

GIB/KA/M.S GIRIRAJ RENEWABLES/21.03.18/AAR-06

Advance Ruling Category : Composite Supply

State : Karnataka

Order No.: GIB/KA/M.S GIRIRAJ RENEWABLES/21.03.18/AAR-06

Name of Entry :

M/s GIRIRAJ RENEWABLES PRIVATE LTD.,

Date : 21-03-2018

Product/ Service Involve :

EPC contractor for construction of solar power plant

Breif Issue :

- a) Whether supply of turnkey Engineering, Procurement & Construction ('EPC') Contract for construction of solar power plant wherein both goods and services are supplied can be construed to be a Composite Supply in terms of Section 2(30) of CGST Act, 2017
- b) If Yes, Whether the Principal Supply in such case can be said to be 'Solar Power Generating System' which is taxable at 5% GST.
- c) Whether benefit of concessional rate of 5% of solar power generation system and parts thereof would also be available to sub-contractors

Decision of Advance Ruling Authority :

- a) The major component (PV Module) said to have been constituting TOV of the whole project can not be construed to be supplied by the applicant consequent upon High Sea Sale of the said product and hence it cannot be construed to be a principal supply of the project and thereby cannot be a composite supply.
- b) The question does not remain relevant on account of answer to question number 1
- c) The supply made by sub-contractor need to be viewed as an individual supply and thereby the appropriate rate of GST has to be applied depending on the specific nature of supply