



**HARYANA AUTHORITY FOR ADVANCE RULING,
GOODS AND SERVICES TAX,
HARYANA VANIJYA BHAWAN, PLOT NO I-3, SECTOR 5,
PANCHKULA-134151 (HARYANA)**



ADVANCE RULING NO.HAR/HAAR/R/2018-19/16
(In Application No.:16/2018-19, dated 10.07.2018)

Name & Address of the Applicant	:	M/s Source of Life Technologies (India) Private Limited, Space No.18, Ground Floor, Vipul Agora, M. G. Road, Gurgaon, Haryana-122001
GSTIN of the Applicant	:	06AAYCS7525D1ZY
Date of Application	:	10.07.2018
Clause(s) of Section 97(2) of CGST/HGST Act, 2017, under which the question(s) raised.	:	(i) Classification of goods and/or services or both. (iv) Admissibility of input tax credit of tax paid or deemed to have been paid (v) Determination of the liability to pay tax on any goods of services or both
Date of Personal Hearing	:	01/10/2018
Present for the Applicant	:	Sh Pravesh Arora CA (POA) & Sh. Vivek Sharma, Accountant of the Company.

1. M/s Source of Life Technologies (India) Pvt. Ltd., Space No.18, Ground Floor, Vipul Agora, M. G. Road, Gurgaon, Haryana-122001 [here-in-after referred to as the "applicant"] is engaged in supply of following goods and services.

- (a) Bundled Sale of Medical Kit containing medical equipment such as
- Pulse Oximeter (device to measure O2)
 - Scale to measure human weight
 - Blood Pressure Machine (to measure BP and Heart Rate)
 - Glucometer (to measure blood glucose)
 - Test strips (to measure blood glucose)
 - Android based tablet device for storage of IT application of patients data
 - Finger print sensor machine to allow authentication of patients

(b) Individual Sale of above items forming part of above Medical kit.

(c) Telemedicine Services (medical advice by doctor through online video conferencing)

2. Questions on which ruling has been sought by the applicant, are as under:

(i) Rate of GST on bundled sale of above Medical Kit (a box) containing medical equipments such as pulse oximeter, weighing scale for human weight measurement, blood pressure measure machine, glucometer to measure blood glucose, test strips to measure blood glucose, android based tablet device for data storage and finger print sensor machine.

(ii) Rate of GST on Telemedicine as individual service

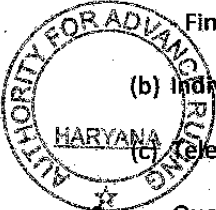
(iii) Rate of GST on bundled sale of medical Kit and Telemedicine.

(iv) Rate of GST on Pulse Oximeter (device to measure O2 in blood)

(v) Rate of GST on weighing scale to measure human weight

(vi) Rate of GST on Blood Pressure measurement machine

(vii) Rate of GST on Glucometer to measure blood glucose



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- (viii) Rate of GST to test strips to measure blood glucose
- (ix) Rate of GST on android based tablet device for data storage
- (x) Rate of GST on Finger print sensor machine
- (xi) Rate of GST on bundled sale of Telemedicine and Medical Kit (a box) containing containing medical equipments such as pulse oximeter, weighing scale for human weight measurement, blood pressure measuring machine, glucometer to measure blood glucose, test strips to measure blood glucose, android based tablet device for data storage and finger print sensor machine.
- (xii) Admissibility of ITC on Telemedicine
- (xiii) Admissibility of ITC on combined sale of Medical Kit as well Telemedicine.

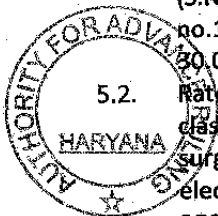
RECORDS OF PERSONAL HEARING – 2ND PROVISIO TO SECTION 98(2) OF CGST/HGST ACT, 2017

3. Opportunity for personal hearing was granted to the applicant on 01/10/2018 which was attended by Sh Pravesh Arora CA (POA) & Sh Vivek Sharma, Accountant of the Company. He reiterated the submissions made in the application and sought clarification on the questions raised in para 2.

