NATION TAX MARKET	**KERALA AUTHORITY FOR ADVANCE RULING** **GOODS AND SERVICES TAX DEPARTMENT** **TAX TOWER, THIRUVANANTHAPURAM**	KERALA GST State Goods & Services Tax

BEFORE THE AUTHORITY OF : Shri. Jomy Jacob IRS

: Shri. Mansur.M. I

Legal Name of the applicant	M/s. Advanced Hair Restoration India Private Limited
GSTIN	32AAPCA2054C1Z6
ARN	AD3210240061034
Address	2nd Floor, 14/390/D7, KNA Plaza, Ernakulam Bypass, Maradu, Ernakulam, Kerala-682304.
Advance Ruling sought for	Whether exemption is not exigible on the healthcare services of treatment to psoriasis in skin and head, dandruff, dermatitis, anti-fungal treatment and folliculitis in accordance with Notification No.12/2017/Central Tax Rate dated 28.6.2017
Date of Personal Hearing	08.08.2025
Authorized Representative	K.N. Sreekumar, Advocate

ADVANCE RULING No. KER 37/2025 Dated 24.11.2025

1. Advanced Hair Restoration India Private Limited, 2nd Floor, 14/390/D7, KNA Plaza, Ernakulam Bypass, Maradu, Ernakulam, Kerala-682304 (hereinafter referred to as the applicant) is engaged in the business of providing healthcare services. The services offered by the applicant include treatment relating to skin, dental care, and hair restoration procedures, including hair transplantation. These services are rendered to patients/clients through

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qualified medical practitioners and trained healthcare professionals at the applicant's clinical establishment.

2. At the outset, it is clarified that a reference herein after to the provisions of the CGST Act, Rules and Notifications issued thereunder shall include a reference to the corresponding provisions of the KSGST Act, Rules and the Notifications issued thereunder.

3. The details of the questions on which advance ruling is sought are given above and are not being reproduced.

4. Contentions of the Applicant:

4.1. The applicant submitted that it is engaged in rendering healthcare services in connection with the treatment of psoriasis affecting the skin and scalp, dandruff, dermatitis, anti-fungal infections, folliculitis, and other related ailments. The applicant has its principal place of business at Ernakulam and maintains additional places of business across the State. It is also submitted that the applicant is duly authorized to carry out the aforesaid service activities under the licences issued by the respective local authorities, including the paramedical licence granted by the Health Services Department.

4.2. For providing such services, the applicant has appointed around 80 qualified medical officers, dental surgeons, and dermatologists across its various centres. All these medical officers are engaged under due authentication and approval of the Health Department, in accordance with the prevailing statutory rules and regulations. With the professional expertise of these doctors (including skin specialists and dermatologists), with the assistance of para-medical staff such as nurses, the applicant has been providing systematic and effective treatment for the aforesaid ailments across its establishments in the State.

4.3. The applicant further submitted that it has been availing exemption on the service charges relating to such healthcare services in terms of Notification

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No. 12/2017 – Central Tax (Rate) dated 28.06.2017, at Sl. No. 74. A similar exemption notification has also been issued by the State Government under the respective State GST law. The applicant maintains necessary records, including details of service recipients, nature of ailments treated, treatments administered, and particulars of the doctors concerned. These records, along with the invoices raised on the service recipients, clearly establish the bona fide nature of the services rendered. The applicant contends that the services rendered in connection with the aforesaid healthcare activities are squarely covered under Sl. No. 74 of Notification No. 12/2017 – Central Tax (Rate) dated 28.06.2017, thereby entitling the applicant to exemption from GST.

5. Comments of the Jurisdictional Officer:

The application was forwarded to the jurisdictional officer in accordance with the provisions of Section 98(1) of the CGST Act. The jurisdictional officer has reported that the issue raised in the present application is neither pending nor decided in any proceedings under any provision of the Act.

6. Personal Hearing:

6.1. The applicant was granted an opportunity for personal hearing on 08.08.2025 through Virtual Mode. Adv. K.N. Sreekumar appeared on behalf of the applicant and submitted the facts and circumstances of the case. The applicant also filed an additional written submission, wherein it was stated that the question on which an advance ruling is sought is whether exemption is available on the healthcare services rendered by the applicant in connection with the treatment of psoriasis of the skin and scalp, dandruff, dermatitis, anti-fungal infections, folliculitis, and similar ailments, in terms of Notification No.12/2017–Central Tax (Rate) dated 28.06.2017.

