

PLACE OF SUPPLY

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Section 2 (86)

place of supply means the place of supply as referred to in Chapter V of the Integrated Goods and Services Tax Act;

PLACE OF SUPPLY

Intrastate Supply – Section 8 of the IGST Act

Location of the supplier and place of supply of the goods or services are in the same state or union territory.

- Both the supplier and recipient are in the same state
- Place of supply is key to determine this
- Taxes applicable are
 - CGST + SGST
 - CGST +UTGST

The following are not considered as Intra state supplies

- Supply of goods or services to SEZ or SEZ developers
- Goods imported into India till they reach the customs boundaries of India
- Supplies made to foreign tourists as per section 15 of the IGST Act

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Interstate Supply – Subsection 1 Section 7 of IGST Act

- Two different states
- Two different Union Territories
- In a different state and a union territory
- Import of goods or services into India

The following are also treated as inter state supply of goods or services

- when the supplier is located in India and the place of supply is outside India;
- to or by a Special Economic Zone developer or a Special Economic Zone unit; or
- in the taxable territory, not being an intra-State supply and not covered elsewhere in this section

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Export of Goods – Subsection 5, Section 2 of IGST Act

- with its grammatical variations and cognate expressions, means taking goods out of India to a place outside India

PLACE OF SUPPLY

Export of Service – Subsection 6, section 2 of IGST Act

- The supplier of service is located in India
- The recipient of service is located outside India
- The place of supply of service is outside India
- The payment for service is received in the converted foreign exchange (or in Indian Rupees wherever permitted by the Reserve Bank of India)
- The supplier of service and the recipient of service are not merely establishment of a distinct person

PLACE OF SUPPLY

Import of Goods – Subsection 10 of Section 2 of IGST Act

- “import of goods” with its grammatical variations and cognate expressions, means bringing goods into India from a place outside India;

Import of Service – Subsection 11 of Section 2 of IGST Act

- The supplier of service is located outside India
- The recipient of service is located in India
- The place of supply of service is in India

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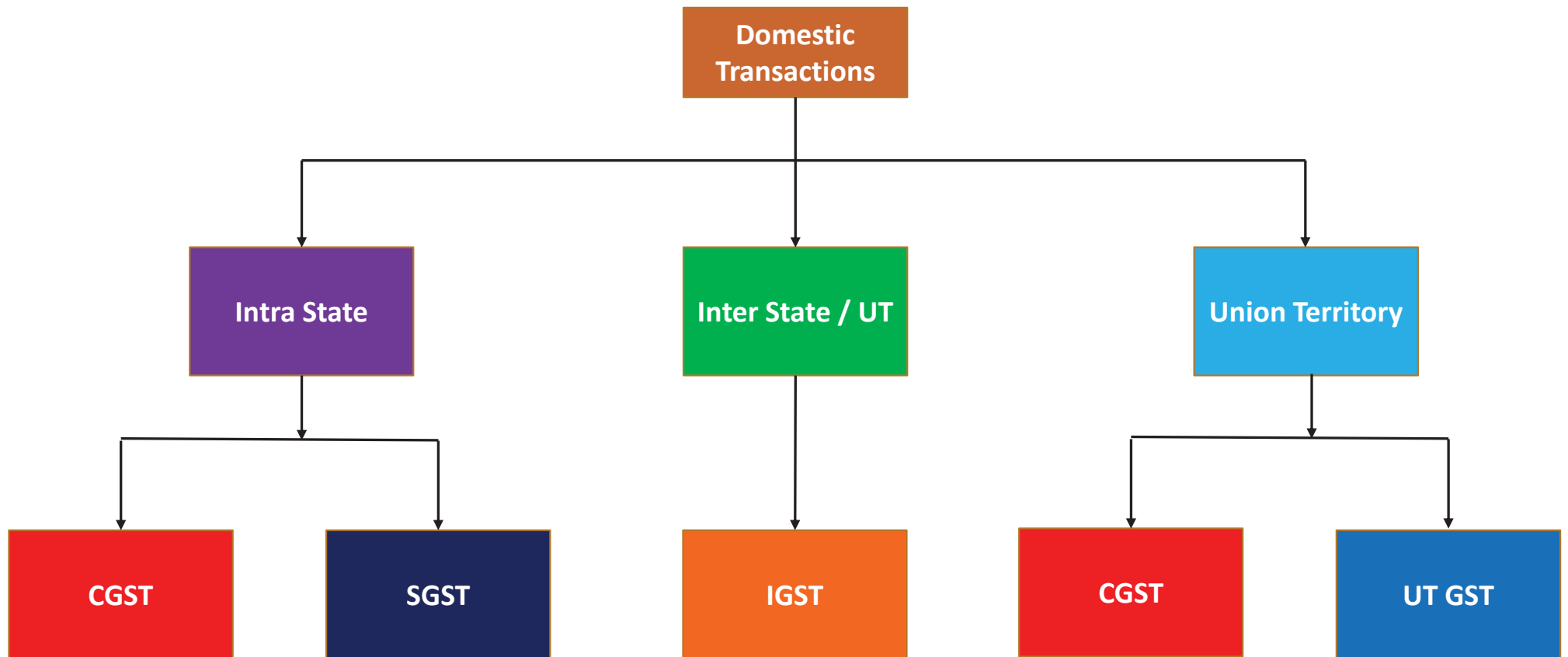
Import of Goods – Subsection 10 of Section 2 of IGST Act

