

21<sup>st</sup> July 2017

To

The Chairman, GST Council,  
Office of the GST Council Secretariat,  
5<sup>th</sup> Floor, Tower II, Jeevan Bharti Building,  
Janpath Road, Connaught Place,  
New Delhi – 110 001.

Email: [contact.gstcouncil@gov.in](mailto:contact.gstcouncil@gov.in)

Sub: Exemption under GST for services provided by way of erection, construction, maintenance, repair, alteration, renovation or restoration of pollution control or effluent treatment plant.

Dear Sir,

Bangalore Apartments' Federation (BAF) is a not-for-profit organization registered under Karnataka Societies Registration Act, 1960 (Regn. No. SOR / GNR / 02/2014-15). BAF represents the interests of apartment associations and has 124 registered apartment associations across Bengaluru as its members.

We would like to draw your attention to a service that was exempt from Service Tax earlier, under Notification No. 12 / 2012 – Service Tax dated 17<sup>th</sup> March 2012. The service reads as follows – “**Services provided by way of erection, construction, maintenance, repair, alteration, renovation or restoration of pollution control or effluent treatment plant, except located as a part of a factory.**”

The abovementioned service does not find reference in Notification No. 12 / 2017 dated 28<sup>th</sup> June 2017, which covers services that are exempt from GST.

It is pertinent to note that this service was originally not exempt from service tax before 2012 but was specifically included in 2012 after a lot of thought, since it is a service that makes a significant difference to the environment. It helps in converting sewage & effluents into treated water that can be used for a variety of purposes or safely let out into lakes / water bodies, or in some cases even made potable. This carries even more significance in light of the various cases of lake pollution that have been happening across Bengaluru as well as the rest of the country. This has also resulted in lessening the burden on Urban Local Bodies who are charged with supplying good quality water as well as treating sewage generated in urban agglomerations.

Implementation & maintenance of sewage treatment plants entails large investments as well as running expenses apart from costs incurred in engaging the right technical experts. An additional levy in the form of GST will be extremely burdensome for apartments & establishments that are looking to contribute to the environment and will act as a disincentive to implement the same.

In light of the significant environmental contribution and reduction of pollution that is achieved, it is important that such services be incentivized like it has been done before in the service tax regime. Hence, we request you to continue the exemption of the abovementioned service from GST, like it was exempted from service tax before.

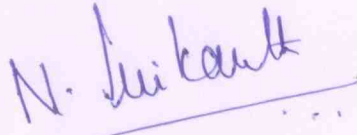
Look forward to a favourable response on the same at the earliest, particularly given that GST has already come into effect and services will have to be taxed for the month of July 2017.

Yours Sincerely,



President

(R. Balasubramanian)



General Secretary

(Srikanth Narasimhan)

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