

**GUJARAT AUTHORITY FOR ADVANCE RULING
GOODS AND SERVICES TAX
D/5, RAJYA KAR BHAVAN, ASHRAM ROAD,
AHMEDABAD – 380 009.**

**NATION
TAX
MARKET**

ADVANCE RULING NO. GUJ/GAAR/R/2024/11
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2023/AR/25)

Date: -30 .05.2024

Name and address of the applicant	:	M/s Gujarat Eco Textile Park Limited 297, 298, 299, ujarat Eco Textile Park, Baleshwar, Palsana, Surat, Gujarat - 394315
GSTIN of the applicant	:	24AACCG4726A1Z7
Jurisdiction Office	:	Center Commissionerate – Surat Division - Division-V Range -III
Date of application	:	30.06.2023
Clause(s) of Section 97(2) of CGST / GGST Act, 2017, under which the question(s) raised.	:	(a), (b), (e)
Date of Personal Hearing	:	27.02.2024
Present for the applicant	:	Shri Hitesh Mundra (CA) Khushboo Kundalia (CA) Shri Anil Lamboria

Brief facts

M/s Gujarat Eco Textile Park Limited (for short - 'applicant') having principal place of business at 297, 298, 299, Gujarat Eco Textile Park, Baleshwar, Palsana, Surat, Gujarat - 394315 has established a Common Effluent Treatment Plant (CETP) for collection, treatment & disposal of waste water (effluent) generated from the industries. The applicant is registered with the department & their registration number is 24AACCG4726A1Z7.

2. The applicant has established the following plants viz

[a]Common Effluent Treatment Plant ('CETP'). This plant collects effluent (hazardous wastewater) from industries, processes/treats the same via different processes to make it suitable for disposal in nala or creek as permitted by the regulatory authority. For these services, the applicant recovers effluent treatment and disposal charges from the customers along with applicable GST.

[b]Zero Liquid Discharge Plant ('ZLD Plant'): The environment laws/regulations permit use of CETP treated effluent in RO plant (referred to as ZLD plant) to make it suitable for use in industries. The product has commercial value and is supplied at agreed price to industries. The applicant has set up a 25 MLD Zero Liquid Discharge (ZLD) plant. Since the ownership of the water lies with the applicant, it uses the treated effluent of the CETP and

