M/s Geetastar Resorts Pvt. Ltd., 601, Geeta Enclave, Vinobha Marg, C-Scheme, Jaipur, Rajasthan 302001 (GSTIN 08AAECG4811G1ZT)

Authority for Advance Ruling — Rajasthan

Advance Ruling No. RAJ/AAR/2019-20/26 Dated **26.11.2019**

Q Questions Before the Authority

- Whether Input Tax Credit on goods and services used in construction of a hotel will be available to the applicant, which will provide taxable hotel accommodation and related services.

F Facts

The applicant, a private limited company in the hotel industry, has started constructing a hotel on its land at Village Beed Ki Bhagal, Kumbhalgarh, Rajsamand, and plans to build 68 rooms, a restaurant, a bar, a conference hall and a banquet hall. It expects to start commercial operations by 31 December 2020. It will buy cement, steel, plywood, paint and services such as architectural, engineering and labour contract services from GST-registered suppliers, and after commencement it will make taxable supplies of accommodation, restaurant services and renting of event spaces.

H Ruling

No ruling was given. The applicant requested withdrawal of the application by letter dated 22.11.2019, before the personal hearing fixed for 28.11.2019. The Authority accepted the withdrawal and recorded that the question stands unanswered. The jurisdictional officer's comment that input tax credit would not be available under Section 17(5)(d) was recorded but was not adopted as a finding.

R Reasoning

The Authority admitted the application under Section 97(2)(d), as the question concerns admissibility of input tax credit. The applicant then withdrew the application, and the Authority's findings record that the withdrawal meant no advance ruling was given. The only substantive view in the order is the jurisdictional officer's comment, dated 18.11.2019, that input tax credit on inputs and input services used in constructing a hotel with taxable output is blocked under Section 17(5)(d) of the GST Act. The Authority did not adopt or analyse that view, and the order does not itself rely on Section 17(5)(d).

P Provisions Relied On

Section 97(2)(d) of the CGST/RGST Act, 2017 (admissibility of input tax credit; ground for the application)

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

Section 100 of the CGST/RGST Act, 2017 (appeal against advance ruling, noted in the order)

Section 99 of the CGST/RGST Act, 2017 (constitution of the Appellate Authority, noted in the order)

Section 17(5)(d) of the CGST/RGST Act, 2017 (cited only in the jurisdictional officer's comments, not in the Authority's reason…

! For the Practitioner

This order gives no binding answer on blocked credit for hotel construction. A practitioner should not cite it as authority for either availability or denial of input tax credit. Its only use is to show the departmental position taken by the jurisdictional officer in Rajasthan, namely that Section 17(5)(d) bars credit where the output is taxable. Anyone advising a hotel developer on this point needs to rely on the statute and later rulings, not on this withdrawn application.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> scanned_aar_order_no._26_geetastar_resorts_pvt_ltd.pdf

Prepared 14-11-2026.

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