

**GUJARAT APPELLATE AUTHORITY FOR ADVANCE  
RULING**



ADVANCE RULING(APPEAL) NO. GUJ/GAAR/APPEAL/2024/05  
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2021/AR/29)

Date 30.12.2024

Name and address of the appellant	:	The Assistant Commissioner, Central GST & Excise, Division I, Jamnagar, Rajkot CGST Commissionerate
GSTIN of the appellant	:	Not Applicable.
Name and address of the Taxpayer/ Respondent	:	M/s. Sikka Ports & Terminals Limited, Admin Building, MTF Area, Village- Sikka, Jamnagar, Gujarat- 361140
GSTIN of the Taxpayer/ Respondent	:	24AABCR3878B1ZK
Jurisdiction Office	:	Center Commissionerate – Rajkot Division - Jamnagar-I Range -IV
Advance Ruling No. and Date	:	Guj/GAAR/R/57/2021 dated 29.10.2021
Date of appeal	:	20.12.2021
Date of Personal Hearing	:	15.10.2024
Present for the appellant	:	Shri V. G. Iyengar, Assistant Commissioner CGST, Jamnagar.
Present for the Taxpayer/ Respondent	:	Shri Abhishek Deodhar, Advocate

At the outset we would like to make it clear that the provisions of the Central Goods and Services Tax Act, 2017 and Gujarat Goods and Services Tax Act, 2017 (hereinafter referred to as the 'CGST Act, 2017' and 'GGST Act, 2017') are *pari materia* and have the same provisions in like matter and differ from each other only on a few specific provisions. Therefore, unless a mention is particularly made to such dissimilar provisions, a reference to the CGST Act, 2017 would also mean reference to the corresponding similar provisions in the GGST Act, 2017.

2. The present appeal is filed under section 100 of the CGST Act, 2017 and the GGST Act, 2017 by the Assistant Commissioner, Central GST & Excise, Division I, Jamnagar, Rajkot CGST Commissionerate, [hereinafter referred to as '*appellant*'] against the Advance Ruling No. Guj/GAAR/R/57/2021 dated 29.10.2021, passed by the Gujarat Authority for Advance Ruling [GAAR].

3. The facts briefly leading to the present appeal is that M/s. Sikka Ports & Terminal Ltd., Admin village, MTF Area, Village Sikka, Gujarat-361140



[hereinafter referred as the '*respondent*'] is engaged in the activity of operating a port and terminal handling facility at Sikka Port for receipt of crude oil and other feedstock as well as for evacuation of various finished products of the crude oil refinery set up by Reliance Industries Limited ('RIL') at Jamnagar. They filed an application seeking Advance Ruling before the GAAR.

4. It was the respondent's case before GAAR that they had developed Sikka Port in 1990s as a captive port for RIL's refinery project; that the respondent (then known as Reliance Ports and Terminals Ltd.) entered into a long term contract with RIL on 26.3.2005 under which they were obliged to set up new facilities as described in Schedule 1 to enable it for provision of services described in Schedule 2 of the said long term contract; that since they provide port and terminal handling services which includes loading and unloading of cargo, transportation of cargo from the vessels berthed in the sea to the port, berthing facilities to the vessel, storage facilities etc., the services be treated as a composite supply of 'Port and waterway operation services (excluding cargo handling) such as operation services of ports, docks, light houses, light ships etc.' classifiable under heading 996751; that they recover throughput charges from RIL and discharge applicable GST on the invoices issued to RIL.

5. The respondent's case is that Single Point Moorings [SPMs] are located mid-sea as Very Large Crude Carriers ('VLCCs') which transport crude oil and other feedstock need a very deep draught to drop anchor, which is not possible at Sikka jetty. Hence, VLCCs berth alongside such SPMs and discharge their liquid cargo. Sub-sea pipelines are laid to transport the discharged cargo from SPMs to Marine Tank Farms [MTFs], located near the shore.

6. When a VLCC arrives at an SPM, its tanks are required to be connected to the sub-sea pipelines for which expert divers have to be employed to connect the discharge pipes of the vessel to the sub-sea pipelines. These divers and their diving equipment are stationed on the **Diving Support Vessel (DSV)** which are required to be manned, operated and maintained by third party contractors who are specialists in this field.