6.2. The applicant submitted that theirs is a clinical establishment engaged in rendering healthcare services for the treatment of the aforesaid ailments. As defined in para 2(s) of the above Notification, a "clinical establishment" means a hospital, nursing home, clinic, sanatorium or any other institution that provides

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services or facilities requiring diagnosis, treatment, or care for illness, injury, deformity, abnormality, or pregnancy in any recognized system of medicine. They claimed that they clearly falls within this definition. In support of this contention, the applicant produced copies of the certificate of IFTE and OS licence issued under Section 447 of the Kerala Municipality Act by the Kochi Municipal Corporation, for its principal place of business and one branch at Thiruvalla.

6.3. It was further submitted that the services provided by the applicant falls squarely within the ambit of "healthcare services" as defined in clause 2(zg) of Notification No. 12/2017–Central Tax (Rate). As stated in the original application in Form GST ARA-01, the applicant renders such healthcare services under the medical advice of and prescription qualified medical officers and dermatologists appointed by it. The applicant has also produced sample copies of hair transplant consultation forms, the remarks of the doctor, pathological test results, and the written consent obtained from the patient for undergoing the proposed treatment.

6.4. They further submitted that they maintain complete day-to-day records of all patients consulted by the medical officers. These records reflect the nature of ailments such as psoriasis, dandruff, dermatitis, and related conditions. In addition, the applicant has produced sample copies of invoices issued to service recipients, which specify the nature of the service and the name of the attending medical officer.

6.5. On the basis of the above, it was submitted that the services rendered by the applicant fall under Sl. No. 74 of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017, which exempts services falling under Heading 9993 by way of healthcare services provided by a clinical establishment, an authorized medical practitioner, or para-medics. In support of this interpretation, the applicant has also placed reliance on the circular, instructions and professional guidance issued by the Indian Association of Dermatologists, which is the

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recognized professional body of qualified dermatologists in India, thereby reaffirming that the services provided are in the nature of healthcare services.

6.6. Accordingly, the applicant submitted that the healthcare services rendered in connection with the treatment of psoriasis, dandruff, dermatitis, anti-fungal infections, and folliculitis are squarely covered by the exemption provided under Sl. No. 74 of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017 and prays that the Hon'ble Authority may be pleased to grant a ruling in favour of the applicant.

The applicant requested to issue a ruling on the basis of the submissions made by them along with the application as well as at the time of personal hearing.

7. Discussion and Conclusion:

7.1. The issue is examined in detail. The applicant wants to know whether the exemption is available on the healthcare services rendered by the applicant in connection with treatment of psoriasis in skin and scalp, dandruff, dermatitis, anti-fungal treatment, folliculitis, and similar ailments, in terms of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017. These questions fall under clause (e) of Section 97(2) of the CGST Act, and therefore the application is admitted.

7.2. Sl. No. 74 of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017, as amended, prescribes NIL rate for-

(a) Healthcare 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.

7.3. On a careful reading of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017, it is observed that exemption is available for specified services including "healthcare services by a clinical establishment, an authorized medical practitioner, or para-medics." For claiming such exemption, the service provided must fall within the ambit of "healthcare services" as defined in para 2(zg) of the Notification, and the provider of such service must qualify as a "clinical establishment" within the meaning of para 2(s) thereof. Further, the services must not fall within the exclusion relating to cosmetic or purely aesthetic procedures.

7.4. As per para 2(zg) of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017, "healthcare services" means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality, or pregnancy in any recognized system of medicine in India, and includes 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 reconstruct anatomy or functions of the body affected due to congenital defects, developmental abnormalities, injury, or trauma. Thus, the essential element of "healthcare services" is that the treatment should relate to an illness or abnormality and should be provided under a recognized medical system.

7.5. Likewise, para 2(s) of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017 defines "clinical establishment" as a hospital, nursing home, clinic, sanatorium, or any other institution by whatever name called, that provides services or facilities requiring diagnosis or treatment or care for illness, injury, deformity, abnormality, or pregnancy in any recognized system of medicine in India. Therefore, to qualify as a "clinical establishment," the entity must be engaged in diagnosis or treatment of medical conditions and must be recognized under the relevant statutory framework.

7.6. In the present case, the applicant is engaged in rendering treatment for dermatological conditions such as psoriasis of the skin and scalp, dandruff, dermatitis, anti-fungal infections, folliculitis, and similar ailments. These are well-recognized medical conditions in dermatology. Psoriasis, for example, is a chronic autoimmune skin disease requiring long-term treatment. Similarly, dermatitis, fungal infections, and folliculitis are medically recognized conditions

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that require professional diagnosis and treatment. Hence, the ailments covered by the applicant clearly fall within the scope of "illness" or "abnormality" as contemplated in the Notification. Further, we find that 'health care service' is a very broad term and excludes only hair transplant or cosmetic or plastic surgery and even such types of treatments can be accommodated under healthcare services subject to conditions as in para 7.4 above.

