

GIB/GJ/BARODA MEDICARE/30.12.2020/AAR-453

Advance Ruling Category : Composite Supply

State : Gujarat

Order No.: GIB/GJ/BARODA MEDICARE/30.12.2020/AAR-453

Name of Entry :

M/S BARODA MEDICARE PRIVATE LIMITED

Date : 30-12-2020

Breif Issue :

FACT OF THE CASE:

In this case the appellant M/s Baroda Medicare Private Limited is running hospitals primarily under the brand name “Sunshine Global Hospitals” and was incorporated in 2007. The applicant is operating as a multi-specialty hospital having its registered office at Sunshine Global Hospital, Nr. ShreyasVidyalaya, Manjalpur, Vadodara - 390011 and having 2 other units at Vadodara and Surat.

For proper care and watch by doctors/nurses, a room on rent and food from Hospital Canteens, under the supervision of dietician is also provided to the in-house patients as a part of overall health care. Out-patients (OPD patients) are also treated by the Hospitals. The inpatients are charged for all of these when they are admitted to the hospital which provides services to the in patients. Further, the Occupational Health Check-up (“**OHC**”) services are also provided by the Applicant i.e. nursing staff, doctors, paramedical staff on hospital’s payroll working in different corporate for providing health check-up service along with ambulance facility, and allied medical services to their employees. They also conduct the camps for health check-up outside the hospitals.

ISSUE OF THE CASE:

Whether the supply of medicines, surgical items, implants, consumables and other allied services & items provided by the hospital through their hospital in-house pharmacy, as well as food, room on rent, other services to the in-patients is part of composite supply of health care treatment; and hence not taxable under CGST/SGST?

Whether the supply of Occupational Health Check-up service (OHC) by the hospital i.e. nursing staff, Doctors, Paramedical staff on hospital’s payroll working in different corporate for providing health check-up service, ambulance facility, and allied medical services to their employees and also the camps conducted for health check-up outside the hospitals, to be treated as Health Care service and hence not taxable under CGST/SGST?

Decision of Advance Ruling Authority :**DECISION:**

The supply of medicines, surgical items, implants, consumables and other allied items provided by the hospital through their hospital in house pharmacy used in the course of providing health care services as well as supply of food and room on rent 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 the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017, as amended, is exempted from CGST as per Sl. No. 74 of the above notification.

The applicant will be liable to pay GST @ 18% (CGST @9% +SGST@9%)on the payment received directly from the business entity for health services provided to employees of the business entities in relation to Occupational Health Check-up' (OHC) or preventive care along with ambulance facility, and allied medical services under "Human health and social care services", in terms of S. No. 31 of the Table of the Notification No.11/2017- Central Tax (Rate) dated 28.06.2017