

Punit Prajapati
& Co.

**GST CLARIFICATIONS ON
RESTAURANT SERVICES
THROUGH E-COM**

UNDER RCM [U/S. 9(5)] WEF 01/01/22

CIRCULAR No. 167/23/2021-GST dated 17/12/21

CA Raksha Prajapati
CA Prakash Prajapati

CA Punit Prajapati

CA Nisarg Jhadakia
CA Viral Patel

www.punitprajapati.com



RESTAURANTS WILL NOT REQUIRE TO PAY GST

W.e.f. 01/01/2022, E-Commerce Operators (ECOs) (like Swiggy, Zomato etc.) will be required to pay GST on Restaurant Services provided through E-Commerce platforms and hence Restaurants will not be required to pay GST on such supply made through ECOs.

TAX INVOICE BY ECOS

The invoice in respect of restaurant service supplied through ECO will be issued by ECO. Hence, restaurant need not to issue Invoice with tax to the customers for such services.

AGGREGATE TURNOVER

Value of restaurant services provided through ECOs, will be added to determine Aggregate Turnover. Meaning thereby, although Restaurants will not be required to pay GST on such services, value of such services shall be considered to determine value for other provisions, for example, registration, Annual Return etc.

TCS WILL NOT BE DEDUCTED BY ECOS

As restaurant is not required to pay any GST on such services, Tax Collected from Source (TCS) will not be deducted by ECOs and full payment will be received by restaurants.

REPORTING BY RESTAURANT

Restaurant, providing restaurant services through ECOs, have to report such supply at Table 3.1 (c) of GSTR-3B.