

GIB/MH/FERMMI SOLAR/03.03.18/AAR-131

Advance Ruling Category : Work Contract

State : Maharashtra

Order No.: GIB/MH/FERMMI SOLAR/03.03.18/AAR-131

Name of Entry :

Fermi Solar Farms Private Ltd.

Date : 03-03-2018

Product/ Service Involve :

Solar Power Plant

Breif Issue :

1. Whether in case of separate contracts for supply of goods and services for a solar power plant, there would be separate taxability of goods as 'solar power generating system' at 5% and services at 18%?
2. Whether parts supplied on standalone basis (when supplied without PV modules) would also be eligible to concessional rate of 5% as parts of solar power generation system?
3. 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 :

The agreements tendered in support of question reveal that impugned transaction of setting up and operating of a solar photovoltaic plant is in nature of a "works contract". The rate of GST on supply of service would be 18%.