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Import of Service – Subsection 11 of Section 2 of IGST Act

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PLACE OF SUPPLY

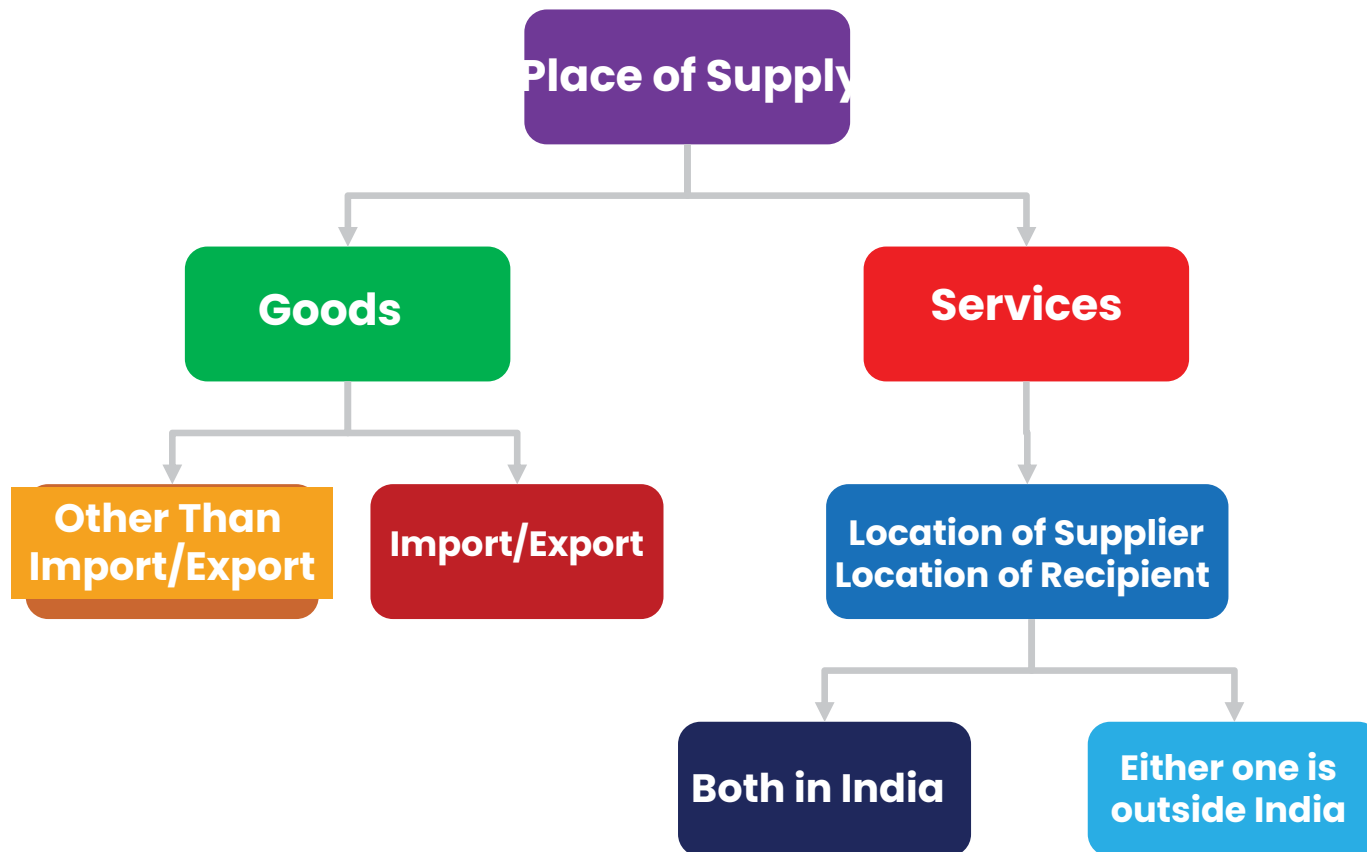


PLACE OF SUPPLY

Place of Supply

Supply	Location of Supplier	Place of Supply	Nature of Supply
Goods	Gujarat	New Delhi	Inter-State (IGST)
Goods	Karnataka	Chandigarh(UT)	Inter-State (IGST)
Goods	Chandigarh(UT)	Chandigarh(UT)	Intra-State (CGST+UT GST)
Goods	Maharashtra	Maharashtra	Intra-State (CGST+SGST)
Goods	Telangana	Foreign Tourist (in Hyderabad)	Inter-State (IGST)
Goods	Outside India	India	Inter-State (IGST)
Goods	Bangalore (SEZ)	Bangalore	Inter-State (IGST)

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PLACE OF SUPPLY

Place of Supply - Goods other than goods imported and exported from India –Section 10, Sub-section 1(a) IGST Act where the supply involves movement of goods, whether by the supplier or the recipient or by any other person, the place of supply of such goods shall be the location of the goods at the time at which the movement of goods terminates for delivery to the recipient;

Business Case	Place of Supply
Where movement of goods involved	Location of place where movement of goods terminates

Example : A Ltd registered in TN and B Ltd registered in Karnataka, A Ltd takes delivery of the goods at B Ltd.'s factory gate

PLACE OF SUPPLY

