

GIB/MH/E-Square/29.12.2018/AAR-420

Advance Ruling Category : Pure Agent

State : Maharashtra

Order No.: GIB/MH/E-Square/29.12.2018/AAR-420

Name of Entry :
E-Square Leisure Pvt Ltd

Date : 28-02-2019

Breif Issue :

Facts & Issue Of The Case :

The applicant E-SQUARE LEISURE PRIVATE LIMITED' having GSTIN 27AAACG5176C1ZT and is engaged in the business of exhibition and business services, accommodation in hotels, inn, guest house, club or camp site, etc services, and restaurant services.

the applicant, seeking an in respect of the following questions :

1. Whether GST is levied on the reimbursement of expenses from the lessee by the lessor at actuals?
- 2- In case GST is levied what is the rate of GST applicable to said reimbursement of expenses.

The applicant is providing more than two services i.i., renting of immovable property being the cinema theatre, supply of power through DG set and water through RO besides cooking fuel. Dealing with the question wheather the applicant is acting as pure agent in respect of water and electricity, the authority noted that the applicant has installed the main electricity connection and has different sub connections at each location for reading actual consumption of electricity. Applicant has also installed the DG sets for generation of electricity in case of power failure. The water required is also provided through RO system. This show that these supplies are on their own account and is for effective enjoyment of activities related to the theatre.

Decision of Advance Ruling Authority :

Decision:

Therefore, the expenditure or cost incurred by the applicant and subsequent reimbursement thereof shall be included in the value of supply.