

M/s Membrane Filters(I) Pvt Ltd

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 06/2018-19/B- 62

Dated **09.07.2018**

Q Questions Before the Authority

- What is the rate & HSN code of GST applicable (after it's introduction from 1st July 2017) when Extracting water from tube well, passing it through treatment plant of removing unwanted contaminants like Iron from ground water and eventually lifting it to overhead tank (in short the scheme) runs on solar power.

F Facts

The applicant was awarded a turnkey contract by the Public Health Engineering Department (PHED), Government of Bihar, for the design, construction, supply, and commissioning of 200 mini-piped water supply schemes with solar-operated pumps and iron removal treatment plants across habitations in Bihar. The scheme entails drilling tube wells, erecting solar-powered pumping systems, setting up iron removal units, constructing supporting civil structures, and laying distribution pipelines to households.

H Ruling

Applicable GST rate and HSN/SAC code for solar-powered mini-piped water supply and treatment scheme for PHED Bihar

**TSH 9954; 12% GST
(6% CGST + 6% SGST)**

Classified as composite supply of works contract for water supply/treatment supplied to State Government

The Authority held that the execution of the project constitutes a **composite supply of works contract** provided to a State Government department for water supply and water treatment. It falls under Heading 9954 and attracts GST at the rate of **12% (6% CGST + 6% SGST)**.

R Reasoning

The Authority observed that the contract involves civil work, erection, installation, and commissioning of pipelines and plants integrated into a single functional scheme for supplying treated water. This activity qualifies as a **composite supply of works contract** under Section 2(119) of the CGST Act, 2017. As per Notification No. 11/2017-Central Tax (Rate), as amended by Notification No. 20/2017-Central Tax (Rate) under Heading 9954 item (iii)(c), works contract services supplied to the Central/State Government or local authority by way of construction, erection, commissioning, or installation of plant or pipeline for water supply or water treatment attract **12% GST**.

P Provisions Relied On

Section 2(119) of the CGST Act, 2017

Heading 9954 of Notification No. 11/2017-Central Tax (Rate) dated 28.06.2017

Notification No. 20/2017-Central Tax (Rate) dated 22.10.2017



For the Practitioner

This ruling establishes that comprehensive turnkey contracts for setting up water treatment and supply schemes for government entities qualify as **works contract services for water supply**, taxable at the concessional rate of 12% under Heading 9954, rather than individual rates for constituent goods like solar panels or pumps.

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 -> [maha-gst-ara-06-b-62 dt.0907.18 membrane filters.pdf](#)

Prepared 20-10-2026.

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