

AUTHORITY FOR ADVANCE RULING, TAMIL NADU
No.207, 2nd FLOOR, PAPJM BUILDING, No.1, GREAMS ROAD,
CHENNAI 600 006.

ORDER UNDER SECTION 98(4) OF THE CGST ACT, 2017 AND
UNDER SECTION 98(4) OF THE TNGST ACT, 2017

Members present:

Shri C. Thiyagarajan, I.R.S., Commissioner/Member (CGST), Office of the Commissioner of GST and Central Excise, Audit I Commissionerate, Chennai - 600 101.	Shri B. Suseel Kumar, B.E., MBA., Joint Commissioner/Member (SGST), Authority for Advance Ruling, Tamil Nadu, Chennai - 600 006.
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Advance Ruling No. 16/ARA/2026, dated 03.03.2026

1. *Any appeal against this Advance Ruling order shall lie before the Tamil Nadu State Appellate Authority for Advance Ruling, Chennai under Sub-Section (1) of Section 100 of CGST Act 2017/TNGST Act 2017, within 30 days from the date on which the ruling sought to be appealed is communicated.*
2. *In terms of Section 103(1) of the Act, Advance Ruling pronounced by the Authority under Chapter XVII of the Act shall be binding only-*
 - (a) *On the applicant who had sought it in respect of any matter referred to in sub-section (2) Section 97 for advance ruling.*
 - (b) *On the concerned officer or the Jurisdictional Officer in respect of the applicant.*
3. *In terms of Section 103(2) of the Act, this Advance Ruling shall be binding unless the law, facts or circumstances supporting the original advance ruling have changed.*
4. *Advance Ruling obtained by the applicant by fraud or suppression of material facts or misrepresentation of facts, shall render such ruling to be void ab initio in accordance with Section 104 of the Act.*
5. *The provisions of both the Central Goods and Services Tax Act and the Tamil Nadu Goods and Services Tax Act (herein referred to as the Act) are the same except for certain provisions. Therefore, unless a mention is specifically made to such dissimilar provisions, a reference to the Central Goods and Services Tax Act would also mean a reference to the same provisions under the Tamil Nadu Goods and Services Tax Act.*

GSTIN Number, if any/User id	33AAAAT3849F1ZL
Legal Name of Applicant	M/s. THE COIMBATORE BRANCH OF INDIAN MEDICAL ASSOCIATION
Trade Name of Applicant	M/s. INDIAN MEDICAL ASSOCIATION
Registered Address/ Address provided while obtaining User id	91, Syrian Church Road, No.2, Coimbatore – 641 001.
Details of Application	Application Form GST ARA-01 received from the applicant on 10.09.2025.
Jurisdictional Officer	Center – Coimbatore Commissionerate State - R.S. Puram Assessment Circle, Coimbatore Division.
Nature of activity (s) (proposed/present) in respect of which advance ruling sought for A. Category B. Description (in brief)	Service provision The applicant is engaged in conducting general health camps for economically weaker sections of society and organising seminars for its members, who are medical professionals, to upgrade their medical practices.
Issues on which advance ruling required	1. Classification of any goods or services or both 2. Applicability of a notification issued under the provisions of this Act
Query(s) on which advance ruling is required	1. Whether the activities undertaken by the Indian Medical Association Coimbatore would be considered as business under Section 2(17)(e) of the CGST Act, 2017, even though the ultimate objective is to provide healthcare services, which are otherwise exempt. 2. Also, whether it would be considered as a supply under section 7(1)(aa) of CGST Act, even though the services are provided on the ground of principles of mutuality. 3. Further, specifically, whether the member subscription fees collected from the members of the association is considered as a supply under GST.

Indian Medical Association, Coimbatore (hereinafter referred to as the "Applicant") is one of the oldest medical associations in India, incorporated since 1925. The association is

engaged in conducting general health camps for economically weaker sections of society and organising seminars for its members, who are medical professionals, to upgrade their medical practices.

