

# **ISSUES IN RECENT AMENDMENTS IN GST ACT AND GST RULES**

**15<sup>th</sup> February 2019**

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## □ SCOPE OF SUPPLY

Section 7 of the CGST Act defines the term “supply” wherein following amendments have been made.

### ○ Insertion of Sub-section (1A)

After sub-section (1), the following sub-section shall be inserted and shall always be deemed to have been inserted, namely:–

*“(1A) where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.”*

### ○ Omission of earlier clause (d) from Section 7(1)

*(d) the activities to be treated as supply of goods or supply of services as referred to in Schedule II.*

**The said amendment is effective from 01-07-2017.**

## Now the Amended Section 7 reads as follows,

7. (1) *For the purposes of this Act, the expression “supply” includes –*
- (a) all forms of supply of goods or services or both such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made for a consideration by a person in the course or furtherance of business;*
  - (b) import of services for a consideration whether or not in the course or furtherance of business; and*
  - (c) the activities specified in Schedule I made or agreed to be made without a consideration.; and*
  - ~~*(d) the activities to be treated as supply of goods or supply of services as referred to in Schedule II.*~~

*(1A) where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.*

## CASE STUDY

M/s. ABC Limited is a builder and sells under construction flats and charges GST on the same. The builder also leases commercial property and pays tax on the same.

Owing to the amendment in Section 7 of the GST Act, whether sale of flat & whether leasing of a commercial unit will still amount to a taxable supply and chargeable to GST?

## CASE STUDY

M/s Happy ltd. is in the process of transferring certain old computers to an NGO free of cost. First lot was transferred on 31-12-2018 and second lot on 10-02-2019. Both the parties are unrelated. Further, the company has not availed ITC on purchase of such goods. Now M/s Happy Ltd. wants to know the following,

- Whether such transfers are to be treated as supply under GST and chargeable to GST before and after amendment?
- If GST has already been paid for the first lot, whether refund can be claimed for the same?
- Whether answer to (a) above will still remain the same, in case M/s Happy Ltd. had availed ITC on such goods?

## CASE STUDY

M/s. ABC Limited had appointed a contractor for the interior work of its office comprising of **5000 sq. ft.** area. The contractor was to be paid at **Rs. 200/- per sq. ft.** for the entire work to be done. Thus, the total of **Rs. 10 Lacs** was to be paid to the contractor. He was asked to complete the work in six months time, but the contractor delayed the work and completed in eight months. The Company paid the contractor **Rs 9 Lacs** and deducted **Rs 1 Lac** as Liquidated Damages.

- On what value is the contractor liable to pay tax?
- Whether the Company is liable to pay tax on **Rs 1 Lac**?

## □ SCHEDULE III CHANGES

Schedule III provides the activities or transactions treated neither as supply of goods nor supply of services. New Entries 7 & 8 have been inserted which reads as follows,

*7. Supply of goods from a place in the non-taxable territory to another place in the non-taxable territory without such goods entering into India.*

*8. (a) Supply of warehoused goods to any person before clearance for home consumption;*

*(b) Supply of goods by the consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but before clearance for home consumption.”;*

## CASE STUDY

M/s ABC Ltd. is in the business of trading of garments across the world. The company has undertaken following transactions,

- i) Imported shirts from China and sold/delivered directly to M/s Emirates in Dubai on 30-11-2018. (Merchant Trading)
- ii) Imported trousers on 31-12-2018 and stored in a custom bonded warehouse and thereafter supplied such goods to M/s Strict Ltd., India who filed an ex-bond bill of entry for clearing the said goods for home consumption.
- iii) The company has also undertaken a high sea sales transaction i.e. imported goods were sold to M/s Classic Ltd. in India before the goods cross the customs frontier of India on 10-01-2019.

- The company wants to know the GST liability with respect to the above transactions.
- If tax is not payable, whether full ITC of common services like HO expense is allowed?



