M/s Water Health India Private Limited, Plot No 1926, C Block, Sahakar Nagar, Bangaluru Rural, Karnataka - 560092 (GSTIN 29AAACW5652P1ZL)

Authority for Advance Ruling — Karnataka

Advance Ruling No. KAR ADRG 12/2020, Dated: 18-03-2020 (the scan als… Dated **18.03.2020**

Q Questions Before the Authority

- Whether supply of purified water to public in empty unsealed cans is exempt under GST law.

F Facts

The applicant, a subsidiary of Water Health International (USA), supplies purified water to urban under-served people through community water treatment plants installed under MoUs with local panchayats and municipalities. Raw water from wells, ponds or bore wells is filtered and then passed through reverse osmosis membranes before storage. The purified water is sold at about Rs 8 per 20-litre can, in unsealed cans brought by customers themselves, and is also supplied through a piped network.

H Ruling

Supply of purified drinking water to public in empty unsealed cans brought by customers	****Not exempt from GST****	The order does not state the applicable rate. Purified water is treated as excluded from Entry 99 of Notification No. 2/2017-Central Tax (Rate), so the Entry 99 exemption does not apply to it.

The authority held that the word 'and' before 'water sold in sealed container' in Entry 99 is disjunctive, so that sealed water is a separate excluded category alongside purified water. Purified water is therefore excluded from the exemption whether it is sold in sealed or unsealed containers. The supply of purified drinking water to the public in empty unsealed cans is **not entitled to exemption from GST** .

R Reasoning

The authority read Entry 99 of Notification No. 2/2017-Central Tax (Rate) dated 28.06.2017, which exempts water other than aerated, mineral, purified, distilled, medicinal, ionic, battery, de-mineralized water and water sold in sealed container. It relied on Maxwell on the Interpretation of Statutes, as quoted in Sukhnandan v. Suraj Bali, and on the Supreme Court in S.G. Glassworks, holding that 'and' may be read disjunctively where the context requires. On that reading, 'water sold in sealed container' is a separate excluded category, so purified water is excluded whether sealed or unsealed. The authority also read CBEC Circular No. 52/26/2018 dated 09.08.2018, which lists purified water among the excluded waters that remain exigible to GST, and it rejected the applicant's reliance on that circular.

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

P Provisions Relied On

Section 97 of the CGST Act, 2017 and Rule 104 of the CGST Rules, 2017 (advance ruling application)

Section 97 of the KGST Act, 2017 read with Rule 104 of the KGST Rules, 2017

Sub-section (4) of Section 98 of the CGST Act, 2017 and of the KGST Act, 2017 (order form)

Entry No. 99 of Notification No. 2/2017-Central Tax (Rate) dated 28.06.2017

CBEC Circular No. 52/26/2018 dated 09.08.2018

HSN code 2201 (as referred to in the circular)

! For the Practitioner

Operators of community water plants selling purified water in customers' own unsealed cans can rely on this ruling to see that the Entry 99 exemption is not available to them, so GST must be accounted for on those supplies. The ruling binds only the applicant, and the order does not state the rate payable, so the rate must be confirmed separately. It also does not resolve the wider question of how the 'and' in Entry 99 should be read in other contexts, and a practitioner should check whether any appeal or contrary ruling exists before relying on it.

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 -> kar aar 12 2020 18.03.2020 whipl.pdf

Prepared 20-11-2026.

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

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

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

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

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

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