

M/s. Apar Industries Ltd.

Authority for Advance Ruling — Gujarat

ADVANCE RULING NO. GUJ/GAAR/R/2026/15

Dated 08.05.2026

Q Questions Before the Authority

- Whether the applicant is eligible to avail input tax credit on inputs and input services used in the setting up of the continuous catenary vulcanization tower at the factory of the applicant for the manufacture of insulated cables, and not restricted in terms of Section 17(5)(c) and 17(5)(d) of the CGST Act, 2017?

F Facts

The applicant is setting up a new factory for manufacturing high-voltage cross-linked polyethylene insulated cables. They are constructing a continuous catenary vulcanization (CCV) tower, which is a specialized vertical steel structure designed to house machinery essential for the vulcanization process. The applicant sought a ruling on whether the GST paid on inputs and input services for the construction of this tower is eligible for input tax credit.

H Ruling

Eligibility of ITC on CCV tower construction

Yes, the applicant is eligible to avail input tax credit.

The tower is considered plant and machinery as it provides essential structural support for the manufacturing process.

The Authority held that the CCV tower qualifies as plant and machinery because it provides essential structural support for the machinery used in the manufacturing process. Consequently, the input tax credit on the inputs and input services used for its construction is not blocked under Section 17(5)(c) or 17(5)(d) of the CGST Act. The applicant is therefore eligible to avail the input tax credit.

R Reasoning

The Authority determined that the CCV tower is an **integral structural support** necessary for the vulcanization process, which is a technological requirement for manufacturing high-voltage cables. Relying on the definition of plant and machinery in the explanation to Section 17, the Authority concluded that the tower is not a civil structure but an apparatus used for making outward supply. It further drew an analogy from a CBIC circular regarding ducts and manholes in OFC networks to support the view that structural supports for machinery are not restricted. The ruling also cited a precedent from the Gujarat Appellate Authority of Advance Ruling in the case of M/s. KEI Industries Ltd.

P Provisions Relied On

Section 16(1) of the CGST Act, 2017

Section 17(5)(c) of the CGST Act, 2017

Section 17(5)(d) of the CGST Act, 2017

Circular No. 219/13/2024-GST dated 26.06.2024

! For the Practitioner

This ruling is highly beneficial for manufacturers who construct specialized support structures for heavy machinery, as it confirms that such structures can qualify as **plant and machinery** rather than immovable property. It allows practitioners to claim ITC on construction services for such structures by establishing their functional necessity to the manufacturing process. However, it does not provide a blanket exemption for all construction activities, as the eligibility remains contingent on the structure being an essential support for specific machinery.

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 -> [1-apar industries ltd 0001 compressed 1.pdf](#)

Prepared 11-10-2026.

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