Place of Supply - Goods other than goods imported and exported from India – Sub-section 1(c) of Section 10 IGST Act

Business Case	Place of Supply
Where moment of goods is not involved (sales from a showroom)	Location of the goods at the time of delivery

Example : Ram from Hyderabad goes on a business trip to Mumbai and purchases books from Crossword. Taxes applicable will be CGST and SGST of MH.

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Place of Supply - Goods other than goods imported and exported from India – Sub-section 1 of Section 10 (d) IGST Act

Business Case	Place of Supply
When goods are assembled or installed on site	Location of assembly or installation of goods

Example : O Ltd supplier from Pune installs lift to B Ltd of Pune at their shopping mall in New Delhi.

Place of supply – New Delhi / Pune ?

PLACE OF SUPPLY

Place of Supply - Goods other than goods imported and exported from India – Sub-section 1 of Section 10 (e) IGST Act

Business Case	Place of Supply
Where goods are supplied on board	Location of embarkment

Example : A passenger boards flight in Mumbai to Kolkata and in journey buys sandwich.
Place of Supply – Mumbai

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Place of Supply - Goods other than goods imported and exported from India – Sub-section 2 of Section 10 IGST Act

Business Case	Place of Supply
Where the place of supply of goods cannot be determined,	The place of supply shall be determined in such manner as may be prescribed.