7. Further to guard the port facilities, particularly the SPMs, MTFs and subsea pipelines all of which are located mid-sea, the respondent is also required to have a robust security and patrolling mechanism for which they employ **Security**



**Patrol Vessels (SPVs)** which not only perform the function of providing security but also enables the respondent to comply with its obligations under the environmental laws. The SPVs so employed are also required to be manned, operated and maintained by experts for which separate contractors are engaged.

8. Before the GAAR, the respondent raised the following questions, viz

1. Whether M/s. Sikka Ports & Terminals Limited, is entitled to avail Input Tax Credit ('ITC') on services procured for the operation and maintenance of Diving Support Vehicle owned by them and used by it for supplying port and terminal handling services?

2. Whether the M/s. Sikka Ports & Terminals Limited, is entitled to avail Input Tax Credit ('ITC') on services procured for hiring, and for operation and maintenance of Security Patrol Vessel used by it for supplying port and terminal handling services?

9. The respondent felt that the aforementioned questions ought to be answered in affirmative owing to the following viz

- it receives services of hiring the SPVs as well as for operating and maintaining DSVs and SPVs;
- that these services are eligible input services for availment of ITC, owing to the following reasons:
  - (a) that they are essential for providing output services of supplying port and terminal handling services and are used in the course or furtherance of the applicant's business; and
  - (b) they are not specifically blocked under any other provision of section 17 of the CGST Act;
- that a combined reading of the amendment to section 17(5)(aa) of the CGST Act, 2017, press-note dated 21.07.2018 & Sr. No. 17 of the annexure to the Agenda makes it clear that the said amendment seeks to only restrict credit in respect of vessels for personal use such as yachts, sailboats etc.;
- the use of these services is to enable transportation of goods and therefore the bar under section 17(5)(aa) *ibid* is not applicable;
- that in order to ensure the legislative objective behind amendment of section 17, *ibid*, it is necessary to interpret the expression '*for transportation of goods*' as '*for the purpose of transportation of goods*' so as to give it the meaning as was intended by the Legislature;
- that the input services pertaining to operation and maintenance of DSV and hiring, operation and maintenance of SPV are required for transportation of goods and thus are eligible credits which are not blocked by provisions of section 17(5)(aa) of the CGST Act;
- that section 17(5)(aa) *ibid* does not require that the vessels are to be used directly for transportation of goods for eligibility of credit;
- that as per proviso to the section 17(5)(b)(i), ITC would be available on leasing, renting or hiring of vessels if such vessels are further used for making taxable supplies of same category or as an element of a taxable composite or mixed supply; that these services are integral to the provision of composite supply of port and terminal handling services that they provide to RIL;
- the port and terminal handling services provided by the respondent to RIL is nothing but a composite supply comprising of various services such as loading and unloading of cargo, transportation of cargo from the vessels berthed in the sea to the port, providing berthing facilities to the vessel, providing storage facilities etc..



10. GAAR vide its impugned order dated 29.10.2021 answered the aforementioned questions as under

- i. M/s Sikka is entitled to avail ITC on the services procured for the operation and maintenance of DSVs: Relsagar & Reldarshan.
- ii. M/s Sikka is entitled to avail ITC on the services procured for the operation and maintenance of SPVs: Eagle, Chetak, Calypso fortune & ML Noorani.

11. Feeling aggrieved, CGST, Rajkot Commissionerate, [hereinafter referred to as 'appellant'] is before us [GAAR], stating that the impugned ruling dated 29.10.2021 is not proper, legal and correct on the following grounds viz

- that the terms expressed in section 17(5) *ibid* are to be applied as such and not by stretching the words of the provisions nor by adding words to the provisions;
- that section 17(5)(aa), *ibid*, is unambiguous and there is no scope of stretching it;
- that the impugned order, erred by ruling in favour of the respondent without assigning the nature of service; that as per section 17(5)(ab), *ibid* the ITC on this nature of service is blocked;
- that in terms of the proviso to section 17(5), *ibid*, the service received by the respondent is with respect to repair and maintenance of vessels however the impugned order enlarged its scope by sensing essence and substance out of the same to confer benefit of ITC;
- that the nature of service provided by the contractor to respondent includes service of hiring of vessel along with operation and maintenance of vessel and cannot be considered in isolation without considering entire nature of service involved;
- that the SAC of input service received by the respondent is 998717, 996602 & 996609; it is evident that the ITC sought on the services is not falling within the same category of output services to make it available in terms of proviso to 17(5)(b)(i), *ibid*;
- the respondent provides output service of port & terminal handling services which includes loading and unloading of cargo transportation of cargo from the vessels berthed in the sea to the port, which was held by the GAAR as a composite supply of port and waterway operation services having SAC code 996751; that the nature of services is outside the ambit of composite supply;
- it is also not forthcoming from the invoices, that the service they are providing falls under the composite supply;
- that the ITC is even otherwise not available since the DSVs and SPVs are not used for transportation of goods in terms of section 17(5)(aa)(ii), *ibid*;
- that they had misrepresented before GAAR that DSV Relsagar was owned by them when the contract clearly states of it being owned by M/s. RIL; that having mis-represented before GAAR, the ruling dated 29.10.2021 becomes null and void *ab initio* in terms of section 104, *ibid*.

