

Sub.: Clarification on taxes.

In the meeting held on 02.08.2017 the following policy has been discussed and shall be immediately adopted till further notice.

1. Banks have agreed to finance housing loan upto 80% on the net sale consideration of flats/villas + applicable GST. Accordingly, new calculator for margin money has been uploaded on staff login page.
2. Projects with flats – applicability of VAT, ST, GST
 - a. For bookings taken after deem date of OC - VAT, ST & GST are not applicable.
 - b. For bookings taken before deem date of OC:
 - i. For other bookings taken before 30.06.17, ST & VAT shall be applicable for sale consideration received before 30.06.17. For sale consideration received after 01.07.17 GST shall be applicable. Accountants shall provide details of amounts received towards sale consideration before 30.06.17 based on milestone report and deducting amounts paid (not accrual basis) towards ST, VAT, registration charges and other expenses.
 - ii. For other bookings taken after 01.07.17 GST shall be applicable @ 12%.
 - iii. In all the cases sale deed for total sale consideration shall be registered.
 - c. In case of Vista Homes Investor share of flats – raise the bill @ 18% on agreement of construction value between Developer and Investor – at time of completion of each block or registration of sale deed in favour of prospective customer, whichever is earlier. This is applicable for all blocks irrespective of OC. Prospective customer need not pay GST @ 12%. However, collect the GST for the construction contract as other charges (for new bookings add this amount as part of sale consideration).
3. Projects with villas – applicability of VAT, ST, GST
 - a. For bookings taken after deem date of OC - VAT, ST & GST are not applicable.
 - b. For bookings taken before deem date of OC:
 - i. In cases where construction of first slab has not been completed and less than 50% of sale consideration has been paid, subject to approval of banker sale consideration can be split into sale deed (50%) and construction contract (50%) both to be registered. Here GST/VAT/ST shall be nil for sale deed and applicable rate of GST, VAT and ST on the construction contract shall be 18%, 5% & 6% respectively.
 - ii. In other cases where first slab has been completed register sale deed for the total sale consideration. Here applicable rate of GST, VAT and ST on sale deed shall be 12%, 1.25% & 4.5% respectively.
 - iii. For other bookings taken before 30.06.17, ST & VAT shall be applicable for sale consideration received before 30.06.17. For sale consideration received after 01.07.17 GST shall be applicable. Accountants shall provide details of amounts received towards sale consideration before 30.06.17 based on milestone report and deducting amounts paid (not accrual basis) towards ST, VAT, registration charges and other expenses.
 - c. In case of AGH, Landowners need to register for GST. Developer to raise GST bill (details to be decided later) for 65% value of land @ 18%. Purchasers from Developers and Owners shall pay GST as above. In this project ST & VAT shall not be applicable.
4. Serene Farms – service tax & GST applicable @ 6% and 18% on agreement of construction value. Agreement of construction value shall be @ Rs. 1,000/- per sft, subject

to increase from time to time. Registration of the sale deed is as per the terms of MOU. Agreement of construction shall also to be registered. Amounts to be considered received before 30.6.17 for agreement of construction as available with Jaya Prakash.

Soham Modi.