

GIB/GJ/Sterlite/17.03.2020/AAR-308

Advance Ruling Category : Taxability

State : Gujarat

Order No.: GIB/GJ/Sterlite/17.03.2020/AAR-308

Name of Entry :
Sterlite Technologies Ltd

Date : 17-03-2020

Breif Issue :

Facts & Issue of the Case:

M/s Sterlite Technologies Limited, engaged in the Development and supply of software with respect to telecommunication qua wifi service management platform. OSS/BSS alongside packet core with flexibility of modular and pre integrated offerings etc. and trading in hardware. They procure requisite hardware from the vendor located within India or outside India) on payment of applicable duties/taxes. Such hardware is sold as per the requirement of the customer on payment of GST, except in case of export.

Advance Ruling has been sought on the following issues:

- i. Whether GST is payable on goods procured from vendor located outside India in a context where the goods so purchased are not brought into India?
- ii. Whether GST is payable on goods sold to customer located outside India, where goods are shipped directly from the vendor's premises (located outside India) to the customer's premises?

Reasoning:

- i. Bill of Entry/import declarations are not being filed with respect to the goods so procured, GST would not be leviable.
- ii. The transaction is covered under the ambit of Inter-state supply and is neither exempted nor covered under export of services. Thus, the theory of elimination takes us to the conclusion that such supplies will be subject to levy of IGST.

Decision of Advance Ruling Authority :

Decision:

- i. GST is not payable on goods procured from vendor located outside India, where the goods so purchased are not brought into India?

ii. Applicable GST is payable on goods sold to customer located outside India ,where goods are shipped directly from the vendor's premises (located outside India) to the customer's premises