

# THE MONTHLY MAGAZINE FROM CASC

**GST UPDATES**



**RECENT JUDGEMENTS**



**EXCEL TIPS**

**VOLUME-5**

**ISSUE-2**

**FEBRUARY 2026**



# CASC BULLETIN

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## INDEX

Subject	Author	Page No.
Recounting the Experience	Adv. B. Ramana Kumar	14
Recent Judgments in VAT / CST / GST	CA. V.V. Sampathkumar	23
Case Laws - GST	CA. Vijay Anand	31
Foreign Tax Credit In India : Treaty Entitlement Where No Tax is Ultimately Payable	CA. Nidhi Jain	53
Excel Tips	CA. Dungar Chand U Jain	62
Residency Beyond Days: Interpreting Section 6 And Treaty Tie-breakers In Binny Bansal's Case	Mr. Eshaan Singal	69
Summary of the GST Case Studies Discussed At 26th ARC Held at Vizag	CA. M. Saravana Prabhu	82
Feedback of 26th ARC		108

Date	Topic	Speaker
12.02.2026 (Thursday)	Labour Code - An Impact Analysis	Adv. S.S. Madhavan
26.02.2026 (Thursday)	Taming the Tiger - Understanding the Supreme Court's Ruling on Tiger Global	CA. Darshan Bothra

Shri G.Narayanaswamy CA Study Circle Meetings will be at 6.30 p.m. and will be preceded by fellowship over High Tea at 6.00 p.m

***CASC Annual Members are requested to renew their  
subscription for 2025 - 2026***

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## EDITORIAL

Dear Professional Colleagues,

### Ties or Threats

No country can really claim superiority over another. Some are blessed with natural resources, others with technical expertise. Recent economic and trade decisions taken by the USA only reinforce this simple truth.

India, over the past few years, has earned global respect. We are neither threatened nor unsettled by such moves. Instead, we stand tall – with grit – finding diplomatic ways to assert our presence across global economies. Border issues, economic pressures, and even sensitive comments by celebrities often trigger socio-economic and political unease. But this is certainly not the time to yield.

Yes, we proudly uphold the right to free speech. But equally, we carry the responsibility to preserve the dignity and self-respect of fellow human beings. And amid all this noise and chaos, there is a clear silver lining – *Indianism* is once again finding its voice, rising strongly beyond all “isms” whatsoever.

**Proud to be an INDIAN – unified in diversity!**

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## Business as Usual

As you go through this edition of our newsletter, social media is already buzzing. Economists, finance researchers, and commentators are busy circulating forwards on one familiar question—*is the common man really benefitted?*

Yes, **February 1st is here**. The annual fiscal festival has arrived, complete with its usual sweets, savouries, and surprises.

On a lighter note, many of us will play role-reversal games—first as clients, then as advisors! And for some, a deep dive into the final Act might just feel like facing a well-directed bouncer.

Jokes apart, we must be ready to **apply the New Income-tax Act, 2025**. This time, *cut-copy-paste won't help*. The new law becomes effective from **1 April 2026**, bringing in the concept of the **Tax Year**.

So, friends—**gear up! Time to roll up your socks and get moving**.

The **Finance Bill, 2026** therefore becomes crucial, as it sets the stage for the new Act. Budget allocations, fiscal deficit numbers, freebies, taxes, and slab rates will once again top search trends—dissected endlessly by one-day experts.

Unfazed, as always, **we stay committed** .....

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## **ARC - The Retreat**

Our Annual Residential Conference (ARC) this year was a delightful three-day retreat at Vizag, bringing together members and families – making new friends and rekindling old bonds. These moments of learning, relaxation, and togetherness create memories that stay with us for life.

Time and again, it reminds us of one simple truth: *when you are surrounded by good people, any place becomes special*. Whether it was the speakers, sessions, sightseeing, or shared laughter, the ARC of CASC truly stands out.

But let this not end as just another annual meet. Let us carry this spirit forward – by meeting in person every second Thursday and Last Thursday of the month, continuing to connect, share, and grow together. Let's keep learning, keep engaging, and keep evolving as professionals.

After all, UI can never beat HI! (To find out what that really means... stay connected.)

**Do write to us – we'd love to hear from you.**

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## Appeal

We, at Chartered Accountants Study Circle, request members to contribute articles for the bulletin and you may contact the editorial board regarding the same. We have been regularly conducting technical programmes every month. Members are requested to attend the programmes conducted by CASC and are also requested to send their suggestions and / or value additions to the services provided by CASC including this Bulletin. The same can be sent as hard copy to the office of the CASC or emailed to [admin@casconline.org](mailto:admin@casconline.org) or to any of the members of the Management Committee of the CASC. Any member interested in using the CASC platform for addressing our members on technical topics may kindly feel free to contact us by way of email at [admin@casconline.org](mailto:admin@casconline.org)

For and on behalf of the Editorial Board

*CA. Renuka Murali*

**CA. Renuka Murali**

Member Editorial Board

**GLIMPSES FROM SHRI.G.NARAYANASWAMY CA STUDY CIRCLE MEETING HELD ON 29.01.2026**

**SPEAKER - CA.K.PRATHAP**

**TOPIC - RE-IMAGINING RISK**



**"GLIMPSES FROM THE 26TH ARC HELD AT VIZAG "VIVADHA AT VISHAKA"**



**"GLIMPSES FROM THE 26TH ARC HELD AT VIZAG "VIVADHA AT VISHAKA"**



**"GLIMPSES FROM THE 26TH ARC HELD AT VIZAG "VIVADHA AT VISHAKA"**



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### ANNOUNCEMENTS

1. The copies of the material used by the speakers and provided to CASC for distribution, for the regular meetings held twice in a month is available on the website and is freely downloadable.
2. Earlier issues of the bulletin are also available on the website in the "News" column.  
The soft copy of this bulletin will be hosted on the website shortly.