2.1 The core activities undertaken by the Applicant can be summarised as follows: -

- Conducting free medical health camps for underprivileged communities, providing healthcare services,
- Organising educational seminars and workshops for doctors to enhance their knowledge and medical skills.

Since these activities primarily involve the provision of healthcare services, which are exempt from GST as per Notification No. 12/2017-Central Tax (Rate) dated 28th June 2017, the Applicant seeks a ruling on whether its activities would be subject to GST under the provisions of the Central Goods and Services Tax Act, 2017.

2.2 Further, the Applicant states that several case laws in various benches of courts confirmed that the services provided on the grounds of principles of mutuality are neither considered as a supply of goods nor as a supply of services. The case includes "Madras Gymkhana Club Employees Union Vs. Management of the Gymkhana Club", "[Cricket Club of India Ltd Vs Bombay Labour Union" and "JCTO, Madras vs The Young Men's Indian Association (Regd.)". In the case of Ranchi Club Vs. Chief Commissioner of Central Excise & Services Tax, it was held that the sale and services would require the existence of two parties. However, with respect to the clubs, and services provided by the club to its members, there is no service that would affect the service tax as it would not be a service by one to another as there would be no existence of foundational facts between two legal entities in such a transaction.

3.1 The Applicant has made a payment of application fees of Rs.5,000/- each under sub rule (1) of Rule 104 of CGST Rules, 2017 and SGST Rules, 2017.

3.2 The applicant has sought advance ruling on the following queries:

1. Whether the activities undertaken by the Indian Medical Association Coimbatore would be considered as business under Section 2(17)(e) of the CGST Act, 2017, even though the ultimate objective is to provide healthcare services, which are otherwise exempt.
2. Also, whether it would be considered as a supply under section 7(1)(aa) of CGST Act, even though the services are provided on the ground of principles of mutuality.
3. Further, specifically, whether the member subscription fees collected from the members of the association is considered as a supply under GST.

3.3 Under the 'Statement of relevant facts having a bearing on the query raised' the Applicant has stated that they are a registered taxpayer and that they are one of the oldest medical associations in India, incorporated since 1925. The association is engaged in conducting free medical health camps for under privileged communities, providing health care services and organizing educational seminars and workshops for its members who are doctors, to enhance their knowledge and medical skills. Since, these activities primarily involve the provision of healthcare services, which are exempt from GST as per Notification No.12/2017-Central Tax

(Rate) dated 28.06.2017, the applicant seeks a ruling on whether its activities would be subject to GST under the provisions of Central Goods and Service Tax Act, 2017.

3.4 Under the 'Interpretation of law by the Applicant, they have stated that as per section 2(17)(e) of the CGST Act, 2017, any provision of facilities or benefits by a Club, Association, or Society to its members for a subscription or any other consideration is considered as a business activity. However, they have stated that the applicability of GST on such activities must be examined in light of the specific exemption provisions applicable to healthcare services, viz.,

1. Exemption under Notification No.12/2017-Central (Rate), dated 28.06.2017:

- Entry No.74 of the said notification exempts healthcare services provided by clinical establishments, authorized medical practitioners, or paramedics.
- The term "healthcare services" includes services for diagnosis, treatment, or care of illness, injury, or deformity, provided by medical professionals.

2. Applicability of section 2(17)(e) –Definition of Business:

- While section 2(17)(e) considers services provided by clubs or associations to members as business, the Applicant's activities result in the provision of healthcare services, which fall under the exempted category.
- The exemption notification does not differentiate between services provided directly to individuals or through as association.

3. Interpretation of exemption and Nature of Service:

- The primary objective of the Applicant's activities is to provide healthcare services to economically weaker sections and upgrade the knowledge of medical professionals, ensuring better healthcare delivery.
- These activities should not be considered as commercial in nature, as they do not generate taxable revenue but rather contribute to the public welfare.

4. Sale and services would require the existence of two parties. However, with respect to the clubs, and services provided by the club to its members, there is no service that would affect the service tax as it would not be a service by one to another as there would be no existence of foundational facts between two legal entities in such a transaction.