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Place of Supply - Goods imported and exported from India Section 11 IGST Act

Business Case	Place of Supply
Goods imported into India	Location of the Importer
Goods exported from India	Location outside India

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Supply of Services to B2B	Location of the recipient of the service
Supply of Services to B2C	Location of the supplier of services

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India –
Subsection 3 (a) Section 12 of IGST Act.

Business Case		Place of Supply
Architects	Any ancillary Services	Location of the Immovable property If immovable property is outside India then location of the Recipient
Interior decorator		
Surveyors		
Engineers and other related experts or estate agents		
Any service provided by way of grant of rights to use immovable Property		
for carrying out or co-ordination of construction work		

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India –
Subsection 3 (a) Section 12 of IGST Act.

(a) directly in relation to an immovable property, including services provided by architects, interior decorators, surveyors, engineers and other related experts or estate agents, any service provided by way of grant of rights to use immovable property or for carrying out or co-ordination of construction work; or

(d) any services ancillary to the services referred to in clauses (a), (b) and (c),

Hotel H Ltd is located in Gujarat and the Security Service provider S Ltd is registered in Rajasthan and supplies security guards to provide security to H Ltd in Gujarat .

What will be place of supply for provision of security services

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Accommodation in a hotel, inn, guest house, home stay club, campsite, house boat or called by any other name	Location of the Immovable property If immovable property is outside India then location of the Recipient

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Place of Supply

Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Organizing an event like marriage or reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property	Location of the Immovable property If immovable property is outside India then location of the Recipient

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Restaurants Catering Personal Grooming Fitness Centers Beauty treatment Cosmetic / Plastic Surgery	Location where the services are actually provided

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India – Subsection 3 Section 12 of IGST Act.

Business Case		Place of Supply
Organizing any Cultural Artistic Sporting Scientific Educational Conference, Fair, Exhibition or similar event	Any ancillary Services	B2B – Location of the Recipient B2C – Location where the event is actually held. If event is held outside India then location of the Recipient

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Transportation of goods	B2B – Location of the recipient B2C – Location where the goods are handed over to the recipient

PLACE OF SUPPLY

Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Transportation of passengers	B2B – Location of the recipient B2C – Location from where the journey starts

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
The place of supply of services on board a conveyance, a vessel, an aircraft, a train or a motor vehicle	Place of supply – the first point where the journey starts

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Place of supply of services where location of supplier and recipient is in India – Subsection 3 Section 12 of IGST Act.

Business Case	Place of supply
Tele communication services	
Fixed Services – Landline, leased circuits, internet based circuit, cable or dish antenna	Location where they are installed
Mobile connections for telecommunication or internet services – post paid	Location of the recipient
Pre paid services – mobile, DTH, Internet	If sold through a distributor or selling agent or re-seller Location of the Supplier Directly to subscriber Location where payment is received or sold

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Insurance Services	B2B – location the recipient B2C – location of the recipient of the person to whom insurance is sold

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 12 of IGST Act.

Business Case	Place of Supply
Banking, stock broking or other financial services	Location of the recipient of services based on the address If location of the recipient is not available, location of the supplier of services

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 13 of IGST Act.

Business Case	Place of Supply
Insurance Services	Location of the recipient of services based on the address If location of the recipient is not available, location of the supplier of services

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Place of supply of services where location of supplier and recipient is in India –
Subsection 2 Section 14 of IGST Act.

Business Case	Place of Supply
Advertisements by State or Central or Local body or statutory body	Proportionate to the amount for each state