### READER'S ATTENTION

You may please send your Feedback / Contributions / Queries on Direct Taxes, Indirect Taxes, Company Law, FEMA, Accounting and Auditing Standards, Allied Laws or any other subject of professional interest to [admin@casconline.org](mailto:admin@casconline.org)

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### CASC HALL RENT

Hall Rent For 2 Hours	1,000.00
Hall Rent For 2-4 Hours	1,500.00
Hall Rent For Full Day	2,500.00
LCD Rent For 2 Hours	600.00
LCD Rent For 2-4 Hours	800.00
LCD Rent For Full Day	1,200.00

### CASC BULLETIN-ADVERTISEMENT TARIFF - PER MONTH

Full Page Back Cover	2,500.00
Full Page Inside Cover	2,000.00
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Half Page Inside Cover	1,250.00
Full Page Inside	1,200.00
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## THE 26<sup>th</sup> ANNUAL RESIDENTIAL CONFERENCE "VIVADHA AT VISHAKA"

*Recounting the Experience - Adv. B. RAMANA KUMAR*

The 26<sup>th</sup> Annual Residential Conference of the CASC for 2026 was at the Eastern Coast city of Vishakhapatnam between 8 and 11 January 2026. The theme this year was "Vivadha at Vishaka". The city famous for the formidable naval presence, 1971 action at the sea and drowning of the enemy submarine gave a very nostalgic mood to the ARC. Just like in any military Operation, and during the recent "Operation Sindoor", the CA Study Circle also for the first time embarked on a multi-pronged logistics to reach the venue. Multiple aircrafts and trains were used by and for the delegates and their families to reach the venue in the coastal city, which again is a famous spot of an even famous movie.



**Adv. B. RAMANA KUMAR**

The transfer of all the delegates into the venue i.e., "THE PARK, Visakhapatnam" was with the usual military precision with multiple buses and the volunteers reaching the place beforehand and welcoming the delegates and their families.

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Having reached the venue on time, the inauguration ceremony started with a very beautiful invocation song by the Cubs of our Singham Sathya. It has become a practice in CASC to invite the President or Vice President of ICAI from our Region, right from 2003, the time of Mr. Bupathy, and following the set tradition, the ARC was inaugurated by none other than CA D. Prasanna Kumar, who is currently the Vice-President of the Institute of Chartered Accountants of India. He is no stranger to the Study Circle. Having been in Chennai for a considerable period, the Vice President fondly remembered his lovely time in Chennai and the association with the Chartered Accountants Study Circle and the various members of the Study Circle. He explained the various initiatives of the Institute and also had some time for a few questions from the delegates.

After the inaugural session, the group assembled for the customary group photo wherein all the members, the delegates, and their families were photographed along with the Vice-President.

The USP of the study circle is the group discussions on Technical Subjects. Immediately after the inauguration and the group photo, lunch was served and the group assembled at their respective four

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groups for the group discussions on Direct Tax and Indirect Tax. After the elaborate and sumptuous lunch, it is the general practice of anyone to take rest. However, in the CASC ARC, the attending the group discussions, was itself a rest where only the mind was active negotiating the case studies of the paper writers. The others, i.e. the spouse and children and of course a few cheeky delegates went on an excursion to Kailash Giri, a very famous spot in Visakhapatnam.

The day ended with a brief but very interesting entertainment session conducted by CA Padmaja and CA Bhuvanewari, along with yours faithfully. As an ice-breaking session, the delegates were introduced to each other by their respective unique talents, and the members of the ARC enjoyed it very much. There were some new members who came and introduced themselves to the others, and by which they were able to mingle better and easier with one another. It was requested that such an ice-breaking session should form part of the ARC of future study circles on a regular basis so that the new members feel comfortable, and the regular coming members would be able to identify and mingle with the new members with considerable ease. The children and the sub adults were engaged in group games conducted by the two ladies.

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The announcements made by the program coordinator CA Thulasidharan and CA Sathyanarayanan fondly call us Singham Satya was like a military commander ordering his troops. All the members were ordered to be present at 5 am the next morning sharp to leave to the Visakhapatnam Railway Station enroute to the sightseeing area Arakku Valley.

CA Study Circle's obedient infantry and cavalry assembled at the entrance of THE PARK at 5 sharp, and the buses left for the railway station. At the railway station, the breakfast and water were served to each one of the parties, and we boarded the train with the two coordinators now acting as the unofficial TTEs. The train chugged past the station and into the Arakku valley, and we reached the place of dismemberment at about thirty minutes before noon. The journey was further delighted by distribution of usual Dry Fruits packet accompanied by TTD Laddu Prasadam. The train journey was very pleasant and relaxing, and each one of the members were able to mingle with the others. At the station in Arakku, we were greeted by the buses of the Andhra Pradesh Tourism Development Board and were taken to a Botanical Garden and a Chocolate Factory. Further to that, at the Tourism Guest House, we had an interesting Andhra meal after which the group was treated with

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the famous Dimsa dance of the Arakku Valley. Many members of the group flexed their feet along with the dancers, and it was an enjoyable entertainment immediately after lunch.

The return to the hotel was a tough journey like the one in the army truck where the troops are loaded and brought to various places for action. However, enroute, there was hot snacks and tea served along with packed dinner, and the group also enjoyed the famous Borra caves, which was a highlight in the whole trip. After an exhausting day out, full of action, the group landed at THE PARK for crashing in the bed.

The third day of the trip saw the real purpose for which the ARC was created, i.e., the technical sessions. The session on Income Tax was handled by a very well-known Chartered Accountant and a very regular member of the ARC, and a great friend of the Chartered Accountant Study Circle, CA Ramnath from Coimbatore. He had come for the program along with his family and his mother also. The second session was on Indirect Tax, ably handed by CA Sunil Gabhawala, a very famous and worthy Chartered Accountant from Mumbai, who took through the nuances of GST and case studies which he had inserted for the group discussion and for the presentation.

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The spouses and children went for local sightseeing by visiting Museum and shopping in the nearby markets.

The last session was by our own CA Ramesh, who made an air dash into Vishakhapatnam in the morning and left immediately after the session was over. He was gracious enough to chip in at the last moment, as the speaker of the session Shri Gururaj Acharya wasn't able to attend due to some personal reasons. CA Ramesh, the versatile and able speaker, took through the nuances of Audit of Non-Corporates in the presentation, which was well received by all the delegates. A volley of questions were raised and were ably responded by the speaker.

