

CHAPTER : 3

TIME of Supply (TOS) / Point of Taxation (POT)

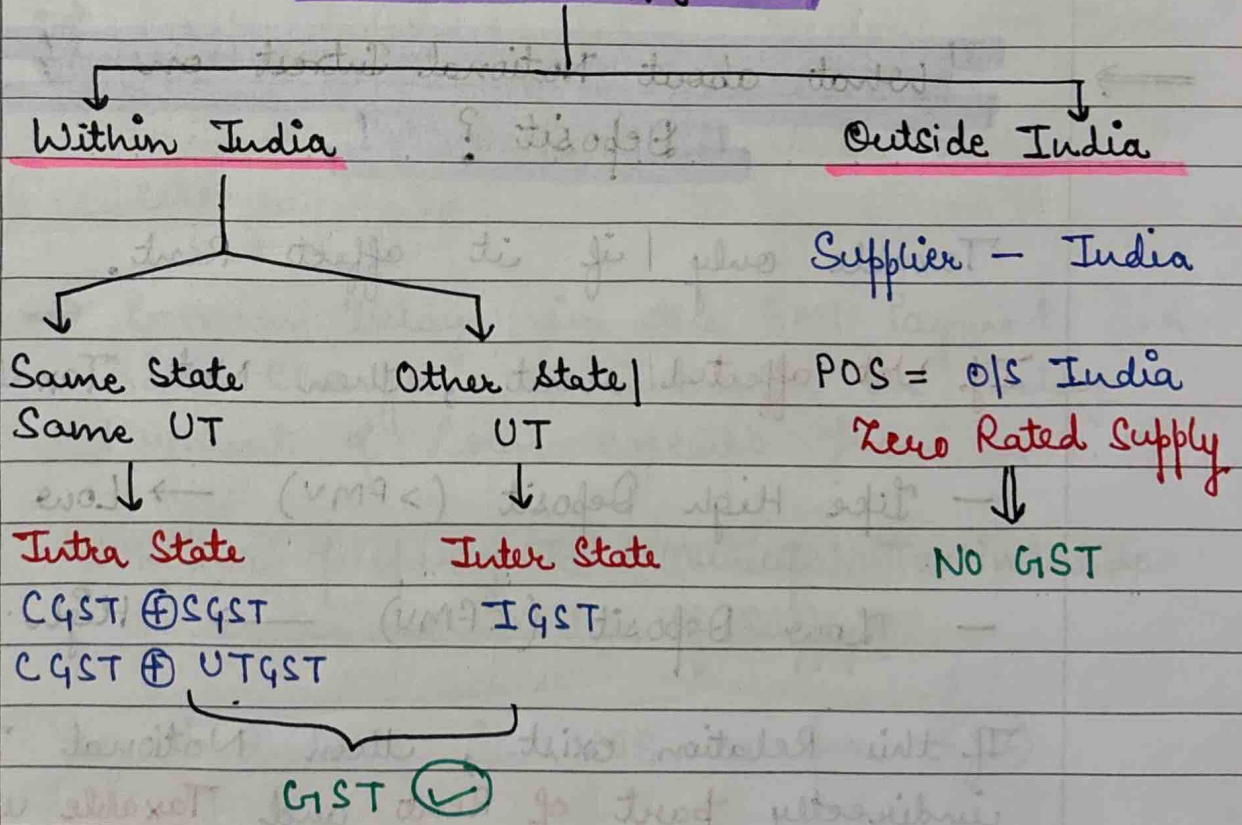
Supply ko Provide Kiya Hua **कब** माना जाएगा।

First we have to Determine "Place of Supply"

After that If Place of supply is in **Taxable Territory** -

Then we will Determine - "Time of Supply"

