

AUTHORITY FOR ADVANCE RULING, TAMILNADU
INTEGRATED COMMERCIAL TAXES OFFICE COMPLEX, DOOR NO.32,
5TH FLOOR, ROOM NO. 503, ELEPHANT GATE BRIDGE ROAD,
CHENNAI – 600 003.
PROCEEDINGS OF THE AUTHORITY FOR ADVANCE RULING U/s.98 OF THE
GOODS AND SERVICES TAX ACT, 2017.

Members present are:

Thiru Senthilvelavan B., I.R.S Member/ Additional Commissioner,
Office of the Principal Chief Commissioner of GST & Central Excise, Chennai -34

ThiruKurinjiSelvaan V.S., M.Sc., (Agri.), M.B.A.,Member/ Joint Commissioner (ST)/
Authority for Advance Ruling, Tamil Nadu, Chennai-600 003.

ORDER No.23/AAR/2021 DATED:18.06.2021

GSTIN Number, if any / User id		33AABCK3060C1Z8
Legal Name of Applicant		Kasipalayam Common Effluent Treatment Plant Private Limited
Registered Address/Address provided while obtaining user id		M/s. Kasipalayam Common Effluent Treatment Plant Private Limited No.250/1, Uthukuli Road, S. Periyapalayam, Tiruppur. 641 607.
Details of Application		GST ARA- 01 Application Sl.No.24/2020 ARA dated: 07.12.2020
Concerned Officer		State: Assistant Commissioner(ST) Chennimalai Assessment Circle Centre: Coimbatore Commissionerate.
Nature of activity(s) (proposed / present) in respect of which advance ruling sought		
A	Category	Factory / Manufacturing
B	Description (in Brief)	The applicant is an effluent treatment plant promoted by dyeing units
Issue/s on which advance ruling required		1. Classification of goods and/or services or both 2. Determination of time and value of supply of goods or services or both

	<ol style="list-style-type: none"> 3. Determination of the liability to pay tax on any goods or services or both. 4. Whether any particular thing done by the applicant with respect to any goods or services or both amounts to or results in a supply of goods or services or both, within the meaning of that term.
<p>Question(s) on which advance ruling is required</p>	<ol style="list-style-type: none"> 1. Whether the classification of the supply of outputs as sale of goods is correct. 2. Whether classification of water sold as Water (other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water solid in sealed container) under Heading 2201 is correct. 3. Whether classification of effluent purchased from dyeing as Other wastes from chemical or allied industries (3825 69 00) is correct. 4. Whether the method of arriving value for effluent using the net realization price method is correct as there are no comparable products and cost cannot be worked out.

Note: Any appeal against the Advance Ruling order shall be filed before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-section (1) of Section 100 of CGST ACT/TNGST Act 2017 within 30 days from the date on which the ruling sought to be appealed against is communicated.

At the outset, we would like to make it clear that the provisions of both the Central Goods and Service Tax Act and the Tamil Nadu Goods and Service Tax Act are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the Central Goods and Service Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Service Tax Act.

M/s. Kasipalayam Common Effluent Treatment Plant Private Limited No. 250/1, Uthukuli Road, S. Periyapalayam, Tiruppur. 641 607(hereinafter called the Applicant) are registered under GST with GSTIN 33AABCK3060C1Z8. The applicant has sought Advance Ruling on:

- (1) Whether the classification of the supply of outputs as sale of goods is correct.
- (2) Whether classification of water sold as Water (other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water sold in sealed container) under Heading 2201 is correct.
- (3) Whether classification of effluent purchased from dyeing as other wastes from chemical or allied industries (3825 69 00) is correct.
- (4) Whether the method of arriving value for effluent using the net realization price method is correct as there are no comparable products and cost cannot be worked out.

The Applicant has submitted the copy of application in Form GST ARA - 01 and also submitted a copy of Challan evidencing payment of application fees of Rs.5,000/- each under sub-rule (1) of Rule 104 of CGST rules 2017 and SGST Rules 2017.