3.5 Based on the above legal provisions and interpretation, the applicant contends that its services should qualify as exempt healthcare services under GST law and should not attract any tax liability. The applicant has also cited judicial precedents in their support.

4. The applicant is under the administrative control of State Tax Authority. The concerned Authorities of the Centre and State were addressed to report the detailed remarks and no pendency report on the queries raised by the applicant in their ARA application. Since, no remarks have been received from the Central or State GST jurisdictional Authorities, it is

construed that there are no pending proceedings against the applicant on the queries raised by them in their advance ruling application.

5. PERSONAL HEARING

5.1 The applicant was given an opportunity to be heard in person on 20.01.2026. Mr. R. Sree Krishnan, Chartered Accountant appeared for the personal hearing as Authorized representative of the applicant

5.2 The AR informed that the Coimbatore Branch which is for doctors practicing in the district of Coimbatore was formed in the year 1924 and are registered under Income Tax Act as a Trust under Section 12A. The subscription from the members is treated by them as donation which is used for various activities such as health camps, training for doctors, etc. They further stated that collection of lifetime subscription finds mention in the bye laws of the Association, and the amount is decided based on resolution passed by the members from time to time.

5.3 The AR further mentioned that they are paying GST on other services such as renting of immovable property etc., rendered by them and sought clarity on the taxability of the lifetime subscription paid by their members.

5.4 The AR also stated that there is Tamil Nadu Medical Association and Indian Medical Association to which they are affiliated; that the National Chapter has started paying GST on the subscription amount from 2024 onwards and the Tamil Nadu Chapter is under investigation by DGGI.

5.5 The AR also produced a copy of judgement of the Hon'ble High Court of Kerala in the case of WPC No.23853 of 2023 which is similar to their case. The AR requested to pass appropriate ruling after considering all these facts.

6. Discussions and Findings:

6.1 We have carefully considered the submissions made by the applicant in the advance ruling application, and the submissions made during the personal hearing held on 20.01.2026.

6.2 We find that the queries raised by the applicant are liable for admission as they get covered under "Applicability of a notification issued under the provisions of this Act", and "Determination of the liability to pay tax on any goods or services or both", which are specified under Section 97(2)(b) and 97(2)(e), respectively of CGST/TNGST Act, 2017.

6.3 We find that the applicant has sought advance ruling in respect of three queries as mentioned above, and we proceed to consider one query at a time and discuss. Accordingly, the first query raised by the Applicant is,

"whether the activities undertaken by the Indian Medical Association Coimbatore would be considered as business under Section 2(17)(e) of the CGST Act, 2017, even though the ultimate objective is to provide healthcare services, which are otherwise exempt."

From the brief facts as furnished by the Applicant, along with the application filed and from the submissions made during the personal hearing, it is observed that they are carrying out the following activities, viz.,

- (i) Collection of a subscription and providing services to its members;
- (ii) Organizing educational seminars and workshops for its members who are doctors;
- (iii) Conducting free medical health camps for under privileged communities, providing health care services;
- (iv) Provision of other services such as renting of immovable property etc., on which GST is reportedly discharged by the Applicant.

6.4 In this regard, we find that Section 2(17) of the CGST Act, 2017 which defines the term "business" reads as follows :-

"(17) "business" includes –

(a) any trade, commerce, manufacture, profession, vocation, adventure, wager or any other similar activity, whether or not it is for a pecuniary benefit;

(b) any activity or transaction in connection with or incidental or ancillary to sub-clause (a);

(c) -----

(d) -----

(e) provision by a club, association, society, or any such body (for a subscription or any other consideration) of the facilities or benefits to its members;

(f) -----

(g) -----

(h) -----

(i) -----."