Place of supply

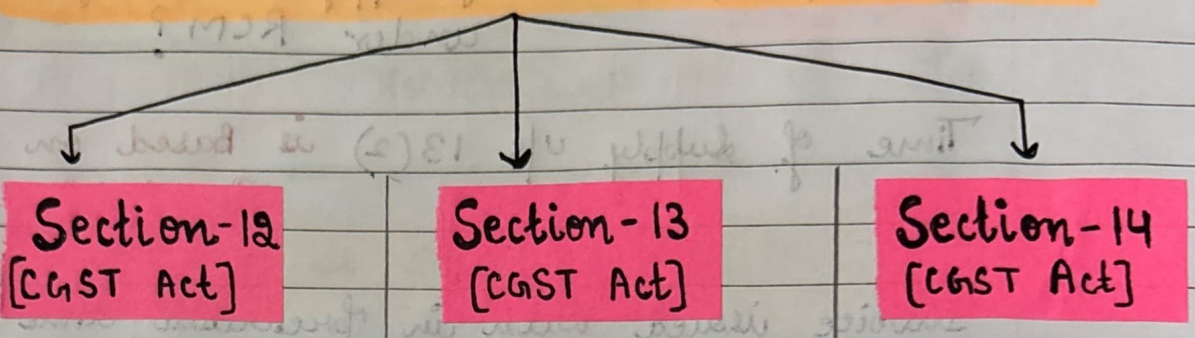


Now, Question Arises

GST "KAB" Dena Hai ?

↓
Solution - "TIME OF SUPPLY"

Provision Related to Section - 12, 13, 14



Applicability

Supply of Goods

Supply of Services

Change in the rate of GST in case of SOG / SOS

Sub-Section 12(1), 12(2), 12(3), ~~12(4)~~, 12(5), 12(6)

13(1), 13(2), 13(3), ~~13(4)~~, 13(5), 13(6)

* Date of Payment

* Date of Payment

* Date of entry in Books of A/c

* Date of Payment

Date of Bank Credit

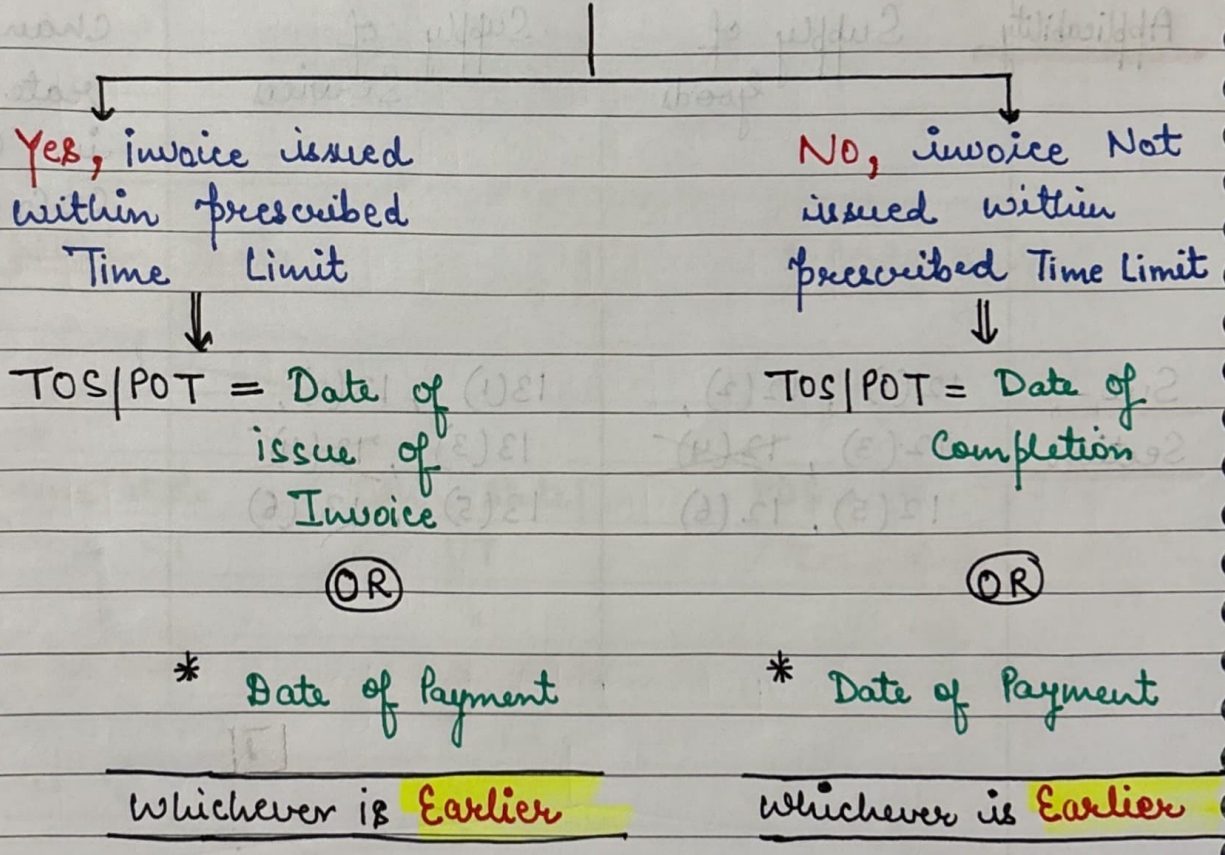
whichever is earlier

Section 13(2)

Time of Supply in Case of SOS covered under RCM?