After the lunch on the third day, the group embarked on a visit to Simhachalam Lord Narasimha Temple and to the famous TTD Venkateshwara Temple in Visakhapatnam in the various buses. The return to the venue was immediate just before dinner, and all the members had good dinner on the Serene Beach Side Lawn and were very happy on the program thus far.

Not to say there were the usual morning walks at the beach along with friends and children and the usual frolic and mingling of all the members during breakfast which is a regular feature of all the programs of the Chartered Accountants Study Circle.

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The last day was a very busy one with plenty of activities. The first was the book release of our member Advocate Turned CA. M R Venkatesh. CA PS Prabhakar introduced the book and was released by the founder member CA B Thiyagarajan and the first and only copy was received by CA R.G.Rajan. It was a symbolic release And it is expected that MRV would ensure that all the delegates would receive an autographed copy when the book is fully and formally released.

The next was an enchanting session on personal finance, handled by a representative of ICICI Mutual Fund, Shri Srikanth, who took through the maze of mutual funds, their benefits, risks if any, and also the various modes of investment. Our member Satya Yanmantram who anchored the session also chipped in with his valuable inputs which was a great insight to many members and also to the accompanying persons alike.

The last session, as usual, another USP of this CASC was the feedback session in which very many people came and shared their feedback to the organisers. The table was graced along with the two usual coordinators and CA V Balaji.

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There were many instances in the ARC which make it memorable and heart-warming. Some such are mentioned here. First is our Sammandi Mama Sundararajan. He was not part of the team travelling due to his injury in his ankle and the bereavement of his mother who is a very fond person with us all. With a walker, he and his better half CA Sripriya made a visit to the airport to send us off. This not only melted the hearts of all of us, it reiterated the fact that CASC is a big family. It is pertinent to note that Sundararajan was only physically absent, but he was present with us with his mind and following every move of the programme and in fact came live during the Feedback Session and shared his thoughts.

CA Ramesh Babu and CA B Thiagarajan were gracious enough to sponsor a very famous local Halva to all the members. Many members also sponsored breakfast on the day one spontaneously as the same could not be organised due to multiple modes of transportation.

Another overwhelming incident happened during the trip to Arraku Valley where one of the delegates, a senior citizen, a loveable and CASC conference Regular participant year after year,

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Mr. Ramalingam, due to some ill health. Immediately, one of the coordinators, Balaji, made sure that he was taken to the nearest hospital, first aid was provided, and he was accompanied back to Vishakhapatnam with great responsibility and commitment.

Over the years CASC has become a very large family consisting of all its members associates, staff, family and of course the children. The children have grown from infants into adults and professionals, who have started to chart their own path in life.

The other important facet of CAC is the group of volunteers who are the invisible hands and the persons behind the scene.

The four days just swept past us like the gentle autumn breeze, and we all returned to our bases on Sunday evening with loads of memories and tons of good wishes along with considerable amount of intellectual inputs as well.

*(The author is an annual member of the CASC and a regular participant of the ARCs. He can be reached at [ramanakumar@ovopaxlegal.com](mailto:ramanakumar@ovopaxlegal.com))*

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## RECENT JUDGEMENTS IN VAT / CST / GST

**Limitation:** The limitation for filing an appeal u/s 107 of the respective GST enactments, 2017 against the impugned Order has already expired. The present WP has been filed only on 20.11.2025. Under similar circumstances, Orders have been quashed and cases have



**CA. V.V. SAMPATHKUMAR**

been remitted back to pass a fresh order on terms subject to such Assessee depositing 25% to 100% of the disputed tax depending upon the length of delay in approaching the Court. Therefore, to balance the interest of both parties viz., the Assessee and the Revenue, the case is remitted back to the Respondent to pass a fresh order subject to the Petitioner depositing entire (100%) of the disputed tax in cash from the Petitioner's Electronic Cash Register within a period of thirty (30) days from the date of receipt of a copy of this order.

**Lalithambika Proprietrix of M/s.Triumph Shipping Agency Vs. The Deputy State Tax Officer, Choolai Assessment Circle, W.P.No.45588 of 2025 DATED : 28.11.2025**

**Opportunity:** A reading of both the impugned orders indicate that they were detailed orders and have been passed after considering the reply of the Petitioner and the explanation given by the Petitioner. Therefore, there is no scope for interfering with the impugned orders

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as there is no procedural irregularity that is noticed in these impugned orders. Under these circumstances, both the Writ Petitions are liable to be dismissed. However, this Hon'ble Court given an opportunity to the Petitioner to challenge these impugned orders before the appellate authority within a period of 30 days from the date of receipt of a copy of this common order. In case the Petitioner files an appeal before the Appellate authority, the appellate authority shall consider the appeal on merits without further reference to limitation as the limitation would have already expired as on date.

**M/s Mother Care Holidays Resorts Pvt Ltd., Vs 1.The Joint Commissioner of GST and Central Excise, Chennai Outer, Chennai-40. 2.The Assistant Commissioner, Villupuram, Tindivanam Jurisdiction, WP Nos. 10105 & 10109 of 2025 DATED: 27-11-2025**

**Challenging the jurisdiction:** In the reply to the Show Cause Notice, the Petitioner has not challenged the jurisdiction of the Respondent for having invoked Section 74 of the respective GST enactment. Therefore, the challenge in the impugned order at this stage on the ground that no case was made out for invoking extended period of limitation cannot be countenanced. At best, the Petitioner can be given an opportunity to challenge the order on merits before the Appellate Authority although limitation has expired at this distinct

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point of time. However, it is noticed that the Writ Petition itself has been filed within few days of the impugned order, within the time prescribed for filing the appeal before the appellate authority under Section 107 of the respective GST enactment. Writ Petition is disposed of by this Court by giving opportunity to the Petitioner to challenge the impugned order within a period of 30 days from the date of receipt of a copy of this order. In case such an appeal is filed within such time before the Appellate Authority, the Court directed that the Appellate Authority shall dispose the appeal on merits without reference to limitation. **DhanaLakshmi Synthetics Private Limited, Vs The State Tax Officer (Roving Squad II), O/o the CTO and JC (ST) (Intelligence), Erode WP No. 2032 of 2025 DATED: 27-11-2025**

