M/s. Joyville Shapoorji Housing Private Limited

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-29/2019-20/B-123, Mumbai, dated 26/12/2019 (as printed; d… Dated **26.12.2019**

Q Questions Before the Authority

- Whether the dwelling units at Joyville, Virar qualify as low cost houses and, consequently, are eligible for the concessional rate of 12% under Entry (v)(da) of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, as amended by Notification No. 1/2018-Central Tax (Rate) dated 25.01.2018, with effect from 25.01.2018?
- Whether the benefit of the concessional rate would be available to common amenities such as club house, swimming pool, etc., except corpus fund subscription and share application money, as mentioned in Annexure D of the agreement for sale?
- Whether the project of the Applicant at Joyville, Virar qualifies as an 'ongoing project' under Notification No. 3/2019-Central Tax (Rate) dated 29.03.2019, so as to be eligible for the concessional rate under Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017?
- What would be the rate of GST on the units at Joyville, Virar which do not qualify as 'low cost houses', and whether 12% or 18% tax is to be levied on those units?

F Facts

The applicant is a real estate developer building the Joyville Virar residential project in Palghar district, Maharashtra, in six phases and seven towers, with four RERA-registered phases (1, 2, 3 and 5) under development. Phases 2, 3 and 5 have all units below 60 sq. m. carpet area, and in Phase 1, 264 of 308 units are below that size, so the applicant states that more than 50% of FSI goes to such units. The applicant sought the 12% concessional rate for these units and for common amenities, and it filed Annexure IV to opt for the older rates under Notification No. 3/2019.

H Ruling

Q1: Dwelling units below 60 sq. m. as low cost houses; concessional rate	**Qualify as low cost houses; eligible for 12% (8% GST after deducting land value) under Entry (v)(da) of Notification No. 11/2017-CT(R), as amended by Notification No. 1/2018-CT(R)**	Applies only to supplies made on or after 25.01.2018 and only to units with carpet area up to 60 sq. m.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

Q2: Concession for common amenities (club house, swimming pool, etc.)	**12% available only for society formation charges, club house development charges, water, electricity, drainage and sewerage charges, and legal service and documentation charges**	Charges are concessional only where collected from buyers of units below 60 sq. m.; units above 60 sq. m. attract 18%. Advance maintenance charges are not part of the composite supply and are taxed at 18%.
Q3: Ongoing project under Notification No. 3/2019-CT(R)	**Yes, the project qualifies as an ongoing project; concession under Notification No. 11/2017-CT(R) available**	Concession limited to dwelling units measuring less than 60 sq. m.; the applicant must have filed Annexure IV with the jurisdictional Commissioner.
Q4: GST rate on units not qualifying as low cost houses	**18% GST**	Applies to units with carpet area above 60 sq. m. in the same project.

The authority held that the project is an affordable housing project, so dwelling units below 60 sq. m. carpet area qualify as low cost houses and attract the 12% rate (8% GST after deducting land value) for supplies made after 25.01.2018. It held that the project is an ongoing project under Notification No. 3/2019, but the concession under Notification No. 11/2017 applies only to units below 60 sq. m. Units above 60 sq. m. attract 18% GST.

R Reasoning

The authority accepted that the project meets the 'affordable housing' definition in the DEA notification F. No. 13/6/2009-INF dated 30.03.2017, because more than 50% of FSI is used for units with carpet area not exceeding 60 sq. m. It relied on entry (v)(da) of Notification No. 11/2017-CT(R) as inserted by Notification No. 1/2018-CT(R) and on the CBIC clarification dated 07.05.2018 on affordable housing. It treated common amenities as part of the composite works contract, but held that only the charges integral to construction (society formation, club house, utilities, legal and documentation) take the concession, while advance maintenance charges do not, relying on the FAQs dated 14.05.2019. It also found that the ongoing project conditions in entry (xx) of Notification No. 3/2019-CT(R) were met because commencement certificates, excavation and bookings predate 31.03.2019.

P Provisions Relied On

- Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017, Sr. No. 3, entry (v)(da), as amended
- Notification No. 1/2018-Central Tax (Rate) dated 25.01.2018
- Notification No. 3/2019-Central Tax (Rate) dated 29.03.2019, entry (xx) (ongoing project) and entry (ie)
- Notification No. 11/2017-CT(R), para 4(ii)(C) (value threshold, as reproduced in the FAQs)
- DEA Notification F. No. 13/6/2009-INF dated 30.03.2017 (affordable housing as infrastructure)
- CBIC letter F. No. 354/52/2018-TRU dated 07.05.2018

CBIC FAQs (Part II) F. No. 354/32/2019-TRU dated 14.05.2019

Section 2(k) of the RERA, 2016 (carpet area definition)

Section 2(119) of the CGST Act, 2017 (composite supply of works contract)

! For the Practitioner

This ruling is useful for Maharashtra developers of affordable projects who need to know how the 12% rate applies to a mixed-size project. It confirms that the concession follows units below 60 sq. m. and that only construction-linked charges collected from those buyers take the concession, while advance maintenance charges do not. It does not decide the classification of charges for units above 60 sq. m. beyond the 18% answer, and it binds only the applicant. Practitioners should check the order's precise wording on each charge before relying on it.

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 -> mah_aar_29_2019-20_b-123_26.12.2019_jshpl.pdf

Prepared 16-11-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)
RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Mumbai
104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Delhi
3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Gurugram
Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram…

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

Talk to us: +91 94594 56700 | sales@patronaccounting.com | patronaccounting.com