Time of supply u/s 13(2) is based on Date of Invoice?

Invoice issued within prescribed time limit
u/s 31 + Rule 47



* Date of Payment

Date of entry in Books of A/c.

(OR)

Date of Bank Credit

whichever is Earlier

CRUX

अगर Payment Sabse Pehle Hai
To Payment Hi POT Hai.

⇒

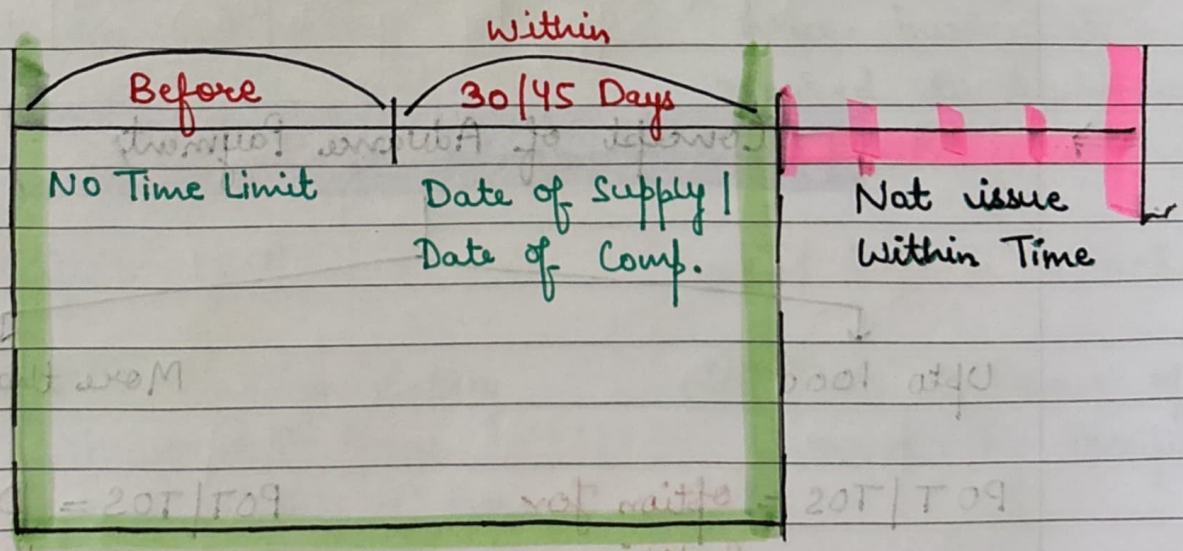
What is the Prescribed Time Limit

Before the Date of supply | Provision of supply |
Date of Completion | Date of service provided

(OR)

within 30 Days | 45 Days { Banking Company, FI }
NBFC
from the Date of Completion | Date of Supply etc.

