M/s WEWORK INDIA MANAGEMENT PRIVATE LIMITED (Appellant), 1st Floor, Embassy Point, Infantry Road, Bengaluru 560001, GSTIN 29AADCH8710J2ZB

Appellate Authority for Advance Ruling — Karnataka

ORDER NO.KAR/AAAR-17//2019-20 DATE:06-03-2020 Dated **06.03.2020**

Q Questions Before the Authority

- a) Whether input GST credit can be availed by the applicant on the detachable 14mm Engineered Wood with Oak top Wooden Flooring, which is movable in nature and capitalized as 'furniture and fixture' and is not capitalized as 'immovable property'?
- b) Whether input GST credit can be availed by the applicant on the detachable sliding and stacking glass partition, which is movable in nature and capitalized as 'furniture and fixture' and is not capitalized as an immovable property?

F Facts

The Appellant is a private limited company that provides shared workspace on a 'space-as-a-service' membership model to freelancers, start-ups, small businesses and large enterprises, offering hot desks, dedicated desks and private offices. It procures fit-out goods and services for these workspaces, including detachable sliding and stacking glass partitions fixed to the floor with nuts and bolts. The Advance Ruling Authority allowed credit on the wooden flooring but denied credit on the glass partitions under Section 17(5)(d), and the Appellant appealed only on the partitions.

H Ruling

Input tax credit on detachable sliding and stackable glass partitions (appeal item b)	**Input tax credit can be availed by the Appellant on the detachable sliding and stackable glass partitions which is movable in nature.**	Holding is limited to partitions that are movable and demountable. The ruling is given on the basis that the partitions are not immovable property and so fall outside Section 17(5)(d).

The Appellate Authority set aside the portion of the Advance Ruling order dealing with the glass partitions. It held that **input tax credit can be availed on the detachable sliding and stackable glass partitions because they are movable in nature** . The order does not disturb the Advance Ruling's flooring ruling, which was not under appeal.

R Reasoning

The Authority accepted that fitting the partitions was 'construction' on the Appellant's own account under the

Explanation to Section 17(5)(d), so the decisive question was whether the partitions amounted to construction of immovable property. It adopted the definition of 'immovable property' in Section 3(26) of the General Clauses Act, 1897, and the 'attached to the earth' test in Section 3 of the Transfer of Property Act, 1882, applying the twofold tests of extent and object of annexation. It found the partitions were not permanently attached, since they could be dismantled without demolishing the civil structure, and that the intent was privacy and demarcation rather than permanent beneficial enjoyment. Because the partitions were movable, they were not construction of immovable property, and credit under Section 16(1) was therefore available.

P Provisions Relied On

- Section 16(1) of the CGST Act, 2017
- Section 17(5)(d) of the CGST Act, 2017, including the Explanation defining 'construction'
- Section 100(2) and its proviso of the CGST Act, 2017 (condonation of 29 days' delay in filing the appeal)
- Section 3(26) of the General Clauses Act, 1897 (definition of 'immovable property')
- Section 3 of the Transfer of Property Act, 1882 ('attached to the earth')
- Sections 99 to 101 of the CGST Act and KGST Act, 2017 (constitution of the Authority and procedure)

! For the Practitioner

This order helps coworking and flexible-office operators, and fit-out businesses generally, claim input tax credit on demountable glass partitions that are bolted to the floor and booked as furniture and fixtures. It settles that such partitions are movable and so outside the immovable-property restriction in Section 17(5)(d). It does not decide the position for partitions or fittings that are permanently fixed, and the order's reasoning is specific to these facts. The flooring item was decided by the Advance Ruling Authority and was not before this Authority, so this order should not be cited for 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 -> kar_aaar_17_2019-20_weworkindia.pdf

Prepared 19-11-2026.

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