



केन्द्रिय उत्पाद शुल्क, सीमा शुल्क तथा सेवाकर के आयुक्त का कार्यालय  
OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE, CUSTOMS & SERVICE TAX  
एन 5 टाउन सेंटर, सिडको, औरंगाबाद 431 030  
N-5: TOWN CENTRE: CIDCO: AURANGABAD - 431 030

## TRADE NOTICE NO. 09/ 2013

SUBJECT:- Restaurant Service- Clarification- reg..

Attention of all trade associations and stake holders is invited towards the exemption for services provided by specified restaurants extended vide serial number 19 of Notification No. 25/2012-ST was modified vide Para 1 (iii) of Notification No. 3/2013-ST. This has become operational on the 1<sup>st</sup> April, 2013.

2. In this context, representations have been received. On the doubts and questions raised therein clarifications are as follows:-

	Doubts	Clarifications
1.	In a complex where air conditioned as well as non-air conditioned restaurants are operational but food is sourced from the common kitchen, will service tax arise in the non-air conditioned restaurant?	Services provided in relation to serving of food or beverages by a restaurant, eating joint or mess, having the facility of air conditioning or central air heating in any part of the establishment, at any time during the year (hereinafter referred as 'specified restaurant') attracts service tax. In a complex, if there is more than one restaurant, which are clearly demarcated and separately named but food is sourced from a common kitchen, only the service provided in the specified restaurant is liable to service tax and service provided in a non air-conditioned or non centrally air- heated restaurant will not be liable to service tax. In such cases, service provided in the non air-conditioned / non-centrally air-heated restaurant will be treated as exempted service and credit entitlement will be as per the Cenvat Credit Rules.
2.	In a hotel, if services are provided by a specified restaurant in other areas e.g. swimming pool or an open area attached to the restaurant, will service tax arise?	Yes. Services provided by specified restaurant in other areas of the hotel are liable to service tax.

3.	Whether service tax is leviable on goods sold on MRP basis across the counter as part of the Bill/invoice.	If goods are sold on MRP basis (fixed under the Legal Metrology Act) they have to be excluded from total amount for the determination of value of service portion.
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All the trade Associations are requested to bring the content of this Trade Notice amongst their members and all stake holders.

Kumar Santosh  
Commissioner

Authority: Circular No. 173/8/2013-ST Dated 07.10.2013

F. No. VGN(30)32/ST/Trade Notice/2011-12  
Aurangabad, Dated: 28 Oct 2013

Copy to:

1. All Trade Associations & Stake holders (as per mailing list).
2. Additional Commissioner, Service tax, Aurangabad.
3. Assistant Commissioner, Div- A'bad-I/II/III/Nanded/ Ahmednagar/ Service tax (Hqrs.).
4. Superintendent (Computer) for uploading this Trade Notice on the Commissionerate's website.
5. Notice Board of the Commissionerate/Division.
6. Master File.