



CHAPTER - 14

Place of Supply

INDEX

S.No.	Description	Pg.No.	No. Illus.
1	Sec 10:- POS of goods other than supply of goods imported into or exported from India	76	2
2	Sec 12:- POS of Services if location of Supplier AND location of recipient is in India	76	8
	No. of Illustrations		10

S.No.	Description	Chap No.	Que. No.	No. Illus.
1	Study Mat	14	Q. 01.01/02.04/ 02.05/ 02.06/	4
2	RTP & MTP	14	02.05.01	1
3	Examination	14	-	-
4	Others	14	Q. 01.02/02.03/02.07/ 02.08/ 02.09	5
	Total No. of Illus			10

01. Section 10:- POS of goods other than supply of goods imported into or exported from India

Students, let's try to solve it



MCQ 14.01.01.00 Tolaram Ltd. (a supplier registered in Uttar Pradesh having principal place of business at Noida) asks Bholaram Ltd. of Ahmedabad, Gujarat to deliver 50 washing machines to its buyer Jholaram Ltd. at Jaipur, Rajasthan. The place of supply of supply between Tolaram Ltd. and Jholaram Ltd. is..... and place of supply of supply between Bholaram Ltd. and Tolaram Ltd. is

[Study Mat]

- (a) Rajasthan, Uttar Pradesh
- (b) Uttar Pradesh, Gujarat
- (c) Uttar Pradesh, Rajasthan
- (d) Rajasthan, Gujarat

[Hint: Refer Section 10(1)(b) of the IGST Act]

MCQ 14.01.02.00 Mr. A (New Delhi) has leased his machine (cost ₹ 8,00,000) to Mr. B (Noida, Uttar Pradesh) for production of goods on a monthly rent of ₹ 40,000. After 14 months, Mr. B requested Mr. A to sell the machine to him for ₹ 4,00,000, which is agreed to by Mr. A. Determine place of supply when is the machine is sold after being leased?

- (a) Location of Mr. A (New Delhi)
- (b) location of Mr. B (Noida, Uttar Pradesh)
- (c) location of Machine (Noida, Uttar Pradesh)
- (d) None of the above

[Hint:- Refer sec 10(1)(c)- Location of the goods at the time of delivery to the recipient]

02. Section 12:- POS of Services if location of Supplier AND location of recipient is in India

Sec 12(3) read with Rule 4:- POS of services relating to immovable property

MCQ 14.02.03.00 M/s. Buildwell Engineering Consultants, located and registered in Gurugram, Haryana provided consultancy services to M/s. Taj India Ltd., (located and registered in Mumbai, Maharashtra) for its hotel to be constructed on land situated in Dubai.

Determine the place of supply of consultancy services provided by M/s. Buildwell Engineering Consultants to M/s. Taj India Ltd.

- a) Gurugram, Haryana
- b) Mumbai, Maharashtra
- c) Dubai
- d) None of the above

[Hint:- Refer sec 12(3) read with proviso to Sec 12(3)- POS= location of recipient (As location of immovable property is outside India)]

MCQ 14.02.04.00 Brijraj is on a business trip for 5 days where he has to stay for 3 days in Mumbai (Maharashtra) and 2 days in Ahmedabad (Gujarat). He stays in the hotels of Royal Group of Hotels for which a consolidated sum of ₹ 50,000 was charged by the hotel for stay in its two establishments in Mumbai and Ahmedabad for 3 nights and 2 nights respectively. The place of supply in this case is in

[Study Mat]

- (a) Maharashtra and Gujarat both and the service

shall be deemed to have been provided in Maharashtra and Gujarat in the ratio 3:2 respectively.

- (b) Maharashtra as his stay was longer in Mumbai.
- (c) Maharashtra and Gujarat both and the service shall be deemed to have been provided in Maharashtra and Gujarat in the ratio 1:1 respectively.
- (d) Gujarat

[Hint: Refer Rule 4 - POS = Number of nights stayed in such property]

Section 12(5):- POS of Services related to Training & Performance Appraisal

MCQ 14.02.05.00 DEO Consultants (Kolkata) impart GST training to accounts and finance personnel of Sun Cements Ltd., Guwahati, Assam (registered office) at the company's Mumbai (Maharashtra) office which is also registered under GST. The contract is entered with Guwahati office. In the given case, place of supply is

[Study Mat]

- (a) Kolkata
- (b) Assam
- (c) Maharashtra
- (d) Either Assam or Maharashtra at the option of Sun Cements Ltd.

