

M/s Action Construction Equipment Limited

Authority for Advance Ruling — Haryana

HAR/HAAR/R/2017-18/5

Dated **10.04.2018**

Q Questions Before the Authority

- Whether Truck Mounted Cranes (TMC) manufactured by mounting or fixing cranes on readymade trucks fall under Chapter Heading 8426 or Heading 8705?

F Facts

The applicant purchases readymade trucks or lorries from manufacturers such as Ashok Leyland and TATA and mounts heavy-duty cranes onto them to produce Truck Mounted Cranes (TMC) used for lifting heavy loads. The applicant sought an advance ruling to clarify whether the resulting TMC vehicles should be classified as crane machinery under HSN 8426 or as special purpose motor vehicles under HSN 8705.

H Ruling

Classification of Truck Mounted Cranes (TMC)

Heading 8705

Applies where cranes are mounted on readymade truck/lorry chassis

The Authority ruled that the Truck Mounted Cranes (TMC) manufactured by mounting or fixing cranes on readymade trucks/lorries are classifiable under **Heading 8705**. Since the underlying chassis are complete automobile vehicles designed for transport, mounting a crane onto them transforms them into special purpose motor vehicles (crane lorries) under Heading 8705.

R Reasoning

The Authority examined HSN Explanatory Notes for Headings 8426, 8705, and 8709. Heading 8426 covers works trucks fitted with a crane designed for short-distance transport in factories or warehouses, whereas Heading 8705 covers special purpose motor vehicles including crane lorries. Relying on judicial precedents including the Supreme Court decision in LML Ltd. and the CESTAT ruling in Automotive Coaches & Components Ltd., the Authority held that when a crane is mounted on an essentially complete automobile truck chassis, the resultant item is a crane lorry classifiable under **Heading 8705**.

P Provisions Relied On

Section 97(2)(a) of the CGST/HGST Act, 2017

Section 98 of the CGST/HGST Act, 2017

Section 103 of the CGST/HGST Act, 2017

Chapter Heading 8426

Chapter Heading 8705

Chapter Heading 8709



For the Practitioner

This ruling establishes that mounting lifting machinery onto standard commercial truck chassis results in a special purpose motor vehicle under **Heading 8705** rather than material handling equipment under Heading 8426. It helps automotive bodybuilders and heavy equipment integrators determine correct HSN classification when using pre-manufactured road trucks. It does not decide tax classification for integral mobile cranes built on custom non-transport chassis.

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 -> haryana-ar_05_2017-18_dt.10.04.18_acel.pdf

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