## ○ Section 5(1) of IGST Act

5. (1) *Subject to the provisions of sub-section (2), there shall be levied a tax called the integrated goods and services tax on all inter-State supplies of goods or services or both; except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 of the Central Goods and Services Tax Act and at such rates, not exceeding forty per cent., as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person:*

*Provided that the integrated tax on goods imported into India shall be levied and collected in accordance with the provisions of section 3 of the Customs Tariff Act, 1975 on the value as determined under the said Act at the point when duties of customs are levied on the said goods under section 12 of the Customs Act, 1962.*

## ○ Section 7(2) of IGST Act

(2) *Supply of goods imported into the territory of India, till they cross the customs frontiers of India, shall be treated to be a supply of goods in the course of inter-State trade or commerce.*

- **Schedule III Items not be treated as Exempt Supply**

Following explanation has been inserted in Section 17(3),

*“Explanation.—For the purposes of this sub-section, the expression “value of exempt supply” shall not include the value of activities or transactions specified in Schedule III, except those specified in paragraph 5 of the said Schedule.”;*

**Whether the above provision will apply retrospectively?**

## CASE STUDY

M/s XYZ Ltd. is engaged in trading of goods in the domestic territory as well as exports. The company in the process of filing a refund application for accumulated ITC with respect to the goods exported during the period. The company has also undertaken high sea sales amounting to Rs. 1,00,00,000/-. Details of other transactions are as follows,

Domestic Sales = Rs. 60,00,000

Export Sales = Rs. 40,00,000

Net ITC = Rs. 5,00,000

The company wants to know the amount of refund they are eligible to claim?

$$\text{Option 1 : } \frac{40,00,000}{1,00,00,000} \times 5,00,000 = 2,00,000$$

$$\text{Option 2 : } \frac{40,00,000}{1,00,00,000 + 1,00,00,000} \times 5,00,000 = 1,00,000$$

## □ REGISTRATION

### ○ **Separate registration for SEZ unit/developer [Section 25(1)]**

The following proviso has been added in section 25(1),

*“Provided further that a person having a unit, as defined in the Special Economic Zone Act, 2005, in a Special Economic Zone or being a Special Economic Zone developer shall have to apply for a separate registration, as distinct from his place of business located outside the Special Economic Zone in the same State or Union Territory.”*

### ○ **Separate registration for multiple place of business [Section 25(2)]**

The proviso relating to separate registration business for business verticals has been deleted. Instead following proviso has been added in section 25(2) –

*“Provided that a person having multiple places of business in a State or Union Territory may be granted a separate registration for each such place of business, subject to such conditions as may be prescribed.”*

○ **“Place of business” has been defined u/s 2(85) as follows,**

(85) *“place of business” includes—*

*(a) a place from where the business is ordinarily carried on, and includes a warehouse, a godown or any other place where a taxable person stores his goods, supplies or receives goods or services or both; or*

*(b) a place where a taxable person maintains his books of account; or*

*(c) a place where a taxable person is engaged in business through an agent, by whatever name called;*

## CASE STUDY

M/s. ABC Limited has a mall in Mumbai in which there are shops which are given on lease to various retailers. M/s. ABC is paying GST on the same. It also has its own office in the basement where all the accounting and management of the mall is being carried out.

M/s. ABC Limited is also into construction business as a developer of property. The same basement office is also used by M/s. ABC Limited for construction business as well. These two activities constitute different business verticals and M/s. ABC Limited took separate registration for the same.

Can they continue with the same registration or whether they have to surrender one of the registration?

In case they have to surrender, how the credit of one registration will be transferred to another?

## CASE STUDY

M/s. Alert Limited is engaged into security services business. They provide services to corporates on which tax is paid & also to educational institutions on which exemption is claimed. They have been following proportionate credit reversal mechanism. Their office includes two units i.e. Gala No. (1) & (2) in a commercial building. It is a single office merged together having common entry/exit door.

