

Topic: Meaning and Scope of Supply-Part 5

Class: B.Com (Hons)

Semester: VI

Subject: Goods and Services Tax (GST)

Unit: 1

Paper: CC-13

Place of supply in respect of service

2. Restaurant service, personal grooming/fitness/beauty and health services [Section 12 (4)]:

Services of restaurant and catering, personal grooming, fitness, beauty treatment, health service including cosmetic and plastic surgery are performance based service. Hence the place of service will be the place where service is actually performed.

Example: A bridal makeup artist of Lucknow goes to provide service in wedding in Patna. Place of service will be Patna, where the grooming service was performed.

3. Training and performance appraisal services [Section 12 (5)]: This provision covers training and performance appraisal service. If such services are provided to a registered person (B2B), place of supply will be the location of such person (i.e. location of registered person). If the recipient is not registered (B2C) the place of supply will be the location where service is actually performed.

Example: ABC Ltd. of Katak is a freelancer and provides training on GST to Bank across the country. It provides training on GST to employee of NABARD (regional office Ranchi). However, the training sessions were conducted in Ranchi but registered office of NABARD under GST is in Mumbai. Here the place of supply will be Mumbai.

Example: Mr. Ankit a resident of Amritsar, conducts training for employee of ABC Software Ltd which is not registered under the Act. ABC Ltd. located in Delhi but training was conducted in Patna. Here ABC Ltd. is not registered; hence the place of supply shall be the place where services are actually performed i.e. Patna.

4. Services by way of admission to events/amusement park/other places [section 12 (6)]: The place of supply of service provided by way of admission to a cultural, artistic, sporting, scientific, educational, entertainment event or amusement park or any other place and services ancillary there to shall be the place where the event is actually held or where the park or such other place is located.

Example: Mr. Anup Thakur a resident of Mumbai buys a ticket for a Cricket Match between India and Sri Lanka organised at Eden Garden Kolkata. The place of supply will be the location where the match will be held i.e. Kolkata.

5. Service for Organizing an Event [Section 12(7)]

Following services are concerned under this section

- a. Organisation of a cultural, artistic, sporting, scientific, educational or entertainment event including supply of service in relation to a conference, fair, exhibition, celebration or similar event; or
- b. Service ancillary to organisation of any of the events or services referred to in clause (a), or assigning of sponsorship to such events;
 - (i). to a registered person shall be the location of such person
 - (ii). to a person other than a registered person, shall be the place where the event is actually held and if the event is held outside India, the place of supply shall be the location of the recipient.

Note: If the event is held in more than one state or union territory and a consolidated amount is charged for supply of service relating to such event the place of supply of such services shall be taken as being in each of the recipient states or union territories in proportion to the value for service separately collected or determined in term of the contract or agreement entered into this regard or in the absence of such contract or agreement on such other basis as may be prescribed.

Example H Ltd. Event Management Company having a place of business Muzaffarpur, Bihar duly registered under GST, organizes conferences/event/programs across the country. X Ltd. Jamshedpur, Jharkhand hire H Ltd. to organize conference in Kolkata. If X Ltd. is a registered person then place of supply will be Jamshedpur respective of the fact that the conference was organised in Kolkata. However, if X Ltd. is not registered, place of supply will be Kolkata.

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