7.7. The treatments provided are not merely cosmetic in nature but involve clinical diagnosis and therapeutic care. The applicant has produced consultation forms, prescriptions, and diagnostic reports, which evidence that patients are examined by qualified medical officers or dermatologists before commencing treatment. Further, patient consent forms, pathological test reports, and follow-up treatment records demonstrate that the services are in the nature of 'health care services' and not in the category of beauty care or aesthetic enhancement.

7.8. It is also pertinent to note that the applicant holds statutory licences issued under Section 447 of the Kerala Municipality Act, such as the IFTE and OS licences, which describe the establishments as "skin clinics." The recognition of the establishments as "clinics" further strengthens the case that the applicant falls within the statutory meaning of a "clinical establishment."

7.9. From the facts of the case and legal provisions detailed above, we are of the considered opinion that the applicant is eligible for exemption under Sl. No. 74 of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017 with regard to the healthcare services rendered in connection with the treatment of psoriasis, dandruff, dermatitis, anti-fungal infections, folliculitis, and similar ailments.

7.10. In the present case, the applicant has submitted a "Hair Transplant Consultation Form," and in the IFTE & OS licence for its Thiruvalla unit, the business type is shown as "Personal Care" with the sub-type "Hair Fixing." As already stated, services such as hair transplant or cosmetic/plastic surgery are not eligible for exemption under Sl. No. 74 of Notification No. 12/2017–Central

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Tax (Rate) dated 28.06.2017, except when performed to restore or reconstruct the anatomy or functions of the body affected by congenital defects, developmental abnormalities, injury, or trauma. In this regard, it is relevant to note that the Maharashtra Authority for Advance Ruling, in the case of *M/s. Jyothi Ceramic Industries Pvt. Ltd.*, categorically held that cosmetic services not aimed at restoring or reconstructing the anatomy or function of the human body affected by such conditions are to be treated as purely cosmetic. Services undertaken solely for aesthetic enhancement or beautification, therefore, do not qualify as "health care services" under GST law.

7.11. On 26-08-2025, they sent a letter stating that their question was on the eligibility for exemption and that the word 'exigible' was used in this sense.

8. In view of the observations stated above, the following rulings are issued.

RULING

Question: 1. Whether exemption is eligible on the healthcare services of treatment to psoriasis in skin and head, dandruff, dermatitis, anti-fungal treatment and folliculitis in accordance with Notification No.12/ 2017/Central Tax Rate dated 28.06.2017?

Answer: Yes. The healthcare services provided by the applicant in connection with the treatment of psoriasis, dandruff, dermatitis, anti-fungal infections, folliculitis, and similar dermatological conditions are exempted under Sl. No. 74 of Notification No. 12/2017–Central Tax (Rate) dated 28.06.2017.

Jomy Jacob, IRS	**Mansur.M. I**
Additional Commissioner of Central Tax	Joint Commissioner of State Tax
Member	Member

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OFFICE OF THE COMMISSIONER STATE G.S.T.D KERALA THIRUVANANTHAPURAM

To

M/s. Advanced Hair Restoration India Private Limited,
Maradu, Ernakulam-682304.

Copy submitted to

1. The Chief Commissioner of Central Tax and Central Excise, Thiruvananthapuram Zone, C.R.Building, I.S.Press Road, Cochin-682018. [E-mail ID: cccochin@nic.in; ccu-cexcok@nic.in]
2. The Commissioner of State Goods and Services Tax Department, Tax Towers, Karamana, Thiruvananthapuram – 695002.
3. The Commissioner of Central Tax and Central Excise, Kochin Commissionerate.
4. The Commissioner of Central Tax and Central Excise, Thiruvananthapuram Commissionerate, GST Bhavan, Statue, Thiruvananthapuram. (E-mail id: commr-tvmhqrs@gov.in)
5. The Commissioner of Central Tax and Central Excise, Calicut Commissionerate.

Copy to :

1. The Additional Commissioner, TPS, HQ, Thiruvananthapuram.
2. The Deputy Commissioner, ITMD, Thiruvananthapuram.
3. The Superintendent, Central Tax, Kochi, Ernakulam Division, Ernakulam Range-I,
4. The Assistant Commissioner/State Tax Officer, Tax payer services Circle, Vyttila.

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