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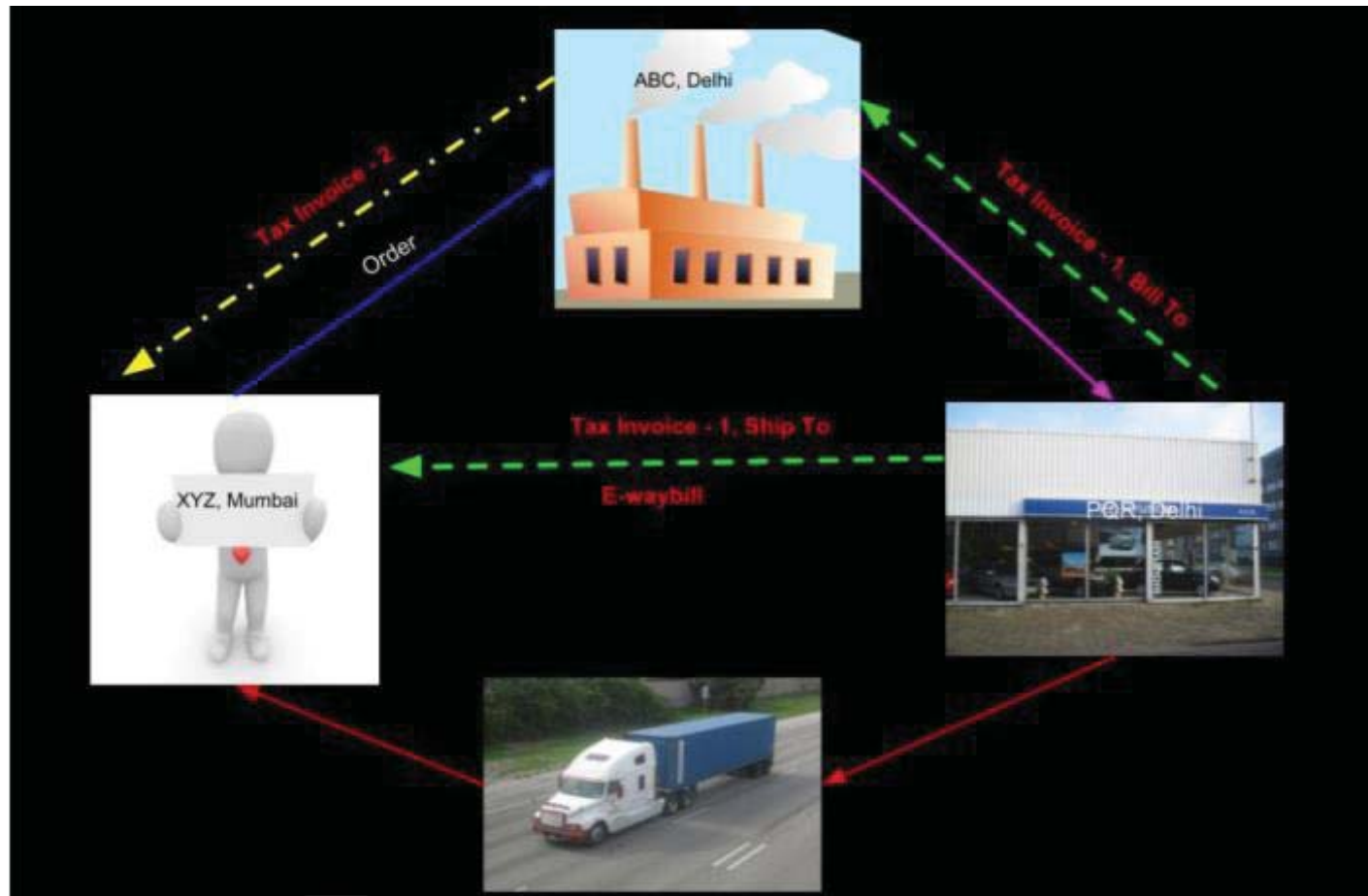
Place of supply of services where location of supplier or location of recipient is outside India. Section 13

The place of supply of services except the services specified in sub-sections (3) to (13) shall be the location of the recipient of services:

Business Case	Place of Supply
place of supply of services except the services specified in sub-sections (3) to (13)	location of the recipient of services:

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BILL TO/SHIP TO



PLACE OF SUPPLY

BILL TO/SHIP TO

If e-waybill issued by PQR

Sl. No	Fields in E-waybill form	Process
1	Bill From	PQR details are to be entered here
2	Dispatch From	Location from where the goods are being shipped, it can be any of the following locations of PQR a) Principal Place b) Additional Place
3	Bill To	ABC's address has to be entered here
4	Ship To	XYZ's address has to be entered here
5	Tax Invoice Details	Details of Tax invoice – 1 has to be entered here