CRUX



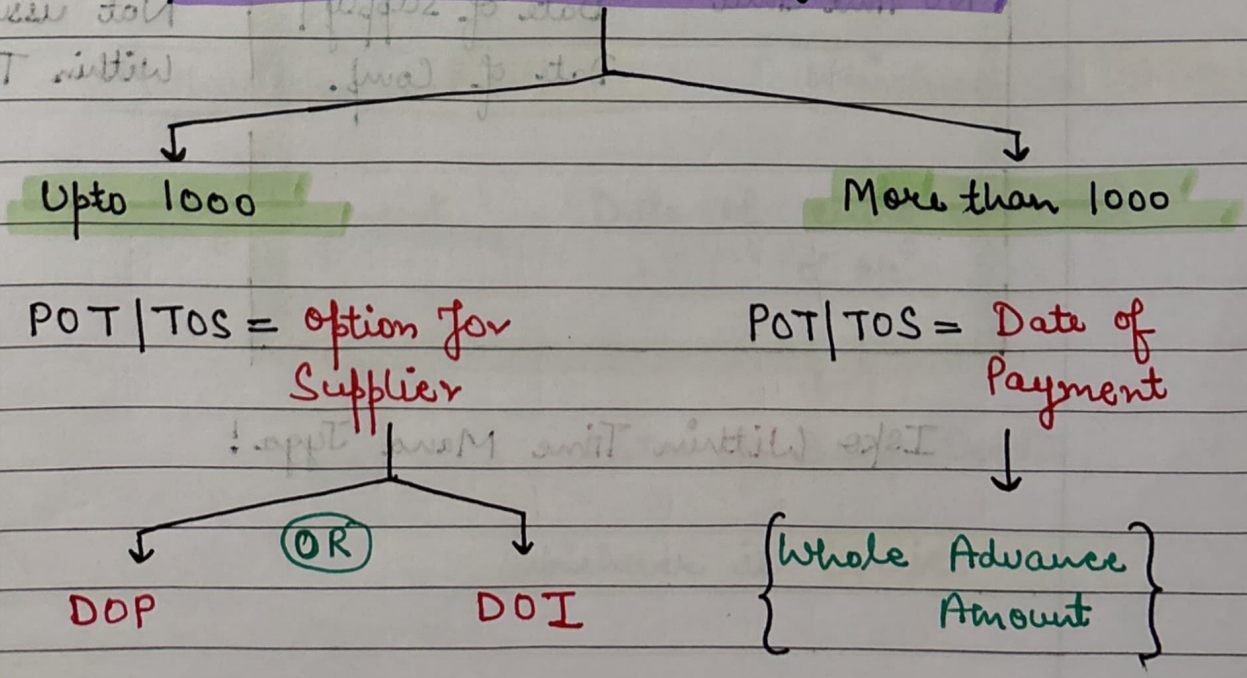
Isko Within Time Mana Jyga!

Example

	Doc/DOS	DOP	DOI	POT	Due Date
1.	25/7/25	20/7/25	23/7/25	20/7/25	20/8/25
2.	25/9/25	BE - 24/9/25 BC - 27/9/25	20/9/25	20/9/25	20/10/25
3.	8/10/25	Part - 8/11/25 Part - 15/10/25	15/10/25	15/10/25	20/11/25
4.	15/11/25	8/12/25	20/12/25	15/11/25	20/12/25
5.	15/12/25	8/3/26	20/12/25	20/12/25	20/1/26
6.	8/8/25	1/8/25	28/7/25	28/7/25	8/8/25

⇒

Concept of Advance Payment



If Date of Invoice | Payment | Completion Not Mentioned, Then -

Date of Receipt of service in his Books of Accounts



is Deemed POT | TOS.

Section: 13(3)

POT | TOS in Case of RCM



Depends



Who will Issue the Invoice ?

Where invoice is required to be issued by SUPPLIER

Where invoice is required to be issued by RECIPIENT

- (a) Date of Payment
- OR
- (b) Date of immediately following 60 Days from the Date of issue of Invoice
i.e. 61st Day from the date of issue of Invoice

If Supplier is Un-Reg.

- (a) Date of issue of invoice by Recipient
- OR
- (b) Date of Payment

Whichever is EARLIER

Whichever is EARLIER

CRUX

अगर Date of Invoice के 60 Days मे Payment आ गयी तो, Payment ki Date Hi POT Hai.

लेकिन अगर 60 Days मे Payment Nahi Aai तो, 61 Days from Date vahi POT Hai

Date of Payment → Book Entry } Earlier
 OR
 Bank Debit }

RULE-47A

Date of issue of invoice under RCM within **30 Days** from the Date of Receipt of Supply of goods (or) Services (or) Both

Example

Invoice issued By -	DOI	DOP	POT
Supplier	15/7/25	8/8/25	8/8/25
Supplier	15/7/25	8/10/25	13/9 + 1 = 14/9/25
Receiver	18/7/25	15/7/25	15/7/25
Receiver	18/7/25	8/10/25	18/7/25

⇒ **Time of Supply in Case of Associated Enterprise**

TOS | POT = Date of Payment for Service

OR

Date of entry of service in the Books of A/c of Recipients

Whichever is "EARLIER"

Section 13(5)

Residual Case

If Periodic Return filed

If Periodic Return Not filed

POT | TOS = Date on which Return is to be filed

POT | TOS = Date on which Tax is to be paid.

