

**MAHARASHTRA AUTHORITY FOR ADVANCE RULING**

**GST Bhavan, Room No.107, 1st floor, B-Wing, Old Building, Mazgaon, Mumbai – 400010.**

**(Constituted under Section 96 of the Maharashtra Goods and Services Tax Act, 2017)**

**BEFORE THE BENCH OF**

**(1) Shri. Rajiv Magoo, Additional Commissioner of Central Tax, (Member)**

**(2) Shri. T. R. Ramnani, Joint Commissioner of State Tax, (Member)**

ARN No.	AD2711190229703
GSTIN Number, if any/ User-id	27AAACT9142M1ZX
Legal Name of Applicant	M/s. S.B.Reshellers Pvt.Ltd.
Registered Address/Address provided while obtaining user id	392 E Ward, Hotel Pavillion Campus, Assembly Road, Shahupuri, Kolhapur - 416 001 State - Maharashtra.
Details of application	GST-ARA, Application No. 73 Dated 02.12.2019
Concerned officer	Division –III Kolhapur New, Range – II, Kolhapur Commissionerate, Kolhapur.
Nature of activity(s) (proposed/present) in respect of which advance ruling sought	
A Category	Factory / Manufacturing, Service Provision
B Description (in brief)	Due to repeated use over the period of time, the shell of the sugar mill roller gets worn out and the same needs to be reshelled (repaired). Such old sugar mill rollers are received for reshelling purpose from sugar factories under Rule 55 read with Rule 45 job work challans. After breaking the worn out shell of such old sugar mill rollers, the broken pieces of cast-iron are melted after addition of material. The shell of the said sugar mill roller are recasted and are re-mounted on the shaft and required machining operations thereon is being carried out. This process is called “reshelling of sugar mill roller” which makes the sugar mill roller reusable.
Issue/s on which advance ruling required	(i) classification of goods and/or services or both (ii) applicability of a notification issued under the provisions of the Act
Question(s) on which advance ruling is required	As reproduced in para 01 of the Proceedings below.

NO.GST-ARA- 73/2019-20/B- **78**

Mumbai, dt. **25.10.2021**

**PROCEEDINGS**

**(Under Section 98 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017)**

The present application has been filed under Section 97 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017 [hereinafter referred to as “the CGST

Act and MGST Act” respectively ] by **M/s. S. B. Reshellers Pvt. Ltd.**, the applicant, seeking an advance ruling in respect of the following questions.

1. **The activity of reshellings of old sugar mill rollers whether is treatable as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987?**
2. **Whether the said activity of reshellings of old sugar mill rollers will attract 12% GST in terms of clause (id) of Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017 or will continue to attract 18% GST as earlier?**

At the outset, we would like to make it clear that the provisions of both the CGST Act and the MGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to any dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provision under the MGST Act. Further to the earlier, henceforth for the purposes of this Advance Ruling, the expression ‘GST Act’ would mean CGST Act and MGST Act.

2. **FACTS AND CONTENTION – AS PER THE APPLICANT**

The submissions, made by **M/s. S. B. Reshellers Pvt. Ltd.**, the applicant, are as under:-

- 2.1 The activity of reshellings of old sugar mill rollers is held as repairing activity by the Hon'ble Supreme Court in the case of Lathia Industrial Supplies Co. Pvt.Ltd., 1993(29) ELT-751 and the Hon'ble Tribunal in the cases of Jagat Machinery Manufacturers P.Ltd., 2013(32) STR-663 & Zenith Rollers Ltd. V/s. CCE, 2014(33) STR-678 under Central Excise era.
- 2.2 On the said activity, applicant has paid service tax as repair/maintenance service/Business Auxiliary Service as per the Finance Act, 1994 under Service Tax regime.
- 2.3 Under GST regime also the said activity is classified as a Service and applicant is charging 18% GST on the same since all services are attracting 18% GST.
- 2.4 However, after insertion of clause (id) in Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017 declaring 6% CGST for services by way of job work, some of applicant's customers expressed a view that the said activity is treatable as job work service covered under said newly inserted clause (id) of Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017, since the customers are following the procedure under Rule 55 read with Rule 45 of CGST Rules, 2017 for the said activity and are declaring the same in their job work return to be filed under Rule 45 of the CGST Rules, 2017 and that since job work services covered under said clause (id) now GST is payable @ 12% only, applicant also should charge 12% GST on the said service.
- 2.5 As held by the Hon'ble Supreme Court/Tribunal in the various cases (cited supra) the activity of reshellings of old sugar mill rollers basically amounts to repairing of the said old sugar mill rollers



