THE KREATIONS BUILDERS & DEVELOPERS

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 85/2018-19/B- 16, Mumbai, dt. 23.01.2019 Dated **23.01.2019**

Q Questions Before the Authority

- Whether, as per notification no. 01/2018 - Central Tax (Rate) dated 25th January 2018, works contract services can be charged at the concessional rate (as framed by the applicant; the scan reads 'can works').

F Facts

The applicant, a proprietorship run by Mr. Madan Khadgi, constructs 1 BHK flats for sale to prospective buyers and is currently executing a single project, 'Safalvaa'. The project is said to have infrastructure status as affordable housing under a Department of Economic Affairs notification (F. No. 13/06/2009-INF), and the applicant has engaged M/s Loomcraft Shade Systems Private Limited as main contractor. The applicant states it is charging 6% GST on the basis of a combined reading of the notification and a Ministry of Finance press release dated 7 February 2018.

H Ruling

The Authority rejected the application as not maintainable. It held that the applicant paid only Rs. 5,000 when a fee of Rs. 5,000 was required under each of the CGST and MGST Acts, so the application was incomplete. The Authority also recorded that the applicant did not attend the preliminary hearing and did not respond to the request to reframe its questions, so it decided the matter on the available records without reaching the substantive question.

R Reasoning

The Authority noted that section 97(1) read with Rule 104 of the CGST/MGST Acts requires an application fee of Rs. 5,000 under each Act, to be deposited as provided in section 49. It relied on Circular No. 25/25/2017-GST dated 21 December 2017, which permits the fee to be paid under the CGST and the respective SGST Act. Because only one Rs. 5,000 payment was made, the application was treated as incomplete and liable to rejection. At the preliminary hearing the Authority had also indicated that the questions as framed did not concern the applicant's own supply under section 95, but the order does not rest on that point.

P Provisions Relied On

Section 97(1) of the CGST Act and the MGST Act	Rule 104 of the CGST/MGST Rules
Section 49 of the CGST/MGST Acts (deposit of fee)	
Section 95 of the GST Act (applicant's eligibility, referred to at the preliminary hearing)	

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

Circular No. 25/25/2017-GST dated 21 December 2017

! For the Practitioner

This order is a procedural rejection and is useful mainly as a warning on filing. An advance ruling application must carry the Rs. 5,000 fee under both the CGST and the SGST Act, and the questions must concern the applicant's own supply and be framed clearly. The order does not decide whether the 6% concessional rate applies to the applicant's affordable-housing works contract under Notification 01/2018-CT(Rate), so that question remains open and would need a fresh, properly filed application.

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 -> ara_order_85_2018_maharashtra_tkb_d.pdf

Prepared 29-10-2026.

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