

30/8/2018

From Excise & Taxation Commissioner  
Haryana, Panchkula.

To All the Head of the Government Departments/Board/Corporations/Local  
Bodies/Universities in the State of Haryana.

Memo No. 2104 /ST-2,  
Panchkula, dated the 20-9-2017

**Subject:-** Advisory for the Government departments advising them to keep in  
mind the provision of the GST Act regarding place of supply while  
procuring goods and services.

**Memo:** Please find enclosed herewith guidelines from Excise & Taxation  
Department, Haryana advising Government Departments to keep in mind the provisions  
of the GST Act regarding place of supply while procuring goods and services under  
GST. The above note must be brought to the notice of the officers/officials working  
under your jurisdiction and control for further necessary action.

It must be treated as most urgent.

*[Signature]*  
Dy. Excise & Taxation Commissioner (GST),  
for Excise & Taxation Commissioner, Haryana.

Endst. No. /ST-2, Panchkula, dated the

A copy is forwarded to the following for information.

1. All the Addl./Jt. Excise & Taxation Commissioners posted in the Head Office.
2. Jt. Excise & Taxation Commissioners (Range/Appeal) in the State.
3. PS/PA to ACSET for the information of the worthy ACSET.
4. PS/PA to ETC for information of the worthy Excise & Taxation Commissioner.

*[Signature]*  
Dy. Excise & Taxation Commissioner (GST),  
for Excise & Taxation Commissioner, Haryana.

DIRECTORATE OF AGRICULTURE & FARMERS WELFARE, HARYANA, PANCHKULA

Endst.No. 13345-495 /E-III(5)

Dated: 04.09.2018

A copy of the above is forwarded to the following:

- |                                                                                                                                                         |   |                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------------|
| <ol style="list-style-type: none"> <li>1 All Addl. Directors/ Joint Directors</li> <li>2 All Branch Incharges</li> <li>3 All Head of Section</li> </ol> | } | Directorate of Agri. & Farmers Welfare,<br>Haryana, Panchkula |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|---|---------------------------------------------------------------|

- 4 All subordinate Offices in Agriculture & Farmers Welfare Department, Haryana  
for information and further necessary action.

*[Signature]*  
Deputy Superintendent (Estt.-III)  
for Director, Agriculture & Farmers Welfare  
Department, Haryana

**An advisory for the Government departments advising them to keep in mind the provision of the GST Act regarding place of supply while procuring goods and services.**

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The advent of GST has brought about uniformity in the indirect taxation regime across states. The business processes and the rates of tax under GST are uniform throughout the country. In this context, your attention is specifically drawn to two of the basic features of GST regime to safeguard the state tax under GST while procuring goods and services for the state of Haryana. These are: GST is levied on taxable supplies simultaneously both by states/ UT government and central Government. The GST is consumption based tax and thus, accrues to the state where it is finally consumed.

These provisions assume significance in the context that many offices of the state of Haryana are located in Chandigarh- some even in Delhi. Chandigarh is a UT and not part of the state of Haryana. So there is a probability that state tax part of GST levied on goods and services procured by the state may flow to Chandigarh or Delhi, as the case may be, though the burden of tax will be borne by the state. Hence the advisory.

The Departments may keep these guidelines in mind while awarding contracts for supplies of goods or services or works contract.

There is a concept of 'place of supply' in the GST law. The place of supply for supply of goods has been elaborately defined under section 10 of Integrated Goods and Service Tax, 2017 and for various types of supplies of services under section 12 of the Act *ibid*.

A few important cases of supplies for the purpose of determining the place of supplies are discussed as under:

**Supplies of goods where movement of goods is involved:** In case of supplies involving movement of goods, the place of supply shall be location of goods at the time at which the movement of goods terminates for delivery to the recipient. So in such cases of supplies, the Departments should ensure that the delivery of goods is taken at any location within the state of Haryana. It will be the place of supply of such transactions.

**Supply of Goods where there is no movement of goods:** Where the supplies of goods do not involve movement of goods, the place of supply shall be the location of such goods at the time of delivery to the recipient. Similarly, where the goods are assembled or installed at the site, the place of supply shall be the place of such assembly or installation. The Departments may work out their orders of supplies accordingly so that the place of supply is in the state of Haryana.

In cases of supplies of services, the law defines place of supply differently for various types of supplies of services under section 12 of Integrated Goods and Service Tax, 2017.

**Supply of service in relation to immovable property:** In case of supply of service is directly in relation to an immovable property, the place of supply shall be the place at which such property is located.

**Supply of service admission to events:** The place of supply in respect of supplies of services provided by way of admission to a cultural, scientific, artistic, sporting, education entertainment event or amusement park or any ancillary service thereto shall be the place where such event is actually held.

**Supply of service of advertisements:** The place of supply of services rendered to a Government by way of advertisements, shall be the state for which the advertisement is identified in the contract or agreement. So, in such cases, the Department should identify the state of Haryana as the state for which the advertisement is meant under the contract or agreement with the supplier of the service. (See section 12 (14) of Integrated Goods and Service Tax Act, 2017)

The Departments should ensure that place of supply is location in the state of Haryana and further ensure that their suppliers correctly mention the place of supply, the state of Haryana, in their tax invoices issued by them. The suppliers are legally bound to mention the place of supply in their tax invoices.

It may further be ensured that the suppliers submit the information of place of supplies correctly in respect of these tax invoices in their monthly return of outward supplies in the form of GSTR-1.

The Departments can very well check these aspects in the tax invoices received by them and further by asking for a copy of GSTR-1 or seeking an undertaking from the suppliers that they have furnished their GSTR-1 correctly by mentioning the state of Haryana in relevant column of place of supply in GSTR-1.

In case of any doubt or ambiguity, the departments may further approach the Department of Excise and Taxation, Haryana by making a request in writing or visiting in person for any further assistance or clarification on the subject.