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Date: October 23, 2019

Dispatched by IndiaPost

To:
The Director,
SwanHousing & Infra Pvt. Ltd.
97A Southern Avenue, Kolkata 700029

Copy to: Customer Care (e-mail)

Re: Follow-up regarding unlawful GST levied on Maintenance Fees for my Flat 6304, SwanGreen

Dear Sir,

This is to follow up with you with regard to the letter I sent you on 25/09/2019 (copy enclosed) regarding dispute over GST charges levied on the 12-months maintenance fees for my Flat 6304 at the SwanGreen complex. In that letter I clearly explained to you that as per the Government of India Finance Ministry's circular regarding GST charges on maintenance fees, my Flat's maintenance fees were entirely exempt from GST assessment on monthly, and hence, 12-month/annual basis. In the same letter I had offered you the opportunity to explain any legally valid rationale you might have had, should you still believed GST charges were applicable on the maintenance fees for my Flat. Nearly a month has had elapsed from the date of my letter to you, but you failed to respond to that letter.

I visited the SwanHousing & Infra Pvt. Ltd. office located at the SwanGreen complex yesterday (22/10/2019) to drop off my KYC documents and photos for registration of my Flat, and to pay by cheque Rs. 34,656/- towards 12-months maintenance fees and sinking fund (excluding the unlawfully levied GST on maintenance fees). Your office staff Ms. Mousumee accepted the cheque, but indicated that I still needed to pay the GST charge. She and the onsite supervisory staff Mr. Debayan Chakraborty made various specious arguments as to why the GST was applicable for "these 12-months maintenance fees" payments and they claimed that such directive came directly from you.

- a) First, they claimed the GST charge was applicable because SwanHousing & Infra Pvt. Ltd. will be handling the common area maintenance (CAM) and onsite services to be provided to the residents, until a residents welfare association or society could be formed; and, hence, the clause Residents Welfare Association (RWA) as described in the Ministry of Finance circular was not applicable in this case.

This argument is invalid, because SwanHousing & Infra Pvt. Ltd. and/or its appointed 3rd-party service provider company will be functioning as the "interim caretaker residents welfare association," until a permanent RWA is formed in the future. Therefore, there is no justifiable legal argument for your company to claim GST payments from the residents in violation of the GST rules.

- b) Second, they claimed that my 12-months maintenance fees amounted to Rs. 17,328/-, which was more than Rs. 7,500/- per month threshold outlined in the Ministry of Finance circular, hence GST was applicable in this case.

This argument is also invalid on the basis of elementary mathematical computation, which even a child can comprehend. For your and your staff's edification I am happy to elaborate as follows,

Monthly maintenance charge for my Flat (@Rs.2/sq.ft. x 722 sq.ft.) = Rs. 1444 + 0 GST.

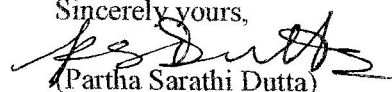
12-months advance payment of maintenance charges for my Flat = (Rs. 1444 + 0 GST) x 12 = Rs. 1444 x 12 + 0 x 12 GST = Rs. 17,328 + 0 GST.

I hope this clarifies any confusion or misunderstanding on your part regarding the unlawful nature of the GST payment you are demanding in violation of the Government's guidelines. I strongly recommend that you consult a professional tax accountant or a tax attorney regarding this matter, and should you still believe that GST payment is applicable for these maintenance fees, please notify me your informed, cogent and legally valid justification for the same in writing.

It would be appropriate to further chastise you at this time, for your and your staff's failure to communicate with me promptly following your receipt of my letter dated 25/09/2019, and instead make an attempt to verbally ambush and coerce me, through your staff, into paying that unlawful GST charge, at the time I presented the payment cheque to your site office. Your and your staff's behavior have been deplorable in this instance and on many other past events. From the time of initial sales contact and up to now, on multiple occasions, far too many to describe in detail here, your staff have had acted in bad faith, lied profusely, have had been delinquent in their duties and failed to communicate in a timely fashion. I consider this to be a systemic problem within your company, perhaps originating at your level, from your failure to train and hold your staff accountable for professional conduct, good-faith business practice and proper customer service. At this point you and your staff have zero credibility and zero trust with me, and I insist that you and your staff communicate with me in writing only.

I look forward to your response, if any. I further remind you that your company is nearly 2-months late in delivering my Flat to me as per the agreement. You are owing me penalty of nearly Rs.18,000 per month for the delay, and I demand monthly payment of the same with the first payment being due on November 1, 2019 for penalty amounts covering the months of September and October. I also demand that you arrange for the registration of my property no later than October 31, 2019. You have already received all the payments and all the necessary documents. Your staff Mr. Ajoy Chatterjee has been delinquent in sending me the documents I need to review prior to the registration, namely – the conveyance deed, completion certificate, structural certificate and your architect's clearance certificate. Please instruct him to remit those without further delay. Thank you.

Sincerely yours,


(Partha Sarathi Dutta)

Attachment: Copy letter sent to you on 25/09/2019