

M/s Ceat Ltd.

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-07/2017/B-10 Mumbai, dt. 09/03/18

Dated **09.03.2018**

Q Questions Before the Authority

- What is the classification and rate of Central Goods and Service Tax leviable on the product E-rickshaw tyres?

F Facts

The applicant is engaged in the manufacture of rubber tyres, including those specifically designed for three-wheeled electric rickshaws. They sought an advance ruling to determine if these tyres fall under the lower tax bracket applicable to cycle rickshaws or the higher bracket for general pneumatic tyres. The applicant argued that e-rickshaws are an evolution of powered cycle rickshaws and should be treated similarly for tax purposes.

H Ruling

E-rickshaw tyres **14% CGST (28% total)** Classified under Tariff Heading 4011

The Authority ruled that e-rickshaw tyres are not covered under the entry for cycle rickshaws. Consequently, the product is classified under Tariff Heading 4011 and is subject to a total GST rate of 28 percent, comprising 14 percent CGST and 14 percent MGST.

R Reasoning

The Authority reasoned that e-rickshaws are distinct from cycle rickshaws as they are motor vehicles requiring registration and lack pedals. Applying the principle of **noscitur a sociis**, the Authority concluded that the term cycle rickshaw in the relevant notification refers only to human-powered vehicles. Therefore, the tyres do not qualify for the concessional 2.5 percent CGST rate intended for cycle rickshaws. The ruling relies on the interpretation of entries in Notification No. 1/2017-Central Tax (Rate) and the distinction between motor vehicles and non-motorized cycles.

P Provisions Relied On

Section 95 of the CGST Act, 2017

Section 96 of the Maharashtra Goods and Service Tax Act, 2017

Notification No. 1/2017-Central Tax (Rate) dated 30.06.2017

Tariff Heading 4011



For the Practitioner

This ruling clarifies that e-rickshaw tyres are **taxable at the higher rate** of 28 percent rather than the concessional rate applicable to cycle rickshaws. It serves as a precedent for distinguishing between motorized e-rickshaws and traditional cycle rickshaws in tax classification. Practitioners should note that this decision strictly separates modern electric vehicles from legacy definitions of cycle-based transport.

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 -> [maharashtra_gst-ara-07_2017_dt_9.3.18_ceat_l.pdf](#)

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