12. The respondent in their counter dated 18.10.2022 to Revenue's appeal, stated as follows:

- that it is impossible to transport crude oil, other feedstock or finished products without the operation of DSVs;
- that section 17(5) is required to be harmonized with section 16(1);
- that even applying the strict rule of interpretation as espoused in section 17(5), ITC will not be blocked since DSVs are used for transportation of goods, which is an exception to the provision;



- the expression 'for transportation' in the exclusion to the blocking provision has to be interpreted to include all vessels & services *qua* such vessels which have a nexus with the transportation activity;
- that the phrase 'for transportation of goods' ought to be read as 'for the purpose of transportation of goods'; that it is further evident in light of the words 'for the purposes specified therein' used in exclusion clauses to the blocking provision; that 'for' is to be interpreted as 'for the purpose of';
- that relying on the definition of the word 'for' from various dictionary, it is stated that the term 'for' is used as a function word to indicate an intended goal or purpose; that DSVs being used for connecting the cargo vessels tanks with the sub-sea pipelines are indispensable in the transportation of crude oil and refined products to and from SPMs to the MTFs;
- that the exception to the blocking provision u/s 17(5), *ibid*, does not require that the vessels have to be used directly for transportation of goods;
- that even if the principles of contextual interpretation were to be applied as espoused by the Hon'ble Supreme Court in the case of *Aphali Pharmaceuticals* [1989(44) I.T. 613 (SC)], it is evident that ITC blocked is only in respect of goods or services which are used for personal consumption;
- that a plain and strict reading of 17(5)(ab) clearly reveals that only services of 'repair and maintenance' are blocked under clause (ab); that though there is an averment by Revenue that the services procured were repair and maintenance, there is no factual or legal basis; that in-fact GAAR came to a conclusion that the services in question were operation and maintenance & not repair and maintenance;
- that the services procured by the respondent also include hiring of vessel in addition to operation and maintenance;
- Proviso to section 17(5)(b) clearly reveals that the outward supply can be any of the following three types [a] of the same category as the inward supply, [b] an element of a taxable composite supply and [c] an element of a taxable mixed supply;
- that merely because the inward & outward supply are not of the same category, ipso facto does not disentitle them from availing ITC;
- that in terms of clause 3.1 of the agreement, the scope of services included maintenance and operation of facilities; that 'facilities' as defined in schedule I includes DSVs; that the operation and maintenance of DSVs was an element of the outward supply of port and terminal handling services;
- that the aforementioned arguments also apply to the SPVs;
- that the services procured are not merely of hiring of SPVs but also of operation and maintenance which the GAAR took note of; that what 17(5)(b)(i) blocks is credit on renting, hiring or leasing services & not operation & maintenance or security and patrolling;
- that even if it is assumed that the services in question are hiring, schedule 2 to the agreement stipulates that the respondent shall provide infrastructural facilities including floating craft for fighting & pollution control barges; that provision of SPVs was an element of outward supply of port and terminal handling services;
- that SPVs used for operation and maintenance of infrastructure is no ground to deny the benefit of ITC;
- lastly, the statement that DSVs were owned by the respondent was inadvertently made on account of a bona fide mistake; that there was no mala fide intention nor misrepresentation which necessarily requires an element of mala fide; that the question as to who owned DSVs was completely irrelevant to the final outcome of the proceedings before the GAAR; that the nature of input services would not have been affected by the ownership of the vessels & was inconsequential for the purpose of advance ruling.