and hence the same is the maintenance and repair services covered under SAC 9987 and hence even if the supplier is sending the sugar mill rollers for reshelling under Rule 55 read with Rule 45 job work challans and is declaring the said transaction in his job work return still the same cannot be treated as manufacturing services on physical inputs of others covered under SAC 9988 and hence the same will not get covered under clause (id) of Sr. No.26 of Notification No. 11/2017 CT(R), dt.28.06.2017 which prescribes 12% GST on the job work services covered under SAC 9988.

## **2.6 WRITTEN SUBMISSION DATED 30.08.2021:**

### **2.6.1 The Applicant submits that:**

- i) They are manufacturing sugar mill rollers and supplying the same to various customers,
- ii) They are also receiving old sugar mill rollers (worn out due to wear and tear) and are making them reusable by reshelling process;
- iii) Sometimes they are receiving bare shafts (taken out of the old sugar mill rollers) or new shafts/forged bars from their customers and are converting the same into ready to use sugar mill rollers.

### **2.6.2 The new sugar mill rollers were being classified by them under CH.Heading 8438 of the erstwhile C.Ex.Tariff, 1985 and were being cleared on payment of appropriate C.Ex.Duty under the C.Ex.regime and after introduction of GST also the said new sugar mill rollers are being classified under HSN 8438 and are being cleared on payment of 18% GST.**

### **2.6.3. Since the Hon'ble High Court in the case of Saraswati Industrial Syndicate Ltd. V/s. UOI, 1985(20) ELT-251 as well as the Hon'ble Tribunal in their own cases reported in 2001(127) ELT-699 & 2001(131) ELT-192 had held that the reshelling of old worned out sugar mill rollers is a repairing activity and cannot be treated as manufacturing of new goods, they were not paying any C.Ex.Duty on the said activity of reshelling of old sugar mill rollers during the C.Ex.regime. However, after levy of service tax on the repairing activity, they have regularly paid appropriate service tax on the aggregate of their labour charges and cost of the material used by them in the course of said activity of reshelling of old sugar milli rollers.**

### **2.6.4. However, the Hon'ble High Court in the case of Saraswati Industrial Syndicate Ltd, (cited supra) at para (8) had opined that, if bare shaft received from the customer is converted into sugar mill roller, the activity might amount to manufacture of new goods and the C.Ex.Duty might be payable on such sugar mill rollers manufactured by using the bare shafts received from the customer. Hence, under C.Ex. regime, the Applicants were treating the activity of conversion of bare shaft/new shafts/forged bars into sugar mill rollers as manufacturing activity and were**

clearing the said sugar mill rollers by classifying under CH.Heading 8438 on payment of appropriate C.Ex. Duty on the assessable value (arrived at by aggregating their labour charges and cost of material used by them in the said activity and the value of the bare shaft/new shaft/forged bars declared by the customers).

2.6.5 As the said activity amounts to manufacture of new sugar mill rollers, under GST regime also, the Applicants have treated the said activity as supply of goods and are clearing the same under HSN 8438 on payment of 18% GST on the aggregate of their labour charges and cost of material used by them in the said activity as well as the value of the bare shaft/new. Shaft/forged bars declared by the customers.

2.6.6 Some of their customers raised the objection that, under GST regime there is no need to include the value of the bare shaft/new shaft/forged bars supplied by them and the Applicants have to pay GST only on the aggregate of their labour charges and cost of the material used by them in the said activity,

2.6.7 Hence, the Applicants had filed application before the Hon'ble Advance Ruling Authority to get the ruling on the questions as to whether.

