

12% GST payable on Supply of Stator Coil for use in WOEG: The AAR, Tamil Nadu

Fact of the Case

The applicant, Coral Coil India Private Limited has received purchase orders from Coral Manufacturing Works India Private Ltd for the manufacture and supply of stator coils for wind operated electricity generators (WOEG); that buyer has stated in the PO that the item ordered is for use solely and principally with Enercon WOEG production; that the applicant has a dedicated coil manufacturing facility at the registered location, which caters to all types of customers such as OEMs (original equipment manufacturers) and re-winders all over the world; that the stator coils so manufactured by the applicant have utility in all types of generators.

The applicant has sought the advance ruling on the issue

- whether the supply of Stator Coil by the Applicant to M/s. Coral Manufacturing Works India Private Ltd., will be eligible for the levy of 2.5% CGST in terms of Sl. No. 234 in the notification 1-CTR dated 28 June 2017 and 2.5% SGST in terms of the corresponding SGST notification.

Decision of the Case

The Coram ruled that the supply of Stator Coil by the Applicant to M/s. Coral Manufacturing Works India private Limited for use in the WOEG will be eligible for the levy of 6% CGST in terms of Sl.No.201 A in the Schedule II in the notification 1 CTR dated 28 June 2017 (as amended) and 6% SGST in terms of corresponding SGST notification with effect from October 1, 2021, subject to the self-assessment of the applicant that all such supplies are for the manufacture of the Generators for Renewable Energy, based on the Purchase Orders or Supply Contracts for each of such supply.

The Tamil Nadu Authority of Advance Ruling (AAR) ruled that the 12% GST payable on supply of Stator Coil for use in wind operated electricity generators (WOEG).