2.1 The applicant has stated that they are an effluent treatment plant promoted by the dyeing units. They plan to buy the effluents from the dyeing units. The effluents will be delivered from the dyeing units to them through pipelines. The effluent will be processed at the plant and the resulting products water, sulphate solution and brine solution will be sold at market rates. The delivery will be made either through pipelines/lorry. As per the norms of Pollution control board the resulting products can be sold to any member unit.

2.2 The applicant has stated that they purchase the effluents from the member units. They become the owner of the effluent and after processing sells the resulting products to any of the member units based on the market price and as per the requirements of the member units. They have contract with member units for minimum quantity of effluent to be supplied and may charge a fee if the said quantity is not achieved. Since all the risks and rewards of the products get transferred it is a transaction purchase, manufacture and sale of goods. Since there are no comparable price for purchase of effluents, net realizable value method is adopted.

3.1 Due to the prevailing PANDEMIC situation and in order not to delay the proceedings, the applicant was addressed through the Email Address mentioned in the application to seek their willingness to participate in a virtual Personal Hearing in Digital media. The applicant consented and the hearing was held on 12.02.2021. The Authorised Representative appeared for the hearing and reiterated the submissions. The applicant was asked to furnish:

1. Flowchart of proposed and current activity
2. Statement of accounts for the activities – P&L/Balance sheet for the past 5 year
3. Draft agreement for the proposed activity
4. Description of the infrastructure in place for the proposed activity.

It was intimated that Q. No. 3 regards the classification of the effluents received by them and is not admissible under Section 97(2) of CGST/TNGST Act 2017. It was also stated that the applicant being administered by the State, the Jurisdictional Officer can be asked to undertake verification and test of the output products from a recognized lab to arrive at the correct classification.

3.2 The applicant on 23.02.2021, furnished the following documents, called for during the hearing

- Analytical report of the Treated Brine Solution dated 13.02.2021;
- Analytical Report of the Recovered Water dated 13.02.2021
- Kasipalayam CETP Salt Analysis Report dated 12.02.2021
- Kasipalayam CETP Salt Analysis Report dated 13.02.2021
- Process Flow Diagram of 4.4 MLD Capacity of Kasipalayam CETP-100% Capacity Water Balance;
- Process Description of Kasipalayam CETP
- Draft Contract for Sale and Disposal of Dyeing Effluent ;
- Balance Sheet as on 31.03.2020

3.3 The applicant vide their e-mail dated 22.04.2021 furnished their Letter dated April 17, 2021 addressed to The Assistant Commissioner (ST), Chennimalai Assessment Circle. In the said letter, they had inter-alia stated that

01. By following the below mentioned method of process i.e Zero Liquid Discharge (Hereinafter referred as ZLD), their plant effluent treatment process will not pollute the Environment and also Noyyal river is flowing with maximum Eco Restoration.

02. Suppose they follow the traditional method i.e. before ZLD they could not save their Ecology Environment and also cannot control the Environmental pollution.

03. Based on the above-mentioned treatment process method; effluents from the specific exclusive member textile units are treated. This is also an integrated part of the dyeing unit but due to space constraints caused by already dense settled member dyeing units, the concept of Common Effluent Treatment Plant was evolved within the distance of 1 km radius dedicated to the 11 member units who are sole proprietors, connected by pipelines. They have been approaching government regarding GST reduction from 12% to 5% slab. In Maharashtra and Gujarat treatment plants are considered as integrated part of textile processing units and GST is being charged on effluent treatment at 5%. Still now they had not received any intimation from the Government regarding the reduction of GST tax structure since their Model is common treatment plant constituted as Company situated outside the campus of the dyeing units and treating the dyeing units as members, which is entirely different concept when compared with the textile unit treatment plants situated in Maharashtra and Gujarat. Their discharge process is also entirely different as they discharge into the Sea but here Zero Discharge process is followed. Even after considering the discharge process and integrated or connected location, the effluent treatment process is also an integral part of textile processing. Based on the discharge process and location, the denial of reduced rate of tax to Common Effluent Treatment Plants against law and natural justice. The Government is not interested to motivate the innovated idea to save environment.