PLACE OF SUPPLY

BILL TO/SHIP TO

If e-waybill issued by ABC

Sl. No	Fields in E-waybill form	Process
1	Bill From	ABC details are to be entered here
2	Dispatch From	Location from where the goods are being shipped, it can be any of the following locations of PQR a) Principal Place b) Additional Place
3	Bill To	XYZ's address has to be entered here
4	Ship To	XYZ's address has to be entered here
5	Tax Invoice Details	Details of Tax invoice – 2 has to be entered here

PLACE OF SUPPLY

TERRITORIAL WATERS

Where the location of the supplier is in the territorial waters, the location of such supplier

OR

Where the place of supply is in the territorial waters, the place of supply

Be deemed to in the coastal State/ UT where nearest point of the appropriate baseline is located.

Example:

- Repair services are provided by a company in Delhi on a ship moored off the coast of Kochi for a shipping company from United Kingdom, the place of supply of the repair services will not be the waters but Kochi, Kerala.
- Lease of ocean exploration equipment by a company in Chennai to a company incorporated in Mumbai to carry out oil exploration off the coast of Andhra Pradesh. the location of supplier will be Andhra Pradesh, albeit of a Chennai company.

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Case Laws

M/s Kardex India Storage Solution Private Limited & AAR Karnataka

- 1) Whether the applicant can take credit of IGST paid on import of goods?
- 2) Whether applicant can issue tax invoice with IGST to the customer?
- 3) Whether applicant needs to obtain registration in the state where the port of clearance is located?

PLACE OF SUPPLY

Case Laws

M/s Kardex India Storage Solution Private Limited & AAR Karnataka

1. The applicant is eligible to claim credit of JUST paid on import of goods as per section 20 of the IGST Act 2017 read with section 16 of the CGST Act, 2017.
2. The applicant can issue tax invoice with IGST to the customer as per section 20 of the IGST Act 2017 read with section 31 of the CGST Act 2017 for the interstate transaction as provided under section 7(1) of the IGST Act 2017, when the goods are directly dispatched from the port of import with invoicing done from the registered place of business.
3. The applicant need not obtain registration in the state where the port of clearance is located, if he is not making any supply from the State in Which the port is located.

PLACE OF SUPPLY

Constitutional Provisions

Article 286

No State Law can Tax Inter-State Supplies

Article 246A

Parliament has exclusive powers to make laws to Inter State Supplies

Article 269A(5)

Parliament may, by law, formulate the principles of for determine place of supply and what constitute Inter State

PLACE OF SUPPLY

Determination of place of supply of goods within India (Section-10)

Section	Particulars	Place of Supply
10(1)(a)	Where the supply involves movement of goods, whether by supplier or by any other person	Location of the goods at the time at which the movement of goods terminates for delivery to the recipient.
10(1) (b)	Where the goods are delivered by the supplier to a recipient or any other person, on the direction of a third person, whether acting as an agent or otherwise, before or during movement of goods, either by way of transfer of documents of title to the goods or otherwise.	Principal place of business of third person giving direction of delivery of goods.
10(1) (C)	Where the supply does not involve movement of goods, whether by the supplier or the recipient.	Location of such goods at the time of delivery to the recipient.
10(1)(d)	Where the goods are assembled or installed at site	Place of such installation or assembly.
10(1)(e)	Where goods are supplied on board a conveyance, including a vessel, an aircraft, a train or a motor vehicle	The location at which such goods are taken on board.
10(2)	Where the place of supply of goods cannot be determined	Shall be determined in such a manner as may be prescribed

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Determination of place of supply of services Section – 12 :General Rule

Section	Particulars	Place of Supply
12(2)(a)	Where supply of services made to registered person	Location of recipient of service
12(2) (b)(i)	Where supply is made to an unregistered person where address is available on record.	Place of where address is available on record
12(2) (b)(ii)	Where supply is made to an unregistered person where address is not available on record.	Location of the supplier

