

GUJARAT AUTHORITY FOR ADVANCE RULING,
GOODS AND SERVICES TAX,
A/5, RAJYA KAR BHAVAN, ASHRAM ROAD,
AHMEDABAD – 380 009.



ADVANCE RULING NO. GUJ/GAAR/R/25/2020
(IN APPLICATION NO. Advance Ruling/SGST&CGST/2018/AR/38)

Date: 09.07.2020

Name and address of the applicant	:	M/s. Oswal Industries ltd., M/s. Nimba Nature Cure Village, Block No.258, Ahmedabad-Mehsana Expressway, Village-Ola, Post-Isand, Tal-Kalol, District:Gandhinagar-382740.
GSTIN of the applicant	:	24AAACO3443L1ZI
Date of application	:	27.07.2018
Clause(s) of Section 97(2) of CGST / GGST Act, 2017, under which the question(s) raised.	:	(e) applicability of a notification issued under the provisions of this Act;
Date of Personal Hearing	:	18.06.2020 (Through video Conferencing)
Present for the applicant	:	Shri Bishan Shah. C.A

B R I E F F A C T S

The applicant M/s. Oswal Industries ltd. (M/s. Nimba Nature Cure Village) vide their application for Advance Ruling has submitted that they are a body corporate and registered under the CGST Act, 2017 read with the provisions of the GGST Act, 2017. Nimba Nature Cure Village is a unit of M/s. Oswal Industries ltd. The applicant has stated that this is one of the largest Naturopathy Centers in India and offers physical, psychological and spiritual health overhaul with the help of power of nature; that Nimba nature cure borrows name from a ‘Nimba’ well-known tree which brings perfect, complete and imperishable health to everyone, which is why it is also known as ‘Arista’ and every part of a nimba tree gives amazing health benefits.

2. The applicant has further stated that they provide different types of wellness facilities at Nimba such as Naturopathy, Ayurveda, Yoga and meditation, Physiotherapy and Special therapy and has described them in brief as under:

- (a) Naturopathy: It is an ancient and traditional science which integrates the physical, mental and spiritual aspects of our natural constitution and is a system working towards cure of diseases where all levels of the body are treated simultaneously and holistically. The principal aim of Naturopathy is to teach people the art of healthy living by changing their daily routine and habits which not only cures the disease but makes the bodies strong and glowing. It is therapeutic in itself and can be used to help cure and relieve many of today’s illnesses and diseases.

- (b) Ayurveda: It is the science of life and ayurveda treatment puts emphasis on the fact that the human body is a part of cosmic system and focuses on eradicating the root cause of the disease. It addresses the problem as per the Prakriti (nature) of the individual. Ayurveda touches upon all the aspects of the person like emotional factors, physical factors, psychological factors, and spirituality and brings them to harmony.
- (c) Yoga and meditation: Yoga and meditation are the processes to attain equilibrium between the body systems and nature. Here techniques like Asana, Pranayama (breathing), Mudra Yoga, Bandha Yoga, Shatkarma, and meditation are practised to improve health and immunity. Yoga therapy is a way to bring all the body systems in sync thereby obtaining the healthiest state for the yoga practitioner. Nimba which offers holistic rejuvenation for the mind, body and soul is a unique meditation retreat and yoga retreat in India offering the best yoga therapy programs.
- (d) Physiotherapy: It is a science of overall physical wellbeing, involving physical therapy for injury and prevention of disability by providing treatment and rehabilitation for physical issues. The main focus areas of Physiotherapy treatment are musculoskeletal functions and nervous system. Physiotherapy exercises are highly beneficial for a wide variety of clinical conditions such as musculoskeletal problems, neurological damage, orthopaedic injuries, incontinence, post-partum care, cardio respiratory problems, and palliative care.

3. The applicant has stated that some of the hallmarks of corporate wellness program at Nimba are physical activity, tobacco cessation, stress management and back care programs. Such wellness facilities are provided for different types of diseases such as:

- (i) Respiratory disease: Sinusitis, Emphysema, Allergic Bronchitis, Asthma, Pulmonary Fibrosis and Influenza.
- (ii) Gastro Intestinal Diseases: Constipation, Hyper acidity, Gastritis, Fatty Liver, Indigestion, and Ulcerative Colitis
- (iii) Muscular Skeleton Diseases: Osteoarthritis, Rheumatoid Arthritis, Gout, Cervical Spondylitis, Sciatica and Back Ache.
- (iv) Endocrine Diseases: Hyperthyroidism, Diabetes Mellitus, Obesity, Hypothyroidism, Goiter and Osteoporosis.
- (v) Lifestyle Diseases: Chronic Heart Diseases, Skin Diseases, Psychological Disorder, De-Addiction & Rehabilitation, Neuro Disorders and Female Disorder.

