

GIB/TN/CMC VELLORE/25-11-2019/AAR-294

Advance Ruling Category : Taxability

State : Tamil Nadu

Order No.: GIB/TN/CMC VELLORE/25-11-2019/AAR-294

Name of Entry :
CMC Vellore Association

Date : 23-06-2019

Breif Issue :

Facts & Issue Of The Case :

CMC Vellore Association, is engaged in provision of Health Care services to both inpatients and out-patients and they are registered under GST Act with GSTIN 33AAATC1278N1ZN. They have preferred this Application seeking Advance Ruling on the following questions:

- Whether the medicines, drugs, stents, consumables and implants used in the course of providing health care services to in-patients admitted to the hospital for diagnosis, or medical treatment or procedures would be considered as " Composite Supply" of health care services under GST and consequently can exemption under Notification No.12/2017 read with Section 8(a) of GST be claimed?
- Tax liability on medicines supplied to in-patients through pharmacy? The Applicant has submitted the copy of application in Form GST ARA - 01 and also submitted the copy of Challans evidencing payment of Application Fees of Rs. 5000/- each under Sub-rule (1) of Rule 104 of CGST Rules 2017 and SGST Rules 2017.

It has been examine that the exemption is applicable to a "Clinical Establishment", when services by way of diagnosis or treatment or care for illness, etc. are undertaken by such establishment under the directions of a medical doctor. "Clinical establishment" is defined in the said notification under 2(s), which states that- a hospital, nursing home, clinic, sanatorium or any other institution by, whatever name called, that offers services or facilities requiring diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognized system of medicines in India to carry out diagnostic or investigative services of diseases.

Decision of Advance Ruling Authority :

Decision :

- Medicines, drugs, stents, consumables and implants used in the course of providing health care services to in-patients admitted to the hospital for diagnosis, or medical

treatment or procedures is a composite supply of In Patient Healthcare Service.

- Supply of inpatient health care services by the applicant hospital as defined in Para 2(zg) of Notification No. 12/2017-CT (Rate) dated 28.06.2017 as amended and Notification No. II(2) /CTR/532(d-15)/2017 vide G.O (Ms) No. 73 Dated 29.06.2017 as amended is exempted from CGST and SGST as per Sl.no. 74 of the above notifications respectively .