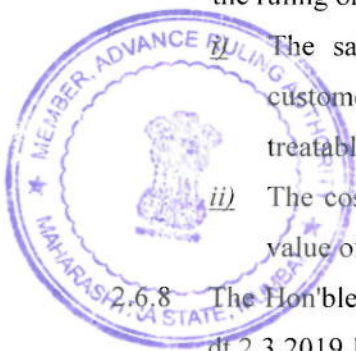
i) The said activity of converting the bare shaft/new shafts/forged bars supplied by the customer into ready to use sugar mill roller will be treatable as supply of goods or will be treatable as supply of service? and

ii) The cost of bare shaft/new shafts/forged bars supplied by the customer is includible in the value of the said supply for the purpose of payment of GST?

2.6.8 The Hon'ble Advance Ruling Authority vide its order no. GST-ARA-97/2018-19/B 24-Mumbai, dt.2.3.2019 has held the above said activity of converting the bare shafts/new shafts/forged bars supplied by the customer into sugar mill rollers by using own material like shells, etc., amounts to manufacture of a new commodity and hence is nothing but "supply of goods" and the cost of bare shafts/new shafts/forged bars supplied by the customer is includible in the value of the said supply for the purpose of payment of GST.

2.6.9 From the above it is clear that the said advance ruling is on a totally different issue and has got no bearing on the issue involved in the present application.

2.6.10 The Applicants submit that, as explained in para above the activity of reshellings of old sugar mill rollers is nothing but repairing service and is not treatable as supply of goods, under GST regime they have classified the same under SAC 9987 and are paying 18% GST on the aggregate of their labour charges and cost of the material used by them in the course of said activity of reshellings of old sugar mill rollers.





2.6.11 However, after insertion of clause (id) in Sr.No.26 of Notification No.11/2017 CT(R), dt.28.06.2017 declaring 12% GST for services by way of job work, some of their customers has expressed a view that their activity of reshellings of old sugar mill rollers is treatable as job work service covered under said newly inserted clause (id) of Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017 and will attract 12% GST since the said customers are following the procedure under Rule 55 read with Rule 45 of CGST Rules, 2017 while sending the old sugar mill rollers to them for reshellings and are declaring the same in their ITC-04 job work return to be filed under Rule 45 of the CGST Rules, 2017,

Hence, the Applicants have filed the present ARA application before the Hon'ble Advance Ruling Authority to obtain the ruling on the questions as to whether -

- i) the above said activity of reshellings of old sugar mill rollers is treatable as a job work service falling under SAC 9988 or is treatable as a repair/maintenance service falling under SAC 9987 ? and
- ii) The said activity of reshellings of old sugar mill rollers will attract 12% GST in terms of clause (id). Of Sr. No. 26. Of Notification No. 11/2017-CT(R), DT. 28.06.2017 or will continue to attract 18% GST as earlier.

2.6.12 The Applicants reiterate that, the close reading of Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017 clearly reveals that the same provides concessional rate of 12% GST only to the manufacturing services on physical inputs(goods) owned by others classifiable under SAC 9988. As per the explanatory notes of the SAC 9988 the manufacturing services are outsourced portion of a manufacturing process or a complete outsourced manufacturing process. Thus, it is clear that, only those job work activities which are carried out in the course of manufacturing of a new commodity or which gives birth to a new commodity will get covered under SAC 9988 and will be eligible for concessional rate of 12% GST given under Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017 w.e.f.01.10.2019

2.6.13 However, as explained above their activity of reshellings of old sugar mill rollers is not in the course of manufacture of new goods or is not bringing into existence a new commodity and is basically an activity of repairing of the old sugar mill rollers to make them reusable. Hence the same cannot be treatable as a manufacturing service and hence is not at all classifiable under SAC 9988 and hence the concessional rate of 12% GST (effective from 01.10.2019) prescribed under Sr. No.26 of Notification No. 11/2017-CT(R), dt.28.06.2017 will not be available to their activity of reshellings of old sugar mill rollers.