Section 13(6)

TOS in Case of Interest Penalty Late Fees

TOS = When such Additional Consideration "Received"

Section 12(3)

Time of Supply in Case of Supply of goods under RCM

POT/TOS = **Earliest of the following :-**

(1) Date of Receipt of Goods

OR

(2) Date of Payment *

OR

(3) 31st Day from the Date of issue

* Date of Payment →

Book Entry

OR

Bank Debit

EARLIER

	Date of Receipt of goods	Date of Payment	Date of Invoice	31st Day from DOI	POS/TOS
1.	1/7/25	10/8/25	26/6/25	27/7/25	1/7/25
2.	1/7/25	25/6/25	29/6/25	30/7/25	25/6/25
3.	1/7/25	5/7/25	2/7/25	2/8/25	1/7/25
4.	1/7/25	4/7/25	25/5/25	25/6/25	25/6/25
5.	25/6/25	23/6/25	2/6/25	3/7/25	23/6/25
6.	1/8/25	5/8/25	27/6/25	28/7/25	28/7/25

Section: 14

Time of supply when Change in Rate of Tax in respect of SOG and SOS

Supplied **Before** the Change in Rate [14(a)]

(i) Invoice issued and payment received **after change**

POT = Date of Invoice
OR

Payment
EARLIER

(ii) Invoice **Before change** But payment received **after change**

POT = Date of Invoice

(iii) Payment Received **Before change** but Invoice **after change**

POT = Date of Payment

Supplied **After** the Change in Rate [14(b)]

(i) Invoice **Before change** but payment received **After change**

POT = Date of Payment

(ii) Invoice issued and Payment received **Before change**

POT = Date of Invoice

Date of Payment

EARLIER

(iii) Payment received **before change**

POT = Date of Invoice

Rate Change

Payment Credited
Before Change in
Rate of Tax (or)
within 4 Days from
Rate Change



Date of Payment



Book Entry
OR

Bank Credit

EARLIER

Payment Credited
after 4 Days
from Change in
Rate of Tax



Date of Payment



Date of Bank Credit

Deemed as

DOP.

Case Laws Related to Time of Supply

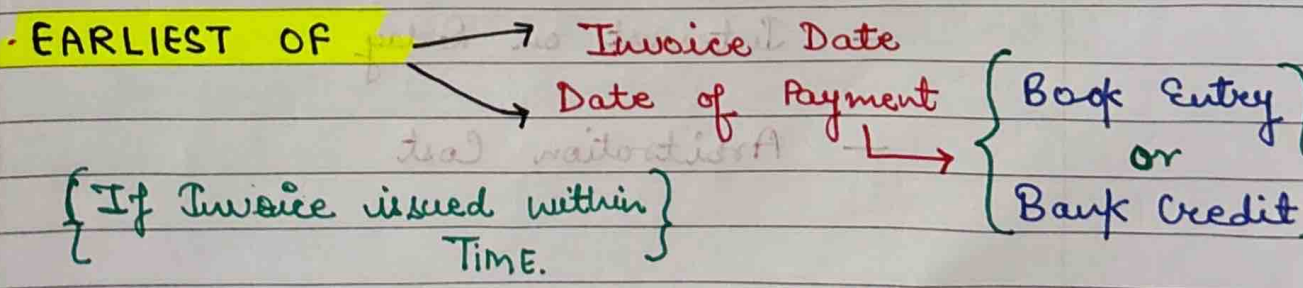
1. Karnataka State Electronics Development Corporation Ltd.

Fact : KERONICS provided LED Street Lighting services to Municipal Corporation.
Payment was based on energy-savings.
Payment released only after Auditor Certification and Credited to Escrow A/c.

Question Raised :

- (1) What is TOS for GST ?
- (2) Whether GST is Payable only after energy saving Certificate released
- (3) Whether Escrow A/c Credit = Receipt of Payment
⊗ Not ?

Decision Held: Time of Supply will be as per Sec 13(2) in case of SOS other than RCM.



- Auditor's Certificate is Not Relevant for Time of Supply
- Escrow Credit is Deemed as Receipt of Payment.

So, Held That GST liability arise as per Sec-13, irrespective of Certification And Escrow Credit is Deemed as Receipt of Payment.

2. Continental Engineering Corporation Case

Fact: Company Completed work Contract Before GST (Pre GST). Later Dispute arose - went to Arbitration (After GST)

Tribunal Awarded Money in 2019 for :-

- Unpaid Work
- Refund of Deductions
- Interest on Delay
- Arbitration Cost

Question Whether GST is applicable on amount received after GST for work Done before GST?

Decision Held :-

(A) Amount related to work Done before GST includes -

- Unpaid Art work
- Escalation
- Refund
- Interest on Delay Payment

Not Taxable under GST. since, TOS related to Pre - GST Tax Period.

