



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

Present:

Sri B. Raghu Kiran, IRS, Additional Commissioner (Central Tax)
Sri S. Kasi Visweswara Rao, Additional Commissioner (State Tax)

A.R.Com/47/2018

Date:08.10.2021

TSAAR Order No.15/2021

[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. M/s. Honer Developer Private Limited, 17-2-1740, KSSP Warehouse, Sanath Nagar, Hyderabad – 500 018, Telangana State(36AAECI0856M1ZA) has filed an application in **FORM GST ARA-01** under Section 97(1) of TGST Act, 2017 read with Rule 104 of CGST/TGST Rules.
2. At the outset, it is made clear that the provisions of both the CGST Act and the TGST 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 TGST Act. Further, for the purposes of this Advance Ruling, the expression 'GST Act' would be a common reference to both CGST Act and TGST 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 concerned jurisdictional officer also raised no objection to the admission of the application. The application is therefore, admitted
4. **Brief facts of the case:**

The applicant is in the business of construction and selling of residential flats. Their current project contains (760) flats of various dimensions and they intend to sell them in the market. They have informed that some of the customers are claiming that they are eligible for the benefit of PMAY scheme and hence insisting to pay a reduced rate of tax under Notification No. 01/2018 dated: 25.01.2018.

5. Questions raised:

1. Applicability of Notification No. 01/2018 of central tax (rate) dated: 25.01.2018 issued under the provisions of CGST Act, 2017 on amount received from the customers claiming the benefit of PMAY scheme.

6. Personal Hearing:

The Authorised representatives of the unit Sri. M. Rama Chandra Murthy, Chartered Accountant attended the personal hearing held on 11-11-2020. However, orders were not passed due to the retirement of State Member on superannuation. Further, Government of Telangana vide G.O. Rt. No. 216, Rev(CT-II) Dept, Dt.16.06.2021 have nominated Sri S.V. Kasi Visweswara Rao, Additional Commissioner (ST) as member to The Authority for Advance Ruling and hence the case was re-posted a

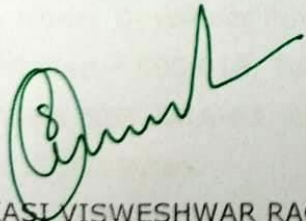

fresh on 09.07.2021. Heard the case. The Authorized representatives of the unit namely Sri M. Ramachandra Murthy, chartered accountant & authorized representative attended the personal hearing held on 09-07-2021. The authorized representatives reiterated their averments in the application.

7. Discussion & Findings:

Government of India in Notification No. 01/2018 dated: 25.01.2018 has inserted the following entry in Notification No. 11/2017 dated: 28.06.2017 against Serial No. 3, in column (3), in item (4) at sub item (db).
"a civil structure or any other original works pertaining to the —houses constructed or acquired under the Credit Linked Subsidy Scheme for Economically Weaker Section (EWS)/ Lower Income Group (LIG)/ Middle Income Group-1 (MIG-1)/ Middle Income Group-2 (MIG-2)|| under the Housing for All (Urban) Mission/ Pradhan Mantri Awas Yojana (Urban)."

In view of the above new entry, if a person is acquiring a dwelling under the credit linked subsidy scheme for economically weaker section fulfilling all the conditions and formalities from designated banks/financial institutions under such scheme then he is eligible for the concessional rate of tax under the said notification.

8. In view of the observations stated above, the following ruling is issued :

Advance Ruling	
Question Raised	Advance Ruling Issued
1. Applicability of Notification No. 01/2018 of central tax (rate) dated: 25.01.2018 issued under the provisions of CGST Act, 2017 on amount received from the customers claiming the benefit of PMAY scheme.	Yes the notification is applicable if the condition of credit linked subsidy scheme is availed under PMAY(Urban).
 (S.V. KASI VISWESHWAR RAO) ADDL. COMMISSIONER (State Tax)	 (B. RAGHU KIRAN) ADDL. COMMISSIONER (Central Tax)

[Under Section 100(1) of the CGST/TGST Act, 2017, any person aggrieved by this order can prefer an appeal before the Telangana State Appellate Authority for Advance Ruling, Hyderabad, within 30 days from the date of receipt of this Order]

To
M/s. Honer Developer Private Limited,
17-2-1740, KSSP Warehouse, Sanath Nagar,
Hyderabad – 500 018, Telangana State

Copy submitted to :

1. The Commissioner (State Tax) for information.

Copy to:

1. The Joint Commissioner (State Tax), Punjagutta, Division.

2. Assistant Commissioner (ST) Ameerpet Division, 3rd, 4th and 5th Floors of house # 8-3-1040 (plot No. 140), Srinagar Colony, Near Road No. 2, Banjara Hills, Hyderabad-500 034.