CMA VIPUL SHAH TIME OF SUPPLY

CHAPTER 5 - TIME OF SUPPLY

Q 1	Det	ermine Time Of	Suppl	ly Of Goo	ods					
		Concept illustration sec 12(2)	tion	Invoice of	Invoice date Invoice due date [date of removal		[date	ent	ments ry in pliers	Credit in bank account
	1	Invoice raised before remova	ı	10- <i>OC</i> T	-17	20- <i>OC</i> T- 17		26- <i>OC</i> T- 17		30- <i>OC</i> T- 17
	2	Advance received				20- <i>OC</i> T- 17		10- <i>OC</i> T- 17		12- <i>OC</i> T- 17
	Sec	12(2) (a)								
	Concept illustration section 12(2) 1 Invoice raised before		ce date	Invo due [dat remo	date entry ir e of supplier		in	Credit in bank account	Time of supply	
SOLUTION			CT-17			26-OCT- 17		30- <i>OC</i> T- 17	10- <i>OC</i> T- 17	
	2	Advance received	30-0	CT-17	20-0 17	20- <i>OC</i> T- 10- <i>OC</i> 17		T-	12- <i>OC</i> T- 17	20- <i>OC</i> T- 17
Q 2										
		Supply involve movement of section 12(2) section 31(1)(goods r/w	Invoice document date		Remo	oval of s	De	livery of ods	Receipt of payment
	1	Delayed issue invoice	of	26-10	-17 20-10-17		.0-17	26-10-17		26-10-17
	2	Inter- state transfer	stock	10-10	-17	20-1	.0-17	26	-10-17	-
	3	· ·		30-10	-17	10-1	1-17	14	-11-17	30-10-17 20-11-17

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		Supply involves movement of goods section 12(2) r/w section 31(1)(a)	Invoice document date	Removal of goods	Delivery of goods	Receipt of payment	Time of Supply
SOLUTION	1	Delayed issue of invoice	26-10-17	20-10-17	26-10-17	26-10-17	20-10-17
	2	Inter- state stock transfer	10-10-17	20-10-17	26-10-17	-	10-10-17
	3	Advanced received, invoice for full amount issued on same day (40% advance, 60% post supply supply payment)	30-10-17	10-11-17	14-11-17	30-10-17 20-11-17	30-10-17

Q 3

Gas is supplied by a pipeline. Monthly payments are made by the recipient as per contract. Every quarter, invoice is issued by the supplier supported by a statement of the goods dispatched and payment made, and the recipient has to pay the differential amount, if any. The details of the various events are

[ICAI material]

[==: in	
August 5,	Payments of ₹ 2 lakh made in each month
September 5,	
October 6	
October 3	Statements of accounts (SOA) issued by supplier with
	invoice for the quarter July - September
October 17	Differential payments of 56000 received by supplier for the
	quarter July - September as per statement of account

Legal provision: - first write general provisions here as given an note 2 refer pg. no 54

Conclusion :- Time of supply for the above case,

SOLUTION

5.N	Date of payment	Date of issue of	Date of	Time of
		statement of account	invoice	supply
			successive	(N/N -
			payment [sec	66/2017
			31(4)]	
1	August 5	October 3	August 5	August 5
2	September 5	October 3	September 5	September 5
3	October 6	October 3	October 3	October 3
4	October 17	October 3	October 3	October 3

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Q 4		Reverse cho section 12		Date invoi issued suppl	ice d by	Remov goo	•		eipt of oods		ayments by ecipients
	1	General		31-oc	t-17	31-oc	t-17	20-nov-17		30	-nov-17
	2	Advance p		31-oc		31-oc		20-	nov-17	5	-oct-17
	3	No payment made 31-oct-1 for the supply		t-17	30-oc	t-17	05-	-jan - 18		-	
		Reverse charge section 12(3)	invoice	e of issued pplier		oval of oods	Reco	•	Payment by recipien		Time of supply
SOLUTION	1	General	31-00	ct-17	31-0	oct-17	20-r		30-nov-1	17	20-nov- 17
000012011	2	Advance paid	31-00	ct-17	31-0	oct-17	20-r	10V-	5-oct-1	7	05-oct- 17
	3	No payment made for the supply	31-00	ct-17	30-oct-17		05-jan - 18		-		01-dec- 17
Q 5						Ca	se 1		Case 2		
	Do	ite of invoice			A	August 31, 2017			August	31	1, 2017
	Do	ite of supply of	service	:	A	August 7, 2017			August 7, 2017		
	ch of	yments received eck and the en payment is rec accounts	try for	receipt	Au	ugust 10), 201	7	August 10, 2017		
		nount credited supplier	to bank	account	A	ugust 12	2, 201	7	August	12	2, 2017
	CASE I :- Conclusion:-										
						Ca	se 1			Cas	e 2
		ite of invoice		ugust 31					supply of		
		te of supply of				ugust 7,					shall be 10, 2017
SOLUTION	an pa	yments received d the entry for yment is record counts	receipt	of	k A	ugust 10	, 2017				·
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Amount credited to bank account of	August 12, 2017	
supplier		

