

Supply, Installation, Operation, Maintenance of Greenfield Public Street Lighting System isn't classifiable as Supply of Works Contract Services: AAR

Fact of the Case

- The Applicant, M/s Nexustar Lighting Project Private Limited has sought for an advance ruling in respect of the issue whether the activities of supply installation, operation and maintenance of Greenfield Public Street Lighting System (GPSLS) carried out by the Applicant is classifiable as a supply of Works Contract Services.

The applicant has further asked that whether the capital subsidy received/ receivable by the applicant for the subject transaction be liable to be included in the Transaction Value for the purpose of calculation of GST payable in terms of Section 15 of the CGST Act, 2017.

Decision of the Case

- The Coram ruled that the activities of supply installation, operation and maintenance of Greenfield Public Street Lighting System (GPSLS) carried out by the Applicant is not classifiable as a supply of Works Contract Services.

The AAR said, "Capital Subsidy received/ receivable by the applicant for the subject transaction is liable to be included in the Transaction Value for the purpose of calculation of GST."

The Odisha Authority of Advance Ruling (AAR) ruled that the supply installation, operation, maintenance of Greenfield Public Street Lighting System is not classifiable as supply of Works Contract Services.