DISCUSSIONS AND FINDINGS OF THE AUTHORITY

4. We have carefully gone through the facts and records of the case. In the instant case, the applicant has sought advance ruling in the matter of classification and rate of GST applicable on the various goods and services being supplied by them. The rate of GST on various items as sought by the applicant is as under:

- 5.1. Rate of GST on Telemedicine as individual service – Telemedicine as individual service is classifiable under chapter heading 9993 as Human health and social care services (S.No.31) and the same is chargeable to CGST & SGST @9% each, under Notification no.11/2017-Central Tax (Rate) dt.28.06.2017 and Notification No-46/ST-2, dated 30.06.2017.
- 5.2. Rate of GST on Pulse Oximeter (device to measure O2 in blood) - This device is classifiable under chapter heading 9018 as instruments and appliances used in medical, surgical, dental or veterinary sciences, including scientigraphic apparatus, other elecromedical apparatus and sight testing instruments. They are chargeable to CGST & SGST @ 6% each, under serial number 218 of Schedule II of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.3. Rate of GST on weighing scale to measure human weight - This device is classifiable under chapter heading 8423 as "weighing machinery (excluding balances of a sensitivity of 5 centigrams or better), including weight operated counting or checking machines; weighing machine weights of all kinds". They are chargeable to CGST & SGST @ 9% each, under serial number 324 of schedule III of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.4. Rate of GST on blood pressure measurement machine - This device is classifiable under chapter heading 9018 as instruments and appliances used in medical, surgical, dental or veterinary sciences, including scientigraphic apparatus, other elecromedical apparatus and sight testing instruments. They are chargeable to CGST & SGST @ 6% each, under serial number 218 of schedule II of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.5. Rate of GST on Glucometer to measure blood glucose - This device is classifiable under chapter heading 9018 as instruments and appliances used in medical, surgical, dental or veterinary sciences, including scientigraphic apparatus, other elecromedical apparatus and sight testing instruments. They are chargeable to CGST & SGST @ 6% each, under



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serial number 218 of schedule II Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.

- 5.6. Rate of GST to test strips to measure blood glucose- This device is classifiable under chapter heading 9018 as instruments and appliances used in medical, surgical, dental or veterinary sciences, including scientigraphic apparatus, other elecromedical apparatus and sight testing instruments. They are chargeable to CGST & SGST @ 6% each, under serial number 218 schedule II of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.7. Rate of GST on android based tablet device for data storage - This device is classifiable under chapter heading 8471 as "automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data on to data media in coded form and machines for processing such data, not elsewhere specified or included". They are chargeable to CGST & SGST @ 9% each, under serial number 360 of schedule III of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.8. Rate of GST on Finger print sensor machine - This device is classifiable under chapter heading 8471 as "automatic data processing machines and units thereof; magnetic or optical readers, machines for transcribing data on to data media in coded form and machines for processing such data, not elsewhere specified or included". They are chargeable to CGST & SGST @ 9% each, under serial number 360 of Schedule III of Notification No.01/2017-Central Tax (Rate) dt.28.06.2018, and Notification No. 35/ST-2, Dated 30.06.2017.
- 5.9. Rate of GST on bundled sale of above Medical Kit (a box) containing medical equipments such as pulse oximeter, weighing scale for human weight measurement, blood pressure measure machine, glucometer to measure blood glucose, test strips to measure blood glucose, android based tablet device for data storage and finger print sensor machine - When these items are supplied together, the resultant supply would be either a "composite supply" or a "mixed supply".

As per Section 2(30) of the Central Goods & Services Act, 2017, composite supply means a supply made by a taxable person to a recipient consisting of two or more taxable 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. In the instant case, it is observed that all this equipment are independent of each other and can be sold/supplied individually and they have individual functions and none of them constitute principal supply. Hence, they are not covered by the definition of "composite supply".

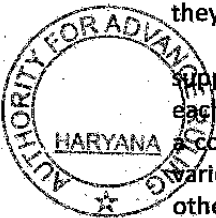
Further, as per Section 2(74) "mixed supply" means two or more individual supplies of goods or services, or any combination thereof, made in conjunction with each other by a taxable person for a single price where such supply does not constitute a composite supply. In the instant case, sale/supply of said medical kit comprising of various machines/equipment, all having individual functions independent from each other, apparently constitutes "mixed supply".

Tax liability in case of mixed supply is governed by the provisions of Section 8 (b) of the CGST/HGST Act, 2017, which provides, as under.

(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.

In the instant case, the said medical kit comprises of goods which attract GST @ 12%, as well GST @18%. Therefore, the said medical kit shall be chargeable to GST @18% [CGST-9% +SGST-9% OR IGST 18%, as the case may be].