04. And hence in future by saving our member units ITC cumulated losses, by avoiding the accumulation of GST Input taxes to the member units (Dyeing), they are going to change the method of billing from Service provider to Manufacturer. Because they are doing work for one and only to their members dyeing units and not others textiles processing units. For that purpose they have filed Petition in Advance Ruling Authority. In view of the above submissions, they request to reclassify the status of process by them from SERVICE PROVIDER to GOODS MANUFACTURER under GST.

They submitted enclosures to explain the Nature of work done at Treatment Plant and the Role in Pollution control, Verification done by the

Proper Officer and Estimated Calculation of GST in case of MANUFACTURER compared with present stage

4.1 The State Jurisdictional authority who has administrative control over the applicant has stated that there is no show cause Notice/Issue pending adjudication in this office on this subject matter but the applicant has been issued a show cause Notice from the Central Tax Authorities and further offered the following comments:

- 1) Whether the classification of the supply of out puts as sale of goods is correct?

The principal Supply done by the applicant is supply of way of treatment of effluents by a Common Effluent treatment plant (SAC-9994). Hence the Classification of the supply of output as sale of goods is not correct. Rate of GST on Service by way of treatment of effluent is 12% (CGST 6%) but Salt (HSN 2501) and water. (HSN 2201) are NIL rated. The classification as sale of goods may affect the revenue to the Government Exchequer.

- 2) Whether classification of water sold as water (other than aerated mineral, purified, distilled, medicinal, tonic battery, de-mineralized and water sold in sealed container) under heading 2201 is correct?

Water discharged by the applicant is partly de- mineralized in nature. Hence the classification of water sold as other than aerated mineral, purified, distilled, medicinal, tonic battery, de-mineralized and water sold in sealed containers under 2201 is not correct.

- 3) Whether the classification of effluent purchased from dyeing as other wastes from chemical or allied industries (3825 69 00) is correct?

The classification may be correct with the determination of chemical properties of the inputs. But the applicant may claim ITC @ 18% (CGST 9% SGST 9%) by classifying the inputs as purchase of goods with HSN 3825 69 00. This may kindly be examined carefully.

- 4) Whether the method of arriving value for effluent using the net realization price method is correct as there are no comparable products and cost cannot be worked out.

If the classification of the supply of output as sale of goods was done, since is no comparable product for effluent, the net realization method is unavoidable.

5.1 The Central Jurisdictional Authority vide their letter C. No. IV/16/41/2020-GST Policy dated 06.01.2021 stated that a case has been registered by DGGI, Coimbatore Zonal unit, vide Incident Report No. 95/2019-GST dt. 26.11.2019, against the applicant and enclosed a copy of the incident report. They further stated that the applicant has paid an amount of Rs. 34 lakhs towards part of their differential tax liability and the total differential liability of GST works out to Rs. 46.73 Lakhs (Approx.)

5.2 A letter was addressed to the Additional Director General, DGGSTI, Coimbatore Zonal Unit requiring them to clarify whether the questions raised by the applicant are part of the investigations vide Incident Report No. 95/2019-GST. DGGSTI, Coimbatore Zonal Unit. DGGSTI, Coimbatore Zonal Unit, vide their letter F.No. INV/DGGI/CoZU/C/143/2019-GST dated 28.01.2021 that the questions raised before ARA were not part of the investigation carried out by their Office.