4. The applicant has stated that such wellness facilities are provided with the help of highly qualified professionals' doctors in the field of naturopathy, researchers, and support staff. Nimba Nature Cure helps to heal through alternative therapies from traditional Chinese acupuncture treatment to ancient Egyptian cupping therapy, from reflexology to acupressure therapy and even hot stone therapy; that whether it is stress in mind or too many toxins in body or work related injury or age related problems, the experienced health professionals at Nimba are there to treat them. The applicant also stated that acupuncture therapy is considered to be very effective for weight loss, back pain and headaches; that applicant offers the chance to revive the crucial

equilibrium of the five basic elements of life like earth, water, air, fire and ether; that human body is capable of healing itself by maintaining the effective balance of the mind, the body and the soul and if this balance deviates from the normal, it creates health complications and general disorder in the body systems and that patient can benefit from the distinctive synergism between modern science, traditional practices and ancient wisdom with professional guidance. The applicant has further stated that in pre-GST regime, the applicant had received letter from the department dated 10.03.2015 for clarification regarding registration under Service Tax and on the basis of that letter the applicant has been enjoying exemption vide Notification No.25/2012-ST dated 20.06.2012 (Sl.No.2(i)) under the Finance Act, 1994. The same reads as under:

“health care services by a clinical establishment, an authorised medical practitioner or para-medics;”

Where, “clinical establishment” means 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 recognised system of medicines in India, or a place established as an independent entity or a part of an establishment to carry out diagnostic or investigative services of diseases.

5. The applicant has stated that in post-GST regime, Section 9 of the CGST Act, 2017 is the charging section and that the term ‘services’ has been defined under Section 2(102) of the CGST Act, 2017; that in exercise of powers conferred under Section 9(1) of the CGST Act, 2017, Notification No.11/2017-Central Tax(Rate) dated 28.06.2017 has been issued which notifies the central tax, on intra-state supplies of service description along with Tariff Heading as designed in accordance with the scheme of classification specified which are subject to specific conditions; that an annexure has also been appended with it which according to Explanation No.4(ii) of the notification is useful as:

“Reference to “Chapter”, “Section” or “Heading”, wherever they occur, unless the context otherwise requires, shall mean respectively as “Chapter, “Section” and “Heading” in the annexed scheme of classification of services (Annexure).

The applicant has stated that the classification of services provided by them as per the above notification is Heading 9993 (human health and social care services) which appears at Sr.No.31 of the said notification and that as per annexure to the said notification, the specific service provided by them appears at Sr.No.612 and reads as under:

603	Heading 9993		Human health and social care services
604	Group 99931		Human health services
605		999311	Inpatient services
606		999312	Medical and dental services
607		999313	Childbirth and related services
608		999314	Nursing and physiotherapeutic services
609		999315	Ambulance services
610		999316	Medical laboratory and diagnostic-imaging services
611		999317	Blood, sperm and organ bank services.
612		999319	Other human health services including homeopathy, unani, ayurveda, naturopathy, acupuncture and the like.

6. The applicant has stated that recently the Central Board of Indirect tax and Customs has issued 'Explanatory Notes to the Scheme of Classification of services' on 12th June, 2018 wherein it has been specified that:

"The Scheme of Classification of Services adopted for the purposes of GST is a modified version of the United Nations Central Product Classification. 2. The Explanatory notes for the said Scheme of Classification of Services are based on the explanatory notes to the UNCPD.

The explanatory notes indicate the scope and coverage of the heading, groups and service codes of the Scheme of Classification of Services. These may be used by the assessee and the tax administration as a guiding tool for classification of services, However, it may be noted that where a service is capable of differential treatment for any purpose based on its description, the most specific description shall be preferred over a more general description."

The applicant has stated that their service code of 999319(mentioned in para-5 above) also includes "other paramedical human health services not elsewhere classified such as acupuncture, aroma therapy, speech therapy, homeopathy, nutrition therapy. There is a note below which states that these services are provided by qualified practitioners, other than medical doctors.

