

**GIB/KA/TOSHNIWAL BROTHERS/19.09.18/AAR-30**

**Advance Ruling Category :** Place of Supply

**State :** Karnataka

**Order No.:** GIB/KA/TOSHNIWAL BROTHERS/19.09.18/AAR-30

**Name of Entry :**

Toshniwal Brothers (SR) Private Limited

**Date :** 19-09-2018

**Product/ Service Involve :**

Promotion and Marketing Services

**Breif Issue :**

- a) Whether pure and mere promotion and marketing services will be “intermediary services” for the purposes of section 12 of the Integrated Goods and Services Tax Act, 2017 for determining the place of supply of such services?
- b) If after sale support services are also provided under a composite contract, would it then be composite supply? What will be the principal supply for such contracts?
- c) Whether the above contracts would qualify as exports if the client is overseas entity, in terms of clause (6) of section 2 of the Integrated Goods and Services Tax Act, 2017 and will be a zero-rated supply as provided in section 16 of IGST Act, 2017?

**Decision of Advance Ruling Authority :**

1. The contract of services supplied are not pure and mere promotion and marketing services and the services provided is of the nature of facilitating the supply of goods, and hence would amount to “intermediary services” for the purposes of determination of place of supply of such services.
2. The after-sale services provided are not in the nature of a composite contract and they are independent from the services provided in paragraph 1 above and hence there is no question of determination of what will be the principal supply.
3. The third question cannot be answered as it is not in the purview of jurisdiction of this Authority as it amounts to determination of the place of supply.