



भारत सरकार / GOVERNMENT OF INDIA

DIRECTORATE GENERAL OF GOODS AND SERVICES TAX INTELLIGENCE  
MUMBAI ZONAL UNIT, N.T.C. HOUSE, III RD FLOOR, 15 N.M. ROAD,  
BALLARD ESTATE, MUMBAI-400 001.

TEL:-022-22662477, 22664610, 22664323, 22631810, FAX:022-22663013

F.No.: DGGI/MZU/I & IS'B/12(3)108/2019 / 22176

Mumbai 25th April, 2019

To,  
Municipal Commissioner,  
Thane Municipal Corporation (TMC)  
New Administrative Building,  
Mahapalika Bhavan, Almeda Road,  
Chandan Wadi, Pachpakhadi,  
Thane West - 400602

**REVENUE MATTER**  
**TOP PRIORITY**

आयुक्त कार्यालय  
ठाणे महानगरपालिका, ठाणे.  
आपक क्र. 223  
दिनांक 24/4/19

Sir,

Sub:- Payment of Service Tax/GST liability on supply of additional FSI/TDR/Fungible FSI to builders/developers/individual as against premium (consideration) - reg...

This office is an apex organization entrusted with the task of investigation of Central Excise duty/ Service Tax/ GST evasion matter and is presently pursuing an enquiry against **Thane Municipal Corporation (TMC)** in connection with the non-payment of appropriate Service Tax/GST liability under the provisions of Finance Act, 1994 and GST Act, 2017 on certain services.

2. It is observed that **TMC** is engaged in providing the service i.e supply of additional FSI/TDR/Fungible FSI to builders/developers/individual in lieu of consideration i.e Premium which facilitating them to construct additional area over and above admissible FSI on the particular land/plot.

3. The premium received as against granting of additional FSI/TDR/Fungible FSI by **TMC**, are neither *as mandatory and statutory functions* nor in nature of *compulsory levy* and same is undertaken for a consideration (not a statutory fees).

4. It is, however, informed that the aforesaid activities appropriately covered under the definition of 'service' and not also listed in Negative List under Service Tax regime as well as under GST regime. Therefore, **TMC** was required to discharge Service Tax/GST liability on the aforesaid premium under the provisions of Finance Act, 1994 and GST Act, 2017.

In the matter, it is requested to furnish the following information to this office.

- Details such as Name of Party i.e builder/developer/individual, details of FSI/TDR/Fungible FSI allotted, Premium amount receive etc. in the Annexure enclosed

b. Copy of Invoices/Bills raised by raised by MGCM to aforesaid parties.

c. Furnish the Customers wise ledger copy for the last 5 years.

d. Trial Balance/Financial Statement for the last 5 years.

5. It is requested that the above information and details may be submitted to this office on or before 16.05.2019.

6. It is also requested to depute a duly authorized representative at 11.00 hrs on 16.05.2019 to clarify facts in the above matter.

7. **This letter may be treated as issued under Section 14 of the Central Excise Act, 1944 read with Section 83 of the Finance Act, 1944 read with Section 174(2) of GST Act, 2017 and Section 70 of GST Act, 2017 as amended, in so far as information has been sought as per this letter.**

} (A)