2.6.14 The facts that the suppliers are sending their old sugar mill rollers for reshellings under Rule 55 read with Rule 45 job work challans and are declaring the said transaction in their job work return

will not make any difference since merely for the procedure followed by the customers the classification of the activity cannot be changed.

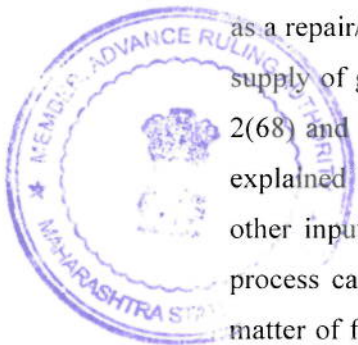
In nutshell, the activity of reshellings of old sugar mill roller will remain correctly classifiable under SAC 9987 which specifically covers maintenance, repair and installation (except construction) services and since the concessional rate of 12% GST under Sr. No.26 of Notification No.11/2017-CT(R) is not applicable to the repairing services classifiable under SAC 9987, they will be bound to pay 18% GST on the said activity.

**03. CONTENTION – AS PER THE CONCERNED OFFICER:**

**OFFICER SUBMISSION DATED 12.08.2021:-**

- 3.1 **Question:** - The activity of reshellings of old sugar mill rollers whether is treated as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987?

**Comments:** Maharashtra Authority for Advance Ruling vide their order No.GST-ARA 97/2018-19/B-24, Mumbai dated 02.03.2019, has observed that the activity proposed by the assessee i.e., reshellings of old sugar mill rollers treated as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987 is incorrect and the said activity is clear case of supply of goods. For which the court has elaborated the meaning of "Job Work" under Section 2(68) and Section 143 of the GST Act and corresponding rules. The real spirit of job work as explained by the court is that where the principal sends minor input to the job worker and all other inputs and goods utilized in the final products belongs to the job worker then the said process cannot be considered as a job work. In the case at hand applicant has accepted as a matter of fact that the value of the material used/skill and labour applied by them and the value of input supplied by the customer is almost equal. In order to understand the term 'job work, the court reproduced the definition of job work' under the GST under section 2(68), Section 143 of the GST Act and Rule 45 of GST Rules. The applicant are then fitting the shell manufactured out of their own raw material on the said shaft and then machining the same and further fitting the required accessory thereon and thus bringing into existence a usable sugar mill roller or new sugar mill roller which is no doubt a different commercial commodity as compared to the input involved. The product i.e. ready to use sugar mill roller is handed over to the recipient on completion of the job. Since the concept of job work is brought from Central Excise Law it is pertinent to refer to the decision of the Hon'ble Supreme Court in the matter of M/s. Prestige Engineering (India) v. Collr. Of Central Excise, Merut [1994 (73) E.L.T. 497 (S.C.)]





- 3.3.1 **Question:** Whether the said activity of reshellings of old sugar mill rollers will attract 12% GST in terms of clause (id) of Sr. No.26 of Notification No. 11/2017-CT(R) dated 28.06.2017 or will continue to attract 18% GST as earlier?

**Comments;** Sl. No. 26 (ii) of Notification No. 11/2017-Central Tax (Rate) rate specified is 9% CGST + 9% SGST. This rate is applicable to (1) 9988- Manufacturing services on physical inputs (goods) owned by others, (li) 99889-Other manufacturing services and (iii) 998898-Other manufacturing services. Therefore, the activity of reshellings of old sugar mill rollers will attract 18% GST as earlier,

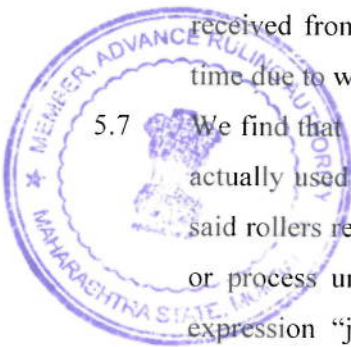
#### 04. HEARING

- 4.1 Preliminary hearing in the matter was held on 11.02.2020. Sh.V. B. Gaikwad, Advocate Appeared, and requested for admission of the application. Jurisdictional Officer Sh. M. S. Waydande, Superintendent, Range-II, Kolhapur Division also appeared.
- 4.2 The application was admitted and called for final e-hearing on 24.08.2021. The Authorized representatives of the applicant, Shri. V. B. Gaikwad, Advocate was present. The concerned officer Shri. Nilesh Sutar, Superintendent, Div-III, Range-II, Kolhapur was present. The Authorized representatives made oral and written submissions in this matter.
- 4.3 We heard both the sides.