The applicant has also stated that as per Entry No.74 of Exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017, the applicant is eligible for exemption. The same reads as under:

Sl.No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of services	Rate (per cent.)	Condition
74	9993	Services by way of-(a) health care services by a clinical establishment, an authorised medical practitioner or paramedics; (b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above.	NIL	NIL

Clinical establishment is defined in the above notification as under:

(s) "clinical establishment" means 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 recognised system of medicines in India, or a place established as an independent entity or a part of an establishment to carry out diagnostic or investigative services of diseases;"

7. The applicant has stated that a sanatorium is an institution that provides medical treatment and rest, often in a healthy climate, for people who have been ill for a long time for chronic disease such as tuberculosis etc; that India has the unique distinction of having six recognized system of medicine

which are ayurveda, unani, yoga, naturopathy, siddha and homeopathy; that at Nimba, amid the serenity of nature and fresh air to soothe soul, patient can experience the goodness of the best wellness programs, rest in a comfortable wellness centre accommodation, enrich patient's body with organic nutrition, and enable the body to heal itself. The applicant has concluded his submission by stating that as per his understanding the service of clinical health provided by them under Heading No.9993 is eligible for exemption as per Sr.No.74 of Notification No.12/2017-Central Tax(Rate) dated 28.06.2017.

8. The applicant has given additional submission vide email dated 17.06.2020 wherein they have referred to the definition of 'clinical establishment' as mentioned in Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 which reads as under:

(s) "clinical establishment" means 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 recognised system of medicines in India, or a place established as an independent entity or a part of an establishment to carry out diagnostic or investigative services of diseases;"

They have further stated that from the above it is clear that an institution to qualify as clinical establishment must required the following:

- (i) Diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy.
- (ii) The diagnosis, treatment or care should be through recognised system of medicine in India.
- (iii) The same can either be an independent entity or part of any establishment so as to provide the said service.

The applicant has stated that the definition of 'clinical establishment' in the service tax regime as enshrined in Notification No.25/2012-ST dated 20.06.2012 is similar to that in the GST regime and that since the meaning assigned to the said word is similar in both the regimes the jurisprudence developed under the Service Tax regime will continue to apply in the GST regime; that Clause 2(zg) of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 defines 'Health Care Services' as under:

(zg) "health care services" means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but does not include hair transplant or cosmetic or plastic surgery, except when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma;"

The applicant has further stated that Nimba Nature Cure Village deals with diagnosis and treatment of ailments; that the admission report and the patient chart(copy submitted) clearly depicts how the patient is treated and the same is well documented and the treatment administered to the patients is also by well qualified practitioners; they have supplied a list of doctors along with their qualifications; that in a recent decision by AAR, Goa-Alcon Resort Holdings (P).ltd. in Re (2019\0 107 taxmann.com 259 (AAR-GOA) the authority held that as the applicant was providing treatment under supervision of qualified doctors the same qualified as clinical establishment and the applicant was eligible for exemption under health care services as per Sl.No.74 of Notification No.12/2017-Central Tax(Rate); that the above treatment provided by the

applicant is in lines with authoritative texts of Ayurveda, naturopathy and yoga and the treatment is performed by trained medical professionals and doctors who have studied the subjects; that the diagnosis, treatment or care is done through recognised system of medicine in India such as naturopathy, ayurveda, yoga and physiotherapy which fall under the Clinical Establishments Act; that in a ruling by the Advance Ruling Authority in the case of M/s. Sayre Therapeutics private limited 2018-TIOL-37-AAR-GST, the authority first looked into whether the service imparted was under a recognized system of medicine or not and once the same was answered as affirmative the applicant was considered to be entitled to exemption as per Sl.No.74 of Notification No.12/2017-Central Tax (Rate).