**Without Affording Opportunity:** The impugned order was issued pursuant to the Show Cause Notice dated 07.08.2024. It is evident that the impugned order has been passed without affording the petitioner an opportunity to submit a proper reply or to be heard in person. The impugned order is clearly in violation of Sections 74 and 75 of the GST Act and also in violation of the principles of natural justice. Considering the same, the impugned order is quashed by this Court and the case is remitted back to the respondent to pass a fresh order on merits as expeditiously as

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possible. **Iyavoo Nadar Manohar Vs. Superintendent, Valasaravakkam, Chennai South, W.P.No.45719 of 2025 DATED : 27.11.2025**

**Seigniorage fee/Royalty:** The Petitioner has not obtained registration and has not paid GST to the Government on the Seigniorage fee/Royalty for quarrying and transporting of mines and minerals under the Reverse Charge Mechanism (RCM). The Petitioner had also not made any contributions to the District Mineral Foundation Trust (DMFT). In this connection, a reference is made to the decision of this Court in S.Pichandhi, Proprietor of Sri Murugan Ready Mix Concrete and Blue Metal Industries, Vellore Vs. The DCTO, Vellore Rural Assessment Circle, Vellore, in W.P.Nos.35883 and 35889 of 2025 dated 25.09.2025."The learned counsel for the Petitioner submits that the issue is now pending before the Hon'ble Supreme Court, as the dispute pertains to levy of GST on the Seigniorage fee/Royalty paid for quarrying and transporting mineral" Considering the facts and circumstances of the above case in W.P.Nos.35883 and 35889 of 2025, which are almost identical to the facts of the present case, this Court is of the view that the aforesaid order will hold good in respect of the present Writ Petition also. **Tvl.Harish Enterprises, Vs. The State Tax Officer, Hosur North - 2 Assessment Circle, W.P.No.44197 of 2025 DATED : 19.11.2025**

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**Principles of Natural Justice:** Since the impugned Order has been passed u/s 161 of the respective GST enactments, it was incumbent on the part of the Respondents to have complied with the requirements of 3rd Proviso to Section 161 of the respective GST enactments as per which, where such rectification adversely affects any person, the Principles of Natural Justice shall be followed by the Authority carrying out such rectification. Therefore, before confirming the tax demand vide Order dated 18.03.2025 for a sum of Rs.3,85,35,356/-, a proper Notice should have been issued and merely asking the Petitioner to furnish certain documents was not sufficient. At the same time, the Petitioner has also not been vigilant in either approaching this Court earlier or by filing an appeal before the Appellate Authority instead the Petitioner filed the application for rectification of order which has been rejected. Considering the overall facts and circumstances of the case and considering the fact that the Petitioner has also not cooperated with the Respondents, to balance the interest of the Petitioner and the Respondents, this case is remitted back to the 2nd Respondent with conditions. **Tvl. Anand Transports Vs 1. The Assistant Commissioner (ST), Royapettah Assessment Circle, 2. The State Tax Officer (FAC), Royapettah Assessment Circle, W.P.Nos.44477 and 44479 of 2025 DATED: 18.11.2025**

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**Refund, Deficiency Memo:** It is claimed that there was excess payment of GST and sought for the refund of the same. A deficiency memo was issued by the Department asking certain details and document. After hearing the parties, the Court observed and held that the challenge to the impugned Deficiency Memo has no basis. The impugned memo merely calls upon the petitioner to comply with the deficiencies pointed out. It was admitted that no supporting documents were attached. According to the petitioner, the amount sought as refund was reversed by mistake on 27.05.2024. It is for the petitioner to substantiate this claim with proper documents. Mere filing of a refund claim, without supporting material, is insufficient. Therefore, the writ petition is dismissed with liberty to the petitioner to furnish the necessary documents to substantiate that the excess amount was indeed reversed by mistake on 27.05.2024 within a period of 30 days. The respondent shall thereafter process the refund application under the Act without any reference to limitation. **THE THANTHI TRUST (DAILY THANTHI), Vs 1. The Joint Commissioner (ST), Chennai (Central) Division, 2. The State Tax Officer, Purasawalkam Assessment Circle, 3. The Assistant Commissioner (ST), Chintadripet Assessment Circle, W.P. No. 42705 of 2025 Dated: 17.11.2025**

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**Natural Justice:** The Petitioner was issued only with notice in Form GST ASMT 10 and DRC 01A dated 16.10.2024, to which, the Petitioner has replied but DRC 01 was not issued. Petitioner has also attempted to demonstrate even in GSTN screen shot and dashboard would indicate that the copies of the notice in DRC 01 dated 16.11.2024 were not uploaded in GSTN and it was not available for the Petitioner to reply to the notice in DRC 01 dated 16.11.2024. The Court held that if the Petitioner has received the notice in DRC 01 dated 16.11.2024, the petitioner would have given a detailed reply to the same. Since the impugned order has been passed in violation of principles of natural justice, the impugned order was quashed and the case is remitted back to the Respondent to pass a fresh order on merits and in accordance with law as expeditiously as possible. **Tvl Circle India Coimbatore Vs. The State Tax officer, Singanallur North Circle, W.P.No.35851 of 2025 DATED : 23.09.2025**

**Refund Application:** The petitioner seeks to assign the impugned order dated 02.08.2024 whereby the refund application filed by the petitioner on 20.6.2024 for the export made during April 2020 to March 2021 has been rejected on the ground that the application filed on 20.06.2024 for the tax period between April 2020 and March 2021 beyond the period of limitation. The Court observed and held

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that since the petitioner has an alternative remedy, liberty is given to the petitioner to file a statutory appeal before the appellate authority within 30 days from the date of receipt of a copy of this order. In case such an appeal is filed within such time, the appellate authority shall consider and dispose of the case on merits and in accordance with law. **M/s. Process Drive India Private Limited vs 1. The State Tax Officer, Tirupattur Assessment Circle, 2. The Deputy Commissioner (GST Appeal) Vellore Camp Office W.P.No.41985 of 2025 DATED : 10.11.2025**