#### 05. OBSERVATIONS AND FINDINGS:

- 5.1 We have gone through the facts of the case, written and oral contentions made by both, the applicant and jurisdictional officer at the time of preliminary as well as the final hearings.
- 5.2 The questions raised by the applicant are as under:-
1. **The activity of reshellings of old sugar mill rollers whether is treatable as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987?**
  2. **Whether the said activity of reshellings of old sugar mill rollers will attract 12% GST in terms of clause (id) of Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017 or will continue to attract 18% GST as earlier ?**
- 5.3 The applicant has submitted that it manufactures sugar mill rollers and supplies the same to various customers. Further, it receives old sugar mill rollers (worned out due to wear and tear) from their customers and make them reusable by reshellings process. Sometimes the applicant also receives bare shafts (taken out of the old sugar mill rollers) or new shafts/forged bars from their customers and converts the same into ready to use sugar mill rollers.

- 5.4 During the course of the final hearing the applicant submitted that the present application is only with respect to receipt of old sugar mill rollers (worn out due to wear and tear) from their customers, which is made reusable by reshellings process. The second issue regarding receipt of bare shafts (taken out of the old sugar mill rollers) or new shafts/forged bars from their customers and converted into ready to use sugar mill rollers has already been decided by this very authority in an Advance Ruling Application No. 97 dated 03.12.2018 filed by the applicant earlier.
- 5.5 In view of the above facts mentioned at para 5.4, we restrict ourselves only to the first issue raised i.e. whether old sugar mill rollers (worn out due to wear and tear) received by the applicant from its customers, which is made reusable by reshellings process amounts to job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987.
- 5.6 During the course of the final hearing the applicant stated that the old sugar mill rollers (worn out due to wear and tear) are received by them from the actual users (generally the sugar mills), who had used the said sugar mill rollers and had sent the same to the applicant for making them usable again. Thus, the said old sugar mill rollers are not received by them from other registered/unregistered manufacturers or persons to carry out the process of jobwork. It is received from the actual users who had already used the said sugar mill rollers for a period of time due to which wear and tear has taken place.
- 5.7 We find that Applicant receives old and worn out sugar mill rollers from its customers who have actually used the said goods and such use has resulted in wear and tear. The applicant make the said rollers reusable. As per section 2(68) of the CGST Act, 2017 jobwork means, 'any treatment or process undertaken by a person on goods belonging to another registered person and the expression "jobworker" shall be construed accordingly'. Thus Job work is a processing or working upon raw materials or semi-finished goods supplied to the job worker, so as to complete a part or whole of the process resulting in the manufacture or finishing of an article or any operation which is essential for the afore-mentioned process. In other words the sugar mill rollers are not brought into existence by the applicant in the subject case, rather the said rollers are already in existence, have been used to an extent which has resulted in wear and tear.
- 5.8 Whereas, repairing of the impugned rollers signify working on same goods which are already in existence. The already existing goods (old and worn out rollers) are worked on so that the defects get removed and the same are ready for reuse. There is no new product emerging. The supply of service in the subject case is nothing but repair done on some old and used product to make it reusable. The impugned rollers were already a finished product which have been used for a period of time and suffered damages which are being rectified by the applicant.





