TELSTRA TELECOMMUNICATION PVT. LTD.

Authority for Advance Ruling — Maharashtra

NO.GST-ARA-82/2018-19/B-12, Mumbai, dated 23.1.2019 (the handwritte… Dated **23.01.2019**

Q Questions Before the Authority

- Whether, under section 97(2)(e) of the CGST Act, 2017, the supplier is to charge Integrated Tax on supply of leased circuit facility to the Applicant, where the leased circuit is installed in more than one State or Union territory and the contract or agreement does not specifically provide the proportion of service provided in each State?
- Whether, under section 97(2)(d) of the CGST Act, 2017, if the answer to the above question is affirmative, the Applicant can avail Input Tax Credit of the tax charged by the supplier of leased circuit facility?

F Facts

The applicant is an internet service provider holding a Department of Telecommunications licence. It leases points of presence (PoPs) across States and takes last-mile leased circuits from third-party vendors such as Tata Teleservices and Bharti Airtel to connect customer premises equipment to its PoP. The vendor contract is a consolidated pan-India contract with no State-wise break-up of the charges.

H Ruling

The Authority rejected the application as not maintainable. It held that the applicant is the recipient of the leased circuit service and not its supplier, and so is not a person who may seek a ruling under section 95 unless it pays tax under reverse charge on the transaction. It further held that the first question does not fall within the matters listed in section 97(2), and that the second question therefore fails with it.

R Reasoning

The Authority read section 95(a) as confining advance rulings to the supply made or proposed by the applicant, so a recipient cannot seek a ruling on the supply it receives. It noted that the applicant was not paying tax under reverse charge on the impugned transaction, so the exception for recipients did not apply. It then held that the first question, on the tax liability of the vendor's supply, was not a matter listed in section 97(2). Because the first question was inadmissible, the second question on input tax credit was also held inadmissible. The Authority did not examine the merits of the place-of-supply or Explanation to section 12(11) arguments.

P Provisions Relied On

Section 95(a) of the CGST Act, 2017 (definition of advance ruling)

Section 97(2)(d) and (e) of the CGST Act, 2017

Prepared as a reading aid. Where this summary and the original order differ, the order governs.

Section 98(2) of the CGST Act, 2017 (rejection of application)

! For the Practitioner

This order is useful for a practitioner advising a recipient who wants a ruling on the vendor's place of supply or on the tax charged to it. Unless the recipient pays tax under reverse charge on the transaction, the Maharashtra AAR treated the application as inadmissible. The order does not decide whether Integrated Tax or CGST and SGST apply to inter-State leased circuits, nor whether input tax credit is available, since neither point was reached on the merits. The order also notes an appeal lies to the Maharashtra Appellate Authority for Advance Ruling.

Source

Summary prepared from the published order, which is a scanned document. It is a reading aid and not the authority: where the two differ, the order governs. Verify every provision against the original before relying on it.

Original order: www.gstcouncil.gov.in -> ara_order_82_2018_maharashtra_ttpl.pdf

Prepared 29-10-2026.

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