The Company wants to know that whether they can take two separate registration for taxable & exempted service business by claiming two separate place of business i.e. Gala No. 1 as separate office and Gala No. 2 as separate office? If yes, henceforth they will not take any credit in exempted services business (i.e. educational institution)

- **Rule 41A – Transfer of credit on obtaining separate registration for multiple places of business within a State or Union territory.-**

*(1) A registered person who has obtained separate registration for multiple places of business in accordance with the provisions of rule 11 and who intends to transfer, either wholly or partly, the unutilised input tax credit lying in his electronic credit ledger to any or all of the newly registered place of business, shall furnish within a period of thirty days from obtaining such separate registrations, the details in FORM GST ITC-02A electronically on the common portal, either directly or through a Facilitation Centre notified in this behalf by the Commissioner:*

*Provided that the input tax credit shall be transferred to the newly registered entities in the ratio of the value of assets held by them at the time of registration.*

*Explanation.- For the purposes of this sub-rule, it is hereby clarified that the 'value of assets' means the value of the entire assets of the business whether or not input tax credit has been availed thereon.*



## CASE STUDY

M/s. ABC Limited has its head office in Mumbai and branch offices in Nagpur and Pune. The Company has a single registration, as same services are provided from all three locations. Now the Company is taking separate registration in Nagpur and Pune. The various queries raised by the Company are as follows:

- Whether the Company can opt to transfer the credit to only Nagpur registration?
- If they are transferring the credit to only Nagpur, will the asset of Pune also be considered?

## CASE STUDY

M/s. ABC Limited has a factory in Chakan area in Pune. It has an office in Pimpri from where support services to various clients are provided, namely machine repair activity. Further, it has a depot in Chinchwad from where manufactured goods are sold and Service Engineers are also working who provides support services to the client. Presently, the Company has two separate registrations i.e. at factory which includes the depot and a separate registration at service unit. Now the Company wants to take separate registration at depot.

Location	Unit	Activity	Registration
Chakan	Factory	Manufacturing	1 <sup>st</sup> Registration
Chinchwad	Depot	Trading + Service	
Pimpri	Office	Service	2 <sup>nd</sup> Registration

The queries raised by the Company are as follows:

- Whether credit from factory location can be transferred to both the other locations?
- If the credit can be transferred only to depot, the ratio of asset will include assets lying at service unit as well?
- Whether service unit can also transfer credit to depot considering the fact that depot was also providing similar services?

## CASE STUDY

M/s. ABC Limited has its head office in Mumbai and branch office in Pune. The Company has a single registration. Now the Company is taking separate registration in Pune. Accordingly, company has opted to transfer the ITC to Pune branch in the ratio of value of assets held. However, the company wishes to transfer the maximum ITC to Pune branch as they are expecting higher GST liability over there.

The company wants to know whether maximum credit can be transferred to Pune branch by shifting certain intangible assets like Fixed Deposits, securities, goodwill etc. held to Pune's Balance Sheet?

## □ COMPOSITION LEVY

### ○ Press release of 32<sup>nd</sup> GST Council meeting held on 10-01-2019

*2. Higher exemption threshold limit for supplier of goods: There would be two threshold limits for exemption from registration and payment of GST for the suppliers of goods i.e. Rs 40 lakhs and Rs 20 lakhs. States would have an option to decide about one of the limits within a weeks' time. The threshold for registration for service providers would continue to be Rs 20 lakhs and in case of Special category States Rs 10 lakhs.*

## Case Study

M/s All Clean Ltd. is engaged into repairs of air-conditioner. The company is given AMC contract for cleaning & replacing parts & the price paid is all inclusive of material & labour. The turnover of the company is crossing Rs. 20 lakhs but less than Rs. 40 lakhs.

They want to know whether after the proposed amendment if turnover limit is increased in their State, whether they will be able to claim the benefit of exemption.