**Order before the date of Hearing:** Impugned order came to be passed on 04.06.2025, even before the scheduled date of hearing. Hence, there is a clear violation of the principles of natural justice in passing the impugned order. Considering the same, the impugned order dated 04.06.2025 is quashed, and the matter is remitted back to the respondent to pass a fresh order on merits, after affording due opportunity to the petitioner. **Tvl.Udayam Stores, Vs. 1. The State Tax Officer, Gingee Assessment Circle, 2. The GST Inspector (FAC) O/o the Deputy Commissioner (ST), Villupuram. W.P.No.43042 of 2025 DATED: 10.11.2025**

*(The Author is a Chennai based Chartered Accountant in Practice. He can be reached at [vvsampat@yahoo.com](mailto:vvsampat@yahoo.com))*

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## CASE LAWS - GST

1. GST - DENIAL OF ITC OWING TO ALLEGED FRAUD OF THE SUPPLIER WHOSE REGISTRATION WAS CANCELLED DESPITE SUBMISSION OF SUPPORTING DOCUMENTS FOR ACTUAL MOVEMENT OF GOODS, PAYMENT OF TAX THROUGH BANKING CHANNEL AND FILING OF RETURNS WHICH WAS REFLECTED IN GSTR3B OF THE ASSESSEE AS WELL AS SUPPLIER - NOT SUSTAINABLE



CA. VIJAY ANAND

In *Safecon Lifescience Pvt. Ltd. v. Addl. Commissioner* 2025(103) GSTL 44/(2025) 35 Centax 152 (All.), SCN was issued u/s 74 to the assessee on the basis of some information being received from the office of Pr. Chief Commissioner, Central Intelligence Unit, Central Excise & Central Tax Vadodara Zone that M/s Unimax Pharma Chem from whom purchases have been made by the petitioner has wrongly been shown and on the said premise proceedings were initiated. The assessee replied thereto on all points with supporting documents of actual movement of goods, payment of tax through banking channel as well as filing of return which was reflected in GSTR-3B of both - petitioner

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and supplier which was, however, not considered in the order issued u/s 74. On a writ petition, the high court observed as under:-

1. Although the registration of M/s Unimax Pharma Chem, from whom purchases were made, was cancelled earlier, there was no finding recorded that M/s Unimax Pharma Chem, who sold the goods in question to the petitioner was involved in any irregularity.
2. Furthermore, the total quantity purchased by M/s Unimax Pharma Chem was sold to the petitioner and there was no finding that the alleged parties who supplied goods to M/s Unimax was the only sale made to them and that record does not confirm that M/s Unimax Pharma Chem made sale only to the petitioner.
3. It is the duty of the officers to verify facts with all angles before being used against the registered dealer.
4. Furthermore, the report used against the petitioner has neither been provided to the petitioner nor material used against the petitioner was ever provided which ought to be provided to the petitioner and that there was no finding with regard to fraud

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has been noticed nor mis-statement nor suppression of fact has been recorded at any stage.

5. The Supreme Court, in Section 11-A of the of the Central Excise Act, 1944 which is analogous provision to Section 74, in the case of *Continental Foundation Joint Venture v. CCE* (2007) 10 SCC 337 = 2007 (216) E.L.T. 177 (S.C.), has clearly stated that incorrect statement, unless made with the knowledge that it was not correct, will not be a ground of wilful misstatement or suppression and no inference can be drawn if full information has been disclosed without intent to evade payment of tax.
6. In the case on hand the authorities have neither recorded any finding of fraud nor wilful misstatement nor suppression of fact to evade payment of tax. Therefore, the proceedings u/s 74 out not to have been initiated against the petitioner.

Hence, the petition was allowed and the impugned order set aside.

**2. GST - PAYMENT OF TAX UNDER COERCION BEFORE THE SERVICE OF NOTICE/TAX STATEMENT - VIOLATION OF C.B.I.&C. INSTRUCTION NO.1/2022-23 - TO BE REFUNDED WITH INTEREST @ 6% P.A.**

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In *J.Ramesh Chand v. UOI* 2025(103) GSTL 140/(2025) 35 Centax 272 (Kar.), the petitioner is engaged in the trading of electronic equipment and footwear etc. On 23.03.2023, a search took place at his premise and certain movable articles including laptop etc. were taken over which were handed over back on 28.03.2023. During the intervening period, the assessee paid taxes amounting to Rs.10 Crores (in Form GST DRC-03 which wasn't acknowledged by the Department in Form GST DRC-04) by coercion under the threat of arrest. Subsequently, he filed a claim for refund of this amount which remained un-responded notwithstanding the issuance of an SCN subsequently.

On a writ petition, the high court observed as under:-

1. The material on record discloses that on 23.03.2023, the Department undertook a raid at the residence of the petitioner and seized a laptop; thereafter, on 24.03.2023, the officials undertook search and inspection proceedings in the principal place of business of the petitioner, during the course of which, a sum of Rs.10 crores was obtained / received / collected by them from the petitioner on 24.03.2023 itself.

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2. The above indicate that the aforesaid payment of Rs.10 crores by the petitioner to the respondents was involuntary and the same was not voluntary or by way of self-ascertainment as contended by the respondents for the following reasons:-
- a. There was no proceeding that was pending prior to the date of search to ascertain, adjudicate or determine the tax, interest and penalty payable by the petitioner which indicates that there was no occasion for the petitioner to pay the said sum voluntarily by way of self-ascertainment to the respondents, thereby indicating that the said amount was not paid voluntarily by the petitioner.
  - b. Rule 142(2) contemplates that upon the petitioner making payment in Form GST DRC-03, the respondents are bound to issue an acknowledgment in Form GST DRC-04 to the petitioner. Non issuance of the same clearly indicates that the said amount was not a voluntary payment.
  - c. Prior to the search and inspection made by the respondents, there was no demand made by the respondents in relation to the amount paid by the petitioner under any of the provisions which is yet another circumstance to indicate that there was no warrant / reason for the petitioner to make voluntary payment during the course of search and inspection proceedings.

