

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

**Advance Ruling No. KAR ADRG 11 / 2021**

**Date : 9-03-2021**

Present:

1. Dr. Ravi Prasad M.P.  
Additional Commissioner of Commercial Taxes . . . . Member (State)
2. Sri. Mashhood Ur Rehman Farooqui,  
Joint Commissioner of Indirect Taxes, . . . . Member (Central)

1.	Name and address of the Applicant	M/s. BG Elevators and Escalators Private Limited, Second Floor, No.99/3, Nanda Gopal Complex, 20th Main, 8th Cross, G Block, Sahakara Nagara, Bangalore Urban, Bangalore-560 092.
2.	GSTIN or User ID	29AAFCB0654B1Z2
3.	Date of filing of Form GST ARA-01	21-10-2020
4.	Represented by	Sri Rajashekhara Gowda, CA & Authorised Representative
5.	Jurisdictional Authority – Centre	The Commissioner of Indirect Taxes, Bangalore North Commissionerate
6.	Jurisdictional Authority – State	Asst. Commissioner, LGSTO-150 A, Bengaluru
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000/- under CGST Act and Rs. 1,000/- under KGST Act vide CIN RBIS20102900447750 dated 22.10.2020 and Rs.4,000/- under KGST Act vide CIN IDBI20102900229983 dated 16.10.2020.

**ORDER UNDER SECTION 98(4) OF CGST ACT, 2017  
& UNDER SECTION 98(4) OF KGST ACT, 2017**

M/s BG Elevators and Escalators Private Limited (called as the 'Applicant' hereinafter), Second Floor, No.99/3, Nanda Gopal Complex, 20th Main, 8th Cross, G Block, Sahakara Nagara, Bangalore Urban, Bangalore-560 092, having GSTIN 29AAFCB0654B1Z2, have filed an application for Advance Ruling under Section 97 of CGST Act, 2017 & KGST Act, 2017 read with Rule 104 of CGST Rules 2017 & KGST Rules 2017, in form GST ARA-01



discharging the fee of Rs.5,000/- each under the CGST Act and the KGST Act.

2. The Applicant is a registered private limited company engaged in trading as well as erection and commissioning of lifts and elevators for domestic as well as commercial use.

3. The applicant has sought advance ruling in respect of the following questions:

- i. *What is the Rate of tax required in respect of erecting and commissioning of lifts installed for domestic use.*
- ii. *What is the Rate of tax required in respect of erecting and commissioning of escalators installed for domestic use.*

4. **Admissibility of the application:** The question is about “determination of liability to pay tax” and hence is admissible under Section 97(2)(e) of the CGST Act 2017.

5. The applicant furnishes the following relevant facts having a bearing on the questions raised.

5.1 The applicant is a registered private limited company engaged in trading as well as erection and commissioning of lifts and escalators for domestic as well as commercial use based on customer orders

5.2 The applicant, at present, is discharging tax at the rate of 18 percent on erection and commissioning of lifts on immovable property for domestic use as well as commercial use based on purchase order placed by the end users.

5.3 The applicant submits that they learnt that their competitors are charging GST @ 12% on the erection and commissioning of lifts on immovable property for domestic use and hence filed the instant application.

5.4 The applicant has not furnished any supporting agreement of any of their competitors in this regard but instead has furnished proforma invoice of a competitor for erecting and installation of the lift on immovable property.



**PERSONAL HEARING: / PROCEEDINGS HELD ON 16-12-2020**

6 Sri Rajashekhara Gowda, Chartered Accountant & Authorized Representative of the applicant appeared for personal hearing proceedings held on 16.12.2020 & reiterated the facts narrated in their application

**FINDINGS & DISCUSSION**

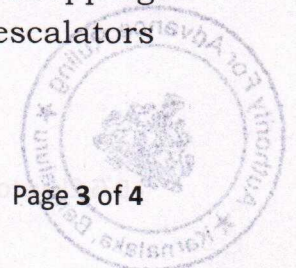
7. At the outset we would like to make it clear that the provisions of CGST, Act 2017 and KGST, Act 2017 are in *pari-materia* and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act would also mean reference to the corresponding similar provisions in the KGST Act.

8. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made by applicant and his authorized representatives during the hearing. We also considered the issue involved on which advance ruling is sought by the applicant and relevant facts.

9. The applicant sought advance ruling in respect of the rate of GST applicable on erection and commissioning of lifts / elevators (escalators) for domestic use. The applicant has not raised any question with regard to supply of the said lifts / elevators, in the instant application.

10 In view of the above we proceed to examine the classification of the impugned services and the GST rate thereon. In this regard we invite reference to the Explanatory Notes to the Scheme of Classification of Services which stipulates that the SAC 995466 deals with Lift and escalator installation services and includes installation services of lifts, escalators, travelators (moving sidewalks) etc. Thus the impugned service is clearly covered under SAC 995466.

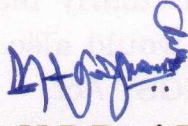
11. Now we proceed to examine the applicable rate of GST. Notification 11/2017-Central Tax (Rate) dated 28.06.2017, as amended, stipulates the rate of GST on the services covered under 995466 at 18%, in terms of Sl. No.3(xii). Further the said GST rate is irrespective of the place of installation i.e. at the residence or at the mall or shopping complex and also irrespective of the intended usage of the lifts/escalators either for domestic use or commercial use.



12. In view of the foregoing, we pass the following

**RULING**

The rate of GST applicable to erection and commissioning of lifts / escalators installed for domestic use is 18%, as the said services are covered under Lift and escalator installation services, falling under SAC 995466, in terms of Sl.No. 3(xii) of the Notification No. 11/2017 (Central Tax Rate) dated 28-06-2017, as amended.



**(Dr.M.P.Ravi Prasad)**

**Member MEMBER**

Karnataka Advance Ruling Authority

Place : Bengaluru - 560 009

Date : 9-03-2021

To,

The Applicant

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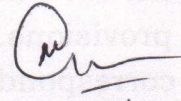
The Principal Chief Commissioner of Central Tax, Bangalore Zone,  
Karnataka.

The Commissioner of Commercial Taxes, Karnataka, Bengaluru.

The Commissioner of Indirect Taxes, Bangalore North Commissionerate,  
Bengaluru.

The Asst. Commissioner, LGSTO-150A, Bengaluru.

Office Folder.



**(Mashhood Ur Rehman Farooqui)**

**Member**

**MEMBER**

Karnataka Advance Ruling Authority  
Bengaluru - 560 009



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