6.1 The Assistant Commissioner, Chennimalai Circle, the State Jurisdictional Officer, as required by the authority, undertook verification and furnished the verification report vide letter Rc.No.749/2020/A4 dated 22.04.2021, wherein inter-alia, he stated that:

- As per the instructions received from the authority, Tvl. Kasipalayam Common Effluent Treatment Plant was verified in person on 08.04.2021 after receipt of the test report of the Output products from THE SOUTH INDIA TEXTILE RESEARCH ASSOCIATION – TEXTILE TESTING AND SERVICE CENTRE, Tirupur -641602, which is submitted overleaf.
- The Nature of work on Effluent treatment and the Concept as well as difference between Integrated Effluent Treatment Plant and Common Effluent Treatment Plant were explained by the experts in the Plant.
- The test report and the explanation of the experts during verification revealed that the components of the effluents were extracted separately and sent back to the dyeing units as reverse process. Again, during dyeing, the components are mixed and effluent is generated as liquid waste. Raw effluent has chlorides, sulphates majorly which is treated and extracted to the components viz. R.O. water [HSN:2201], mixed salt (HSN: 3825 majority Sodium Sulphate with less Sodium Chloride and other salts), Glauber salt (HSN: 3825 content of sodium sulphate) and Brine solutions liquid (HSN: 38256900).

- In this reclassification, the plant may claim ITC on the Effluent to be treated. The applicant has wrongly classified the mixed salt with GST exempted category. But Sodium Chloride content in that common salt is only at 12% and hence HSN: 2501 will not apply.
- The directors available at the time of verification submitted that IETP in the States of Maharashtra and Gujarat are operated as an integral part of the dyeing units with same GSTIN and GST on the effluent treatment is levied at the rate of 5% after issue of Notification. But CETP and Member dyeing Units have separate GSTIN Registrations under the Act and hence rate of 5% was not notified for CETP. Moreover, the Effluent Treatment was taxable under Section 66B of the Finance Act, 1994 but Service Tax was exempted under vide Notification No.08/2017, dated: 20.02.2017 between the period 01.07.2012 and 31.03.2015. GST charged by the CETP from their Member Dyeing Units are claimed as Input on Services in the Returns filed by the Member Dyeing Units which mainly affects the Revenue flow as the ITC gets accumulated but could not be claimed as Refund on Inverted Duty Structure. For survival of the Member Units, they need financial flow by way of GST refund on Inverted Duty Structure. Hence, they requested that the CETP may be reclassified as Manufacturer from the present classification of Service Provider. On verification it is found that the financial survival of the Effluent Treatment Plants is essential to prevent Dangerous Water Pollution in Noyyal basin and Cauvery Delta without affecting the Foreign Exchange flow into the Country. The CETP is functioning with the funds shared by the Member Dyeing Units and the Member Units needs financial support in terms of Tax Concession or exemption for their efforts for Pollution Eradication. The Member Dyeing Units feel that the reduction in rate of GST at 5% will not create major impact in their Revenue Generation and hence they request that the CETP may kindly be reclassified as Manufacturer from the present classification of Service Provider, which enables the claim of GST Refund on the Input GST to be availed for Effluent Treatment Expenses.
- Projection on the estimated GST to be paid on the reclassification as manufacturer and the actual GST paid as Effluent Treatment Service Provider (as per the turnover reported in the month of February 2021) was obtained as a report of comparison from the Applicant and it is also submitted overleaf. For proposed estimated calculation the Applicant has fixed the Purchase Cost of Effluent as Rs.10 per Cubic meter (1000 liters). By

adopting such rate, the applicant has projected Net payment of GST Rs.618,597/- after adjustment of Input GST against the originally paid net GST Rs.447728/- which is Rs.170869/- more than the actual revenue collected in February 2021. But on the other hand, in case of reclassification of the Plant as Manufacturer, the Member Dyeing Units may claim additional refund claim amounting from Rs.22,53,680/- to Rs.26,11,550/- (as estimated with the figures reported in February 2021) which is presently available in Credit Ledger of the Member Units but could not be claimed as Refund against Inverted Duty Structure. This kind of refund will affect the State Exchequer periodically but accumulation of credit without any monetary benefit may affect the survival of the Member dyeing Units severely which may result in either affecting Foreign Exchange inflow or drastically increasing Water Pollution in Noyyal basin and Cauvery Delta.