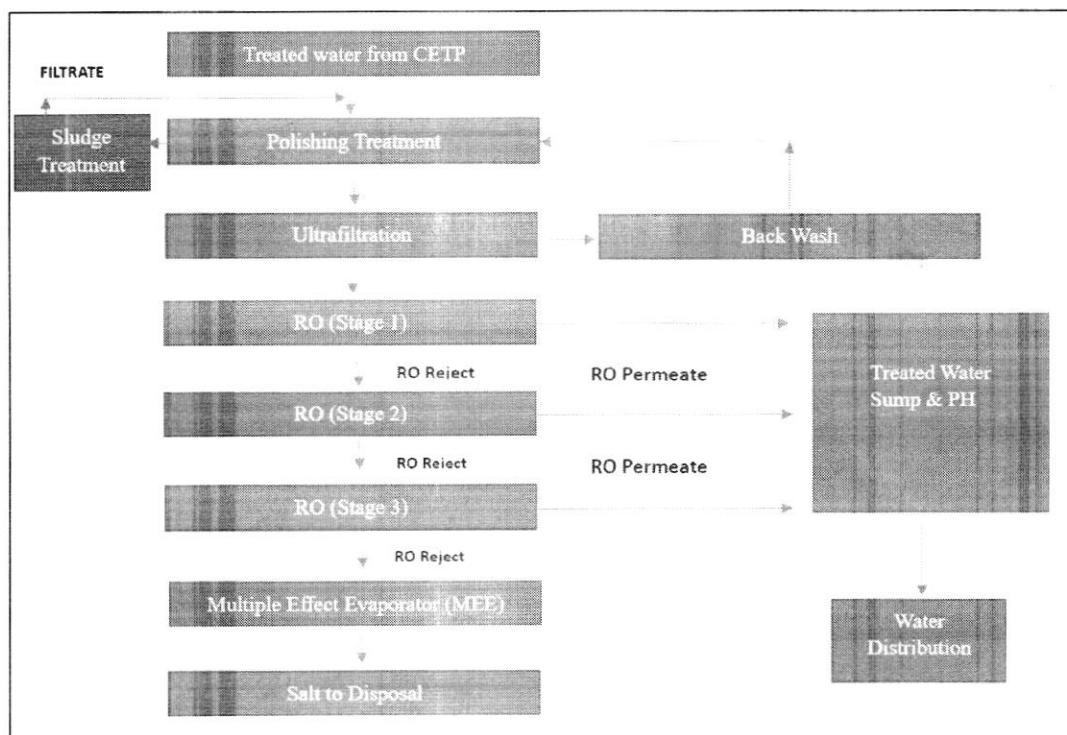


carries out a process of ultra-filtration (UF)/ reverse osmosis (RO) to make it reusable water for industrial purposes. The treated effluent generated by CETP passes through various processes to make the waste water useable. Post the treatment/process, the applicant sells the said ZLD treated water (RO) to industrial units for use in their manufacturing process.

3. As per the applicant, the process undertaken in CETP plant is as under:

1	Physico - chemical treatment
	● Screens
	● Raw effluent collection sump and pumps
	● Pre - Sedimentation tank with cascade cooling system
	● Equalization Tank / Mixers / Pumps
	● Pre – DAF
	● Sludge Blanket Clarifier
	● pH tank
2	Biological treatment
	● MBBR
	● Single stage C-Tech Basins using cyclic activated sludge process
	● Polishing DAF
	● Fibre Disc Filter

4. Thereafter, the CETP treated water is discharged in a creek or nala. The said CETP treated effluent goes through ultra-filtration process and reverse-osmosis process in the ZLD plant. The process flow of ZLD plant is as under:



5. The effluent is first sent to the ultra-filtration feed tank. Zee-Weed membranes are used for the ultra-filtration process. The second step is the three stage RO system. The effluent is converted into reusable water *ie*, 'treated water (RO)' at this stage and the same is sold to the industry/members for their industrial use. The technicalities of the ZLD process are defined as under:

A. ULTRA FILTRATION

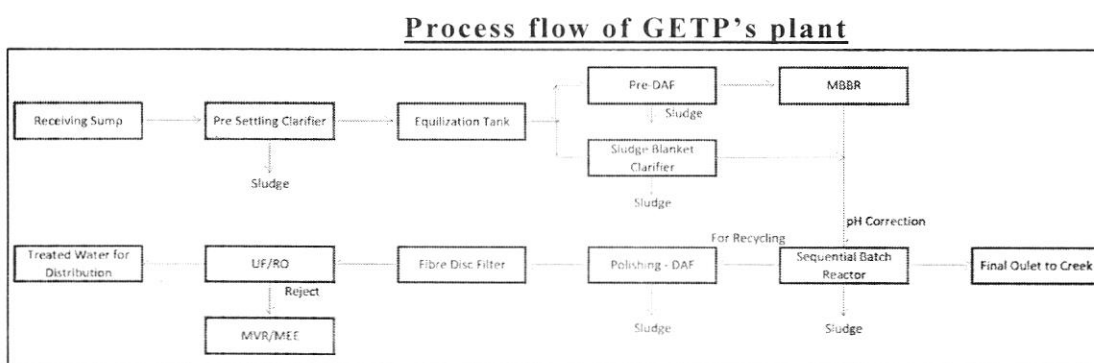


- i. Treated effluent from disc filter is sent to ultra-filtration feed tank. Necessary ultra-filtration feed pump is provided into tank;
- ii. Zee-Weed membranes are used for the ultra-filtration process. It utilizes "Outside-In" flow, through a hollow-fiber membrane that has nominal and absolute pore sizes of 0.02 and 0.1 microns respectively. Some pore size excludes particulate matters and some viruses by a combination of adsorption onto the solids in the process tank and by direct size exclusion;
- iii. The membranes operate under pressure from a feed pump. Treated water (RO) is pumped through membrane pores and enters the inside of the hollow fibers. Water then flows to the treated water (RO) storage tank (or distribution system). During back pulsing, air is introduced at the bottom of the membrane modules to create turbulence along the membrane surface. Rising air bubbles scour and clean the outside of the membrane fibers, maximizing membrane performance;
- iv. Basically, membranes are used to remove undesirable constituents from the water.