## ○ Supply of service

Following proviso has been added in Section 10(1),

*Provided further that a person who opts to pay tax under clause (a), clause (b) or clause (c) may supply services of value not exceeding ten percent of turnover in the preceding financial year in a State or Union territory or five lakh rupees, whichever is higher.*

## CASE STUDY

M/s. ABC Limited had turnover of Rs 2 Lacs with respect to services and Rs 40 Lacs with respect to trading of goods. In lieu of the amendment, they have decided to switch to composition scheme w.e.f. 01-02-2019. **Now they want to know that which annual return are they required to file for the year 2018-2019?**

## □ INPUT TAX CREDIT

### ○ Amendment in Section 17(5) [Blocked Credit]

(5) Notwithstanding anything contained in sub-section (1) of section 16 and subsection (1) of section 18, input tax credit shall not be available in respect of the following, namely:—

a) *motor vehicles for transportations of persons having approved seating capacity of not more than thirteen persons (including the driver) ~~and other conveyances~~ except when they are used for making the following taxable supplies namely:—*

*(i) ~~for making the following taxable supplies, namely:—~~*

*(A) further supply of such vehicles ~~conveyances~~; or*

*(B) transportation of passengers; or*

*(C) imparting training on driving, ~~flying, navigating~~ such **motor vehicles** ~~or conveyances~~;*

*ab) Services of general insurance, servicing, repair and maintenance in so far as they relate to motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa):*

**The amended clauses (b) of Section 17(5) reads as follows,**

*(b) the following supply of goods or services or both —*

*(i) food and beverages, outdoor catering, beauty treatment, health services, cosmetic and plastic surgery, **leasing, renting or hiring of motor vehicles, vessels or aircraft referred to in clause (a) or clause (aa) except when used for the purpose specified therein, life insurance and health insurance:** ~~where an inward supply of goods or services or both of a particular category is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply;~~*

***Provided that the input tax credit in respect of such goods or services or both shall be available where an inward supply of such goods or services or both is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as an element of a taxable composite or mixed supply;***

*(ii) membership of a club, health and fitness centre; **and***



~~(iii) rent a cab, life insurance and health insurance except where—~~

~~(A) the Government notifies the services which are obligatory for an employer to provide to its employees under any law for the time being in force; or~~

~~(B) such inward supply of goods or services or both of a particular category is used by a registered person for making an outward taxable supply of the same category of goods or services or both or as part of a taxable composite or mixed supply; and~~

(iii) ~~(iv)~~ travel benefits extended to employees on vacation such as leave or home travel concession;

*Provided that the input tax credit in respect of such goods or services or both shall be available, where it is obligatory for an employer to provide the same to its employees under any law for the time being in force."*

## CASE STUDY

M/s Sulphur Ltd. is engaged in chemicals business and is having a factory at Mumbai. It has availed services of repairs of motor vehicles. The vendor M/s A Ltd. has raised an invoice on 10-01-2019 with taxable value of Rs. 50,000/- along with GST.

Further the company has also engaged another vendor M/s B Ltd. for providing catering services at the factory premises in accordance with the Factories Act, 1948. The vendor has charged Rs. 70,000/- + GST for such service by raising an invoice on 10-02-2019 for services provided in Jan 2019. In view of the recent amendment, following questions arises,

- Whether ITC of vehicle repair services will be eligible to the company for services used in Jan 2019?
- Will the credit be allowed for invoice dated 10-01-2019 but claimed in GSTR 3B of March 2019 i.e. after amendment?
- Whether ITC of catering services will be eligible to the company if the canteen facility has been provided in accordance with the obligation under Factories Act, 1948?

## ○ Amendment in order of utilization of ITC

Section 49(5) deals with the order of utilization of input tax credit. New provisos have been inserted after Clause (c) & (d)

*(c) the State tax shall first be utilised towards payment of State tax and the amount remaining, if any, may be utilised towards payment of integrated tax;*

*“Provided that the input tax credit on account of State tax shall be utilised towards payment of integrated tax only where the balance of the input tax credit on account of central tax is not available for payment of integrated tax;”;*

**Issue – Writ filed before Delhi HC in the case of M/s A & M Design & Print Production reported at 2017 (4) GSTL 444 (Del.) overruled?**

## Example for new order of utilization of ITC

Particulars	IGST	CGST	SGST
Output Liability	5,00,000	5,00,000	5,00,000
Input Tax Credit	8,00,000	5,00,000	3,00,000

### Before Insertion of Section 49A

Particulars	Liability	ITC Available	Paid through ITC			Cash Required	ITC unutilised
			IGST	CGST	SGST		
IGST	5,00,000	8,00,000	5,00,000	-	-	-	--
CGST	5,00,000	5,00,000	-	5,00,000	-	-	-
SGST	5,00,000	3,00,000	3,00,000	-	2,00,000	-	1,00,000

