Module 3 · Place of supply P19 · topics 3.1–3.4

SM pp. 332–416 (exercise 417–422). **2–9 marks a paper** (expected 8.5). **Q5(a) has been place of supply in every December paper** — four short cases (D23 and D25 almost the same: landline, airline / on-board, event, courier); D24 asked OIDAR, J25 Q8(b) online money gaming. MCQ (v) is a place-of-supply case most papers. The SM's own illustrations are the answer model: one line per case — **rule (section) → place → tax type**.

Paper	Long question	MCQ
Dec'23	**Q5(a)**: landline (registered Delhi, installed Bengaluru) · air ticket of a registered person · event management for an unregistered person's wedding in Jaipur · courier by an unregistered person	foreign vessel repaired in territorial waters
Jun'24	–	hotel in Delhi booked with the company's GSTIN
Dec'24	**Q5(a) OIDAR**: gaming software bought from the USA for a son, paid personally	roadside car repair for an unregistered person
Jun'25	**Q8(b) online money gaming** from Trinidad: place of supply, levy, who pays	–
Dec'25	**Q5(a)**: landline (installed Mysore) · on-board movie, Singapore–Delhi–Maharashtra · water-park tickets · courier by an unregistered person	ocean freight to the USA
Jun'26	–	beauty treatment in Kolkata for a Hyderabad agency
ICMAI	MQP Q5(a): interior decoration, renting, architect for a Sydney property, marketing agent of a foreign seller (unused)	MQP event in Chennai · PTP travel agent

HOW IT IS EXAMINED · DEC'26 PREDICTION

- **Q5(a) 7 marks, very likely**: four cases from s.12(3)–(11) (telecom, passenger / on-board, events, courier, immovable property) — or OIDAR / online money gaming.
- June papers put **time of supply** here instead (Module 2).
- **MCQ (v)**: one service case.

MAP OF THIS MODULE

1. Goods: s.10 ★
2. Services, both parties in India: s.12 ★★★ (the table)
3. Cross-border services: s.13 ★★
4. OIDAR, online money gaming: s.14, 14A ★★
5. Problems box: the four-case answer ★★★

A Goods — section 10

- **10(1)(a)** movement of goods: location where the **movement terminates** for delivery to the recipient. [SM 335]
- **10(1)(b) bill-to-ship-to**: goods delivered on the direction of a third person → the third person is deemed the recipient; place = **his principal place of business**. Two supplies: Rani → Ram (Ram's place), Ram → Raja (where goods are delivered). [SM 335, SM 343]
- **10(1)(c)** no movement: location of the goods at delivery (irrespective of where buyer and seller are). [SM 341]
- **10(1)(ca)** (from 1st October 2023): supply to an **unregistered** person — the address on record of the recipient (Circular 209/3/2024: billing v delivery address). [SM 343]
- Supplier in India, place of supply outside India → **inter-State** (s.7(5)(a)). [SM 341]
- Online money gaming from abroad is notified as **import of goods** on which IGST is levied (no customs duty) from 1st October 2023; such suppliers must register compulsorily (s.24(xia)). [SM 346]

B Services where supplier and recipient are in India — section 12

Location of the recipient (s.2(14)): registered place of business → fixed establishment → establishment most directly concerned → usual place of residence; the supplier's location (s.2(15)) is read the same way. [SM 348]

Section · service	To a registered person	To an unregistered person
12(2) default (only if 12(3)–(14) do not apply)	location of recipient	address on record; else location of supplier [SM 349]
12(3) immovable property (architect, interior decorator, surveyor, construction, rights to use) · **hotel / lodging** · accommodation for marriage, functions · ancillary services	location of the property (or boat); **property outside India → location of recipient** [SM 353–354]	

12(4) restaurant, catering, personal grooming, fitness, beauty, health / cosmetic surgery	where actually performed [SM 355]	
12(5) training and performance appraisal	location of recipient	where actually performed [SM 355]
12(6) admission to events, amusement park	where the event is held / park is located [SM 357]	
12(7) organisation of events (incl. sponsorship)	location of recipient	where the event is held; held outside India → location of recipient [SM 357]
12(8) transport of goods incl. **mail / courier**	location of recipient	where goods are **handed over** for transport (destination proviso for exports omitted w.e.f. 1st October 2023) [SM 360]
12(9) passenger transport	location of recipient	where the passenger **embarks** on the continuous journey; open ticket → address on record / supplier [SM 362]
12(10) on board a vessel, aircraft, train, motor vehicle	**first scheduled point of departure** of that conveyance for the journey [SM 363]	
12(11) telecom, DTH, broadcasting	fixed line → where the line is **installed** · post-paid → **billing address** · pre-paid → where the voucher is **sold** (through internet → billing address) [SM 364]	
12(12) banking / NBFC / stock broking	location of recipient on the supplier's records, else of supplier [SM 364]	
12(13) insurance	location of recipient	location on the supplier's records [SM 365]
12(14) advertising to Government / local authority	each State where disseminated, value in proportion [SM 365]	