- 5.10. Rate of GST bundled sale of Medical Kit and Telemedicine - As already discussed above, composite supply means a supply consisting of two or more taxable 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 and one of which is a principal supply. In the instant case, the applicant did not put forth anything in to establish that telemedicine [medical advice by doctor through online video conferencing] and supply of aforesaid "medical kit" are having any kind of conjunction with each other in the ordinary course of business. Rather it is very common phenomenon that a physician giving medical advice to a patient such as an OPD and the



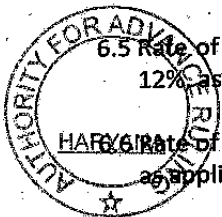
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said OPD patient, procuring medicines/medical equipment/devices/apparatus from other sources. Therefore, it cannot be said that telemedicine and the aforesaid medical kit are having conjunction with each other in the ordinary course of business. Therefore, supply of these two together does not constitute "composite supply". Rather the same are more aptly covered by the definition of "mixed supply", as discussed in the preceding paras, being independent from each other, apparently constitutes "mixed supply". Therefore, in terms of Section 8 (b) of the CGST/HGST Act, 2017, which provides that 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, the said supply of telemedicine and aforesaid medical kit will attract GST @18% [CGST-9% +SGST-9% OR IGST 18%, as the case may be].

- 5.11. Admissibility of ITC on Telemedicine – When GST is held payable on telemedicine services, the benefit of "input tax credit" is admissible on telemedicine medicines in terms of Section 16(1) of the CGST/HGST Act, 2017, which provides that every registered person shall, subject to such conditions and restrictions as may be prescribed and in the manner specified in section 49, be entitled to take credit of input tax charged on any supply of goods or services or both to him which are used or intended to be used in the course or furtherance of his business and the said amount shall be credited to the electronic credit ledger of such person.
- 5.12. Admissibility of ITC on combined sale of Medical Kit as well Telemedicine – In same manner as discussed in preceding para, "input tax credit" on combined sale of medical kit as well as telemedicine, shall be admissible.

ADVANCE RULING UNDER SECTION 98 OF THE CGST/HGST ACT, 2017

- 6.1 Rate of GST on Telemedicine as individual service – CGST & SGST @ 9% each OR IGST -18%, as applicable.
- 6.2 Rate of GST on Pulse Oximeter (device to measure O2 in blood) - CGST & SGST @ 6% each OR IGST -12%, as applicable.
- 6.3 Rate of GST on weighing scale to measure human weight - CGST & SGST @ 9% each OR IGST -18%, as applicable.
- 6.4 Rate of GST on blood pressure measurement machine - CGST & SGST @ 6% each OR IGST -12%, as applicable.
- 6.5 Rate of GST on Glucometer to measure blood glucose - CGST & SGST @ 6% each OR IGST -12%, as applicable.
- 6.6 Rate of GST to test strips to measure blood glucose - CGST & SGST @ 6% each OR IGST -12%, as applicable.
- 6.7 Rate of GST on android based tablet device for data storage - CGST & SGST @ 9% each OR IGST -18%, as applicable.
- 6.8 Rate of GST on Finger print sensor machine - CGST & SGST @ 9% each OR IGST -18%, as applicable.
- 6.9 Rate of GST on bundled sale of above Medical Kit (a box) containing medical equipments such as pulse oximeter, weighing scale for human weight measurement, blood pressure measure machine, glucometer to measure blood glucose, test strips to measure blood glucose, android based tablet device for data storage and finger print sensor machine – CGST & SGST @ 9% each OR IGST -18%, as applicable.
- 6.10 Rate of GST bundled sale of medical Kit and Telemedicine - CGST-9% +SGST-9% OR IGST 18%, as applicable.



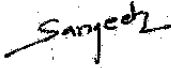
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6.11 Admissibility of ITC on Telemedicine – When GST is held payable on telemedicine services, the benefit of “input tax credit” is admissible on telemedicine medicines in terms of Section 16(1) of the CGST/HGST Act, 2017, subject to conditions and limitations as provided under the law.

6.12 Admissibility of ITC on combined sale of Medical Kit as well Telemedicine – When GST is held payable on on combined sale of Medical Kit as well Telemedicine, the benefit of “input tax credit” is admissible on telemedicine medicines in terms of Section 16(1) of the CGST/HGST Act, 2017, subject to conditions and limitations as provided under the law.

Order accordingly.
To be communicated.

Dated: 09.10.2018
Panchkula.


(Sangeeta Karmakar)
Member CGST


(Vijay Kumar Singh)
Member SGST
certified true copy

Regd. AD/Speed Post

M/s Source of Life Technologies (India) Private Limited,
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Copy to:

- 1) The Commissioner, CGST Commissionerate , Gurugram, GST Bhawan, Plot No 36-37, Sector 32, Gurugram, Harayana- 122001
- 2) The Deputy Excise and Taxation Commissioner (ST), Gurugram (East)
- 3) The Assistant/ Deputy Commissioner, Central Tax Division, Gurugram, CGST Gurugram Commissionerate, GST Bhawan, Plot No 36-37, Sector 32, Gurugram, Harayana- 122001