

M/s. Polycab India Limited

Authority for Advance Ruling — Gujarat

ADVANCE RULING NO. GUJ/GAAR/R/2026/17

Dated 08.05.2026

Q Questions Before the Authority

- Whether the applicant is eligible to avail ITC on inputs and input services used for construction of concrete tower to support and erect the VCV lines at the factory of the applicant, for manufacture of EHV cables, in terms of Section 17(5)(c) and (d) of the CGST Act, 2017?

F Facts

The applicant is setting up a new manufacturing plant for Extra High Voltage (EHV) cables using a Vertical Continuous Vulcanization (VCV) process. This process requires a specialized 163-meter concrete tower to support the VCV machinery, which is essential for the vertical orientation and structural integrity of the production line. The applicant sought a ruling on whether the input tax credit (ITC) for the construction of this concrete tower is blocked under Section 17(5)(c) or (d) of the CGST Act.

H Ruling

Eligibility of ITC on construction of concrete tower for VCV lines

Yes, the applicant is eligible to avail ITC.

The tower is considered essential structural support for plant and machinery.

The Authority ruled that the applicant is eligible to avail ITC on the inputs and input services used for the construction of the concrete VCV tower. It concluded that the tower serves as a critical structural support for the VCV machinery, which qualifies as plant and machinery, and is therefore not excluded from ITC eligibility.

R Reasoning

The Authority determined that the VCV line qualifies as **plant and machinery** because it is an apparatus fixed to the earth by foundation or structural support used for making an outward supply. Since the concrete tower is essential for the structural support and operation of this machinery, it falls outside the scope of the **blocked credit provisions** under Section 17(5)(c) and (d). The ruling relied on the definition of plant and machinery in the Explanation to Section 17 and drew an analogy from a CBIC circular regarding ducts and manholes used in telecommunication networks.

P Provisions Relied On

Section 16 of the CGST Act, 2017

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

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

Explanation to Section 17 of the CGST Act, 2017

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



For the Practitioner

This ruling provides a favorable precedent for manufacturers who construct specialized civil structures that are **functionally essential** for supporting heavy industrial machinery. It confirms that such structures can be classified as structural support for plant and machinery, thereby bypassing the ITC blockage for immovable property. Practitioners can use this to argue for ITC eligibility on civil works that are integral to the operation of specific plant and 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 -> 3-polycab india ltd 0001 compressed 1 compressed.pdf

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