13. Personal hearing in the matter was held on 15.10.2024 wherein Shri V. G. Iyengar, Assistant Commissioner appeared on behalf of the appellant. The respondent was represented by Shri Abhishek Deodhar, Advocate. Shri Iyengar



reiterated the departmental appeal and submitted additional submissions dated 20.2.2024. In pursuance to transfer of Member (SGST), fresh hearing was held on 15.10.2024 wherein Shri V. G. Iyengar, Assistant Commissioner appeared on behalf of the appellant and Shri Abhishek Deodhar, Advocate appeared on behalf of the respondent, reiterated the submission given on earlier hearing. Shri Iyengar, Assistant Commissioner, submitted an additional submission dated 10.10.2024.

14. We have carefully gone through and considered the appeal filed by the Revenue/appellant, their written and oral submissions made during the course of personal hearing the impugned order along with written submissions of the respondent.

15. The issue involved in this case is primarily eligibility of

- (i) ITC in respect of services procured for the operation and maintenance of DSV owned by respondent and used for supplying port handling services; and
- (ii) ITC on services procured for hiring and operation and maintenance of DSV used in supplying port and terminal handling services.

16. Since the appeal deals with eligibility of ITC, sections 16 and 17 of the CGST Act, 2017 [relevant extracts], are reproduced below for ease of understanding viz

***Section 16. Eligibility and conditions for taking input tax credit.-***

*(1) Every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.*

***\* Section 17. Apportionment of credit and blocked credits.-***

*(5) Notwithstanding anything contained in sub-section (1) of section 16 and sub-section (1) of section 18, input tax credit shall not be available in respect of the following, namely:-*

<sup>2</sup>[(a) .....:-

*(aa) vessels and aircraft **except** when they are used-*

*(i) for making the following taxable supplies, namely:-*

- (A) further supply of such vessels or aircraft; or*
- (B) transportation of passengers; or*
- (C) imparting training on navigating such vessels; or*
- (D) imparting training on flying such aircraft;*

*(ii) for transportation of goods;*

*(ab) services of general insurance, servicing, **repair and maintenance** in so far as they relate to motor vehicles, **vessels** or aircraft referred to in clause (a) or clause (aa).*



*Provided that the input tax credit in respect of such services shall be available-*

*(i) where the motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa) are used for the purposes specified therein;*

*(ii) where received by a taxable person engaged-*

*(I) in the manufacture of such motor vehicles, **vessels** or aircraft;  
or*

*(II) in the supply of general insurance services in respect of such motor vehicles, **vessels** or aircraft insured by him; /*

*(b) <sup>3</sup>/the following supply of goods or services or both-*

*(i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, leasing, **renting or hiring of** motor vehicles, **vessels** or aircraft referred to in clause (a) or clause (aa) except when used for the purposes specified therein, life insurance and health insurance;*

*Provided that the input tax credit in respect of such goods or services or both shall be available where an inward supply of such goods or services or both is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply;*

17. As is already mentioned *supra*, the ruling sought was specifically on eligibility of ITC in respect of [a] hiring services of SPV, and [b] services procured for operation and maintenance of DSV and SPV for rendering port and terminal handling services. The issue as is evident hinges around sections 16 and 17, *ibid* which is reproduced above.

18. What needs to be examined is whether the Act allows ITC on these two issues *viz* [a] services procured for the operation and maintenance of vessel; and [b] hiring of vessel. The primary contention of the Revenue is that the ITC is blocked.

### **ITC in respect of services procured for the operation and maintenance of DSV and SPV**

19. As far as the first issue *ie* ITC on services procured for the operation and maintenance of vessels [both DSV and SPV] is concerned, section 17(5)(aa) which specifically deals with ITC on vessels [*ie* goods] would not be applicable in this case.

20. However, since this case pertains to services provided through the vessels, what is applicable is section 17(5)(ab), *ibid*, which states that ITC shall not



be available in respect of repair and maintenance in so far as they relate to vessels referred to in clause (aa), provided that the ITC in respect of such services shall be available where the vessels referred to in clause (aa) are used for the purposes specified therein. Now, the purpose specified under clause (aa) are for making further supply of such vessels, transportation of passengers, imparting training on navigating such vessels or for transportation of goods.