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- d. The material on record also indicates that even at the time of payment by the petitioner, the details, material particulars, quantification etc., of the alleged self - ascertainment and voluntary payment by the petitioner were conspicuously absent except for filling up Form DRC-03 which merely contains the amount without additional details in this regard. The absence of contemporaneous document in this regard establishes that the payment made by the petitioner cannot be construed or treated as voluntary as contended by the department.
- e. Section 74 could be invoked only in cases of tax not paid/short paid/erroneously refunded / input tax credit wrongly availed or utilised by reason of fraud or any wilful - misstatement or suppression of facts and would apply to the instant case only if the department were to prove the aforesaid allegations contemplated in the said provision made against the assessee in proceedings to be initiated u/s74.
- f. It is highly / inherently improbable that payment in Form GST DRC-03 was made voluntarily by the petitioner that too during the course of search, seizure and inspection proceedings and even before he became aware or came to know whether proceedings u/s 73 to 74 would be initiated against him. Such payment cannot be said to be voluntary by way of self-ascertainment.

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- g. In the absence of any material to establish as to how the petitioner or quantified or arrived at a sum of Rs.10 crores paid by him and in the absence of requisite / necessary material particulars / details in this regard, it cannot be said that the said sum paid by the petitioner was voluntary and by way of self - ascertainment as contended by the department whose contention deserves to be rejected.
- h. On 23.03.2023 itself, the residence of the petitioner was inspected by the respondents who seized one laptop from the petitioner and on the very next day i.e., on 24.03.2023, the department seized various movable, articles comprising of account books, desktops, server disks, mobile phones, hard disks, laptop etc., from the business premises of the petitioner and all necessary data that was required for the purpose of self-ascertainment had been seized from the petitioner by the respondents. It is highly improbable that the petitioner was in a position to carryout self-ascertainment and make payment which is yet another circumstance to establish that the said payment was not voluntary as falsely contended by the department.

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- i. The procedure for voluntary payment as per Section 74(5) involves various, stages viz., firstly, ascertain the actual tax payable after verification / scrutiny of his accounts, secondly, calculate the interest payable in terms of Section 50 of the CGST Act, which provides for discretion in payment of interest upto 18% / 24% p.a. and thirdly, to calculate the penalty at 15% on the tax payable by him. These are highly improbable and physically / humanly impossible to be done by a tax payer / assessee who is already under immense pressure on account of search, inspection and seizure operation being conducted, particularly when all equipment which would be required / necessary for such self-ascertainment was not available with the petitioner and as such, even on this ground also, the payment made by the petitioner was clearly not voluntary and at the behest / instance of the respondents during the course of their proceedings.
- j. Section 74(5) mandates that voluntary payment of tax should have been made by the petitioner along with interest u/s 50 and penalty whereas in the instant case there was no payment of interest nor penalty which indicates that the payments cannot be fall under voluntary payments.

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k. The payment of Rs.10 crores by the petitioner during the course of search, inspection and seizure proceedings is contrary to the directions issued by by CBIC in Instruction No.1/2022-23 dated 25.05.2022, in which the officials of the respondents have been cautioned / warned against taking steps to collect / receive / obtain voluntary payment and reiterated by the Apex Court in Radhika Agarwal v. UOI 2025 (95) GSTL 225 (S.C.) = (2025) 27 Centax 425 (S.C.), and as such, the contentions of the department cannot be accepted on this ground also.

Hence, it was held that the collection of Rs.10 crores by the department from the petitioner at the time of search, inspection and seizure operations is not voluntary or by way of self-ascertainment and the same is wholly illegal, arbitrary and contrary to law and the provisions of the Act and also without jurisdiction or authority of law and the said amount deserves to be refunded back to the petitioner together with interest at the rate of 6% p.a. within a period of two months. However, no views were expressed in the notice and adjudication proceedings of the department which were are kept open.

**3. GST - ADVANCE RULING -EXEMPTION U/S SL.NO.66(a) OF NOTIFICATION 12/2017-C.T.(Rate) DENIED BY AAR AND AFFIRMED BY AAAR - SUBSEQUENTLY FINANCE**

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**MINISTRY ISSUED CIRCULAR NO.234/28/2024-GST  
DATED 11.10.2024 CLARIFYING EXEMPTION FROM  
01.07.2017 - ORDERS OF AAR & AAAR TO BE SET ASIDE**

In CAE Simulation Training Pvt. Ltd. v. CCGST, Greater Noida 2025(103) GSTL 234/(2025) 36 Centax 8 (All.), the petitioner is a DGCA (Director General Civil Aviation) Approved Training Organisation (ATO) engaged in the business of providing training to commercial pilots comprising of ground school and training of aircraft simulators installed at its training facility for extension of Aircraft Training Ratings (ATRs) on the existing commercial pilot license of such training pilots as per the syllabus/course approved by DGCA.

DGCA comes under Ministry of Civil Aviation, Government of India and it is a regulatory body in field of civil aviation. Regulations for civil aviation are in form of Aircraft Act, 1934 and Aircraft Rules, 1937. Section 5-A of the Act read with Rule 133-A empowers DGCA to issue Civil Aviation Requirement (hereinafter referred as 'CAR') which regulates the field of civil aviation. It provides for general requirement and quantum of training applicable to different types of aeroplanes including A-320.

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For extension of aircraft training ratings, a pilot is required to make an application to DGCA for an endorsement in respect of his license. Pilots are required to pass examination and skill test on completion of training with ATO for extension of ATR in their commercial pilot license.

For supplying ATR training, petitioner enters into flight training service agreement with its trainees. A prescribed fees is charged which is paid by trainee to petitioner for the training programme. After completing the training, pilots have to undertake skill test and checks at training facility under supervision of designated examiner and, thereafter, they file an application for extension of ATR to DGCA. Pilots are given course completion certificate which is a proof of training undertaken by pilots under approved ATO for obtaining extension of ATRs on the existing license.

An application was filed seeking advance ruling as to Whether the supply of education and training services to commercial pilots in accordance with the training curriculum approved by the Directorate General of Civil Aviation for obtaining the

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extension of Aircraft Type Ratings on their existing licenses would be covered under Serial No. 66(a) of the Notification No. 12/2017 and Serial No. 66 (a) of the Notification dated 30.6.2017, and thereby, exempted from levy of GST.

