

GIB/KA/COFFEE DAY/26.07.18/AAR-21

Advance Ruling Category : Export

State : Karnataka

Order No.: GIB/KA/COFFEE DAY/26.07.18/AAR-21

Name of Entry :

M/s Coffee Day Global Limited

Date : 26-07-2018

Product/ Service Involve :

Supply of non-alcoholic beverages / ingredients to SEZ

Breif Issue :

- a) The applicant installs beverage vending machines inside SEZ premises, prepares beverages using the vending machines & its ingredients, supplies to SEZ units which are consumed by the employees of SEZ units and charge the SEZ units based on number of cups of beverages supplied. (Cuppage billing)
- b) The applicant installs beverage vending machines inside SEZ premises, supplies beverage ingredients to the SEZ units and bills based on the quantity of ingredients supplied. SEZ units prepare the beverages using the vending machines and serve them to its employees. There will not be any consideration for the usage of vending machine by the SEZ units.

Decision of Advance Ruling Authority :

The supply of non-alcoholic beverages / ingredients to such beverages, to SEZ units using coffee vending machines by the applicant, do not qualify as zero rated supply, as defined under Section 16 of the IGST Act 2017.