21. As far as ITC on services procured for the operation and maintenance of vessel is concerned, ruling of GAAR is already mentioned *supra*. However, while allowing the ITC, the impugned order held that the scope of contract between the respondent and the contractors was for supply of other services also such as operation and maintenance; that the SAC code was 998717 which pertains to maintenance & repairs, and 996751 which pertains to 'port & waterway operation services [excluding cargo handling ]; that the substance of the contract does not limit scope of services to SAC 998717; that the input service is essential to enable transportation of goods from SPM to storage tanks & that they are integral to the outward supply.

22. Revenue in their appeal before us has stated that ITC cannot be conferred by stretching the scope of the statute; that the nature of the service is blocked under section 17(5), *ibid*; that the input service received is with respect to repair and maintenance of vessel, which the impugned order enlarged to confer the benefit; that section 17(5) clearly blocks credit if the vessel is not used in the manner specified under clause (a) & (aa).

23. The respondent's counter to Revenue's appeal is mentioned in detail in paragraph 12 above and is not being repeated for the sake of brevity.

24. As far as ITC on services procured for the operation and maintenance in respect of vessels is concerned, what needs examination is whether in the present case ITC is eligible on the input service the GST of which is paid by the service provider/contractor of the respondent under SAC 998717 and 996751. Now SAC 998717 is relating to *maintenance and repair services of fabricated metal products, machinery and equipment [the service comes under Maintenance & repair services of commercial and industrial machinery]* and SAC 996751 is relating to *supporting services for water transport coastal, transoceanic and inland waterways [the*



*service comes under Port and waterway operation services (excluding cargo handling) such as operation services of ports, docks, light houses, light ships, etc.].*

25. It is evident that section 17(5)(ab) read with the proviso beneath, restricts ITC in respect of repair and maintenance of vessels. However, the proviso makes the ITC available if the vessels referred to in clause (aa) are used for the purposes specified therein. The respondent's counter is already mentioned in paragraph *supra*. We do not find much merit in it. GAAAR being a creature of the statute [ie CGST Act], is not permitted to either put words into the statute or stretch the statute. On a bare reading of the provisions, we find that as far as ITC of repairs and maintenance of vessels is concerned it would not be available to the respondent since the vessels *per se* [DSV and SPV] are not being used for transportation of goods. The respondent therefore will not be eligible for availing ITC on input services in respect of repairs and maintenance received by them.

#### **ITC in respect of hiring services of SPV**

26. Moving on to the second issue ie eligibility of ITC in respect of hiring of vessel ie **SPV** [special patrol vehicle]. Section 17(5)(b)(i), *ibid* states that the ITC shall not be available in respect of the supply of services of hiring of vessels referred to in clause (aa) except when used for the purposes specified therein. The text of the clause (aa) is as under:

*(aa) vessels and aircraft except when they are used-*

(i) for making the following taxable supplies, namely:-

- (A) further supply of such vessels or aircraft; or
- (B) transportation of passengers; or
- (C) imparting training on navigating such vessels; or
- (D) imparting training on flying such aircraft;

(ii) for transportation of goods;

It is evident that the vessel in this case [SPV] is not being used for further supply of such vessel; that it is neither used for transportation of passengers nor is it being used for imparting training on navigating such vessels nor is it being used for imparting training on flying such aircraft. However, it was the respondent's contention before GAAR and before us that they are used for transportation of goods.

27. We find that the impugned order dated 29.10.2021 at para 33 states thus.....

*“As already discussed in the aforementioned paragraphs of this Ruling, we find no merit to term and limit the services supplied by the contractor to*



*Sikka as merely hiring/renting of vessels, for the services are for Operation and maintenance of Vessels to perform and enable inter alia i. Transportation and discharge of cargo; ii. security patrolling services.”*

The second question before the GAAR was specifically relating to the eligibility of ITC in respect of hiring of vessel ie SPV [security patrol vehicle]. While the impugned order did not give any specific findings with regard to the blocked credit in respect of section 17(5)(b)(i), *ibid*, it held that there was no merit to term and limit the services supplied by contractors to the respondent as hiring/renting of vessels, despite the fact that the ruling sought was on the eligibility of hiring of SPVs. It is also a fact that the impugned order dated 29.10.2021, in para 34, after giving a finding that the ITC is not blocked under sections 17(5)(aa),(ab),(b)(i), *ibid* in the ruling portion is silent on availment of ITC in respect of hiring. It is owing to this that the Revenue in its additional submissions dated 20.2.2024 has stated that the impugned order allows ITC only in respect of operation and maintenance of SPV and not hiring and that the respondents have not filed any appeal against it.