The Advance Ruling Authority (AAR) and the Appellate Authority (AAAR) ruled in a manner denying the exemption to the applicant against which a writ petition was filed before the high which observed as under:-

1. The AAR had denied the benefit on the ground that petitioner is not covered under definition of 'educational institution' as given in Notification No. 12 of 2017 at Serial No. 66(a).
2. After the issuance of clarification by Ministry of Finance, Department of Revenue on 11.10.2024, the approved flight training courses conducted by FTOs approved by DGCA, wherein DGCA mandates the requirement of a completion certificate are covered under Serial No. 66 of Notification No. 12 of 2017 and are exempted from applicability of GST. The issuance of circular clarifies the position of the Notification No. 12 of 2017 from the date of its issuance *i.e.* 28.06.2017.

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3. Thus, it has become imperative on the part of AAR to adjudicate the matter afresh in the light of circular dated 11.10.2024 issued by Ministry of Finance, Department of Revenue and decide the question posed by petitioner.

Hence, the orders passed by the AAR and AAAR were set aside and the matter was remitted back to the AAR for reconsidering the question posed by petitioner in light of Circular dated 11.10.2024.

4. **GST - LIMITATION - APPLICATION FOR REFUND OF GST ON RESIDENTIAL DWELLINGS FILED DESPITE THE SAME BEING EXEMPTED W.E.F.01.07.2017 - DISMISSAL OF APPLICATION AS TIME BARRED - SET ASIDE AS THERE WAS NO AUTHORITY TO COLLECT TAX UNDER ARTICLE 265**

In NSPIRA Management Services Pvt. Ltd. v. Assistant/Dy.CCT, Nellore 2025(103) GSTL 299/(2025) 35 Centax 239 (A.P.), the petitioner is engaged in the management of educational institutions, educational consultancy besides providing the same, also engaged in providing hostel accommodation services to students of various educational institutions. In the process of its business, the petitioner had taken residential dwellings on

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rent from the respective landlords so as to provide accommodation to the students and have been paying tax on the same as they have been charged tax by their landlords.

Upon being aware of the exemption of the services received by the petitioner from the landlords under Entry No.12 of the Exemption Notification No.12 of 2017 - the petitioner filed applications seeking to refund the tax amount for the period July, 2017 to January, 2020 and February, 2020 to June, 2022, for which the authorities initially issued defect memos informing the petitioner to furnish certain details and later informed that those are not fit for processing as the time limit of two year time-period for submissions of refund application are already completed. On a writ petition, the high court observed as under:

1. As per Entry No.12 of Exemption Notification No.12 by 2017-Central Tax (Rate), dated 28.06.2017, services by way of renting of residential dwellings for use as residents is exempted, nevertheless the petitioner paid taxes inasmuch as invoices raised by the landlords included the GST component. It is needless to point that any collection of tax shall be in accordance with Article 265 of the Constitution of India which postulates that no tax can be collected without authority of law. Therefore, the petitioner had filed application seeking to refund of the same.

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2. Further by impugned deficiency memos, the authorities have informed the petitioner that the applications are not fit for processing as the same were filed beyond the two (02) years as per Section 54.
  3. Further, in *Cosol Energy (P.) Ltd. v. State of Gujarat* 2021 (55) G.S.T.L. 390 (Guj.), the high court considered the applicability of period of limitation set out u/s 54 and held that the assessee is not bound by the limitation prescribed under the special law for claiming the refund of the excess duty or duty collected illegally.
  4. Further, in *Louis Dreyfus Company (P.) Ltd. v. Union of India* (2025) 33 Centax 418 (A.P.) and by order dated 14.08.2025 following the above referred Judgment allowed the petitions and directed the respondents to consider the refund application without going into the question, whether the said application is filed within time or not.

Hence, the deficiency memos were set aside and the adjudicating authority was directed to consider the application of the petitioner for refund of tax without going into the question of limitation within a period of four (04) weeks.

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**5. GST - EXTENDED PERIOD CAN BE INVOKED ONLY WHEN NON- PAYMENT/SHORT PAYMENT IS BY FRAUD, WILFUL MISSTATEMENT OR SUPPRESSION TO EVADE TAX - SCN & ORDERS DID NOT CHARGE THE ASSESSEE WITH ANY SUCH ELEMENT NOR DISCLOSE MATERIAL SUPPORTING SUCH INFERENCE - NOT SUSTAINABLE**

In Neeeyamo Enterprise Solutions Pvt. Ltd. v. CTO, Madurai 2025(103) GSTL 352 (2025) 36 Centax 341 (Mad.), the assessee was issued show cause notices dated 10.05.2024, as a fall out of the surprise inspection conducted in the petitioner's business premises on various dates in September 2023 u/s 67, calling upon the assessee to show cause as to why he should not pay the tax, interest and penalty determined in the show cause notices. As many as 9 defects were noticed and they had been catalogued in the notices also. The petitioner failed to respond to the show cause notices consequent to which the impugned orders were be passed on 11.06.2024 and 18.06.2024 confirming the demand u/s 74. On a writ petition, the high court observed as under:

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1. The impugned orders were passed only u/s 74.
  2. Section 73 enables the proper officer to proceed against the assessee for recovery of any tax that has not been paid or short paid or erroneously refunded or where input tax credit has been wrongly availed or utilised. Action under this provision has to be taken within three years from the due date for furnishing of annual return for the relevant financial year.
  3. Section 74 provides for an extended period of limitation when the non-payment or short payment of tax or erroneous refund or wrong availing or utilization of input tax credit are by reason of fraud, any wilful misstatement or suppression of facts to evade tax.
  4. An extended period is provided when the assessee can be charged with conduct such as fraud, suppression etc., Section 74 is not an innovation. Corresponding provisions can be found in many a taxing statute. Section 11A of the Central Excise Act, 1944 is almost in pari materia. The judicial precedents interpreting the said provision can be applied with equal force to cases arising u/s 74.