[Hint: Refer Section 12(5) - POS: Location of recipient (If the recipient is registered)]

MCQ14.02.05.01 Mr. Sameer from Cochin, Kerala and Mr. Varun of Bangalore, Karnataka visit Delhi to provide soft skills training to the employees of a limited company. The training was conducted in a hotel in Delhi and employees also travelled to Delhi to attend the training. The limited company is registered under GST in Mumbai, Maharashtra. What would be the place of supply of this training? . [CA Inter MTP-2 Sep 25]

- (a) Cochin and Bangalore (b) Mumbai
(c) Delhi (d) Cochin

[Hint:- Refer sec 12(5), service is provided to a limited co. which is registered in Mumbai, hence, POS = Mumbai]

Sec 12(7):- POS for Organisation of Events

MCQ 14.02.06.00 Grand Wedding Planners (Chennai) is hired by Laddoo Singh (unregistered person based in Hyderabad) to plan and organise his wedding. The place of supply is

- (i)..... if wedding is to be held at New Delhi, or
(ii)..... if wedding is to be held in Seychelles.

[Study Mat]

- (a) New Delhi, Hyderabad
(b) New Delhi, Seychelles
(c) Chennai, Seychelles
(d) Chennai, Hyderabad

[Hint: Refer Section 12(7)- POS: place where event is actually held (if the recipient is not registered) & if event is held outside india then POS will be location of the recipient.]

Sec 12(8):- POS for transportation of goods

MCQ 14.02.07.00 Aflatoon Spares (P) Ltd., located and registered under GST in Haryana, supplied spare parts to Mr. Laxmi Khurana, an unregistered person, located in Rajasthan. Mr. Laxmi Khurana booked the courier himself with Black Dart Courier (P) Ltd., registered under GST in Delhi for delivery in Rajasthan. Black Dart Courier (P) Ltd. picked up the goods from Haryana and handed over by Aflatoon Spares (P) Ltd. delivered the courier in Rajasthan while passing through the State of Uttar Pradesh. Determine the place of supply of service provided by Black Dart Courier (P) Ltd. to Mr. Laxmi Khurana:

- a) Haryana (b) Delhi
c) Rajasthan (d) Uttar Pradesh

[Hint:- Refer sec 12(8)(b)- POS= location at which such goods are handed over for their transportation]

Sec 12(11):- POS of telecommunication & some other specified services

MCQ 14.02.08.00 Mr. Salman Khan, a resident of Mumbai, has booked a Videocon D2H connection at his other home in Delhi. His friend Shah Rukh Khan, is resident of Kerala, paid the charges for Salman's D2H connection in Delhi at the time of actual installation. Mr. Shah Rukh Khan went to Kolkata after making the payment. Both Salman Khan and Shah Rukh Khan are not registered in GST. Determine the place of supply of D2H service provided by Videocon to Mr. Salman Khan:

- a) Mumbai (b) Kerala
c) Delhi (d) Kolkata

[Hint:- Refer sec 12(11)(a)- POS = location where connection is installed.]

Sec 12(12):- POS of banking & financial services including stock broking

MCQ 14.02.09.00 Mr. Javed, an unregistered person residing in Hisar, Haryana, went to Delhi for seeking admission of his child - Mr. Arjun - in CA Intermediate. Mr. Javed got the demand draft generated at ICIDI Bank Ltd., located and registered under GST in Sahibabad, Uttar Pradesh against cash, for depositing the registration fee to the ICAI.

Mr. Javed does not have a bank account in ICIDI Bank Ltd. and the bank doesn't have any policy of KYC requirements (name, address and other identity verification policy) for customers requiring demand draft and not having account with any of its branch in India.

Determine the place of supply of service provided by ICIDI Bank Ltd., Uttar Pradesh to Mr. Javed.

- a) Delhi
b) Uttar Pradesh
c) Either Delhi or Uttar Pradesh, at the option of the recipient
d) Haryana

[Hint:- Refer Sec 12(12)- POS = Location of supplier of service (if location of recipient is not on the records of supplier)]

Answer

14.01.01	a
14.01.02	c
14.02.03	b
14.02.04	a
14.02.05	b
14.02.05.01	b
14.02.06	a
14.02.07	a
14.02.08	c
14.02.09	b