9. The assessee has submitted the following circular/judgements to support their contention:

- (i) The Department through Circular No.32/06/2018-GST dated 12.02.2018 has clarified under Sl.No.5 that food supplied to the inpatients as advised by the doctor/nutritionists is a part of composite supply of healthcare and not separately taxable. It has also clarified that the entire amount charged by them from the patients including the retention money and the fee/payments made to the doctors etc., is towards the healthcare services provided by the hospitals to the patients and is exempt.
- (ii) The AAR-GOA Alcon Resort Holdings (P.) ltd. in re (2019) 107 taxmann.com 259(AAR-GOA) held that: “ *the stay for various treatments, supply of medicines, consumables and implants used in the course of providing health care services to in-patients for diagnosis or treatment are naturally bundled and are provided in conjunction with each other, would be considered as “Composite supply” and eligible for exemption under the category of ‘health care services’* thereby holding that the same is composite supply and is to be taxed at NIL rate in terms of Sl.No.74 of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017.
- (iii) Hon’ble CESTAT in CCE v/s Coconut Lagoon Kumarakom 2018-TIOL-2436-CESTAT-BANG while dealing with a matter under the Service Tax law, held that Ayurvedic centres located in resorts and the duration of treatment from being therapeutic treatment and it cannot be said that the massages and treatment offered is for general wellbeing and the price charged for the treatment is not a relevant factor. The treatment at Nimba Nature Cure Village is provided by qualified doctors and hence the exemption is available in their case.
- (iv) Nimba Nature Cure Village was getting exemption under the previous regime and as the position of law is similar under Service tax regime and GST regime, the benefit should be continued in the GST regime as well. The applicant has attached a copy of letter received from the then Deputy Commissioner of Service tax.

10. The applicant vide his submission submitted through email on date 22.06.2020 has stated that the Clinical Establishment Act, 2010 is passed by the Indian Parliament and deals with healthcare. public health and sanitation, hospitals and dispensaries is matter in which the state legislature exercises power to make laws in terms of entry 6 of list II of Schedule VII of The Constitution of India. Therefore for the Clinical Establishment Act, 2010 to have force in the State of Gujarat, the same needs to be adopted by passing a resolution under Article 252 of the Indian Constitution by the Legislature of the State of Gujarat. For the Clinical Establishment Act, 2010 no resolution has

been passed by the Hon'ble Legislative Assembly for the State of Gujarat and hence registration under the Act is not at all applicable in the State of Gujarat. Therefore it is humbly submitted that it is not at all possible to get Clinical Establishment Act registration in the State of Gujarat. The applicant has concluded his submission by stating that in view of the above facts, they should be allowed the exemption claim under the GST regime in terms of Sl.No.74 of Notification No.12/2017-Central Tax (Rate). He has put forward the following question for advance ruling:

“Whether the applicant is eligible to get the benefit of entry No.74 of exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017?”

DISCUSSION & FINDINGS

11. We have considered the issue involved, on which advance ruling is sought by the applicant, relevant facts, the applicant's interpretation of law as well as the arguments/discussions made by their representative Shri Dishant Shah at the time of personal hearing.

12. At the outset, we would like to state that the provisions of both the Central Goods and Services Tax Act, 2017 and the Gujarat Goods and Services Tax Act, 2017 are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the GGST Act.

13. The applicant has stated in his submission that Nimba Nature Cure Village is a unit of M/s. Oswal Industries Ltd. and is one of the largest Naturopathy Centers in India and offers physical, psychological and spiritual health overhaul with the help of power of nature; that Nimba nature cure borrows name from a 'Nimba' well-known tree which brings perfect, complete and imperishable health to everyone, which is why it is also known as 'Arista' and every part of a nimba tree gives amazing health benefits. The applicant has further stated that they provide different types of wellness facilities at Nimba such as Naturopathy, Ayurveda, Yoga and meditation, Physiotherapy and Special therapy. They have also stated that they provide wellness facilities for different types of diseases such as respiratory disease, gastro intestinal diseases, muscular skeleton diseases, endocrine diseases and lifestyle diseases. The applicant has stated that the classification of services provided by them as per the above notification is Heading 9993 (human health and social care services) which appears at Sr.No.31 of the said notification and that as per annexure to the said notification, the specific service provided by them appears at Sr.No.612 (Sub-heading 999319) and reads as under:

603	Heading 9993		Human health and social care services
604	Group 99931		Human health services
605		999311	Inpatient services
606		999312	Medical and dental services
607		999313	Childbirth and related services
608		999314	Nursing and physiotherapeutic services
609		999315	Ambulance services

14.1 The above images indicates that the total consideration mainly revolves around two factors viz. 1) the type of room and 2) whether single or double occupancy. This fact creates an impression that stay is mandatory and the charges of stay depend on the above factors. Thus, we observe that the element of accommodation becomes the primary activity in the entire package. The fact that the package is strictly a residence package is fortified by the schedule of the programme which is shown in the sub-menu ‘Dincharya’ of the website and the same is reproduced under:

- (i) Wake-up call: 4.15 a.m.
- (ii) Morning walk: 4.50 a.m. to 5.15 a.m.
- (iii) Yogic Shatkriya: 5.15 a.m. to 6.00 a.m.
- (iv) Herbal Detox drink: 6.00 a.m. to 6.15 a.m.
- (v) Ashtanga Yoga and pranayam: 6.15 a.m. to 7.15 a.m.
- (vi) Hydroreflex walk: 7.15 a.m. to 7.30 a.m.
- (vii) Wellness breakfast: 7.30 a.m. to 8.00 a.m.
- (viii) -----

15. In all the packages, 3 types of rooms viz. amukha, sumukha and pramukha are offered either on a single occupancy basis or double occupancy basis. The rates of the room per night have been specified, which forms the major part of the consideration towards the selected package. Further, other charges as mentioned under are being recovered:

nimba nature cure - Google Se...

Corporate Wellness Packages, | X

https://www.nimba.in/packages/

Annual Wellness Package

Nights

Room Type

Video Tour

Virtual Tour

Packages

Dincharya

ABOUT

CORPORATE WELLNESS

WELLNESS

TREATMENTS

RETREAT

GALLERY

TESTIMONIALS

BLOG

CONTACT

NIMBA

NATURE CURE

Preventive Care Plan

Sumukha

Contact Us

Other Charges (in INR)	
Transportation Cost	2000
Colon therapy	2500
Attendant (Includes Food And Accommodation)	3500

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The above image indicates that a transport charge of Rs. 2000/-, colon therapy charge of Rs. 2500/- and Attendant (Includes food and accommodation) charges of Rs. 3500/- are being collected by the applicant. Thus, examination of the packages indicates that more than one services are being rendered under the programme, which can be identified as under:

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- (i) **Accommodation** – The programme cannot be executed without the check-in rooms made available by the applicant. Since accommodation is being provided to the customers, the same would be covered under the head ‘Room or unit accommodation services provided by Hotels, Inn, Guest House, Club and the like’.(Sub-heading 996311)
- (ii) **Food** – The programme also involves supply of food to the customers during the stay-in period. Since food and other room services are also provided alongwith it, the same would be covered under ‘Services provided by Hotels, Inn, Guest House, Club and the like including room services, takeaway services and door delivery of food’.(Sub-heading 996332)
- (iii) **Therapy** – Various therapies are provided to the class of persons who check-in the chosen type of room and avail of the food services. Under this category, human health services are also being provided by the applicant which would be covered under ‘Other human health services including homeopathy, unani, ayurveda, naturopathy, acupuncture and the like’.(Sub-heading-999319)

15.1 In the above circumstances, the issue of composite supply, as defined as per Section 2(30) of the CGST Act, 2017 comes in play and the same reads as under:

“composite supply” means a supply made by a taxable person to a recipient consisting of two or more taxable supplies of goods or services or both, or any combination thereof, which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply;

Illustration.— Where goods are packed and transported with insurance, the supply of goods, packing materials, transport and insurance is a composite supply and supply of goods is a principal supply;

‘Mixed supply’ is defined as per Section 2(74) of the CGST Act, 2017 and reads as under:

(74) “mixed supply” means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply.

Illustration.— A supply of a package consisting of canned foods, sweets, chocolates, cakes, dry fruits, aerated drinks and fruit juices when supplied for a single price is a mixed supply. Each of these items can be supplied separately and is not dependent on any other. It shall not be a mixed supply if these items are supplied separately;

15.2 In view of the above, it is to be examined whether the supply is covered under Composite Supply or Mixed Supply. As discussed above, we observe that the entire package consists of the above 3 components and the packages would not be possible without any one of the 3 components. In other words, the packages offered by the applicant are naturally bundled and would be aptly covered under the definition of Composite Supply. Further, the principal supply would be the accommodation services since the therapy can in no way be administered without accommodation. In fact, there is no option available

for the customer to avail the wellness package without opting for the accommodation. Thus, we find that the accommodation service attains the nature of the principal supply and the other two components attain the nature of ancillary services.