CASE II:-

Conclusion :-

	Case 1	Case 2
Date of invoice	August 31, 2017	Time of supply of
Date of supply of service	August 7, 2017	services shall be July 7, 2017
Payments received by way of check and the entry for receipt of payment is recorded in books of accounts	August 10, 2017	July 7, 2017
Amount credited to bank account of supplier	August 12, 2017	

Q6 Determine the time of supply for the following case; [ICAI material]

	Continuous supply of services section 13(2) r/w section 31(5)	Invoice date	Date as per contract	Receipt of payment
1	Section 31(5) (a) contract provides for payments monthly on the 10 th of succeeding month	2-nov-17 17-dec-17 10-jan-18	10-nov-17 10-dec-17 10-jan-18	15-nov-17 15-dec-17 06-jan-18
2	Section 31(5) (c) contract provides for payments on completion of event. Recipient to pay within 1 month from date of completion	12-nov-17 24-apr-18	10-nov-17 24-apr-18	25-nov-17 20-apr-18

	Continuous supply of services section 13(2) r/w section 31(5)	Invoice date	Date as per contract	Receipt of payment	Entry of provision of services in book	Time of supply
1	Section 31(5) (a) contract provides for payments monthly on the 10 th of	2-nov-17 17-dec-17 10-jan-18	10-nov-17 10-dec-17 10-jan-18	15-nov-17 15-dec-17 06-jan-18	31-oct- 17 30-nov- 17 31-dec- 17	2-nov-17 10-dec- 17 06-jan- 18

MA VIPUL SH	AH								Т	ME OF S	SUPPL	
		succeeding										
SOLUTION		month										
			12-1	10v-17	10-no	v-17	25-nc	25-nov-17		10-1	10-nov-	
		' '		-apr-18 24-apr		pr-18	20-ap	r-18	17	17		
		provides for							24-apr		apr-	
		payments on							18	18		
		completion of										
		event. Recipient										
		to pay within 1										
		month from date of										
		completion										
Q 7	Dat		30.0	f cupr	ly fo	n tha	follow	vina 4	20505 :			
`	Dei	termine the tin	ie o	Supp	ny 10	r me	JOHOV	virig (cuses.			
		Reverse charge		Date o	of	Date	of	Pavr	nent by	Entry	of	
		section 13(3)		invoice	•	completion		recip	•	receip		
				issued	ssued by of service upplier							
				supplie								
	1	General advance		31-oc	t-17	31-oct-17		20-nov-17		30-no	v-17	
		paid										
	2	Advanced paid		31-oct-17		31-oct-17		05-oct-17		31-oct-17		
	3	Delay in payment	t			31-oct-17	31-oct-17		10-jan-18		31-oct-17	
		(max. 60 days f	rom									
		date of invoice)										
	4	Service received		31-oc	t-17	30-n	ov-17	5-a	pr-18	31-ma	ar-18	
		from associated										
		enterprise locate	ed									
		outside India										
		(no time extension	on									
	_	allowed)				20	17			05 da	. 17	
	5	Service by un-				30-no	V-1/			05-de	C-1/	
		registered perso										
		no payment made	-									
	-											

SOLUTION

	Reverse charge section 13(3)	Date of invoice issued by supplier	Date of completion of service	Payment by recipient	Entry of receipt	Time of supply
1	General	31-oct-	31-oct-17	20-nov-17	30-nov-	20-nov-17
		17			17	
2	Advanced	31-oct-	31-oct-17	05-oct-17	31-oct-	05-oct-17

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			paid	17			17	
		3	Delay in payment (max. 60 days from date of invoice)	31-oct- 17	31-oct-17	10-jan-18	31-oct- 17	31-dec-17
		4	Service received from associated enterprise located outside India (no time extension allowed)	31-oct- 17	30-nov-17	5-apr-18	31-mar- 18	31-mar-18
		5	Service by un- registered person no payment made		30-nov-17		05-dec- 17	05-dec-17
Q 8			nether the folioing gift card	_	_	zed as a vou	cher?	
	2) Company on taken given to evertemen by nime evaluation molding numbers of						unahara af	

- 2) Coupons or token given to customer by pizza outlet on making purchase of ∓ 1000 /- which allows 10% discounts on next purchase
- 3) Money deposited into digital wallet
- 4) Points credited into digital wallet
- 5) Transfer of liability towards accumulated loyalty points credited to customers
- 6) Pre-paid instruments;Telephone calling card/ recharge cardMulti- currency travellers cardDTH recharge card

Conclusion: -

SOLUTION

Activities	Voucher or Not?	Nature Of Instrument
Shopping gift card purchased	Not voucher	Its money, by way of
for 5,000/-		stored value even if not
		encashable
Coupons or token given to	Not voucher	It is future discount by
customer by pizza outlet on		way of value to use not
making purchase of 1,000/-		encashable

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which allows	s 10% discount on uses						
Money depo wallet	sited into digital	Not voucher	Its money, by way of stored value though encashable				
Points cred wallet	ited into digital	Not voucher	It is future discount by way of value to use not encashable				
	liability towards loyalty points customers	Voucher	Now its become on instrument with obligation				
recharge • Multi- co	ne calling card /	Not voucher	It is money received in advance to be settled by making supplies in future				