B. REVERSE OSMOSIS

- v. The permeate from UF system is fed into the Reverse Osmosis (RO) system;
- vi. Three stage RO system is designed. Reject from first stage is fed to second stage and the second stage reject is fed into softening plant. Output of softening plant is fed into third stage RO. This process *inter-alia* also removes the minerals. Further, RO removes dissolved or suspended chemical species as well as biological substances (principally bacteria), excess minerals etc.. RO membrane effectively removes excess TDS, heavy metals, excess minerals and chemicals to give safe and useable water;
- vii. Total recovery of permeate from three stages of RO put together shall be 97%.

6. The process of ZLD includes a certain element of de-mineralization process where the minerals in the treated water (RO) are reduced to a certain extent through the process of ultra-filtration and reverse osmosis. The output of the ZLD plant is the **ZLD treated water (RO)**. The process flow of CETP plant and ZLD plant as under:



7. Further, the applicant has stated that to constitute a 'supply', following elements are required to be satisfied:

- there should be supply of 'goods' and/or 'services';
- supply is for a 'consideration';
- supply is made 'in the course or furtherance of business';
- the activity under consideration does not fall within the ambit of section 7(2) of the CGST Act, 2017.

and on the above basis, the applicant is of the view that



- a) their activity of supplying ZLD treated water (RO) water to industries is a supply of goods (sale of ZLD treated water (RO));
- b) the ZLD treated water (RO) has a commercial value and is supplied at an agreed price to industrial units for use in their manufacturing process;
- c) the supply is made in the course or furtherance of business of the applicant;
- d) the activity is not covered under section 7(2) of the CGST Act, 2017.

8. The applicant further states that the supply of ZLD treated water (RO) is covered under the definition of supply and hence is subject to levy of GST; that sale of ZLD treated water (RO) appears to be covered under the entry no. 24 of Schedule-III of notification No. 01/2017-CT(R) dated 28.06.2017 and would be subject to GST at the rate of 9% CGST + 9% SGST; that it will not be covered under the entry No. 99 of notification No. 2/2017- CT (R) dated 28.06.2017, as amended.

9. It is the applicant's case, that their activity, is treatment of the water obtained from CETP plant which further undergoes the process of ultra-filtration and reverse osmosis (UF/RO) in the ZLD plant.

10. The process of ultra filtration and reverse osmosis as mentioned in paras above, is carried out at the CETP plant and ZLD plant, including the process of ultra-filtration and reverse osmosis. Therefore, as per the applicant, the resulting supply of ZLD treated water (RO) may get covered as de-mineralized water.

11. The applicant further states that as the de-mineralized water is excluded from the exemption notification, it continues to be covered at Sr. No. 24 of Schedule-III of notification No. 01/2017-CT(R) dated 28.06.2017, as amended and is subject to GST.

12. The applicant further relies on the ruling of GAAR in the case of ¹M/s. Palsana Enviro Protection Ltd and the ruling of AAR, Tamil Nadu, in case of ²M/s. Kasipalayam Common Effluent Treatment Plant (P) Ltd. to substantiate their aforementioned averments.

¹ GUJ/GAAR/R/2022/47 dated 30.12.2022

² 23/AAR/2021 dated 18.6.2021



13. To summarize, the applicant believes that the CETP & ZLD treated water (RO), supplied by them is covered under entry No 24 of Schedule-III of notification No. 01/2017- CT(R) dated 28.06.2017, as amended and therefore, is subject to CGST @ 9% + and SGST @ 9%.

14. In view of the foregoing, the applicant is before us seeking a ruling on the below mentioned question *viz*

“Whether the ZLD treated water (RO) obtained from ZLD plant classifiable under chapter heading 2201 is covered at:

[a]Sr. No. 24 of Schedule-III of notification No. 01/2017- Central Tax (Rate), dated 28-6-2017 as amended - “Waters, including natural or artificial mineral waters, and aerated waters, not containing added sugar or other sweetening matter nor flavored (other than Drinking water packed in 20 liters bottles)”; **or**

[b] Sr. No. 99 of notification No. 02/2017 – Central Tax (Rate), date 28-6-2017 as amended – “Water [other than aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container]”

15. Personal hearing in the matter was held on 27.2.2024 wherein Ms. Khushboo Kundalia, CA, Shri Hitesh Mundra, CA and Shri Anil Lambaria, appeared on behalf of the applicant and reiterated the facts as stated in the application.

