M/s. Marine Vision (partnership firm)

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 63/2021-22/B- 150 Mumbai, dt. 28.09.2026 (as printed; the… Dated **28.09.2026**

Q Questions Before the Authority

- Whether GST at 5% can be charged on supply of marine engines of heading 8407 and 8408, and/or their spare parts of heading 8409, without applying the general rate, under Sl. No. 252 of Schedule I of Notification No. 1/2017-Central Tax (Rate), on the basis of their ultimate use as part of a fishing vessel of heading 8902.
- Whether GST at 5% can be charged on supply of marine engines of heading 8407 and 8408, and/or their spare parts of heading 8409, when supplied for defence, patrolling, flood relief and rescue operations, being parts of vessels under headings 8901, 8904, 8905, 8906 and 8907.

F Facts

The applicant, a partnership firm, proposes to import marine propulsion engines under HSN 8407 and 8408 and spare parts under HSN 8409. It intends to sell them in the local market to fishermen and government agencies for fitment to fishing, patrolling, and relief and rescue boats. The applicant claims the 5% rate under Sl. No. 252 on the basis of end-use, relying on an earlier ruling and Circular No. 52/26/2018-GST. The jurisdictional officer reported that the business was not being run from the registered address and that the end-use could not be verified.

H Ruling

Q1: 5% rate for engines 8407/8408 and parts 8409 supplied as parts of fishing vessels (heading 8902), based on ultimate use	**Yes, 5% (CGST 2.5% + SGST 2.5%) applies**	**Only where the engines or parts are supplied as parts of fishing vessels of heading 8902 and the applicant adequately establishes that end-use through verifiable documentary evidence.** Absent verification or clear end-use evidence, the normal rate for HSN 8407/8408/8409 applies.
Q2: 5% rate for engines 8407/8408 and parts 8409 supplied for defence, patrolling, flood relief and rescue use (vessels under headings 8901, 8904, 8905, 8906, 8907)	**Yes, 5% (CGST 2.5% + SGST 2.5%) applies**	**Only where the goods are supplied as parts of vessels used for defence, patrolling, flood relief or rescue operations and the applicant establishes that end-use through verifiable documentary evidence.** Otherwise the normal rate applies.

The authority held that marine engines and their parts can be treated as parts of vessels under headings 8901, 8902, 8904, 8905, 8906 and 8907, so that the 5% rate under Sl. No. 252 is available. **The concessional rate applies only where the supplier establishes the end-use through verifiable documentary evidence.** Otherwise the normal rate for HSN 8407, 8408 and 8409 applies.

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

R Reasoning

The authority read Sl. No. 252 of Schedule I of Notification No. 1/2017-CT(Rate) together with Circular No. 52/26/2018-GST. It took the dictionary meaning of 'part' from the Supreme Court decision in Venkateswara Hatcheries and the Jindal Strips tribunal ruling, and held that marine engines are essential parts of a vessel. It followed its own earlier rulings in Man Energy Solutions (ARA-56/2019-20/B-41) and Ocean Blue Boating (ARA-32/2021-22/B-105). It also noted that Notification No. 9/2025 (entry 472) carries the same concession. The authority then held that the concession depends on proof of end-use, because a supplier must know and prove end-use at the time of supply, and a buyer's declaration or mere possibility of use is not enough.

P Provisions Relied On

- Notification No. 1/2017-Central Tax (Rate) dated 28.06.2017, Schedule I, Sl. No. 252 (parts of goods of headings 8901, 8902,…
- Notification No. 1/2017-Central Tax (Rate), Schedule I, Sl. Nos. 246 to 251 (vessel headings); Schedule IV, Sl. Nos. 114 to 1…
- Notification No. 9/2025 dated 17.04.2025, entry 472 (as cited in the order)
- Circular No. 52/26/2018-GST (Tax Research Unit), para 10 on marine engines for fishing vessels (tariff item 8408 1093)
- Sections 97 and 98 of the CGST Act, 2017 and the MGST Act, 2017
- Advance Ruling No. GST-ARA-32/2021-22/B-105 dated 06.12.2021 (Ocean Blue Boating Pvt. Ltd.)
- Advance Ruling No. ARA-56/2019-20/B-41 dated 30.07.2021 (Man Energy Solutions India Pvt. Ltd.)
- CIT v. Venkateswara Hatcheries Ltd., 1999 (3) SCC 632 (dictionary meaning of undefined terms)
- Jindal Strips v. Collector of Customs, 1997 (94) ELT 234 (Tri. Del.) (larger bench; 'component parts' and 'spare parts')

! For the Practitioner

This ruling gives marine engine dealers an Advance Ruling-level statement that engines and parts supplied for fishing, defence, patrol and rescue vessels can attract 5%. It also makes clear that the concession depends on documented end-use at the time of supply. It does not decide the facts of any particular supply, and the officer's report on the applicant's unverified premises shows how the evidence is tested. The order is appealable to the Maharashtra Appellate Authority for Advance Ruling, and it binds only the applicant.

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 -> 12_marine_vision_ara_order.pdf

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