

M/s Jothi Catering Services

Authority for Advance Ruling — Tamil Nadu

Advance Ruling No.113/AAR/2023 Dated:17.11.2023

Q Questions Before the Authority

- Rate of Tax for Outdoor Catering Services With ITC
- HSN code
- Latest Notification

F Facts

The applicant is engaged in providing food and beverage services to workers of large industries under a contract. They deliver prepared food to the client's premises but are not involved in the distribution of food within those premises. The applicant sought clarification on the applicable HSN code and GST rate for this specific business model.

H Ruling

Classification and Rate **SAC 996337, 18% GST** Classified as other contract food services

The Authority ruled that the applicant's activity does not qualify as 'outdoor catering' as it is not event-based or occasional in nature. Instead, the service is classified as 'other contract food services' under SAC 996337. Consequently, the activity attracts 18% GST.

R Reasoning

The Authority determined that the service falls under SAC 996337, which covers food preparation and supply services based on contractual arrangements at industrial locations. It explicitly excluded the activity from the definition of 'outdoor catering' provided in Notification No.20/2019-CT(Rate), as the applicant's service is not event-based. Since the activity does not fit into the specific entries for restaurant or outdoor catering services, it falls under the **residual entry** for other food services. Therefore, the service attracts the standard rate of 18% GST.

P Provisions Relied On

Section 97(2) of the CGST/TNGST Act, 2017

Notification No.11/2017-CT(Rate) dated 28.06.2017

Notification No.20/2019-CT(Rate) dated 30.09.2019



For the Practitioner

This ruling clarifies that industrial canteen or contract food services provided on an ongoing basis do not qualify for the concessional rates applicable to 'outdoor catering'. Practitioners should note that such services are treated as **residual contract food services** subject to 18% GST. It serves as a warning that the nature of the contract, rather than the act of supplying food, determines the tax classification.

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 -> 113_jothi_catering.pdf

Prepared 13-10-2026.

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