

**PLACE OF SUPPLY OF GOODS
UNDER IGST
BY CA PARAS R. JAVERI
AT NASHIK BRANCH OF
WIRC OF ICAI**

Interstate Supply – Section 7

1. Location of Supplier **AND** Place of supply are in –
 - a. two different States
 - b. two different Union territories
 - c. a State and a Union territory
2. Import of Goods into India
3. Import of Services into India
4. Supplier is located in India and place of supply is outside India
5. Supply of goods or services or both,
 - a. **TO OR BY** a SEZ developer or a SEZ unit,
 - b. in the taxable territory, not being an intra-State supply and not covered elsewhere in this section,

Intra State Supply – Section 8

1. location of the supplier and the place of supply of goods / Services are –
 - a. In the same state
 - b. Same Union Territory

2. Except –
 - a. supply of goods to or by a Special Economic Zone developer or a Special Economic Zone unit
 - b. Import into India till they cross the customs Frontier of India

Place of Supply of Goods

- Section 10 - Other than Imported into or Export from India (Supplies within India)
- Section 11 – Goods Imported into or Exported from India

Place of Supply of Services

- Section 11 – Location of supplier and receiver is in India
- Section 12 - Location of supplier OR receiver is in India

Place of Supply of goods other than imported into or Export from India – Section 10

Supply Involves Movement of Goods – Section 10(1)(a)

- Place of Supply shall be location of goods at the time at which **MOVEMENT TERMINATES FOR DELIVERY** to recipient
- Eg – MR. A from Mumbai (Maharashtra) Delivers Goods to Mr. B in Bangalore (Karnataka) then place of supply will be Bangalore (Karnataka)

2. Goods Supplied on the instruction of Third party – Section 10(1)(b)

- Place of Supply shall be **Principal place of business of third person** who has given direction either by way of transfer of documents of title to the goods or otherwise (Registered address as per registration certificate)
- Eg. – Mr. A from Mumbai (Maharashtra) receives order from Mr. X (Delhi) for supply of steel to Mr B in Ahmadabad (Gujarat) Place of Supply will be principal place of business of Mr. X (Delhi).

3. Supply Does not involve movement of Goods – Section 10(1)(c)

- The place of supply shall be the **location of such goods** at the time of the delivery to the recipient.
- Eg – M/s Idea Cellular Ltd sells its tower located at Nashik to Reliance Jio Ltd then place of supply will be Nashik i.e. Location of tower at the time of delivery to Reliance Jio Ltd.

4. Goods are assembled or installed at site – Section 10(1)(d)

- Place of supply shall be the **place of such installation** or assembly.
- Eg. Idea Cellular Ltd in Mumbai give contract for tower erection at Delhi to A Ltd in Mumbai then place of supply will be location of tower (Delhi)

5. Goods Supplied on board a conveyance (Vessel, Aircraft, train or Motor Vehicle) – Section 10(1)(e)

- Place of Supply shall be location at which such goods are **taken on board**.
- Eg. Food supplied to Air India at Mumbai Airport then place of supply shall be Mumbai

6. Place of Supply cannot be determined – Section 10(2)

- Place of Supply shall be determined in a manner prescribed by the Central Government on the recommendation of the council.

Place of supply of goods for Imported into or Exported from India

Section - 11

IMPORT INTO INDIA

- Place of Supply shall be location of the importer.

EXPORT FROM INDIA

- Place of Supply shall be location outside India

Place of Supply of services where location of Supplier and Recipient is in India – Section 12

General Provision – Sec 12 (2)

- Applicable to all service other than specified services in subsection (3) to (14)

Specific Provision – Sec 12 (3) to 12 (14)

- Applicable to only specified services under subsection (3) to (14)

GENERAL PROVISION – SECTION 12(2)

Recipient is
Registered

- Location of Recipient

Recipient is not
registered

- Address of Recipient on Record.
- Location of Supplier of service

SPECIFIC PROVISIONS

Section 12 (3) – Services	Place of Supply
(a) – Directly in relation to Immovable Property Including – Architect, ID, Surveyor, etc	<ol style="list-style-type: none"> 1. Location of Immovable Property or boat or vessel is located or intended to be located. 2. If Located O/s India - Location of the recipient. 3. If located in more than 1 state – Treated to be made in each state in proportion to the value of service separately collected.
(b) – Lodging, Accommodation by a hotel, guest house including House boat, vessel.	
(c) Accommodation in any immovable property for – Marriage, official, social, Cultural , Religious or business function	
(d) Any service ancillary to the service in (a) (b) and (c)	

Restaurant and catering service, Personal Grooming, Fitness, beauty treatment, Health Service including cosmetic and Plastic surgery – Section 12(4)

- Place of supply shall be where the services are actually performed.
- Eg. – Catering service by Mr. X (Located in Nashik) in Marriage organized at Surat – Place of supply shall be Surat (Gujarat)

Training & Performance Appraisal – SECTION 12(5)

Recipient is
Registered

- Location of Recipient

Recipient is not
registered

- Services are actually
performed

Admission to Cultural, artistic, entertainment event,
amusement park – Section 12(6)

- Place of supply shall be where the event is actually held **or**
- Where the park is located.
- Eg. – Imagica, Essel World, Etc.

Organization of Event , Services ancillary to organization of event – Section 12(7)

Recipient is Registered

- Location of Recipient

Recipient is not registered

- Event is actually held.
- If held o/s India then place of supply shall be location of Recipient.

Explanation : -

1. If Event is held in more than one state or UT and
2. a consolidated amount is charged

Then – Place of Supply shall be in each **Respective state or UT**

In Proportion to the value for services separately collected or determined In terms of the contract.