28. Revenue in the appeal before us has further stated that the nature of service received is blocked by the provisions of section 17(5)(b)(i); that the output service is of Port and Terminal Handling; that they have received input service of hiring of SPVs in respect of SPV Calipso Fortune & SPV ML Noorani; that the respondent raises the bill to RIL under port service or cargo handling service with SAC code 996751, while their input service received is under the SAC code 998717 (*maintenance and repair services of fabricated metal products, machinery and equipment*), 996602 (*Rental services of water vessels including passenger vessels, freight vessels and the like with operator*) and 996609 (*Rental services of other transport vehicles nowhere else classified with operator*); that the nature of input supply and output supply are altogether different & cannot be correlated as composite supply; that it is also difficult to establish any one supply as principal supply; that it is also not forthcoming from the invoices raised by the respondent as to whether the service they are providing falls under the definition of composite supply.

29. The respondent's counter is mentioned in paragraph 12 above and is not being repeated for sake of brevity.

30. It is a fact that the impugned order in the ruling is silent on the availability of ITC on hiring of SPV though in the finding portion it does advert to the issue. And hence, what needs examination is whether the respondent is eligible



for ITC on hiring of vessel, which is blocked under 17(5)(b)(i), except when used for the purpose specified in clause (aa). As is mentioned supra, the SPV is not being used for these purposes. What is contended by the respondent is that it is used for transportation of goods mentioned in 17(5)(aa)(ii), *ibid*. This we have already dealt with in paragraph 25, wherein we have held that the vessels [DSV and SPV] are not used for transportation and therefore, we hold that as far as input service of hiring is concerned, the ITC is blocked for the respondent.

31. The respondent's next argument is that in terms of the proviso beneath section 17(5)(b)(i), ITC is available on hiring of SPV, where an inward supply of such goods or services is used by a registered person for making an outward taxable supply of the same category of goods/service or as an element of taxable composite or mixed supply; that the services procured are not merely those of hiring of vessels but those of operation and maintenance of said vessels. It is an undisputed fact that hiring service was not used for making an outward supply of the same category of service. Further we find that nothing has been produced before us to contend that the hiring service was used by the respondent for making an outward taxable supply of services which is an element of a taxable composite or mixed supply. There is no explanation forthcoming as to how the input hiring service of SPV was an element of the taxable output service operation and maintenance either as a composite or a mixed supply.

32. To summarize, we hold that the ITC is blocked under section 17(5), *ibid* in respect of hiring of vessel [SPV] wherein the contractor of the respondent has discharged GST under SAC code 996602 and 996609.

### **Whether the ruling by GAAR is hit by Section 104 of CGST Act, 2017**


33. Moving on to the last contention raised by the Revenue that the respondent suppressed the fact by mis-representing that DSV Relsagar is owned by them, when factually it was owned by M/s. Reliance Industries Ltd.. Further the Revenue has also stated that ruling sought was on the DSV owned by M/s. Sikka [the respondent now]. The respondent has stated that it was a bonafide mistake, which even otherwise, would not have any effect on the conclusion arrived by the GAAR. Though, we do not wish to go into the specifics, we find merit in the contention raised by the Revenue that the first question on which ruling was sought was in respect of DSV **owned** by the respondent & therefore, the ruling ought to have been limited to the question raised. In this regard we hold that as far as ruling




on ITC in respect of DSV is concerned, it would be applicable only to the DSVs owned by the respondent, on which the ruling was sought.

34. In view of the foregoing, we partially allow the appeal filed by Revenue and modify the Advance Ruling No. GUJ/GAAR/R/57/2021 dated 29.10.2021 of the GAAR to the extent mentioned below viz :-

- (i) M/s. Sikka Ports and Terminals Ltd., [the respondent] is not eligible for availing ITC on input services in respect of **repairs and maintenance** received by them for DSVs and SPVs. Further, in terms of para 33, this ruling is only in respect of the DSVs owned by the respondent since ruling was sought specifically in respect of DSVs owned by the respondent.
- (ii) M/s. Sikka Ports and Terminals Ltd., [the respondent] is not eligible to avail ITC on hiring of SPVs in terms of section 17(5)(b) of CGST Act, 2017.

  
( Rajeev Tapno )  
Member (SGST)

  
(B V Siva Naga Kumari)  
Member (CGST)

Place: Ahmedabad

Date: 30.12.2024

