



Liquor served in bars, clubs now set to get costlier as VAT increases by 5%

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Mumbai: The liquor served to you in a bar, lounge, club, discotheque or a cafe will get a little costlier. The state government has increased VAT by 5% for permit room liquor service to make it to total 10%. A government notification to this effect was released on Friday. However, there is no rise for liquor services in star hotels as already their VAT is at higher level, that is 20%.

Hoteliers say increase of excise licence fee recently by government has already added the burden, eventually ma-

king liquor costlier. When states are competing to get maximum revenue and tourists, it will jolt our policy, they added. However, the rise will not affect over-the-counter sales at wine shops.

"The increase is quite surprising as the same in the backdrop of the increase in yearly excise fees will mean that prices in restaurants, bars will go up. We are in the age where states are competing, realising power of tourism in driving economies resulting in reduction of excise duties. Goa, Chandigarh and Haryana are few such examples," said Pradeep Shetty, president of Hotels and Restau-

rants of Western India (HRAWI) which has thousands of high-end restaurants and hotels as its members.