### After Insertion of Section 49A

Particulars	Liability	ITC Available	Paid through ITC			Cash Required	ITC unutilised
			IGST	CGST	SGST		
IGST	5,00,000	8,00,000	5,00,000	-	-	-	--
CGST	5,00,000	5,00,000	3,00,000	2,00,000	-	-	3,00,000
SGST	5,00,000	3,00,000	-	-	3,00,000	2,00,000	-

This has resulted in cash outflow.

**Section 49A has been inserted which reads as follows,**

*“49A. Notwithstanding anything contained in section 49, the input tax credit on account of central tax, State tax or Union territory tax shall be utilised towards payment of integrated tax, central tax, State tax or Union territory tax, as the case may be, only after the input tax credit available on account of integrated tax has first been utilised fully towards such payment.*

## **CASE STUDY**

M/s. ABC Limited is going file Form GSTR-3B Return for the month of Jan-2019 on 16/02/2019. They have huge CGST balance which they want to use against IGST liability, so that the IGST balance can be saved and used against SGST liability.

**Can the set-off be done by ABC Ltd.?**

## CASE STUDY

A company has availed CGST & SGST credit of works contract service used for repairs and finishing services for their office. The company is not sure whether such credit will be allowed by the department & hence they do not wish to utilise the credit to avoid interest liability in future. However, the company has huge IGST balance & all their liabilities are intra-state only.

Whether the amended provision will help the company to not utilise the CGST/SGST Credit?

## Liability & ITC details

Particulars	IGST	CGST	SGST
Output Liability	-	10,00,000	10,00,000
Input Tax Credit	8,00,000	3,00,000	3,00,000

In case of availment of disputed ITC, company may decide not to utilise such ITC and pay balance in cash.

### Before Insertion of Section 49A

Particulars	Liability	ITC Available	Paid through ITC			Cash Required	ITC unutilised
			IGST	CGST	SGST		
CGST	10,00,000	3,00,000	-	-	-	10,00,000	3,00,000
SGST	10,00,000	3,00,000	7,00,000	-	3,00,000	-	-

### After Insertion of Section 49A

Particulars	Liability	ITC Available	Paid through ITC			Cash Required	ITC unutilised
			IGST	CGST	SGST		
CGST	10,00,000	3,00,000	8,00,000	-	-	2,00,000	3,00,000
SGST	10,00,000	3,00,000	-	-	3,00,000	7,00,000	-

## ❑ TRANSITIONAL PROVISIONS

### ○ Amendment in Section 140(1)

Section 140(1) has been amended as follows,

*(a) A registered person, other than a person opting to pay tax under section 10, shall be entitled to take, in his electronic credit ledger, the amount of CENVAT credit of eligible duties carried forward in the return relating to the period ending with the day immediately preceding the appointed day, furnished by him under the existing law in such manner as may be prescribed.....”*

### ○ Exclusion of cess from “eligible duties and taxes”

An Explanation 3 has been inserted in Section 140 which reads as follows,

*For the removal of doubts it is hereby clarified that the expression “eligible duties and taxes” excludes any cess which has not been specified in Explanation 1 or Explanation 2 and any cess which is collected as additional duty of customs under sub-section (1) of section 3 of the Customs Tariff Act, 1975.*



*Explanation 1. — For the purposes of sub-sections (3), (4) and (6), the expression “eligible duties” means—*

*(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957;*

*(ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975;*

*(iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975;*

*(iv) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Textile and Textile Articles) Act, 1978;*

*(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985;*

*(vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985; and*

*(vii) the National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001;*

*in respect of inputs held in stock and inputs contained in semi-finished or finished goods held in stock on the appointed day.*

*Explanation 2.—For the purposes of sub-section (5), the expression “eligible duties and taxes” means—*

*(i) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957;*

*(ii) the additional duty leviable under sub-section (1) of section 3 of the Customs Tariff Act, 1975;*