16. The applicant vide their letter dated 4.3.2024, submitted additional submission enclosing the following *viz*

- comparison report of both the samples [marked as Annexure 1]
- water analysis report of CETP Inlet [marked as Annexure 2]
- water analysis report of RO treated water [marked as Annexure 3].

Discussion and findings

17. At the outset, we would like to state that the provisions of both the CGST Act and the GGST Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the GGST Act.

18. We have considered the submissions made by the applicant in their application for advance ruling as well as the submissions made during the course of personal hearing. We have also considered the issue involved, the relevant facts & the applicant's submission/interpretation of law in respect of question on which the advance ruling is sought.



19. The primary issue to be decided is whether the ZLD treated water (RO) obtained from CETP & ZLD after undergoing the process of ultrafiltration and reverse osmosis, would fall under paragraph 14(a) or (b), *supra*.

20. At the cost of repetition, we find that the applicant has established a CETP for collection, treatment & disposal of wastewater (effluent) generated from the industries. The CETP treated effluent goes through ultra-filtration process and reverse osmosis process in the ZLD plant. The applicant has stated that the effluent received from industries after having undergone process in CETP and the process of ultrafiltration and reverse osmosis in ZLD plant, is then suitable for Industrial use. Now moving on to the question raised, it would be prudent to reproduce the relevant entries of the notifications. The relevant extract of entry No. 24 of schedule-III of notification No. 1/2017-CT (R) dated 28.6.2017 is as under:

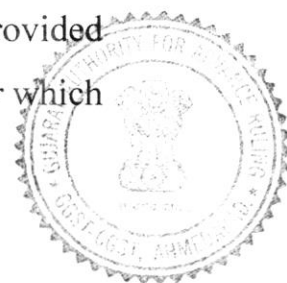
Sr. No	Chapter /Heading /Sub-heading /Tariff item	Description of Goods
24.	2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured [other than Drinking water packed in 20 liters bottles]

21. Further, entry no. 99 of notification No. 2/2017-CT (R) dated 28.6.2017, as amended vide notification No. 7/2022-CT(R) dated 13.07.2022, wherein the word "purified" stands deleted from the types of water mentioned as exception for exemption from payment of GST states as follows:

Sr. No.	Chapter /Heading / Sub-heading / Tariff Item	Description of Goods
99.	2201	Water [other than aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container]

22. We have observed from the above entry that 'water' specifically is eligible for exemption from payment of GST, while other types of water i.e. aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container are not covered under entry no. 99 and is liable to payment of applicable GST.

23. We find that the intention of the legislature is to exempt water; that any type of water which is usually consumed/drunk by the public at large is not to be taxed. To meet such an objective, the GST Council has provided exemption under entry No. 99 of notification No. 2/2017-CT(R) to water which



is free from all types of impurities and is supplied in cities and villages across the country either through tap or tanker, water cooler and water tap installed at various places across the country. On the other hand, aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container is not eligible for exemption from payment of GST under the said entry. This clearly shows the intention of the Legislature that any type of water, sold for commercial purpose is kept out of the purview of exemption as provided vide entry No. 99 of the notification.

24. The intention of not levying GST on the supply of drinking water, is clarified by CBIC vide circular No. 52/26/2018 dated 9.08.2018, wherein it is stated that supply of drinking water, for public purposes, if not supplied in sealed containers, is exempted from GST. The relevant paragraph, states as under:

6.1 Applicability of GST on supply of safe drinking water for public purpose: Representations have been received seeking clarification regarding applicability of GST on supply of safe drinking water for public purpose.

6.2 Attention is drawn to the entry at S. No.99 of notification No. 2/2017-Central Tax (Rate) dated 28.06.2017, by virtue of which water [other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container falling under HS code 2201 attracts NIL rate of GST.

6.3 Accordingly, supply of water, other than those excluded from S. No. 99 of notification No. 2/2017-Central Tax (Rate) dated 28.06.2017, would attract GST at "NIL" rate. Therefore, it is clarified that supply of drinking water for public purposes, if it is not supplied in a sealed container, is exempt from GST.

