M/s Sanika Developers, Arjun Empire, S-201, 2nd Floor, Congress Road, Tilakwadi, Belagavi, Karnataka-590006 (GSTIN 29ABKFS7231G1ZV)

Authority for Advance Ruling — Karnataka

Advance Ruling No. KAR ADRG 07 / 2019, Dated: 09-05-2019 Dated **09.05.2019**

Q Questions Before the Authority

- Whether the activity of construction of complex or building intended for sale to a buyer wholly or partly, where the entire consideration has been received / receivable after completion of construction, be treated as supply of taxable service?

F Facts

The applicant is a builder engaged in constructing complexes or buildings. It sought a ruling on whether construction intended for sale, where the entire consideration is received or receivable only after completion, is to be treated as a taxable service supply. Nobody appeared at the scheduled personal hearing. By letter dated 23.03.2019, received on 26.03.2019, the applicant asked to withdraw the application.

H Ruling

The Authority disposed of the application as withdrawn. It did not decide the question on whether the construction activity is a taxable supply of service. The ruling rests entirely on the applicant's request to withdraw.

R Reasoning

The applicant's written request to withdraw was received before the Authority passed its order. The Authority accepted the withdrawal and passed no finding on the merits of the question. The order refers to the application as having been filed under Section 97 of the CGST Act and KGST Act, read with Rule 104 of the CGST and KGST Rules. The order is issued under sub-section (4) of Section 98 of both Acts. The ruling is procedural only and contains no reasoning on the substantive issue.

P Provisions Relied On

Section 97 of the CGST Act, 2017 and KGST Act, 2017 (advance ruling application)

Sub-section (4) of Section 98 of the CGST Act, 2017 and KGST Act, 2017 (order)

Rule 104 of the CGST Rules, 2017 and KGST Rules, 2017 (application in Form GST ARA-01)

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

! For the Practitioner

This order is of no use on the merits. It does not decide whether construction of buildings for sale, paid for only after completion, is a taxable service. A practitioner should not cite it as authority on that point. It may be relevant only if the applicant's withdrawal or the status of the application is in issue. The full order is worth reading only for that narrow purpose.

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 -> krntk_07-2019_sanika_developers.pdf

Prepared 03-11-2026.

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