*(iii) the additional duty leviable under sub-section (5) of section 3 of the Customs Tariff Act, 1975;*

*(iv) the additional duty of excise leviable under section 3 of the Additional Duties of Excise (Textile and Textile Articles) Act, 1978;*

*(v) the duty of excise specified in the First Schedule to the Central Excise Tariff Act, 1985;*

*(vi) the duty of excise specified in the Second Schedule to the Central Excise Tariff Act, 1985;*

*(vii) the National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001; and*

*(viii) the service tax leviable under section 66B of the Finance Act, 1994, in respect of inputs and input services received on or after the appointed day*

*Explanation 3.—For removal of doubts, it is hereby clarified that the expression “eligible duties and taxes” excludes any cess which has not been specified in Explanation 1 or Explanation 2 and any cess which is collected as additional duty of customs under sub-section (1) of section 3 of the Customs Tariff Act, 1975.*

## CASE STUDY

M/s. ABC Limited took CESS balance in its TRAN-1. The department Officers visited their premises for TRAN-1 audit and insisted the Company to reverse the CESS credit as per the amended provisions. The Company accepts the same and reverses the credit. The department is also insisting on interest from 1st July till date. **The Company wants to know whether interest is payable if they have utilized the credit?**

### **Other Issues:**

- **Whether service tax credit appearing as closing balance in ST-3 Return of April-17 to June-17 can be carried forward in TRAN-1?**
- **Whether Explanation-3 will apply on transfer of closing balance from ST-3 Return to GST?**

## ❑ OTHER CHANGES

### ○ Exclusion from Audit u/s 35

Proviso has been inserted in Section 35(5) which reads as follows,

*Provided that nothing contained in this sub-section shall apply to any department of the Central Government or a State Government or a local authority, whose books of account are subject to audit by the Comptroller and Auditor-General of India or an auditor appointed for auditing the accounts of local authorities under any law for the time being in force.*

## CASE STUDY

Books of accounts of MTNL are audited by CAG department. They would like to know whether their accounts will be subject to GST audit for the year 2017-2018?

## ○ Maximum Pre-deposit Amount [Section 107 & 112]

Section 107(6) for filing an appeal to Appellant Authority has been amended as follows,

- (6) No appeal shall be filed under sub-section (1), unless the appellant has paid—*
- (a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him; and*
  - (b) a sum equal to ten per cent. of the remaining amount of tax in dispute arising from the said order, **subject to maximum of twenty-five crore rupees**, in relation to which the appeal has been filed.*

Section 112(8) with respect to filing an appeal to Appellant Tribunal has been amended as follows,

- (8) No appeal shall be filed under sub-section (1), unless the appellant has paid—*
- (a) in full, such part of the amount of tax, interest, fine, fee and penalty arising from the impugned order, as is admitted by him, and*
  - (b) a sum equal to twenty per cent. of the remaining amount of tax in dispute, in addition to the amount paid under sub-section (6) of section 107, arising from the said order, **subject to maximum of fifty crore rupees** in relation to which the appeal has been filed.*

## CASE STUDY

M/s. ABC Limited received an Order confirming the demand of Rs 1000 Crores with respect to two Show Cause Notices (i.e. Rs. 600 crores & Rs. 400 crores). A common Order was passed with respect to both the Show Cause Notices having Order No. as “SK/ABC/23-24/Dn.X/2019-20”.

The Company decides to file two separate appeals against the said Order and would like to know that the maximum pre-deposit of Rs. 100 Crores will apply cumulatively for both the appeals?

## ○ Place of supply for transportation of goods

Following proviso has been added in section 12(8),

*"Provided that where the transportation of goods is to a place outside India, the place of supply shall be the place of destination of such goods."*

### CASE STUDY

An Indian Ship Liner Company is providing transportation of goods and services to M/s. ABC Limited. The goods are transported from India to UK and the transportation started on 30-01-2019. The goods reached its destination in UK on 10-02-2019. The Ship Liner had charged GST on its services to M/s. ABC Limited. **Now they want to know whether they can claim refund of the tax paid?**



# THANK YOU

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