M/s. Sri Venkateshwara Agencies, 4-5-464, 464/1, Esamiya Bazar, Hyderabad, Telangana (GSTIN 36AACG7442D1ZV)

Authority for Advance Ruling — Telangana

TSAAR Order No. 02/2020, A.R.Com/35/2018 Dated **02.03.2020**

Q Questions Before the Authority

- Whether Not. No. 46/2017-CT(R) (Item 1) applies to ice cream, ice cream allied products and milk shakes served in the parlour, with or without fruits or topping sauces added to the customer's taste.
- Whether the same notification applies to ice cream and allied products sold in the parlour as such (cups, cones, bars, sticks, novelties, half-litre packs, party packs and bulk packs), for dining or takeaway.
- Whether it applies to party orders in which bulk ice cream is sold to caterers for takeaway.
- Whether it applies to party orders in which ice cream is served at the customer's premises with fruits or toppings as per guest requirements.
- Whether it applies to ice cream products (cups, cones, bars, sticks, novelties) sold to pushcart vendors who resell them to their customers.

F Facts

The applicant is a partnership firm and distributor of SCOOPS and Cream Stone brand ice cream, supplying sub-distributors, hotels, party orders and retail outlets in Hyderabad. It runs parlours where ice cream is served to order, with fruits, nuts and sauces added to taste, and sold as packaged products for dine-in or takeaway. It also serves ice cream at party events and sells bulk packs to caterers and pushcart vendors, and provides ancillary services in its parlours such as seating, air conditioning, drinking water and waiter service.

H Ruling

Ice cream, allied products and milk shakes served in the parlour, with or without fruits or topping sauces	**15.11.2017 to 30.09.2019: Sl. No. 7(i), 5% (2.5% CGST + 2.5% SGST). From 01.10.2019: Sl. No. 7(ii), 5% (2.5% CGST + 2.5% SGST)**	Without credit of input tax charged on goods and services used in supplying the service. Supplies are not made at specified premises.
Ice cream and allied products sold in the parlour as such (cups, cones, bars, sticks, novelties, half-litre, party and bulk packs)	**15.11.2017 to 30.09.2019: Sl. No. 7(i), 5% (2.5% CGST + 2.5% SGST). From 01.10.2019: Sl. No. 7(ii), 5% (2.5% CGST + 2.5% SGST)**	Without credit of input tax. Applies to both dine-in and takeaway, as the parlour is treated as an eating joint providing restaurant service.

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

Party orders: sale of bulk ice cream to caterers for takeaway	**Provisions of Notification 11/2017-CT(R) not applicable**	No element of service is involved, so the supply is of goods only.
Party orders: serving ice cream with fruits or toppings as per guest requirements at the customer's premises	**15.11.2017 to 30.09.2019: Sl. No. 7(v), 18% (9% CGST + 9% SGST). From 01.10.2019: Sl. No. 7(iv), 5% (2.5% CGST + 2.5% SGST)**	Without credit of input tax from 01.10.2019. Treated as outdoor catering because the applicant is not located in specified premises and does not provide hotel accommodation there.
Ice cream products (cups, cones, bars, sticks, novelties) sold to pushcart vendors who resell them	**Provisions of Notification 11/2017-CT(R) not applicable**	No element of service in the transaction.

The authority held that the 5 percent rate without input tax credit under the restaurant and outdoor catering entries of Notification 11/2017-CT(R) applies to parlour supplies, both served and packaged, for the periods stated in the ruling table. Party-order serving at customer premises falls under the outdoor catering entry at 18 percent for 15.11.2017 to 30.09.2019 and at 5 percent without credit from 01.10.2019. Bulk supply to caterers and supply to pushcart vendors involve no service element and are outside the notification.

R Reasoning

The order holds that Notification 46/2017-CT(R) is only an amending notification, so the applicable entry is Sl. No. 7 of Notification 11/2017-CT(R), as amended, and it considers the position as updated to 30.09.2019. It treats the parlour as an eating joint, so parlour supplies, whether served or packaged, fall within the definition of restaurant service under para 4(xxxii). It treats party-event serving as outdoor catering under para 4(xxxiii), and holds that the 5 percent entry under Sl. No. 7(iv) applies because the applicant is not located in, and does not provide hotel accommodation at, specified premises (declared tariff above Rs. 7,500 per unit per day, para 4(xxxvi)). Bulk sales and pushcart sales are held outside the notification because they involve no service element.

P Provisions Relied On

- Section 97 of the CGST/TGST Act, 2017 (advance ruling application)
- Section 100(1) of the CGST/TGST Act, 2017 (appeal to the Appellate Authority)
- Rule 104 of the CGST/TGST Rules, 2017
- Notification No. 11/2017-CT(R) dated 28.06.2017, Sl. No. 7 (as amended), sub-entries (i) to (vi)
- Notification No. 46/2017-CT(R) dated 14.11.2017 (amending notification, referred to by the applicant as Item 1)
- Para 4(xxxii) of Notification 11/2017-CT(R) (definition of restaurant service)
- Para 4(xxxiii) of Notification 11/2017-CT(R) (definition of outdoor catering)

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

Para 4(xxxvi) of Notification 11/2017-CT(R) (definition of specified premises)

! For the Practitioner

This order is useful for ice cream parlours and distributors who want to know the rate on served and packaged ice cream, which is 5 percent without input tax credit under Sl. No. 7 of Notification 11/2017-CT(R) for the periods stated. It also shows that party-event serving falls under outdoor catering at 18 percent until 30.09.2019 and at 5 percent afterwards, and that pure bulk or pushcart sales fall outside the notification. It does not decide the position for parlours at specified premises, for hotels, or for any case where the facts about services provided differ from those recorded here. It is a ruling binding only on the applicant.

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 -> tsaar_order_no._02-2020_sri_venkateshwara_agencies_converted_1.pdf

Prepared 19-11-2026.

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

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

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

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

Ahmedabad
Phoenix Tower, 1107, near Commerce Six Road, Drive In Road, Navrangp…

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