6.5 We find that the activity relating to 'Conducting free medical health camps for under privileged communities, providing health care services', even in cases when they are not carried out for pecuniary benefit, are to be considered as 'business', as it relates to 'profession' thereby getting covered under sub-clause (a) to Section 2(17) of the CGST Act, 2017. Likewise, the activity relating to 'Provision of other services such as renting of immovable property etc., by the Applicant', qualifies as 'business', as it is an activity in relation to 'commerce', thereby getting covered under sub-clause (a) to Section 2(17) of the Act, *ibid*. However, since the query raised by the Applicant in the instant case confines itself to determination as business (or otherwise) under Section 2(17)(e) of the CGST Act, 2017, we find that the clause (e) to Section 2(17) of the CGST Act, 2017, clearly specifies that provision of facilities or benefits to its members by a club, association, society or any such body for a subscription or any other consideration, qualifies as a 'business' activity in terms of the said provision. Therefore only the activities relating to (i) Collection of subscription and providing services to its members, and (ii) Organizing educational seminars and workshops for its members who are doctors, qualify as 'business' activities under Section 2(17)(e) of the CGST Act, 2017.

6.6 Accordingly, we move on to the second query raised by the applicant, viz.,

"Also, whether it would be considered as a supply under section 7(1)(aa) of CGST Act, even though the services are provided on the ground of principles of mutuality."

In respect of this query, we find that same is restricted to 'the ground of principles of mutuality', and as to whether the same is to be considered as supply under Section 7(1)(aa) of the CGST Act. Therefore, the activities in relation to 'Conducting free medical health camps for under privileged communities, providing health care services;' and 'Provision of other services such as renting of immovable property etc., by the Applicant', goes out of equation, and are not required to be taken up for discussion as far as this query is concerned. Here again, only the activities in relation to 'Collection of a subscription and providing services to its members', and 'Organizing educational seminars and workshops for its members who are doctors', are being taken up for discussion. Further, in relation to this query, we find that the applicant has referred to the following cases, viz., "Madras Gymkhana Club Employees Union Vs. Management of the Gymkhana Club", "[Cricket Club of India Ltd Vs Bombay Labour Union", and, "JCTO, Madras vs The Young Men's Indian Association (Regd.)", to claim that services provided on the grounds of principles of mutuality are neither considered as a supply of goods nor as a supply of services. The Applicant further contends that in the case of Ranchi Club Vs. Chief Commissioner of Central Excise & Services Tax, it was held that the sale and services would require the existence of two parties.

6.7 In this regard, we would like to bring to notice that Section 7 of the CGST Act, 2017 was amended through section 108 of the Finance Act, 2021 (No. 13 of 2021) with effect from 1.7.2017, which read as follows :-

*"108. In the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the Central Goods and Services Tax Act), **in section 7, in sub-section (1), after clause (a), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of July, 2017, namely:--***

"(aa) the activities or transactions, by a person, other than an individual, to its members or constituents or vice-versa, for cash, deferred payment or other valuable consideration.

Explanation .-For the purposes of this clause, it is hereby clarified that, notwithstanding anything contained in any other law for the time being in force or any judgment, decree or order of any Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another."

The appointed date on which the provisions of section 108 of the Finance Act, 2021 (13 of 2021) shall come into force is 1.1.2022 as per Notification No. 39/2021 Central Tax dated 21.12.2021.

6.8 Accordingly, the insertion with effect from 01.07.2017 of sub-clause (aa) to Section 7(1) of the CGST Act, 2017, which defines the expression 'Supply', activities or transactions, by a body to its members or constituents is to be considered as a 'supply' under GST. Moreover, the explanation annexed to sub section (aa) further clarifies that "notwithstanding anything contained in any other law for the time being in force or any judgement, decree or order of any

Court, tribunal or authority, the person and its members or constituents shall be deemed to be two separate persons and the supply of activities or transactions inter se shall be deemed to take place from one such person to another". We are therefore of the considered opinion that the case laws cited by the applicant about the application of principles of mutuality does not have any effect to the instant case, as far as it relates to GST. In the instant case of the applicant, services are being provided to doctors who are members of the association, and membership is extended only on payment of an amount, i.e., subscription, which is fixed from time to time by the office bearers of the association. Therefore, the activities relating to (i) Collection of a subscription and providing services to its members, and (ii) Organizing educational seminars and workshops for its members who are doctors, fall very much within the ambit of the expression 'supply' under section 7(1)(aa) of the CGST Act, 2017.