25. The question therefore, that arises is whether ZLD treated water (RO) would be covered under the category of aerated, mineral, distilled, medicinal, ionic, battery, de-mineralized water. To decide the category of such treated water, it would be prudent to discuss the types of water mentioned in the entry No. 99. Since the types of water is not defined under CGST/ SGST Act, we therefore, take recourse to the definitions provided in various dictionary and Wikipedia, viz

(i) **Aerated water:** As per Wikipedia, water to which air is added and this term is applied to carbonated water. As per the definition by Merriam-webster, any water artificially impregnated with a large amount of gas (as carbon dioxide) is called aerated water

(ii) **Mineral water:** As the name suggest such types of water contains minerals and in day to day life we prefer to drink or use mineral water because it is useful for the health of man- kind. Even in market Mineral water is sold in bottle and public at large prefer to drink such mineral water if potable water is not available. In general mineral water does not undergo chemical processing and it contains high quantities of minerals, especially magnesium, calcium and sodium.



(iii) **Distilled water:** Dictionary.com has defined the terms as water from which impurities, as dissolved salts and colloidal particles, have been removed by one or more process of distillation; chemically pure water. As per Wikipedia, this type of water is water that has been boiled into vapor and condensed back into liquid in a separate container. Impurities in the original water that do not boil below or near the boiling point of water remain in the original container. Thus distilled water is a type of purified water.

(iv) **Medicinal water:** Medicinal waters are natural mineral waters with proven therapeutical effect. Their therapeutical application in treating certain diseases has been identified using strict medical tests and thus officially these waters are allowed to be called 'medicinal waters'.

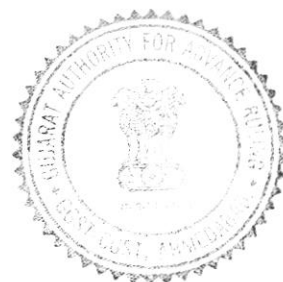
(v) **Ionic water:** Ionized water is natural water that has been run through an ionizer machine's platinum and titanium plates to exchange some of the titanium and platinum ions with the water, thereby increasing its alkaline nature and the pH level of natural water. This process also helps remove impurities from the water.

(vi) **Battery water:** Battery water, is the clean water used to refill the electrolyte when its levels run low. The water used in battery water is usually distilled water or deionized water. It's never tap water, as tap water may contain impurities.

(vii) **De-mineralized water:** De-mineralized water is virtually free from minerals and related substances, there can be very tiny amounts of dissolved minerals that will always remain. This water is also called soft water because all the hardness is removed by the de-mineralization process. De-mineralized water is water completely free (or almost) of dissolved minerals as a result of one of the following processes: distillation. Deionization, membrane filtration (reverse osmosis or nanofiltration)

26. The process undertaken by the applicant is mentioned in detail in preceding paragraphs & is not being repeated for the sake of brevity.

27. The applicant vide his additional submission dated 4.3.2024, as mentioned *supra*, has provided a water analysis report of RO treated water [Annexure 3], which is reproduced below viz



Test Report

TC - 5885

Format No - QRF7.8(1)	Test Report No - TC588523000005264F	Issue Date - 22-06-2023	Annexure-3
ULR No : TC588523000005264F	Discipline - Chemical	Group - Water	
Customer's Name & Address - Creative Fiviro Control Pvt Ltd Gujarat Eco-Textile Park, Palsana Crossing NH-08 Palsana Surat 394115			
Description of Sample - RO Treated Water			
Sending By - Jyotirajkumar Chaudhari	City - Palsana	Sample No - 189-113-NO	
Date of Sampling - 16-06-2023	Sampling Site - Bore Well		
Sample Received Date - 17-06-2023	Principal Purpose - Water Analysis		
Date of Starting of Test - 17-06-2023	Date of Completion - 18-06-2023		
Sampling Method - WWAFA & IS:3025	Sample ID - 10623WV05264		