16. Now, since it has been established that the above services provided by the applicant are a ‘composite supply’ of services, we are required to examine the classification and tax liability on the same. For this purpose, we will be required to refer to Section 8 of the CGST Act, 2017, which reads as under:

The tax liability on a composite or a mixed supply shall be determined in the following manner, namely:—

(a) a composite supply comprising two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply; and

(b) a mixed supply comprising two or more supplies shall be treated as a supply of that particular supply which attracts the highest rate of tax.

16.1 So, in view of Section 8(a) above, it can be seen that a composite supply comprising of two or more supplies, one of which is a principal supply, shall be treated as a supply of such principal supply. **Therefore, in the instant case, the composite supply of services would be treated as a supply of accommodation service falling under Heading 9963 and specific heading 996311 (Room or unit accommodation services provided by Hotels, Inn, Guest House, Club and the like) as per Notification No.11/2017-Central Tax (Rate) dated 28.06.2017.** Further, the supply of service namely ‘Accommodation food and beverage services’ finds mention at Entry.No.7 of the above notification and reads as under:

Sl.No.	Chapter, Section or Heading	Description of services	Rate (per cent.)	Condition
7.	Heading 9963 (Accommodation, food and beverage services)	(vi) Accommodation in hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of a unit of accommodation of two thousand five hundred rupees and above but less than seven thousand five hundred rupees per unit per day or equivalent. Explanation.- “declared tariff” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.	9	--
		(viii) Accommodation in	14	--

		hotels including five star hotels, inns, guest houses, clubs, campsites or other commercial places meant for residential or lodging purposes having declared tariff of a unit of accommodation of seven thousand and five hundred rupees and above per unit per day or equivalent. Explanation.-“declared tariff ” includes charges for all amenities provided in the unit of accommodation (given on rent for stay) like furniture, air conditioner, refrigerators or any other amenities, but without excluding any discount offered on the published charges for such unit.		
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As can be seen from the above, the ‘composite supply’ of service provided by the applicant would be covered under Entry No. 7(vi) and 7(viii) of Notification No.11/2017-Central Tax (Rate). As per Entry No. 7(vi) above, rate of GST would be 18%(9% SGST + 9% CGST) in case of units having declared tariff rates of more than Rs. 2,500/- and less than Rs. 7,500/-, whereas as per Sr.7(viii) above, rate of GST would be 28%(14% SGST + 14% CGST) in case of units having declared tariff rates of Rs.7,500/- or more. The said notification has been amended a few times vide Notification No.13/2018-Central Tax (Rate) dated 26.07.2018 and Notification No.20/2019-Central Tax (Rate) dated 30.09.2019, where the rates of GST have been altered. These amendments will have to be taken into consideration by the applicant, while discharging their service tax liabilities.

17. Now, we come to the question for advance ruling raised by the applicant, which reads as under:

“Whether the applicant is eligible to get the benefit of entry No.74 of exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017?”

On going through the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017, entry No.74 of the said notification reads, as under:

Sl.No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of services	Rate (per cent.)	Condition
74	9993	(a) Services by way of (a) health care services by a clinical establishment, an authorised medical practitioner or para-medics;	NIL	NIL

		(b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above.		
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From the above, it can be seen that the supply of services mentioned at Sr.No.74 of the aforementioned Notification pertain to: (a) Services by way of-(a) health care services by a clinical establishment, an authorised medical practitioner or para-medics; (b) services provided by way of transportation of a patient in an ambulance, other than those specified in (a) above. The said services, which are classified under Heading 9993, have been exempt from payment of GST.

However, as discussed in the foregoing paras, the supply of services provided by the applicant, which is a composite supply, has been classified under Sub-Heading No.996311 under 'Room or unit accommodation services provided by Hotels, Inn, Guest House, Club and the like'. The exemption at Entry No.74 of Exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 is applicable to services falling under the Heading 9993. However, the nature of services provided by the applicant is covered under the Sub-Heading 996311, as discussed above. Therefore, we conclude that the exemption available at Entry No.74 of Exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017 is not applicable to the applicant.

18. In view of the discussions as detailed above, we rule as under –

R U L I N G

The applicant M/s. Oswal Industries ltd. (M/s. Nimba Nature Cure Village) is not eligible to get the benefit of entry No.74 of exemption Notification No.12/2017-Central Tax (Rate) dated 28.06.2017.

(SANJAY SAXENA)

(MOHIT AGRAWAL)

MEMBER

MEMBER

Place: Ahmedabad

Date: 09.07.2020.