



# PRACTICE AREA UPDATE INDIRECT TAX

## Indirect Tax

### **Karnataka High Court grants stays Order holding that ‘healthcare services’ provided in an online mode cannot avail the benefit of healthcare exemption under GST.**

The Petitioner, primarily engaged in the developing and implementing software for providing health care services through online doctor consultations was served upon a GST demand Order under Section 74 of CGST Act, 2017, wherein demand against the petitioner was confirmed on the ground that the petitioner is not a “clinical establishment” or “authorised medical practitioner” as required under Entry 74 of Notification No. 12/2017-CTR dated 28.06. 2017 and therefore is not eligible to exemption extended to “healthcare services”.

Aggrieved by the impugned Order, the Petitioner filed a writ petition before the Hon’ble High challenging the same. It was submitted that all the healthcare services provided by the Petitioner are performed by the authorized medical practitioners. The doctors treat and provide consultation on the platform of the Petitioner in the same manner the services are provided to the walk-in patients seeking physical consultation. Further it was submitted that, the entry in the Notification is required to be interpreted keeping in mind the advancement of technology. In this regard, reliance was placed on Telemedicine Practice Guidelines 2020, issued by the Medical Council of India, which recognises technological advancements in health care delivery and to provide a comprehensive framework for medical practitioners to render consultation, diagnosis, and treatment through telemedicine platforms.



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— LAW CHAMBERS —

Further, it was pointed out to the Hon'ble Bench that for the earlier period, the Petitioner had approached the Hon'ble Court on the same issue and considering the submissions made the Petitioner, the very same bench had granted an interim order of stay against the impugned order. Considering the submissions made, the Hon'ble court granted an interim order of stay against the impugned orders for subsequent periods as well.

**The client was advised by the firm, led by a team of Partner Prashanth Shivadass, Associate Partner Rishab J and Associate Ananya K. The arguments in the court were led by Senior Advocate Mr. G Shivadass.**



**Mr. G Shivadass**



**Prashanth Shivadass**



**Rishab J**



**Ananya K**