

GIB/KL/Sutherland/03.02.2020/AAR-427

Advance Ruling Category : Place of Supply

State : Kerala

Order No.: GIB/KL/Sutherland/03.02.2020/AAR-427

Name of Entry :

Sutherland Mortgage Services INC Vs Principal Commissioner

Date : 03-02-2020

Breif Issue :

Facts & Issue of the Ruling-

Sutherland Mortgage Services Inc. India Branch has provided the services to the customers located outside India and not to Head Office and therefore services would qualify as export of services, which is considered as zero-rated supply in terms of Section 16 of the IGST Act. Hence the applicant requested advance ruling on the following:

Whether supply of services by India Branch of M/s.Sutherland Mortgage Services Inc. USA to the customers located outside India shall be liable to GST in the light of the inter company agreement with M/s. Sutherland Mortgage Services Inc. USA.

The authorized representative of the company was heard. It is pointed out that the contract is entered by Sutherland Mortgage Services Inc. USA with the customers located outside India and the. Indian Branch provides services directly to customers located in USA from India.

Decision of Advance Ruling Authority :

Decision-

The entire issue is intrinsically related to determination of 'Place of Supply' of service by the applicant determined as per Section 13(3) of the IGST Act, 2017 which is the location of the supplier of the service i.e. India. Since the place of supply of service is in India, condition (iii) under Section 2(6) of the IGST Act, 2017 is not fulfilled. Hence the service provided by the applicant doesn't falls within the definition of export of service as defined under Section 2(6) of the IGST Act, 2017 The applicant is liable to pay CGST and SGST on the aforesaid supply of service.