THE AUTHORITY FOR ADVANCE RULINGS
IN KARNATAKA
GOODS AND SERVICES TAX
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD
GANDHINAGAR, BENGALURU – 560 009

F. No. KAR.AAR 30/2026
Order No. KAR.ADRG 30/2026 **Date:06.07.2026**

Present:

1. **Shri. Kalyanam Rajesh Rama Rao**
Additional Commissioner of Customs & Indirect Taxes .... Member (**Central**)

2. **Shri. Sivakumar S Itagi**
Additional Commissioner of Commercial Taxes .... Member (**State**)

1	Name and address of the applicant	M/s Space, # 2, 15-3-137/3, Raintree, Near S.C.S. Hospital, Bendore, Dakshina Kannada, Karnataka, 575002.
2	GSTIN or User ID	29ABHFS6683F1ZM
3	Date of filing of Form GST ARA-01 (ARN date)	30.07.2023
4	Represented by	--Not Applicable--
5.	Jurisdictional Authority – Centre	The Commissioner of Central Tax, Mangalore GST Commissionerate
6	Jurisdictional Authority – State	ACCT, LGSTO 262-Mangalore
7	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, the Applicant has discharged the prescribed application fee Vide debit entry No.DC2907230431037

ORDER UNDER SECTION 98(2) OF THE CGST ACT, 2017 & UNDER SECTION 98(2) OF THE KGST ACT, 2017

M/s Space (hereinafter referred to as the "Applicant"), having GSTIN 29ABHFS6683F1ZM and principal place of business at 2, 15-3-137/3, Raintree, Near S.C.S. Hospital, Bendore, Dakshina Kannada, Karnataka, 575002, filed an application for Advance Ruling under Section 97 of the Central Goods and Services Tax Act, 2017 read with Rule 104 of the Central Goods and Services Tax Rules, 2017 and the corresponding provisions of the Karnataka Goods and Services Tax Act, 2017, in FORM GST ARA-01.

2. The Applicant is a partnership firm bearing GSTIN No. 29ABHFS6683F1ZM and is engaged in the business of real estate development and construction of residential apartments. The applicant submits that Mr. Ashwin Bangera and Mr. Ajith Bangera entered into an agreement with the Applicant on 05.04.2011 for purchase of two residential flats, each admeasuring 700 sq. ft., for a consideration of ₹6,00,000 per flat. At the time of execution of the agreement dated 05.04.2011, the specific flats to be allotted to the purchasers were not identified, as the project had not commenced.

Authority For Advance Ruling Karnataka, Bengaluru

3. Subsequently, on 13.08.2019, the parties mutually agreed that, in place of the earlier two flats, a single flat bearing No. 1306 in the project "Northern Sky Palm Streak", having a super built-up area of 1,395 sq. ft., would be allotted to them. No separate written agreement was executed in this regard; however, the arrangement was mutually accepted and acted upon by the parties. The construction of Flat No. 1306 was completed on 12.04.2021 and the flat was ready for possession on that date. The Fair Market Value (FMV) of the flat as on the date of completion was ₹5,400 per sq. ft.

4. Accordingly, the flat agreed to be allotted pursuant to the understanding dated 13.08.2019 was completed and became ready for delivery on 12.04.2021.

5. In the above background, the Applicant has sought an Advance Ruling on the following question:

a) ***Whether GST is applicable on the transaction entered by our party as on 13.08.2019 (Transaction done without agreement)?***

b) ***If GST is applicable, then at what value is the GST is applicable.***

6. Subsequently, the Applicant, vide letter dated **16.06.2026**, requested withdrawal of the Advance Ruling application. The relevant extracts of the said letter are reproduced *inter alia* as under:

> *"Since, the issue involved in the application has now been amicably settled between the concerned parties, we no longer wish to pursue the said application. We therefore request you to kindly permit us to withdraw the application for Advance Ruling and take the necessary action in this regard."*

7. In view of the above, we pass the following,

R U L I N G

The application filed by the applicant for advance ruling is disposed off as withdrawn.

(Kalyanam Rajesh Rama Rao)	**(Sivakumar S Itagi)**
Member	Member
MEMBER	MEMBER
Karnataka Advance Ruling Authority	Karnataka Advance Ruling Authority
Bengaluru - 560 009	Bengaluru - 560 009

Place: Bengaluru,
Date: 06.07.2026

Authority For Advance Ruling ★ Karnataka, Bengaluru ★

To,
The applicant

Copy to:

1. The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.
2. The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
3. The Commissioner of Central Tax, Mangalore GST Commissionerate.
4. The Assistant Commissioner, LGSTO 262-Mangalore.
5. Officer Folder.

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