PLACE OF SUPPLY

Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(3)(a)	Supply of those services which are directly related to an immoveable property, including services provided by architects, interior decorators, surveyors, engineers and other related experts or estate agents, any services provided by way of grant of rights to use immoveable property or for carrying out or co-ordination of construction work	Location of immoveable property in India. If the location of immoveable property is out site India then location of recipient of service.
12(3)(b)	Supply of service provided by way of lodging accommodation by hotel, guest house, home stay, club or campsite, by whatever name called and including a house boat or any other vessel	Location of hotel, guest house, home stay, club or campsite, housing boat or vessel in India. If the location of above properties are out site India then location of recipient of service.
12(3)(c)	Supply of service provided by way of accommodation in any immoveable property for organizing any marriage, reception or matters related thereto, official, social, cultural, religious or business function including services provided in relation to such function at such property.	Location of immoveable property in India. If the location of immovable property is out site India then location of recipient of service.
12(3)(d)	Supply of any services ancillary to a,b,c above	Same as a,b,c above

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Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(4)	Supply of service provided by restaurant and catering services, personal grooming, fitness, beauty treatment, health service including cosmetic and plastic surgery	Location of the place where services are actually performed.
12(5)	Supply of service provided by way of training and performance appraisal to a registered person	Location of the registered person
12(6)	Supply of service provided by way of admission to a cultural,artictic, sporting, scientific, educational, or entertainment event or amusement park or any other place and services ancillary thereto.	Location of the place where the event is actually held or where the park or the place is actually situated
12(7)(a)	Supply of services provided by way of organizing of a cultural, sporting, scientific, and educational or entertainment event including supply of service in relation to a conference, fair, exhibition, celebration or similar event.	Location of the registered recipient of service. In case recipient is not registered then place where the event is actually held. In case place where event actually held is outside India then place of recipient of service.

PLACE OF SUPPLY

Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(7)(b)	Supply of services ancillary to organizing of any one of the events or services referred to in clause (a), or assigning of sponsorship to such events	Location of the registered recipient of service. In case recipient is not registered then place where the event is actually held. In case place where event actually held is outside India then place of recipient of service.

PLACE OF SUPPLY

Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(8)	Supply of services by way of transportation of goods including by mail or courier.	Location of registered recipient. In case recipient is unregistered –Place where the goods is handed over.
12(9)	Supply of passenger transportation service	Location of registered recipient. Where the recipient of service is not registered with GST- Place where he embarked to vehicle Provided that where the right to passage is given for future use and the point of embarkation is not known at the time of issue of right to passage, the place of supply of such service shall be determined in accordance with the provision of section 12(2) i.e. general rule.

PLACE OF SUPPLY

Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(10)	Supply of service on board a conveyance including a vessel, an air craft, a train or motor vehicle	Location of the first schedule departure of the conveyance for the journey.
12(11)(a)	Supply of services by way of fixed telecommunication line, leased circuits, and internet leased circuit, cable or dish antenna.	Location where the telecommunication line, leased circuit, cable connection or Dish Antenna is installed.
12(11)(b)	Supply of services by way of post paid mobile connection and internet services	Location of billing address of recipient of service.
12(11) (C)	Supply of service by way of pre-payment mobile connection, internet and DTH through voucher or any other means.	Location of selling agent, or re-seller, or distributor In case voucher is sold by any person to the final subscriber, the location where such pre-payment is received or voucher is sold.

PLACE OF SUPPLY

Determination of place of supply of services Section – 12 : Specific Rules

Section	Particulars	Place of Supply
12(11)(d)	Supply of other services related to supply of telecommunication services including data transfer, broad casting and DTH and not related with 12(11)(a) to 12(11)(c)	Address of recipient of service. if address is not available then place of supplier.
12(12)	Supply of other services related to supply of telecommunication services including data transfer, broad casting and DTH and not related with 12(11)(a) to 12(11)(c)	Address of recipient of service. if address is not available then place of supplier.
12(13)	Supply of Insurance Service	Location of recipient if it is registered otherwise address as available on the record of the supplier
12(14)	Supply of advertisement services to the Central Government, State Government or local authorities	Location of the office of the respective government and local authority.