(B) Arbitration Service

Arbitration Service happened after GST and Tribunal Provide Service Post GST.

Hence, Such Service would be Taxable under GST since TOS related to Post GST.

Rate = 18% { Taxable under RCM since, Arbitral Tribunal Service Covered under RCM. }

[03W]

Classification of Goods / Services

1. What is Classification?

- Classification Means identifying the correct Category of goods / services. So, that correct GST Rate can be applied. (A)

Eg: Mobile - 18%, Gold Jewellery = 3% etc.

- Different classification, Different GST Rates

2. GST Classification based on Custom Tariff?

GST Rates for goods are Based on the First Schedule of Custom Tariff Act, 1975.

3. Custom Tariff is Based on HSN and India follow HSN System for Classification of Goods.

4. What is HSN?

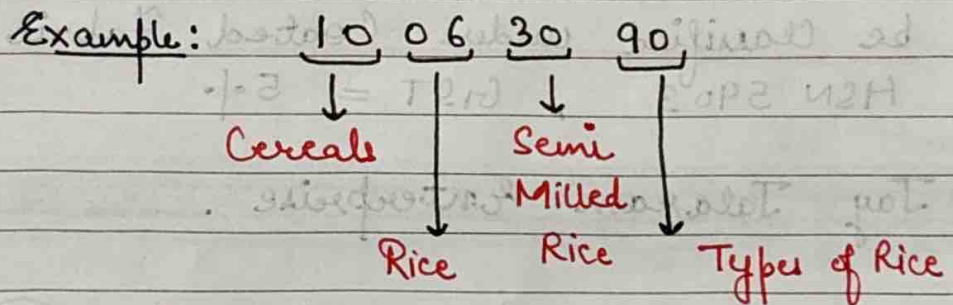
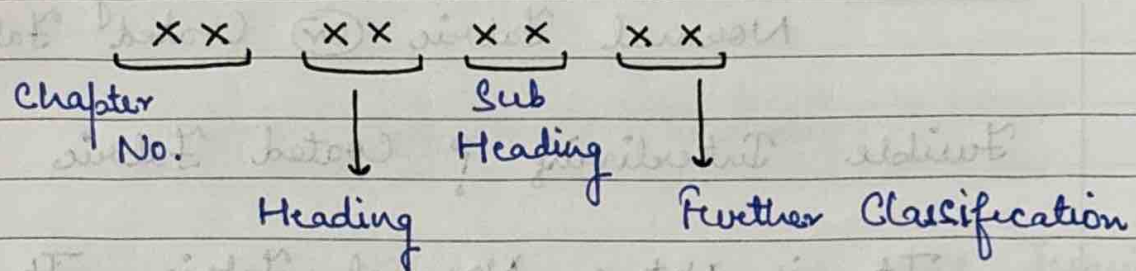
(Harmonised System of Nomenclature)

HSN is an International Classification System developed by World Custom Organisation [WCO]

5. HSN Code Structure ?

In India Total = 8 Digit

In International = 6 Digit



6. Services are classified under Chapter 99 using SAC [Service Accounting Code]

For Goods :- HSN → upto 8 Digit → Different Chapter

For Services :- SAC → upto 6 Digit → Chapter 99

⇒ Correct Classification is very important - Because wrong classification can lead to wrong GST Rate and Levy Interest, Penalty, fees etc.

GST Classification Case Laws

1. Sadguru Seva Parishad Pvt. Ltd

Issue: Whether Fusible interlining cloth is Normal Fabric \otimes Coated Fabric?

Fusible Interlining? Coated Fabric

— It is Not a Normal Fabric. It will be classified under Coated Fabric.

HSN 5903, GST = 5%.

2. Jay Talaram Enterprise

Issue: Whether Popcorn is Maize \otimes Processed Food?

— Court Held that Popcorn is classified under processed food and GST will be -18%.

Since, Processing Changed the Identity.

3. ID Fresh Food India Pvt. Ltd

Issue :- Whether Frozen Parota is same as Rati?

— It was Held that Parota is processed Product and GST would be 18.1%.

Similar Appearance, does not Mean same Classification. Fresh Roti and Frozen Parota is Different.

4.

Tools And Crage Company

Issue :- Whether Railway seat are Furniture
 or Railway Part?

It was Held that it will be classified as Railway Part under Chapter 86 and use and Shape is Different from Normal Furniture Hence, Railway Part is Most Appropriate Classification.