

GIB/MH/Kutting/15.01.2020/AAR-388

Advance Ruling Category : Rate

State : Maharashtra

Order No.: GIB/MH/Kutting/15.01.2020/AAR-388

Name of Entry :

M/s. Kutting Fusion Hospitality LLP

Date : 15-01-2020

Breif Issue :

Facts & Issue Of The Case :

The applicant M/s. Kutting Fusion Hospitality LLP filed an application under Section 97 of the **Central Goods and Services Tax Act, 2017** and the **Maharashtra Goods and Services Tax Act, 2017** [hereinafter referred to as “the CGST Act and MGST Act”].

The applicant, seeking an advance ruling in respect of :

- 1. What would be the rate of tax applicable to the applicant providing restaurant services as per facts of the case mentioned?**

The applicant have submitted that it is a well-established principle that food or beverages provided for consumption in a restaurant premises are a “supply”. They have also submitted that as per Clause 6, Sub-clause (b) of Schedule 11 the supply of food or drink (other than alcoholic liquor for human consumption), which is supplied whether as a service or otherwise, for cash or other consideration, is a supply of services under GST Laws.

the applicant’s restaurant is primarily meant for the clientele of the hotel under the brand name “JW Marriott” being operated on the same plot. The applicant has stated that the owner of the mall ‘THE ORB’ is looking to primarily service the customers of JW Marriot Hotel who have booked rooms for lodging and boarding in the rooms which have a tariff of Rs. 7,500/- or more per unit/room per day.

As per Sr. No. 7(iii) of **Notification No. 11/2017-CT(Rate) dated 28.06.2017**, as amended, supply of food or drinks in a restaurant for consumption within the restaurant premises or away from the restaurant premises, where the restaurant is located in the premises of hotels, inns, guest houses, clubs, campsites or other

commercial places meant for residential or lodging purposes with a tariff of seven thousand five hundred rupees and above per unit/room per day or equivalent for any unit/room in the premises, the applicable rate of GST will be 18%.

Decision of Advance Ruling Authority :**Decision :**

It held that the applicant restaurant is located in the same premises as JW Marriot Hotel having rooms with a tariff of seven thousand five hundred rupees and above, per unit/room per day or equivalent for any unit/room and applicant will be supplying food or drinks for consumption within the JW Marriot Hotel premises. Thus we are of the opinion that in view of the facts of the subject case, the applicant must discharge its GST liability @ 18% (9% each of CGST and SGST) as per Sr.No. 7(iii) of **Notification No. 11/2017-CT(Rate) dated 28.06.2017**, as amended.

Therefore, rate of tax applicable in the subject case is 18% GST (9% each of CGST and SGST).