

M/s Suez India Private Limited

Authority for Advance Ruling — Karnataka

Advance Ruling No. KAR ADRG 08/2023 dated 17.02.2023

Q Questions Before the Authority

- Whether the services provided to Bengaluru Water Supply and Sewerage Board would be considered as a service provided to a governmental authority under GST Laws?
- What is the applicable GST rate on supply of works contracts services in relation to sewage treatment made by the Applicant to Bengaluru Water Supply and Sewerage Board, on or after 1st Jan 2022?

F Facts

The applicant entered into a contract with the Bengaluru Water Supply and Sewerage Board (BWSSB) for the design, upgradation, and rehabilitation of existing water treatment plants. The applicant sought clarity on whether BWSSB qualifies as a governmental authority and the applicable GST rate for these works contract services on or after January 1, 2022.

H Ruling

Status of BWSSB as a governmental authority	Yes, considered a service provided to a governmental authority	Based on its establishment by the Bangalore Water Supply and Sewerage Act 1964
Applicable GST rate on or after 1st Jan 2022	18% (CGST at 9% and SGST at 9%)	Covered under entry 3(xii) of Notification No. 11/2017-Central Tax (Rate)

The Authority ruled that BWSSB qualifies as a governmental authority under GST laws. Consequently, the works contract services provided by the applicant to BWSSB are subject to GST at the rate of 18%.

R Reasoning

The Authority determined that BWSSB is a governmental authority as it was established by a State Act to perform functions entrusted to a Municipality under Article 243W of the Constitution. Regarding the tax rate, the Authority noted that previous concessional rates for services to governmental authorities were amended by Notification No. 15/2021-Central Tax (Rate) and subsequent notifications. As a result, the specific entry for concessional rates was omitted, and the services now fall under the residual category of construction services taxable at 18%.

P Provisions Relied On

Section 97(2)(e) of the CGST Act, 2017

Section 2(119) of the CGST Act, 2017

Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017

Notification No. 15/2021-Central Tax (Rate) dated 18.11.2021

Notification No. 22/2021-Central Tax (Rate) dated 31.12.2021

Notification No. 3/2022-Central Tax (Rate) dated 13.07.2022

! For the Practitioner

This ruling confirms that BWSSB is a **governmental authority** for GST purposes. It clarifies that due to the withdrawal of concessional tax entries for works contracts provided to governmental authorities, such services are now **taxable at 18%**. Practitioners should note that this ruling specifically addresses the post-January 2022 tax landscape following the relevant notification amendments.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> [knaar_order_no.082023suez_india_private_limited_1.pdf](#)

Prepared 20-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com