CASE LAW & CIRCULARS

Key OIDAR Rulings & CBIC Circulars

A curated summary of verified OIDAR decisions and official CBIC clarifications.

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Advance Authority Rulings (AAR / AAAR)

Journal/database access is OIDAR (Karnataka AAR — In re: Springer Nature Customer Service Centre GmbH, 2019)

GST is chargeable on OIDAR supplies to unregistered persons used for commerce, industry, business, or profession, but not where government, local authority, or individual recipients use the service for genuinely non-business purposes (note: this pre-dates the Finance Act 2023 change narrowing this exemption).

Online gaming e-goods confirmed as OIDAR (Maharashtra AAAR — In re: Amogh Ramesh Bhatwadekar, 2021)

Digital “e-goods” such as online gaming credits procured from foreign suppliers via cloud servers are services, not goods, and fall within OIDAR. Procurement by a registered Indian person from a foreign supplier attracts IGST under reverse charge.

The clearest fact-to-fact grey area: a ruling reversed on appeal (Karnataka AAAR — In re: NCS Pearson INC, 2021)

An online testing provider's algorithmically-scored, human-validated tests were initially held by the AAR to be outside OIDAR due to human intervention. On the department's appeal, the AAAR reversed this, holding that human validation of an already-generated score is still “minimal human intervention.” A genuine, on-record example of two tiers of the same authority disagreeing about where the human-intervention line sits.

CBIC circulars

Circular	Date	Subject
232/26/2024-GST	10 Sep 2024	Data hosting services to overseas cloud providers are not ‘intermediary’ services
242/36/2024-GST	31 Dec 2024	Recipient's state must be recorded on invoices for OIDAR, online gaming, and e-commerce supplies
159/15/2021-GST	20 Sep 2021	Tripartite-arrangement test for identifying genuine intermediary services

Finance Act 2026 — a major, current amendment

Section 13(8)(b) of the IGST Act omitted (Finance Act 2026, Section 157, assent 30 March 2026)

For close to a decade, Section 13(8)(b) deemed the place of supply for an intermediary's own facilitation service to be the supplier's location. This has been omitted; intermediary services now follow the default recipient-location rule under Section 13(2). This changes where an intermediary's own fee is taxed, not who counts as an intermediary — the Section 2(13) definition and four-condition deemed-supplier test are unaffected. Full treatment in our Marketplaces & Advertising guide.

Foundational precedent

Software on physical media is “goods” (Supreme Court — Tata Consultancy Services v. State of Andhra Pradesh, (2005) 1 SCC 308)

Branded, packaged software on physical media constitutes “goods” for tax purposes, even though the developer retains copyright. This pre-GST case remains the foundational precedent behind OIDAR's narrow physical-media exception.

■ A note on accuracy

Every ruling and circular in this document has been independently verified against detailed primary or near-primary sources. Where we found conflicting or unverifiable reports of a ruling, we deliberately left it out rather than risk stating something as settled law that isn't. This does not constitute legal advice; OIDAR law continues to evolve.