

**GIB/KR/ABBOTT/07-01-2020/HC-39**

**High Court Category :** Others

**State :** Kerala

**Order No.:** GIB/KR/ABBOTT/07-01-2020/HC-39

**Name of Entry :**

Abbott Healthcare (P.) Ltd.

**Date :** 07-01-2020

**Breif Issue :**

**Issue Involved:**

Whether the provision of specified medical instruments to unrelated parties like hospital(s), Lab (s), for use without any consideration, constitutes a "supply" or whether it constitutes "movement of goods otherwise than by way of supply" as per provisions of the CGST/SGST Act, 2017?

**Fact of the Case:**

- Applicant is engaged in provision of diagnostic instruments at the premises of hospitals, laboratories etc. for their use for a specified period without any consideration and supply of specified quantities of reagents, calibrators, disposables etc. through its distributors on payment of applicable GST.
- The applicant primarily thought to obtain an Advance Ruling on whether provision of specified medical instruments by the applicant to unrelated parties like hospital(s), Lab(s), for use without any consideration, constitutes a 'supply'. The AAR held that the placement of specified medical instruments to unrelated customers for their use without any consideration for a specified period constituted a 'composite supply' and AAAR also confirmed said order.
- The applicant aggrieved from the ruling AAAR file this writ petition before the Hon'ble Court challenging the ruling of AAAR.

**Decision of Advance Ruling Authority :**

**Decision:**

The Court held where the same taxable person effects a continuous supply of services coupled with periodic supplies of goods/services to be used in conjunction therewith, one

could possibly view the periodic supply of goods/services as composite supplies along with the service that is continuously supplied over a period of time.

Therefore, the Court allowed the writ petition and remit the matter back to the AAR for a fresh decision within a period of six weeks from the date of receipt of a copy of this judgment.