

CHAPTER 7: Place of Supply

Illustration 1

Mr. A of Nashik, Maharashtra sells 10 refrigerators to Mr. B of Pune, Maharashtra for delivery at Mr. B's place of business in Pune. Determine the place of supply of goods and nature of transaction.

Solution

Illustration 2

Determine the place of supply of goods for the following

Supplier and his location	Location of the buyer (third person)	Recipient and his location	Place of delivery of goods
A Ltd. Bangalore	B Ltd. Bangalore	M Ltd. Mumbai	Mumbai
A Ltd. Bangalore	M Ltd. Mumbai	B Ltd. Bangalore	Bangalore
A Ltd. Bangalore	S Ltd. Surat	M Ltd. Mumbai	Mumbai
A Ltd. Bangalore	M Ltd. Mumbai	P Ltd. Mumbai	Mumbai

Solution

Illustration 3

Particulars	Location of Supplier	Location of recipient	Location of Goods
Sale of pre - installed DG Set	Delhi	Bhopal	Bhopal
Manufacture of moulds by job - worker (supplier), sold to the Principal, but retained in job worker's premises	Tamil Nadu	Kerala	Tamil Nadu

Solution

Illustration 4

Particulars	Location of Supplier	Registered Office of Recipient	Installation Assembly Site
Installation of weigh bridge	Delhi	Bhopal	Bhopal
Servers supplied and installed at the office of a marketing firm	Karnataka	Goa	Karnataka
Supply of workstations	Gujarat	Gujarat	Kerala

Solution

Illustration 5

Mr. A, a cost and Management Accountant located in Maharashtra providing Cost Auditing service. Determine Place of Supply if he provides service to

- a. A registered person located in Maharashtra
- b. A registered person located in Karnataka
- c. A non registered person located in MP
- d. A non registered person whose address does not exist on record

Solution

Illustration 6

Determine the place of supply of service for the following cases:

- a. KTS Builders (Mumbai) is constructing a factory building for PLM Pvt. Ltd. (Kolkata), in New Delhi.
- b. Shah and Shah, an architectural firm at Kolkata, has been hired by MKF Builders of Mumbai to draw up a plan for a high rise building to be constructed by them in Ahmedabad, Gujarat.
- c. Mr. Ramesh, a Chartered Accountant, (New Delhi) travels to Mumbai for business and stays in a hotel there.
- d. Mr. X, a consulting engineer based in Mumbai, Maharashtra renders professional services in respect of an immovable property of Mr. Y (Bangalore) located in Australia.

Solution

Illustration 7

Determine the place of supply of services for the following cases:

- a. Mega Events, an event management company at New Delhi, organizes an award function for Shah Diamond Merchants of Ahmedabad (registered in Gujarat), at Mumbai.
- b. Mega Events, an event management company at New Delhi, organizes an award function for Shah Diamond Merchants of Ahmedabad (registered in Gujarat), at Mauritius.
- c. Grand Wedding Planners (Chennai) is hired by Mr. Ramesh (unregistered person based in Hyderabad) to plan and organize his wedding at New Delhi.
- d. Grand Wedding Planners (Chennai) is hired by Mr. Ramesh (unregistered person based in Hyderabad) to plan and organize his wedding at Seychelles

Solution

Illustration 8

Determine the place of supply for the following services:

- a. Mr. Amar (registered person in New Delhi) travels from Mumbai to Bangalore in Airjet flight. Mr. Amar has bought the tickets for the journey from Airjet's office registered in New Delhi.
- b. Mr. C (unregistered person in Chennai) has come to Delhi on a vacation. He buys preference - paid Delhi Metro Card from Delhi Metro (New Delhi) for hassle free commute in the National Capital Region.

Illustration 9

Determine the place of supply for the following telecommunication services:

- a. Mr. X (Kolkata) gets a landline phone installed at his home from Skybel Ltd.
- b. Mr. Y (Mumbai) gets a DTH installed at his home from RT Ltd.
- c. Mr. D (Mumbai) takes a post - paid mobile connection in Mumbai from Skybel Ltd.
- d. Mr. E (New Delhi) gets his post - paid bill paid online from Goa.
- e. Mr. C (Pune) purchases a pre - paid card from a selling agent in Mumbai.

Solution

Illustration 10

AB Ltd. located in Chennai is providing taxable services to MN Ltd. who is registered in Chennai and is located in a SEZ. Determine POPS

Illustration 11

- a. X Ltd., located in Mumbai, Maharashtra receives order from M/s Y Ltd. located in Ahmedabad, Gujarat for supply of one machine. Find the place of supply and applicable GST?
- b. M/s Karina Ltd. incorporated in Mumbai and own a godown in Chennai. Mr. M of Mumbai approached M/s Karina Ltd. of Mumbai for purchase of goods lying in godown at Chennai. Mr. M further informs that he does not want delivery of goods in Mumbai. M/s Karina Ltd. issues invoice for sale of goods in Mumbai. Find the place of supply of goods and levy of tax?

Solution