

ISMAIL AHAMAD SOOFI

Authority for Advance Ruling — Maharashtra

NO.GST-ARA- 05/2018-19/B- 61 Mumbai, dt. 09.07.2018

Dated 09.07.2018

Q Questions Before the Authority

- Whether the catering services provided by the Applicant under B2B Model and B2C Model are to be classified as canteen/restaurant services under Entry. No. 7(i) of the Notification No. 11/2017 dated 28th June 2017 as amended by the Notification No. 46/2017- Central Tax (Rate) dated 14th November 2017 or as outdoor catering services under Entry. No 7(v) of the said Notification?

F Facts

The applicant supplies catering and canteen services to corporate and industrial clients under Business-to-Consumer (B2C) and Business-to-Business (B2B) models. Food and beverages are prepared either in kitchens located on the clients' premises or at a centralized kitchen outside, and served to employees in cafeterias on client premises. Under the B2C model, payment is received directly from employees, whereas under the B2B model, consideration is paid directly by the corporate clients.

H Ruling

Classification of B2B and B2C catering services in corporate canteens

Sr. No. 7(i) of Notification No. 11/2017-Central Tax (Rate) as amended

Classified as canteen services taxable at 5% GST without ITC w.e.f. 14.11.2017

The Authority for Advance Ruling held that catering services provided by the applicant under both B2B and B2C models constitute **canteen services**. Following the amendment via Notification No. 46/2017-Central Tax (Rate), the services fall under **Sr. No. 7(i)** of Notification No. 11/2017-Central Tax (Rate), taxable at 5% GST without input tax credit.

R Reasoning

The authority observed that canteen services involve supplying food and beverages to employees within designated cafeteria premises of client organizations. It noted that outdoor catering under Entry 7(v) was restricted by Notification No. 13/2018-Central Tax (Rate) to event-based or occasional catering at locations like exhibition halls and marriage halls. Because the applicant provides continuous catering in client canteens, it does not constitute outdoor catering. Following Notification No. 46/2017-Central Tax (Rate), air-conditioning distinctions were removed, placing canteen services under Entry 7(i) at a 5% GST rate without input tax credit.

P Provisions Relied On

Schedule II Clause 6(b) of CGST Act, 2017	Entry 7(i) of Notification No. 11/2017-Central Tax (Rate)
Entry 7(iv) of Notification No. 11/2017-Central Tax (Rate)	Entry 7(v) of Notification No. 11/2017-Central Tax (Rate)
Notification No. 46/2017-Central Tax (Rate)	Notification No. 13/2018-Central Tax (Rate)
Circular No. 28/02/2018-GST	



For the Practitioner

This ruling establishes that regular catering services provided to corporate employees inside client premises qualify as **canteen services** under Entry 7(i) rather than outdoor catering. It confirms that post-14.11.2017, such services attract **5% GST without ITC**, regardless of whether consideration is collected directly from employees or the employer.

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 -> [maha-gst-ara-05-b-61_dt.09.07.18_ismail_ahamad_soofi.pdf](#)

Prepared 20-10-2026.

About Patron Accounting LLP

Patron Accounting LLP is a CA and CS-led accounting and compliance firm working with businesses across India since 2019 — bookkeeping, GST, income tax, payroll, company and LLP compliance, audit and the certificates banks and regulators ask for.

Pune (HQ)

RTC Silver, B4-708, Sai Satyam Park, Wagholi, Pune, Maharashtra 412207

Delhi

3rd Floor, B-6/154-155, Sector 5, Rohini, Delhi 110085

Ahmedabad

Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp...

Mumbai

104, Rajshila Building, 597 J.S.S. Road, Marine Lines, Mumbai 400002

Gurugram

Pioneer Urban Square, B109, Golf Course Ext Road, Sector 62, Gurugram...

Talk to us: **+91 94594 56700** | sales@patronaccounting.com | patronaccounting.com