C Cross-border services — section 13 · OIDAR and online money gaming

- **13(2) default**: location of recipient; if not available, location of supplier. [SM 374]
- **13(3)** services on goods physically made available / on individuals → where **performed**; **13(4)** immovable property → where located; **13(5)** admission / organisation of events → where held. [SM 400–401]
- **13(8) specified services → location of the supplier**: banking / NBFC to account holders, **intermediary** services, hiring of means of transport (up to a month). [SM 402]
- **13(11)** on-board → first scheduled point of departure; **13(13)** Government may notify "effective use and enjoyment" (e.g. pharma R&D for foreign recipients from 1-10-2019). [SM 399, SM 404]
- Intermediary = a broker / agent arranging the main supply between two persons, not supplying it on his own account (marketing agent of a foreign seller = intermediary). [SM 383–385]

- **OIDAR** (s.2(17)): delivered over the internet, impossible without IT — ads on the internet, cloud, e-books / movies / music / software online, data online, digital storage, **online gaming other than online money gaming**. Not OIDAR: goods ordered online, physical books, lawyers advising by e-mail, ticket bookings, live online teaching. [SM 397]
- **From abroad (s.14)**: to a **non-taxable online recipient** (unregistered person in India, incl. Government) → taxable, the **foreign supplier pays IGST** (simplified registration / representative); to a registered person → **reverse charge**. [SM 399, SM 254]
- Place of supply of OIDAR = **location of the recipient** (s.13(12)) — the SM states the effect (taxable in India) but not the clause.
- **Online money gaming from abroad (s.14A)**: the foreign supplier pays IGST on supplies to anyone in India; single registration under the simplified scheme; a representative in India pays, else a person he appoints; non-compliance → access can be **blocked** (overriding s.69A IT Act). [SM 400]

PROBLEMS BOX · THE FOUR-CASE Q5(a) — ONE LINE PER CASE (SM METHOD)

WORKED PATTERN · SM ILLUSTRATIONS 38, 41, 29, 36

- Air ticket: registered recipient → **location of recipient**; unregistered → where he **embarks** (Illus. 38). [SM 362–363]
- Movie on demand on the Delhi–Chennai leg of a Dubai–Delhi–Chennai flight → first scheduled point of departure = **Dubai**, outside India, **no GST** (Illus. 41). [SM 364]

PAST CASES (OUR WORKING, SAME RULES)

- **D25**: (i) landline installed in Mysore (billing Mumbai) → **Karnataka**, s.12(11) · (ii) movie on the Delhi–Maharashtra leg of a Singapore–Delhi–Maharashtra flight → **Singapore**: outside India, no GST · (iii) water-park tickets → **Odisha** (Bhubaneswar), s.12(6) · (iv) courier by an unregistered person handed over in Varanasi → **Uttar Pradesh**, s.12(8).

- IPL tickets for a match moved from Chennai to Mumbai → where the event is actually held = Mumbai (Illus. 29). [SM 357]
- Courier: registered recipient → location of recipient; unregistered → where goods are **handed over** (Illus. 36). [SM 360]

ANSWER FORMAT

For each case: (1) identify the service and the section; (2) registered or unregistered recipient?; (3) place of supply; (4) supplier's location v place → **CGST + SGST** (same State) or **IGST**; outside India → not taxable.

- **D23**: (i) landline installed in Bengaluru → **Karnataka** · (ii) registered passenger (Hyderabad) → **Telangana**, s.12(9) · (iii) wedding organised in Jaipur for an unregistered person → **Rajasthan**, s.12(7) · (iv) courier handed over in Delhi → **Delhi** (route through Haryana irrelevant).
- **D24 OIDAR**: game bought for personal use, paid personally → he is a non-taxable online recipient → the **US supplier pays IGST**; place of supply India.
- **J25 online money gaming**: taxable in India although intangible (notified as import of goods, IGST, s.14A); Viv Richards Inc pays through simplified registration or its appointee; place of supply = location of the player in India.

MQP Q5(a) (ICMAI ANSWER)

Interior decoration (Jammu) 5 · renting (Delhi) 15 · architect for a Sydney property of a Mumbai hotel chain → Mumbai 25 · marketing agent of a foreign seller → Chennai 51 · travel agent → Chennai 1 = **₹97 lakh**, GST 18% = **₹17.46 lakh**. ⚠ ICMAI labels every row IGST; for the two Chennai rows (supplier and place both in Tamil Nadu) s.8 would give CGST + SGST — same amount.

PRACTISE THESE

D23, D25 Q5(a) · D24 Q5(a) · J25 Q8(b) · MQP Q5(a) · SM Illus. 19–59 (SM 348–389) · **ICMAI Practice Workbook Ch5 illus. 1–19; Ch2 illus. 10** · MCQ bank Q35–Q37, Q109–Q111.

R Revision · the eight rules that decide most cases

Service	Place
Immovable property, hotel, wedding hall	where the property is
Restaurant, beauty, fitness, health	where performed
Admission to event / park	where held / located
Organising an event	registered: recipient · else: where held
Courier / goods transport	registered: recipient · else: handed over
Passenger transport	registered: recipient · else: embarkation
On board	first scheduled departure
Telecom	installed · billing · voucher sold

MEMORY HOOK

"Registered? Then the recipient's State." That one line answers 12(2), (5), (7), (8), (9), (13). The others follow the **thing**: property, performance, event, first departure, phone line.