FLUID POWER PVT LTD

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-05/2019-20/B-98, Mumbai, dt. 23/08/2019 (order number pa… Dated **23.08.2019**

Q Questions Before the Authority

- What is the applicable GST rate (CGST 2.5% and SGST 2.5%, or IGST 5%) on the Marine Duty hydraulic equipment the applicant designs and custom builds for fitting on a barge under Serial No. 246 of Schedule I of Notification No. 1/2017-Central Tax (Rate), and on its parts under Serial No. 252 of that Schedule, where the equipment is essentially required for the barge's functioning?
- Can the applicant claim input tax credit on indigenous and imported inputs used to manufacture that equipment, if GST on the equipment is 5% under Notification No. 1/2017?

F Facts

The applicant is a Mumbai small-scale engineering firm that makes customised hydraulic equipment for dams, marine vessels and other uses. It is supplying Mandovi Drydocks, Goa, with two marine duty hydraulic cylinders (HSN 84122100), one hydraulic power pack (HSN 84798999) and one hydraulic mooring winch (HSN 84251920) for an 850 cu m split hopper barge. The cylinders split the hull to discharge cargo mid-sea and the winch is used for mooring and anchoring. The applicant says the items are tailor-made for this hull and cannot be used elsewhere.

H Ruling

GST rate on Marine Duty hydraulic equipment fitted on a barge under Sr. 246, and its parts under Sr. 252	****5% GST (CGST 2.5% and SGST 2.5%), or IGST 5%**. Answered in the affirmative.**	Applies because the equipment is designed and custom built for the barge and is essentially required for its functioning. The order does not state a separate rate for the winch; the ruling covers the equipment as described in the question.
Input tax credit on indigenous and imported inputs used to manufacture the equipment, if the equipment is taxed at 5%	****Yes, input tax credit can be claimed**. Answered in the affirmative.**	Subject to satisfying the provisions of Chapter V of the CGST Act, 2017 (sections 15 to 21).

The authority answered both questions in the affirmative. It held that the hydraulic cylinders and power pack, being tailor-made for the barge and integral to its hull-closing and discharge functions, fall as parts under Serial No. 252 and attract 5%. It also held that input tax credit is available, subject to the conditions in Chapter V of the CGST Act, 2017.

R Reasoning

The authority accepted that the barge is a cargo vessel carrying materials for mid-sea discharge, and so falls under heading 8901 and Serial No. 246. It rejected the Assistant Commissioner's view that the barge's function

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

was unclear, noting the applicant's drawings and its statement of purpose. It then held that the cylinders and power pack are tailor-made for this hull, cannot be used on other equipment, and are needed both to keep the hull closed in transit and to split it for discharge, so they are integral parts under Serial No. 252. On credit, it held that eligibility turns on Chapter V of the CGST Act, 2017. The order does not analyse the Saraswati Sugar Mills test that the Assistant Commissioner relied on.

P Provisions Relied On

- Notification No. 1/2017 (Central Tax (Rate)) dated 28 June 2017, Schedule I, Serial No. 246 (heading 8901, barges and simil…
- Notification No. 1/2017 (Central Tax (Rate)), Schedule I, Serial No. 252 (parts of goods of headings 8901 to 8907)
- CGST Act, 2017, Chapter V (sections 15 to 21), on availment and utilisation of input tax credit
- CGST Act, 2017 and MGST Act, 2017, sections 97 and 98 (advance ruling procedure)

! For the Practitioner

The order helps makers of tailor-made marine equipment that is built for one vessel and is needed for its operation, as it confirms that such items can be treated as Serial No. 252 parts at 5%. It also confirms input tax credit is available on the inputs, subject to Chapter V. The ruling is reasoned on the specific facts, namely the bespoke design, the barge's cargo-carrying role and the applicant's drawings. It does not settle whether standard or catalogue hydraulic equipment qualifies, whether other barge types are covered, or how the Serial No. 252 'parts' test applies generally. Because the order is short and its findings are fact-specific, the full order should be read before relying on 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 -> mh_aar_05_2019-20_fppl_b-98_23.08.19_0.pdf

Prepared 07-11-2026.

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Pune (HQ)
RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Mumbai
104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Delhi
3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Gurugram
Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram…

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

Talk to us: +91 94594 56700 | sales@patronaccounting.com | patronaccounting.com