5.9 The applicant, during the course of the online hearing has submitted that they receive old, used and worn out Sugar Mill Rollers for the purpose of reshellings. The applicant has also submitted that it treats the process of reshellings as a repair or reconditioning of the Sugar Mill Rollers. The process enumerated by the applicant is that 'the Sugar Mill Roller consists of two parts, i.e. 'shaft' and 'shell'. On receipt of the worn out roller, the shell which is made of cast iron is broken into pieces. The shaft is left untouched. The broken pieces of cast-iron are melted after addition of nominal material to compensate for the worn out and lost part of the shell, etc. This material is recast and shrunk on the shaft. This process involves heating of the shell and inserting the shaft vertically. On coiling the shell the casting grips the shaft. Thereafter the shell is machined and grooved. Then this Sugar Mill Roller is delivered to the customer.

5.10 We find that some extensive processes are performed on the old and used roller received by the applicant. The said old roller during the process may undergo some change but the change results in a sugar mill roller only. Thus what we find in the subject case is that an old, worn out and unusable sugar mill roller is converted into a usable Sugar Mill Roller. Thus the product received by the applicant as well as the product, after process are commercially known as 'Sugar Mill Roller'. The old worn out roller is not a distinct commodity from a serviceable roller. The old rollers were rendered unusable only because of wear and tear over a period of prolonged use but even at this stage it is known as a sugar mill roller and nothing else. Its nature or character has not changed. However when the same is repaired, no new commercial commodity comes into existence, rather it remains a sugar mill roller but now it can be used. Thus we find that the identity of the impugned goods remains the same before and after performing the process. An example would be of a Television Set which has stopped working due to certain reasons like, failure of a circuit, etc. When such a Television set is taken up for correcting the malfunction in order to make it workable, it cannot be construed that the concerned mechanic has manufactured a Television or has conducted jobwork which has resulted in a Television.

5.11.1 The primary question asked by the applicant is whether the subject activity of reshellings of old sugar mill rollers is treatable as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987?

5.11.2 We find that SAC 9988 covers under its ambit "Manufacturing services on physical inputs owned by others". The term 'manufacture' has been defined under section 2(72) of the GST Act, 2017 to mean "processing of raw material or inputs in any manner that results in emergence of a new product having a distinct name, character and use and the term "manufacturer" shall be construed accordingly"

5.11.3 In the subject case there is no processing of raw material nor is there an emergence of a new product. What comes in is sugar mill roller and what goes out is the same thing. Further, **Job work is just a process undertaken by a job worker on goods belonging to a principal and may or may not amount to manufacture.** Further, a job worker may or may not use some portion of his material. Job work has been defined under section 2(68) of the **CGST Act, 2017** to mean *'any treatment or process undertaken by a person on goods belonging to another registered person and the expression "jobworker" shall be construed accordingly'*.

5.11.4 In the subject case the impugned goods are received by the applicant from sugar mills. These sugar mills had already purchased sugar mill rollers as a finished product, used the same in the sugar factories and wear and tear on the said rollers make them unusable. The said rollers are brought to the applicant for making the same usable again. The sugar mills cannot be termed as "principal" in the subject case as referred to, in the definition of the term 'Jobwork'. The above example of a Television set being made workable after some process carried out by a Television mechanic holds goods in the subject case. The conversion of used and worn out rollers cannot be treated as a manufacturing or jobwork activity.

5.11.5 SAC 9987 covers under its ambit "Maintenance, repair and installation (except construction) service". The process undertaken by the applicant to convert used, worn out and unusable rollers into usable rollers is aptly covered under SAC 9987 as repair services in view of the discussions made above. Hence, we hold that the subject activity undertaken by the applicant on old and used sugar mill roller is repair activity. In the case of *Saraswati Industrial. Syndicate Ltd. V/s. UOI, 1985(20) ELT-251*, the Hon'ble Punjab and Haryana High Court observed as under:-

7 *"The old and worn out Sugar Mill Rollers are received by the petitioner. The outer case shell is broken. The resultant cast iron is melted. A requisite quantity of the metal is added thereto and the same is cast into a shell which is mounted on the shaft. This roller is then machined and grooved. No doubt, the old roller passes through, a number of processes and suffers from series of changes, but ultimately what emerges is a Sugar Mill Roller. The only change made is that unserviceable roller is turned into a roller which can be used in a Sugar Mill Roller. However, no new or distinct article emerges. Commercially the old and worn out roller is also known as Sugar Mill Roller. Similar is the position of the Sugar Mill Roller which is delivered to the customer after its reconditioning. The plea of Shri H.S. Brar that the old worn out roller is only an iron scrap and is a distinct commodity from a serviceable roller, is not acceptable. Any article which is rendered unserviceable by its use does not change its nature or character. It remains the same and is known by the same name in the commercial world. When it is repaired or reconditioned,*



