

**Topic: Meaning and Scope of Supply-Part 9**

**Class: B.Com (Hons) Semester VI**

**Subject: Goods and Services Tax (GST)**

**Unit: 1**

**Paper: CC-13**

**Place of supply of services where location of Supplier or location of Receipt is Outside India (Cross Border Transactions)**

**Services by way of admission to and/or organisation of event or celebrations etc. [section 13(5)]: It covers the following services**

- A. Admission to organisation of event: Cultural, artistic, sporting, scientific, educational, entertainment events
- B. Events: Celebration conference, fair exhibition, seminar events
- C. Services Ancillary to such admission or organization.

In the above all cases place of supply will be where the event is actually held.

If the services are provided in more than one state/union territory then each of state/union territory including a location in taxable territory its place of supply shall be the location in the taxable territories.

.

**Example:** A cultural program team of China organise a cultural program in Mumbai. The place of supply in the location where the event is actually held i.e. Mumbai.

**Example:** Oscar events registered in Mumbai have organised worlds musical show championship for which they have to identify best musical from different countries. Four country have been selected i.e. India, Pakistan, Bangladesh, Sri Lanka. Since the service referred to section 13(5) is supplied at more than one location including location in the taxable territory in place of supply shall be the location in the taxable territory Mumbai.

**Banking and Financial service, Intermediary service and Hiring of means of transport [Section13(8)]**

The place of supply of the following services shall be the location of the supplier

- a. Service supplied by a banking company or a financial institution, or a non banking financial company to account holder.
- b. Intermediary services
- c. Service consisting of hiring of means of transport including yachts but excluding air craft and vessels, up to a period of one month.

Here as per section 2(13) of the integrated goods and services tax act 2017 intermediary means a broker an agent or any other person by whatever name called who arranges or

facilitates the supply of goods or services or both or securities between two or more persons but does not include a person who supplies such goods or services or both securities on his own account.

Thus intermediary includes the following

- Travel agent (any mode of travel)
  - Tour operator
  - Commission agent for a service (including an agent for buying selling of goods)
  - Recovery agent etc.
- i. “Account” means an account bearing interest to the depositor and includes a non-resident external account and a non-resident ordinary account.
  - ii. “Banking Company” shall have the same meaning as assigned to it under clause (a) of section 45A of Reserve Bank of India act 1934.
  - iii. “Financial institution” shall have the same meaning as assigned to it in clause (c) of section 45-1 or the Reserve Bank of India act 1934.
  - iv. “Non-banking financial company” means
    - (a) a financial institution which is a company;
    - (b) A non-banking institution which is a company and which has its principal business the receiving of deposits under any scheme or arrangement or in any other manner or leading in any manner; or
    - (c) Such other non-banking institution or class of such institution or class of such institution as the Reserve Bank of India may with the previous approval of the central government and by notification in the official Gazette specify.

**Example:** Mr. Donald a foreign tourist on a visit to Agra (UP) with drawn ₹10.000 by using his international debit card from an ATM of a bank situated near by Taj Mahal. The place of supplier in the location of the supplier of service i.e. Agra.

**Example:** Bank charges payable to a Swiss Bank in Geneva the place of service will be Geneva, Switzerland.

**Example:** A travel agent registered in Mumbai books a tour of umrah for the Makkah. The place of supply is the location of the supplier of service i.e. Mumbai.

**Example:** A Japanese company gives base rent to an Indian troupe visiting Berlin and charters a plan for returning to Mumbai. Place of service will be the location of supplier i.e. Japan.

**Example:** A registered travel agent in (Kashmir) New Delhi arranges a tour of Amaranth for a visitor from China. The place of supply will be the place of travel agent i.e. New Delhi.

**Prepared by: Dr. Md. Moazzam Nazri**

**Assistant Professor, Faculty of Commerce  
Karim City College, Jamshedpur  
Email:moazzam.nazri@gmail.com**