S.NO	TEST PARAMETER	UNIT	RESULT	LIMIT	METHOD REFERENCE
1	pH		7.0	6.5-8.5	IS:3025 (Part-1):2002
2	Color	PCU	0	15	IS:3025 (Part-1):2002
3	Turbidity	NTU	0.01	5	IS:3025 (Part-1):2002
4	Total Dissolved Solids (at 180°C)	mg/L	0.0	500	IS:3025 (Part-1):2002
5	Total Suspended Solids	mg/L	0.0	500	IS:3025 (Part-1):2002
6	Chloride (as Cl)	mg/L	20.0	250	IS:3025 (Part-1):2002
7	Sulphate (as SO ₄)	mg/L	12.2	400	IS:3025 (Part-1):2002
8	Calcium (as Ca)	mg/L	0.1	75	IS:3025 (Part-1):2002
9	Magnesium (as Mg)	mg/L	0.4	30	IS:3025 (Part-1):2002
10	Chemical Oxygen Demand (COD)	mg/L	0.0	5	IS:3025 (Part-1):2002
11	Biochemical Oxygen Demand (BOD) at 20°C	mg/L	0.0	5	IS:3025 (Part-1):2002
12	Fluoride (as F)	mg/L	0.0	1.5	IS:3025 (Part-1):2002
13	Phenolic Compound (Phenols)	mg/L	0.0	0.1	IS:3025 (Part-1):2002
14	Hexavalent Chromium (as Cr)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
15	Ammoniacal Nitrogen (as NH ₃ -N)	mg/L	0.0	0.5	IS:3025 (Part-1):2002
16	Nitrate Nitrogen (as NO ₃ -N)	mg/L	0.0	50	IS:3025 (Part-1):2002
17	Phosphate (as PO ₄)	mg/L	0.0	0.5	IS:3025 (Part-1):2002
18	Sulphite (as S ₂ O ₃)	mg/L	0.0	0.5	IS:3025 (Part-1):2002
19	Sodium (as Na)	mg/L	0.0	200	IS:3025 (Part-1):2002
20	Potassium (as K)	mg/L	0.0	100	IS:3025 (Part-1):2002
21	Chloride	mg/L	0.0	250	IS:3025 (Part-1):2002
22	Fluoride	mg/L	0.0	1.5	IS:3025 (Part-1):2002

S.NO	TEST PARAMETER	UNIT	RESULT	LIMIT	METHOD REFERENCE
23	Strontium	mg/L	0.0	0.01	IS:3025 (Part-1):2002
24	TOTAL Hardness (as CaCO ₃)	mg/L	30.2	500	IS:3025 (Part-1):2002
25	Total Alkalinity (as CaCO ₃)	mg/L	0.0	500	IS:3025 (Part-1):2002

Note: BDL - Below Detectable Limit. Turbidity: 0.2 NTU. TSS: 5 mg/L. COD: 5 mg/L. BOD: 2 mg/L. Fe: 0.5 mg/L. Phenols: 0.2 mg/L. Hexavalent Cr: 0.01 mg/L. NH₃-N: 0.2 mg/L. NO₃-N: 1.2 mg/L. PO₄: 0.05 mg/L. As: 0.01 mg/L. Pb: 0.01 mg/L. Cd: 0.01 mg/L. Cu: 0.01 mg/L. Zn: 0.01 mg/L. Ni: 0.01 mg/L. Mn: 0.01 mg/L. Co: 0.01 mg/L. Cr: 0.01 mg/L. Br: 0.01 mg/L. Sr: 0.01 mg/L. Ba: 0.01 mg/L. Se: 0.01 mg/L. Mo: 0.01 mg/L. Carbonate: 5 mg/L.

S.NO	TEST PARAMETER	UNIT	RESULT	LIMIT	METHOD REFERENCE
26	Iron (as Fe)	mg/L	0.0	0.3	IS:3025 (Part-1):2002
27	Lead (as Pb)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
28	Copper (as Cu)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
29	Zinc (as Zn)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
30	Boron (as B)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
31	Silicon (as Si)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
32	Mercury (as Hg)	mg/L	0.0	0.001	IS:3025 (Part-1):2002
33	Arsenic (as As)	mg/L	0.0	0.01	IS:3025 (Part-1):2002
34	Nickel (as Ni)	mg/L	0.0	0.02	IS:3025 (Part-1):2002
35	Aluminum (as Al)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
36	Barium (as Ba)	mg/L	0.0	0.05	IS:3025 (Part-1):2002
37	Manganese (as Mn)	mg/L	0.0	0.05	IS:3025 (Part-1):2002

Note: BDL - Below Detectable Limit. Fe: 0.2 mg/L. Pb: 0.005 mg/L. Cu: 0.01 mg/L. Zn: 0.05 mg/L. Ba: 0.01 mg/L. Se: 0.01 mg/L. Mo: 0.01 mg/L. As: 0.01 mg/L. Ni: 0.01 mg/L. Cr: 0.01 mg/L. Br: 0.01 mg/L. Sr: 0.01 mg/L. Ba: 0.01 mg/L. Se: 0.01 mg/L. Mo: 0.01 mg/L.

