



TELANGANA STATE AUTHORITY FOR ADVANCE RULING
CT Complex, M.J Road, Nampally, Hyderabad-500001.
(Constituted under Section 96(1) of TGSAT Act, 2017)

Present:

Sri B. Raghu Kiran, IRS, Additional Commissioner (Central Tax)

Sri S.V. Kasi Visweswara Rao, Additional Commissioner (State Tax)

A.R.Com/05/2021

Date:15.07.2022

TSAAR Order No.40/2022

**[ORDER UNDER SECTION 98(4) OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017
AND UNDER SECTION 98(4) OF THE TEALANGANA GOODS AND SERVICES TAX ACT,
2017.]**

1. Mr. Murthy Mohan Rao, Office No.G-3, Ground Floor Flat No. 501, Santhosh Residency, F-61, Madhura Nagar, SR Nagar, Hyderabad 500 038 (Un- Registered) has filed an application in FORM GST ARA-01 under Section 97(1) of TGSAT Act, 2017 read with Rule 104 of CGST/TGSAT Rules.
2. At the outset, it is made clear that the provisions of both the CGST Act and the TGSAT Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the TGSAT Act. Further, for the purposes of this Advance Ruling, the expression 'GST Act' would be a common reference to both CGST Act and TGSAT Act.
3. It is observed that the queries raised by the applicant fall within the ambit of Section 97 of the GST ACT. The Applicant enclosed copies of challans as proof of payment of Rs. 5,000/- for SGST and Rs. 5,000/- for CGST towards the fee for Advance Ruling. The Applicant has declared that the questions raised in the application have neither been decided by nor are pending before any authority under any provisions of the GST Act. The application is therefore, admitted.
4. **Brief facts of the case:**
M/s. Murthy Mohan Rao is an individual owning land in Ravindra Co-operative Housing Society, Serilingampally Mandal, Ranga Reddy District. They have entered into an development agreement with M/s.Ayyanna Infra Private Limited for construction of residential units which will be shared between the applicant and the developer, i.e., M/s. Ayyanna Infra Private Limited in the ratio of 50:50. The applicant is desirous of ascertaining the liability of the developer to the extent of the share of the flats allotted to them. Hence, this application.

5. Questions raised:

1. Whether there is any GST liability to be paid by the developer with respect to the share of flats given to applicant in pursuance of development agreement dated: 28.04.2017?
2. If answer to (a) is yes, When the GST needs to be paid?
3. If answer to (a) is yes, the rate of GST to be applied?
4. If answer to (a) is yes, the taxable value to be taken for arriving the GST liability?

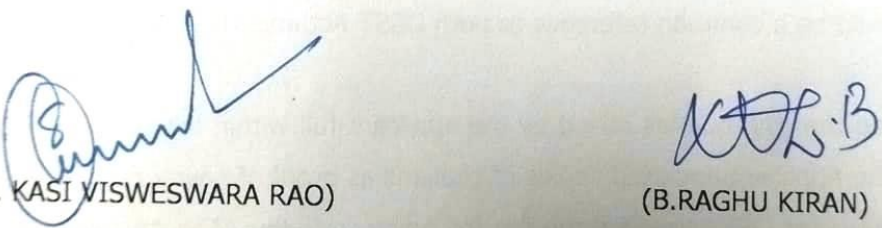
6. Personal Hearing:

The Authorized representatives of the unit namely Sri Venkata Prasad, CA attended the personal hearing held on 27.04.2022. The authorized representatives reiterated their averments in the application submitted and contended as follows:

1. That, the applicant is the owner of the land and has entered into a JDA and 'land owner promoter.
2. That, the applicant is desirous of ascertaining the liability of the builder promoter regarding the consideration paid by him by way of handing over land owner portion of the built up area. They are also desirous of ascertaining the time of such supply.
3. That, they are of the view that the builder promoter is liable to pay GST at the time of alienation of right of the built up area to the land owner promoter and the rate of tax in their view is 5%.

7. Discussion & Findings:

At the outset the applicant is seeking an advance ruling on the liability of the third party, i.e., the developer who is not represented before this authority. A ruling cannot be given on the back of an effected party to determine his liability to pay tax. Hence the application is rejected.



(S.V. KASI VISWESWARA RAO)
ADDL. COMMISSIONER(STATE TAX)

(B.RAGHU KIRAN)
ADDL.COMMISSIONER (CENTRAL TAX)

To

Mr. Murthy Mohan Rao,
Office No.G-3, Ground Floor,
Flat No. 501, Santhosh Residency,
F-61, Madhura Nagar, SR Nagar,
Hyderabad -500 038.

Copy submitted to :

1. The Commissioner (State Tax) for information.
2. The Commissioner (Central Tax), Hyderabad Commissionerate, Room No. 813, GST Bhavan, L.B. Stadium Road, Basheerbagh, Hyderabad 500 004.

Copy to:

3. The Assistant Commissioner (ST) Madhapur –I Circle