earlier month, the excess can be adjusted by the builder against his future GST liability (by issue of Credit Notes). It is pertinent to point out here that the definition of taxable supply given in GSTR 3B, excludes the value of credit notes. This means that the GST liability on the date of filing of return by the builder gets proportionate reduced on account of Credit notes issued."

8. The Customer, Sri Chiranjan Roy became eligible for CLSS of PMAY scheme in March-2020 and has informed about his eligibility under CLSS of PMAY to us in March 2020.

9. Accordingly, the revised GST and the differential GST to be refunded to the Customer is given below:

Period	Taxable Value	GST @ 12%	GST @ 8%	Differential GST
Mar-19	7,01,550	84,186	56,124	28,062
Jul-19	24,75,450	2,97,054	1,98,036	99,018
Total	**31,77,000**	**3,81,240**	**2,54,160**	**1,27,080**

10. From the above table, we derive at the GST to be refunded to the customer as Rs 1,27,080. The GST liability of the project for March -2020 is only Rs 62,214. GSTR 3B of Mar-20 is attached as reference.

11. Further, the project received Completion Certificate for C Block on 15^{th} April 2019. And thus, by Mar-20 there was no major GST liability to reduce the GST component of credit notes on account of PMAY Scheme and the mechanism of GSTR 3B does not take negative values in reporting.

12. Upon mutual consent with the customer a declaration was issued to the customer requesting him to approach the GST department directly for refund. In this regard we declare that we have not applied for any refund of the above excess GST paid and we have not adjusted the excess GST paid by issuing any credit notes.

Hope you will find the above submissions in order

Thanking You,

Yours faithfully,

For Paramount Estates,

PARAMOUNT ESTATES SEC'BAD

Authorised Signatory

References :

1. Agreement to sale
2. Notification No. F.No. 354/52/2018-TRU dated 7th May'2018
3. No Due Certificate
4. Mail Communications with the buyer
5. BuyerInfo Sheet
6. GSTR 3B for March-2020.