6.2 The Jurisdictional Officer has furnished the following along with the report:

1. Test report of the output products, dated:30.3.2021
2. Letter received from the applicant, Kasipalayam CETP, dated:17.4.2021
3. Report on nature of work done at treatment plant and the role in pollution control
4. Photographs taken during site verification
5. Comparison between estimated calculation as manufacturer and actual calculation as service provider.

7.1 We have carefully examined the statement of facts, supporting documents filed by the Applicant, oral submissions made at the time of Virtual hearing, submissions made after hearing, comments of the State and Center Jurisdictional Authority, DGGI Coimbatore Zonal Unit and verification report of the State Officer.

The applicant has sought ruling on the following questions:

1. Whether the classification of the supply of outputs as sale of goods is correct.
2. Whether classification of water sold as Water (other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized and water solid in sealed container) under Heading 2201 is correct.
3. Whether classification of effluent purchased from dyeing as Other wastes from chemical or allied industries (3825 69 00) is correct.

4. Whether the method of arriving value for effluent using the net realization price method is correct as there are no comparable products and cost cannot be worked out.

7.2 The applicant is a Common Effluent Treatment Plant engaged in collecting, conveying, treating & disposing of the effluents from their member dyeing/bleaching units. The Jurisdictional Authority had reported that a case has been registered by DGGI, Coimbatore Zonal unit, vide Incident Report No. 95/2019-GST dt. 26.11.2019, against the applicant. DGGI Coimbatore Unit, had clarified that the questions raised before ARA were not part of the investigation carried out by their Office. They had further stated that the offence case related to short payment of GST due to wrong adoption of applicable GST rate by classifying the services under "Textile Manufacturing Services SAC: 9988" instead of "Treatment of effluents for textile dyeing unit SAC:9994" and paid 5% instead of 18% for the period from 01.07.2017 to 24.01.2018. From the above, it is seen that the questions raised before us and the investigations conducted on the applicant are not similar and therefore, the application is admissible for ruling.

7.3 Of the above questions, raised before us, we find that the Question No. 3 requires ruling on the classification of effluent purchased by them. Section 95 (a) of CGST and TNGST Act defines 'advance ruling' as

(a) "advance ruling" means a decision provided by the Authority or the Appellate Authority to an applicant on matters or on questions specified in sub-section (2) of section 97 or sub-section (1) of section 100, in relation to the supply of goods or services or both being undertaken or proposed to be undertaken by the applicant;

From the above, it is evident that an applicant can seek an Advance Ruling only in relation to supply of goods or services or both undertaken or proposed to be undertaken by them. Further, as per Section 103(1) of the GST Act, the ruling is binding only on the applicant and the concerned officer or the jurisdictional officer of the applicant. In the case at hand, at Q.No.3, the applicant has sought ruling on the classification of the effluent purchased by them and at Q.No. 4 the ruling is sought on the method of arriving value for purchase of effluent. These questions are raised as recipient of the goods and not supplier of such goods. Accordingly, this questions are not liable for admission, the fact of which was already stated during the Hearing. The other two questions raised by the applicant relates to the supply

made by them and on the matters specified in sub-section (2) of Section 97, therefore they are admitted and taken up for consideration.

8.1 From the various submissions before us, we find that the applicant company is formed in the year of 1994 as a Private Limited Company under the Companies Act, 1956 with 14 members units as its shareholders. All the member units are situated in 1 km radius from the CETP. From 1999 it is undertaking primary treatment for the member units. Now it has been upgraded for Zero Liquid Discharge (ZLD) and is ready for commissioning. The applicant had been receiving the raw effluent from the member units and was undertaking the services by way of treatment of effluents. It is stated that they had been doing the said services only to their members. Presently considering the tax implications, they intend to change the model of operation. Hitherto, they were receiving the raw effluent and were undertaking the services of treatment of such effluents which is covered under SAC 9994 and is taxable @ 12% GST vide Sl.No. 32 of Notification No. 11/2018-C.T (Rate) dated 28.06.2017, effective from 25.01.2018. The applicant has stated that they propose to purchase raw effluent from the member units, treat the same and sell the treated water, extracted salts, etc. In this connection, they have sought ruling on whether