S.NO	TEST PARAMETER	UNIT	RESULT	LIMIT	METHOD REFERENCE
38	Bromide	mg/L	0.0	0.05	IS:3025 (Part-1):2002
39	Positive Sulfate	mg/L	0.0	0.05	IS:3025 (Part-1):2002
40	Colorful Sulfate	mg/L	0.0	0.05	IS:3025 (Part-1):2002
41	Free Carbon Dioxide	mg/L	0.0	0.05	IS:3025 (Part-1):2002

Note: BDL - Below Detectable Limit. Bromide: 0.01 mg/L. Free CO₂: 5 mg/L.

Annexure-1

List of Minerals as per the Water Analysis Report

S.NO.	TEST PARAMETER	UNIT	GETP-INLET (input)	RO WATER
1	Calcium (as Ca)	mg/L	143.00	0.1
2	Magnesium (as Mg)	mg/L	0.10	0.1
3	Iron (as Fe)	mg/L	1.30	0.01
4	Fluoride (as F)	mg/L	0.75	0.01
5	Lead (as Pb)	mg/L	0.05	0.01
6	Copper (as Cu)	mg/L	0.05	0.01
7	Zinc (as Zn)	mg/L	0.05	0.01
8	Mercury (as Hg)	mg/L	0.05	0.01
9	Arsenic (as As)	mg/L	0.05	0.01
10	Nickel (as Ni)	mg/L	0.05	0.01
11	Aluminum (as Al)	mg/L	0.05	0.01
12	Manganese (as Mn)	mg/L	0.05	0.01
13	Potassium (as K)	mg/L	7.8	0.01
14	Silica (SiO ₂)	mg/L	26.7	0.3

* Above mentioned list of minerals are covered from following source:
https://en.wikipedia.org/wiki/List_of_minerals



On going through the report and in view of the aforementioned findings, it can be concluded that after undergoing the process as mentioned *supra*, the water obtained from CETP, which has further undergone the process of ultra-filtration and reverse osmosis in the ZLD plant, has micro amount of dissolved minerals and chemicals and is virtually free from all types of toxic materials. This treated water is used in various industries for their manufacturing related process. Further, looking to the presence of miniscule amount of minerals in the water so obtained after treatment from ZLD, we find that it is covered under 'de-mineralized water'. Hence, we are of the view that the treated water obtained from ZLD is not eligible for exemption under Sr. No. 99 of notification No. 2/2017-CT(R) dated 28.6.2017.

28. In view of the foregoing, we hold that the 'treated water' obtained after undergoing the process through CETP & thereafter through ZLD plant, is classifiable under Chapter 2201, and is taxable @ 18% [9% CGST + 9% SGST] by virtue of Sr. No. 24 of Schedule-III of notification No. 01/2017-CT(R) dated 28.6.2017 (as amended) as '*Waters, including natural or artificial mineral waters, and aerated waters, not containing added sugar or other sweetening matter nor flavoured (other than Drinking water packed in 20 liters bottles)*'.

29. Our aforementioned finding draws strength from the rulings of AAR, Tamil Nadu, in case of ²M/s. Kasipalayam Common Effluent Treatment Plant (P) Ltd. and our own ruling in the case of ¹M/s. Palsana Enviro Protection Ltd..

30. In view of the foregoing, we pass the below mentioned ruling:

RULING

1. ZLD treated water (RO) obtained from ZLD plant (classifiable under Chapter 2201) is not eligible for exemption from payment of GST by virtue of Sr. No. 99 of the notification No. 02/2017-CT(R) dated 28.6.2017, as amended.

2. ZLD treated water (RO) obtained from ZLD plant (classifiable under Chapter 2201) is taxable @ 18 per cent by virtue of Sr. No. 24 of Schedule-III of Notification No. 01/2017- CT(R), as amended.

(MILIND KAVATKAR)
MEMBER (SGST)

Place: Ahmedabad

Date: 30 /05/2024



(AMIT KUMAR MISHRA)
MEMBER (CGST)