If there is no contract then in the manner as prescribed.

Transport of goods including mail or courier – Section 12(8)

Recipient is
Registered

- Location of Recipient

Recipient is not
registered

- Location at which such goods are handed over for their transportation..

Example – Tata Steel Ltd. Gives goods to transporter Mr. A. at Mumbai for delivery of Goods to Reliance Industries Ltd at Gujarat.

Case 1 – If Tata Steel Ltd is Registered – Place of Supply will be location of Tata Steel Ltd.

Case 2 – IF Tata Steel Ltd IS not Registered – Place of supply will be where Goods are handed over to MR. A i.e. Mumbai

Transport of Passenger – Section 12(9)

Recipient is
Registered

- Location of Recipient

Recipient is not
registered

- Passenger **embarks** on the conveyance for a **continuous** journey.

Section 2(3) of IGST Act. **Continuous journey** means a journey for which -

1. a **single or more than one ticket** or invoice is issued at the **same time**,
2. either by a **single supplier** of service or through **an agent** acting on behalf of more than one supplier of service,
3. and which involves **no stopover** between any of the legs of the journey for which one or more separate tickets or invoices are issued.

Note: Return Journey shall be treated as a Separate Journey

Supply of service onboard a conveyance– Section 12(10)

- Place of supply shall be the **first schedule point of departure** of that conveyance for the journey.
- Eg. – Food supplied on Train during journey at surat of Rajdhani Exprees from Mumbai to New Delhi. - Place of supply will be first schedule point of departure i.e. Mumbai

Telecommunication services including data transfer, broadcasting, cable and direct to home television – Section 12(11)

(a) fixed telecommunication line, leased circuits, internet leased circuit, cable or dish antenna

- location where the telecommunication line, leased circuit or cable connection or dish antenna **is installed for receipt of services**

(b) mobile connection and internet services provided on **POST PAID Basis**

- location of billing address of the recipient

(c) mobile connection and internet services provided on PRE PAID Basis through vouchers or any other means

- Through a selling agent - address of the selling agent as per the record of the supplier
- Any person to the final subscriber - location where such pre payment is received.

(d) other cases -

- Address of the recipient as per the records.
- such address is not available - location of the supplier of services

Note: - where the address of the recipient as per the records of the supplier of services is not available, the place of supply shall be location of the supplier of services

Banking and other financial services, including stock broking – Section 12(12)

Address is available

- Location of Recipient of service on the record.
- Eg. Loan approved to account holder.

Address is not available

- location of the supplier of services.
- Eg: DD issued in Cash.

Insurance Service– Section 12(13)

Recipient is
Registered

- Location of Recipient

Recipient is not
registered

- location of the recipient of services **on the records** of the supplier of services

Advt. Services to CG, SG, local Authority, Stat. Body– Section 12(14)

Disseminated in
One state

- Place where the advertise disseminates.

Disseminated in
more than One
state

- Proportionate basis as may be determined in terms of the contract. Else on such other basis as may be prescribed.

Place of Supply of services where location of Supplier **OR**
Recipient is in **outside India** – Section 13

General Provision – Sec 13 (2)

- Applicable to all service other than specified services in subsection (3) to (13)

Specific Provision – Sec 13 (3) to 13 (13)

- Applicable to only specified services under subsection (3) to (13)

GENERAL PROVISION – SECTION 13(2)

Location of
Recipient is
available

- Location of the recipient of the service.

Location of
Recipient is not
available

- Location of the supplier of the service

Performance based services – Section 13 (3)

(a) Service in respect of Goods required to be made physically available.

- If performed physically - Where Services are actually performed.
- If provided from remote location by electronic means – Location where goods are situated at the time of supply.

(b) Service by Individual Where physical presence is required

- Location where the services are actually performed.

Services directly in relation to Immovable Property – Section 13(4)

- Place where the immovable Property is located or intended to be located. (similar to Section 12(3))

Services by way of admission to, or Organisation of cultural, artistic, entertainment event, etc. Section 13(5)

- Place where the event is actually held.

Place of Supply at more than one location Section 13 (6)

Where services specified in –

1. Subsection (3) – Performance based service
2. Subsection (4) – Services in relation to Immovable Property
3. Subsection (5) – Admission to event & event management service

Is supplied at more than more than one location including a location in taxable territory

Place of supply shall be **location in taxable territory**.

Place of Supply at more than one State / UT -Section13 (7)

Where services specified in –

1. Subsection (3) – Performance based service
2. Subsection (4) – Services in relation to Immovable Property
3. Subsection (5) – Admission to event & event management service

Is supplied at more than more than one state / UT

Place of supply shall be **each respective state and value of such supply shall be in proportion to the value of service.**

Location of Supplier will be place of supply -Section13 (8)

For

1. Banking company / FI to Account holder
2. Intermediary Service.
3. Hiring of means of transport upto 1 month

Place of supply shall be **location of Supplier.**

Transportation of Goods – Section 13(9)

- Place of Supply shall be destination of goods.

Transportation of passenger – Section 13(10)

- Passenger embarks on the conveyance for continuous journey

Services supplied on board a conveyance during journey intended to be wholly or substantially consumed while on board – Section 13(11)

- First scheduled point of departure of that conveyance

Supply of Online Information and database access or retrieval services – Section 13(12)

- Location of the recipient of service. (Also refer explanation given in section)

Power to Central government to draft rules. – Section 13 (13)

- In order to prevent double taxation or non-taxation of the supply of a service, or for the uniform application of rules, the Government shall have the power to notify any description of services or circumstances in which the place of supply shall be the place of effective use and enjoyment of a service

THANK YOU