6.9 The third query raised by the applicant is,

"Further, specifically, whether the member subscription fees collected from the members of the association is considered as a supply under GST."

As discussed in detail in reply to query No.2 above, the subscription fees collected from the members of the association is to be considered as a 'supply' under GST in terms of the provisions of section 7(1)(aa) of the CGST Act, 2017.


6.10 At this juncture, we also take note of the fact that the applicant, cited the order of Hon'ble High Court of Kerala at Ernakulam vide WP(C) No. 23853 of 2023 dated 23.7.2024 in their support, during personal hearing held on 20.01.2026. On perusal of the same, it is seen that the said judgement has upheld the application of the provisions of Section 7(1)(aa) of the CGST Act, 2017, as inserted by Section 108 of the Finance Act, 2021 (No.13 of 2021), albeit from 1.01.2022, when it stood notified under Notification No. 39/2021 Central Tax dated 21.12.2021. Further, since the said judgement has ruled only against the retrospective application of the aforesaid amendment with effect from 1.07.2017, and has upheld the application of Section 7(1)(aa) of the CGST Act, 2017, it does not come to the aid of the Applicant.

6.11 Further, we find that the Applicant has contended that the applicability of GST on such activities must be examined in light of the specific exemption provisions applicable to healthcare services, since the ultimate objective is to provide healthcare services, which are otherwise exempt. In this regard, it is to be stated that supply of 'Health care services' are indeed exempt from payment of GST under Sl.No.74 of the exemption Notification No.12/2017-CT (Rate) dated 28.06.2017. However, the query for advance ruling raised by the Applicant in the instant case revolves around the business activities under Section 2(17)(e) of the CGST Act, 2017, and the supply of services under Section 7(1)(aa) of the Act, *ibid*, viz., (i) collection of subscription and providing services to its members, and (ii) organizing educational seminars and workshops for its members who are doctors. The aforesaid activities are stand-alone supplies in view of the detailed discussion above, and they are not exempted from payment of GST. Further, the contention of the Applicant that the ultimate objective is to provide healthcare services, does not affect, and cannot have a bearing, in any manner, on the taxability or otherwise on the supply of aforesaid taxable services by the Applicant.


7. Based on the above discussion, we rule as under:

RULING

1. Whether the activities undertaken by the Indian Medical Association, Coimbatore would be considered as business under Section 2(17)(e) of the CGST Act, 2017, even though the ultimate objective is to provide healthcare services, which are otherwise exempt.	The activities in relation to collection of subscription and providing services to its members, and organizing educational seminars and workshops for its members who are doctors, would be considered as 'business' under Section 2(17)(e) of the CGST Act, 2017.
2. Also, whether it would be considered as a supply under section 7(1)(aa) of CGST Act, even though the services are provided on the ground of principles of mutuality.	The activities in relation to collection of subscription and providing services to its members, and organizing educational seminars and workshops for its members who are doctors, are to be treated as 'supply' under section 7(1)(aa) of the CGST Act, 2017. Exclusion under the ground of principles of mutuality do not apply to the instant case, in view of the Explanation annexed to Section 7(1)(aa) of the CGST Act, 2017, whereby the body and its members are deemed as two separate persons.
3. Further, specifically, whether the member subscription fees collected from the members of the association is considered as a supply under GST.	Yes, as stated in reply to query 2 above.


(B. Suseel Kumar)
Member (SGST)
03/03/2026




(C. Thiyagarajan)
Member (CGST)
03/03/2026

To
M/s. Indian Medical Association, (Coimbatore Branch)
GSTIN: 33AAAAT3849F1ZL
Coimbatore Branch,
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Coimbatore 641001.

(By Speed Post)

Copy submitted to:

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2. The Commissioner of Commercial Taxes,
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3. The Commissioner of GST and Central Excise,
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Coimbatore – 641 018.

Copy to:

1. The Assistant Commissioner (ST),
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4th Floor, CTO Complex,
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2. Stock File – A1