*no new commercial commodity comes into being. Even after undergoing a degree of processing it still retains its original identity”.*

Thus the said Hon’ble Court has held that the reshellings of old worn out sugar mill rollers is a repairing activity and cannot be treated as manufacturing of new goods

5.11.6 In view of the above discussions, we hold that the subject activity of re shelling old and worn out and unusable sugar mill rollers is an activity of repair and squarely falls under SAC 9987. Since the said activity of reshellings of old sugar mill rollers is neither manufacturing nor job work, it will continue to attract 18% GST and not 12% GST in terms of clause (id) of Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017.

5.12.1 The departmental officer has submitted that the Maharashtra Authority for Advance Ruling vide their order No.GST-ARA 97/2018-19/B-24, Mumbai dated 02.03.2019 have already decided the issue. The departmental officer has also submitted that the activity proposed by the assessee i.e., reshellings of old sugar mill rollers treated as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987 is incorrect and the said activity is clear case of supply of goods as decided by authority vide referred order dated 02.03.2019.

5.12.2 In this connection it may be mentioned that in the case earlier decided by this authority in respect of the applicant, the issue was whether the activity of converting the bare shaft/beams supplied by the customer into ready to use sugar mill roller (by using one’s own raw material) will be treatable as supply of goods or will be treatable as supply of service and whether the cost of shaft/beam supplied by the customer is includible in the value of the said supply for the purpose of payment of GST.

5.12.3 The subject case is distinguished by the fact that the applicant herein is receiving the sugar mill rollers as such and not bare shafts. Hence the issue in both the cases are different and treated according to the merits of the case.

06. In view of the extensive deliberations as held hereinabove, we pass an order as follows:

### **ORDER**

**(Under Section 98 of the Central Goods and Services Tax Act, 2017 and the Maharashtra Goods and Services Tax Act, 2017)**

For reasons as discussed in the body of the order, the questions are answered thus –

**Question 1:-** The activity of reshellings of old sugar mill rollers whether is treatable as a job work service under SAC 9988 or is treatable as a repair/maintenance service under SAC 9987?

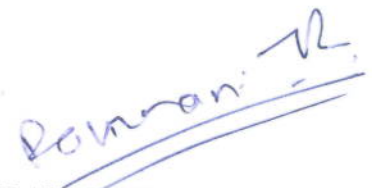
**Answer: -** The activity of reshellng of old sugar mill rollers is treatable as a repair/maintenance service under SAC 9987

**Question 2:-** Whether the said activity of reshellng of old sugar mill rollers will attract 12% GST in terms of clause (id) of Sr. No.26 of Notification No.11/2017-CT(R), dt.28.06.2017 or will continue to attract 18% GST as earlier ?

**Answer: -** The said activity of reshellng of old sugar mill rollers will attract 18% GST under SAC 9987.



  
**RAJIV MAGOO**  
(MEMBER)

  
**T.R. RAMNANI**  
(MEMBER)

**Copy to:-**

1. The applicant
2. The concerned Central / State officer
3. The Commissioner of State Tax, Maharashtra State, Mumbai
4. The Pr. Chief Commissioner of Central Tax, Churchgate, Mumbai
5. Joint Commissioner of State Tax, Mahavikas for Website.

**Note:-**An Appeal against this advance ruling order shall be made before, The Maharashtra Appellate Authority for Advance Ruling for Goods and Services Tax, 15<sup>th</sup> floor, Air India Building, Nariman Point, Mumbai – 400021. Online facility is available on [gst.gov.in](http://gst.gov.in) for online appeal application against order passed by Advance Ruling Authority.