- the classification of supply of outputs as sale of goods is correct;
- classification of water under HSN 2201 is correct; and

8.2 The report of the Assistant Commissioner (ST), the additional submissions of the applicant, the flow chart of process, descriptions of the process involved, Laboratory Test Reports, and the balance sheet for the year 31st March 2020 and draft agreement for the proposed activity were examined in detail. From the Draft contract for sale and disposal of Dyeing Effluent, the following are seen:

- The contract is entered for the sale and disposal of dyeing effluent
- The seller agrees to transfer ownership and deliver possession to the buyer, the applicant
- The buyer is to pay and accept from the seller, the "Dyeing Effluent" listed at such quantity as agreed by the parties.
- The buyer agrees to accept all risks and rewards associated with goods after delivery and shall treat the effluent as per the statutory regulations

The state jurisdiction officer alongwith the verification report has furnished the details of budgeted sales & Raw Effluent Purchase details for the months of February 2021 as below:

FEBRUARY '2021 MONTH - BUDGETED SALES & RAW EFFLUENT PURCHASE DETAILS

NO	PARTICULARS	RAW WATER READING (IN M3)	Raw Water Purchase Cost@ 10per M3	Recovered Water (in M3)	Cost @125 per M3	Brine Solution (in M3)	Cost @18/- M3	Glauber Salt(in Kgs)	Salt @ 22/- per kg	Forced Mixed Salt(in Kgs)	Mixed Salt Rate @ 24/ per Kg
1	Amitham Bleaching	803	8030	328	41000	0	0		0		0
2	Dhanashree Bleachingand Dyeing	4198	41980	4700	587500	185	3330	32720	719840	13080	313920
3	High Power Process	7479	74790	2950	368750	99	1782	42200	928400	14520	348480
4	Friends Colours	4011	40110	5882	735250	424	7632	95000	2090000	7880	189120
5	Spencer Processing Mills	5584	55840	4391	548875	294	5292	30000	660000	0	0
6	Sri Abinaya Dyers	6453	64530	5065	633125	237	4266	32400	712800	15480	371520
7	Santhi Bleaching	904	9040	1001	125125	0	0		0	0	0
8	Texwell Process	3564	35640	2930	366250	239	4302	58400	1284800	11680	280320
9	Thangamman Process	8742	87420	7840	980000	188	3384	3200	70400	6000	144000
10	Vikram Process	2970	29700	2595	324375	153	2754	17400	382800	0	0
11	Viswam Process	8245	82450	5304	663000	274	4932	11840	260480	14200	340800
					0						
		52953		42986							
	TOTAL	Purchase from Member	529530	Sales to Member	5373250	Sales to Member	37674	Sales	7109520	Sales to Member	1988160

From the above it is evident that the applicant after entering into a contract for purchase of the 'Raw effluent' proposes to treat the same. The process carried out in the plant is that the raw effluent received from the member dyeing units is treated/processed through four phases for Zero Liquid Discharge system (ZLD) and the following output products are extracted:

- (i) R.O. Water
- (ii) Sodium Sulphate (Glauber Salt)
- (iii) Brine Solution
- (iv) Sodum Chloride (Mixed Salt)

It is stated that the above output products are sold to any of the member units as per the norms of the Pollution Control board at market rates. From the above, it is evident that the applicant proposes to purchase the 'Raw effluents', treat them on their own account and sell the resultant products at market rates. Therefore, in this modus of operation, the classification of the supply of outputs as sale of goods is correct.

