M/s DLF Limited, Shopping Mall, 3rd Floor, Arjun Marg, Phase-I, DLF City, Gurugram, Haryana (GSTIN 06AAACD3494N1ZC)

Authority for Advance Ruling — Haryana

Advance Ruling No. HAR/HAAR/R/2019-20/06 (In Application No. 06/2019… Dated **12.09.2019**

Q Questions Before the Authority

- Whether preferential location charges (PLC) collected along with consideration for sale of properties attract a GST rate of 12% or 18% where the sale or transfer of constructed property has taken place before issuance of the completion/occupancy certificate (CC/OC).
- Whether PLC collected along with consideration for sale of properties attracts a GST rate of 5% or 18% where the sale or transfer has taken place before issuance of CC/OC under new projects which commence on or after 1 April 2019.
- Whether PLC collected along with consideration for sale of properties is outside the scope of supply where the sale or transfer is entered into by the applicant after issuance of CC/OC.
- If PLC attracts a concessional rate of tax or exemption (12%, 5% or nil), whether the applicant or its customers can claim adjustment or refund of the excess GST paid (18% less 12%, 18% less 5%, or 18% less nil), as the case may be.
- Where differential prices are charged for different units in a real estate project due to commercial factors such as location of the apartment, whether GST can be charged on the whole price at the similar rate (12%, 5% or nil, depending on the timing of sale relative to CC/OC and project commencement).

F Facts

The applicant is a developer that constructs residential and commercial properties, which are sold both before and after issuance of the occupancy certificate. It recovers various charges, including preferential location charges (PLC), under the same buyer's agreement. The order records the questions raised but contains no findings of fact, as the application was rejected at the admissibility stage.

H Ruling

The Authority **rejected the application under Section 98(2) of the CGST/HGST Act** . It held that it must pronounce its ruling within 90 days of receipt of the application under Section 98(6), and that the applicant could not be granted any further hearing after failing to appear on 02.08.2019 and 11.09.2019. The order therefore gives **no ruling on the merits** of any of the questions.

R Reasoning

The applicant was called for a hearing on 02.08.2019 and did not appear. A request to move the hearing to the afternoon was received on 27.08.2019, and the hearing was then postponed to 11.09.2019, when the applicant

again failed to appear. The Authority held that the statutory 90-day period under Section 98(6) for pronouncing a ruling was close to expiry, so no further opportunity could be given. It accordingly rejected the application under Section 98(2). The order does not analyse the rate, exemption or valuation questions, and no rule or notification is applied to the PLC issues.

P Provisions Relied On

Section 97(2) of the CGST/HGST Act, 2017 (clause entry recorded as Nil)

Section 98(2) of the CGST/HGST Act, 2017 (basis for rejection)

Section 98(6) of the CGST/HGST Act, 2017 (90-day timeline for pronouncing a ruling)

! For the Practitioner

This order is useful mainly as a procedural warning: an advance ruling application can be rejected outright if the applicant does not attend the personal hearings, and the statutory 90-day clock limits any adjournment. It does not decide whether PLC takes the 12%, 5% or 18% rate, whether it is outside the scope of supply after CC/OC, or whether refunds of excess tax are available. Practitioners seeking guidance on those points must rely on other rulings or the statute and notifications, not on this order.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> har_aar_06_2019-20_12.09.2019_dlfl.pdf

Prepared 08-11-2026.

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