9.1 The second question raised is the classification of water sold by them. It is seen from the process description that three stage RO system is designed to get overall recovery 80% of product water by removal of dissolved inorganic salts. All

the three stages are loaded with Sea Water (SW) membranes. 80% of water is restored. From the Analytical report of the recovered water dated 13.02.2021 furnished by the applicant it is seen that the TDS is 216 and it contains chlorides, Sulphates, Bicarbonates and the pH is 6.50. Further the report furnished by The South India Textile Research Association(SITRA) Textile Testing and Service Centre, test report No.V2000610 dated 30.03.2021 of Sample No.:V2000610-3, gives the report of RO WATER (Industrial use)wherein it is seen that the pH is 6.59, TDS is 118 mg/l and contains chlorides, sulphates, Bicarbonates, etc. It is further stated that the reusable water is dispatched to Member units(buyers) through pipe line conveyance system for their industrial process utilization.

9.2 From the above, it is clear that the recovered, reusable water obtained by the process of Reverse Osmosis is sold for Industrial process utilization. The water is partly de-mineralized in nature. Therefore while the CTH applicable is 2201 as stated by the applicant. The Description of the product do not fit the 'Description of Goods', 'Water(other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralised and water sold in sealed container)' given under Sl.No.99 of Notrification No. 02/2017-C.T.(Rate) dated 28.06.2017. The product is the one falling under Sl.No. 24 of Annexure-III of Notification No. 01/2017-C.T.(Rate) dated 28.06.2017, which is given as under:

S. No.	Chapter / Heading / Sub-heading / Tariff item	Description of Goods	Rate
(1)	(2)	(3)	
24.	2201	Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter	9%
		nor flavoured [other than Drinking water packed in 20 litre bottles]	

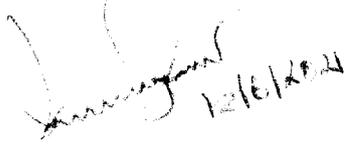
10. In view of the above, we rule as under

Ruling

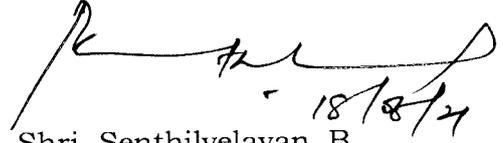
1. In the proposed Modus of purchase of 'Raw effluent', treat it on own account and supply the outputs at market rates, the classification of supply of outputs as sale of goods is correct.
2. The classification of Water recovered, which is de-mineralized water for Industrial use is classifiable under CTH 2201 as Waters described under

S.no.24 of Annexure -III of Notification No. 01/2017-C.T.(Rate) dated 28.06.2017

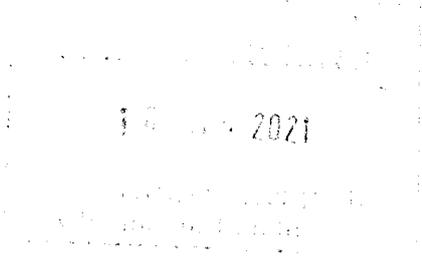
3. The ruling sought on the classification of the 'Raw effluent' and the value to be adopted for purchase of 'Raw effluent' are not answered for the reasons stated in para 7.3 above



Shri KurinjiSelvaanV.S.,
Member, TNGST



Shri. Senthilvelavan. B
Member, CGST



To
M/s. Kasipalayam common Effluent Treatment Plant Private Limited
No. 250/1, Uthukuli Road,
S. Periyapalayam, Tiruppur. 641 607.

// BY SPEED POST WITH ACK.DUE //

Copy Submitted to:

1. The Principal Chief Commissioner of GST & Central Excise,
26/1, Mahatma Gandhi Road, Nungambakkam, Chennai-600034.
2. The Principal Secretary/Commissioner of Commercial Taxes/Member,
IIndFloor, Ezhilagam, Chepauk, Chennai - 600 005.

Copy to:

3. The Commissioner of GST & Central Excise,
Coimbatore Commissionerate,
6/7, A.T.D. Street, Race Course,
Coimbatore 641 018.
4. Assistant Commissioner(ST) Chennimalai Assessment Circle,
300, Bhavani Main Road,
Perundurai - 638 052.
5. Master File/ Spare - 2.