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5. Issuance of show cause notice is mandatory and the SCN should make it clear whether the assessee is being charged with fraud, or suppression or wilful misstatement. It is quite possible that one or all the three elements could be present. It is not enough to merely impute the offending the conduct to the assessee. The SCN itself must disclose the entire material on which the proper officer has arrived at such a conclusion. In the very nature of things, the inference can only be a tentative one.
  6. Section 74(9) mandates that the proper officer shall issue an order after considering the representation if any made by the noticee. If the noticee makes a request in writing for an opportunity of hearing, the proper officer is obliged to grant the same (vide Section 75(4)) and such obligation will also apply when the proper officer contemplates an adverse decision against the notice even without any such request from the assessee.
  7. The Supreme Court, in *Tamil Nadu Housing Board v. CCE* [1994 (74) E.L.T. 9 (S.C.)], held that in case the provision provides for extension of limitation period, it has to be construed strictly. In *Raj Bahadur Narain Sing Sugar Mills Ltd v. UOI* ([1997] 6 SCC 81 = "1996" (88) E.L.T. 24 (S.C.)], the Supreme Court while

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construing Rule 10 of the Central Excise Rules, 1944, held that the party to whom a show cause notice is issued must be made aware that the allegation against him is of collusion or wilfulness statement or suppression of fact and that it is a requirement of natural justice.

8. Allahabad High Court, in *Safecon Lifescience Private Limited v. Additional Commissioner Grade 2* (2025) 35 Centax 152 (All.), held that proceedings u/s 74 of the Act could not have been initiated against the petitioner since the authorities have neither recorded any findings of fraud nor wilful misstatement nor suppression of fact to evade payment of tax.
9. In *CCE & Customs v. Reliance Industries Ltd.* [(2023) 20 SCC 368 = (2023) 8 Centax 96 (S.C.) 2023 (385) E.L.T. 481 (S.C.) - (2023) 8 Centax 96 (S.C.)], the Supreme Court held that since the expression “suppression of facts” is used in the company of terms such as fraud, collusion and wilful misstatement, it cannot therefore refer to an act of mere omission, and must be interpreted as referring to a deliberate act of nondisclosure aimed at evading duty, that is to say, an element of intentional action must be present.

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10. In the instant case, the SCN does not allege that the assessee was guilty of fraud, wilful misstatement or suppression of facts. When that is not even the case of the proper officer, Section 74 could not have been invoked. Presence of one or all the three elements is a sine qua non for taking action u/s 74. It is not necessary that the statutory language must be reproduced. If one can cull out their presence by an overall reading of the show cause notice and the impugned order, the requirement of the section can still be said to be satisfied. In other words, both the show cause notice as well as the impugned order must indicate the offending conduct of the assessee.
11. Thus, non-payment or short payment of tax or even evasion of tax by itself is not sufficient and that they must be by reason of the elements specifically set out in Section 74. If there is no suppression or wilful misstatement or fraud, the extended period of limitation will not be available.
12. The statute would provide for issuance of notice. But without issuing such notice, an adverse order would be passed. When such orders are set aside, the writ court has to remand the matter. The authority has to be given liberty to proceed afresh. But when

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jurisdictional facts are absent, the order has to be set aside and the court will have to stop at that. The presence of the jurisdictional fact alone confers power on the authority to initiate action and proceed in the matter. Their absence would completely undermine the very foundation itself. In such cases, the question of making a remand does not arise at all.

13. An order of remand cannot be made mechanically. When the issue goes to the root of the matter touching on the jurisdictional aspect and the issue is answered in favour of the assessee, the writ court will not be justified in remanding the matter.
14. Section 74(1) talks about specifying the sum payable by the assessee in the show cause notice. In the case on hand, the authority has used the word “determined”. There is an ocean of difference between specifying something and determining something.
15. The word “determined” found in the show cause notice cannot be construed as “specified”. Public orders made by public authorities are meant to have public effect and are intended to affect the acts and conduct of those to whom they are addressed

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and must be construed objectively with reference to the language used in the order itself, as held by the Supreme Court in Commissioner of Police v. Gordhandas Bhanji 1951 SCC Online SC 70.

16. The show cause notices in this case by employing the expression “determination” betray the element of pre-determination on the part of the authority.

Hence, the impugned orders were set aside as the show cause notices as well as the impugned orders do not charge the writ petitioner with fraud or wilful misstatement or suppression of facts to evade tax consequent to which Section 74 could not have been invoked against the petitioner.

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## **FOREIGN TAX CREDIT IN INDIA: TREATY ENTITLEMENT WHERE NO TAX IS ULTIMATELY PAYABLE**

### **1. Statutory Framework of Foreign Tax Credit under Income tax Act**



**CA. NIDHI JAIN**

The statutory foundation for Foreign Tax Credit (FTC) in India is contained in Section 90 and Section 91 of the Income-tax Act, 1961. Section 90 gives effect to India's obligations under Double Taxation Avoidance Agreements (DTAAs), while Section 91 provides unilateral relief where no treaty exists. A common and essential precondition under both provisions is that the income in respect of which credit is claimed must be doubly taxed, i.e., taxed in the source jurisdiction and also included in the computation of total income in India.

Notably, neither Section 90 nor Section 91 prescribes that foreign tax credit is conditional upon the existence of tax payable in India. The statute focuses on chargeability of income, not on the arithmetical outcome of tax computation after deductions, exemptions, or loss set-offs.

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To streamline the procedural aspects, Rule 128 was introduced which governs documentation, timing, and computation of FTC and limits the credit to the Indian tax attributable to such foreign income. The rule is clearly mechanical and computational in nature, designed to prevent excess credit, and does not curtail treaty-based entitlement.

## 2. OECD Commentary and International Perspective

The OECD Model Tax Convention, particularly Article 23 (Methods for Elimination of Double Taxation), serves as the global benchmark for tax credit mechanisms. India recognises OECD Commentary as a persuasive interpretative aid in treaty interpretation.

The OECD Commentary clarifies that the credit method applies once the foreign income is included in the tax base of the residence State. The Commentary draws a critical distinction between:

- Entitlement to credit, which arises upon inclusion of income, and
- Utilisation of credit, which may be limited by domestic tax computation.

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International practice across OECD jurisdictions confirms that FTC is treated as a computational mechanism, not a concession dependent on residual tax payable.

### 3. Controversy: FTC Where No Tax is Payable in India

A controversy arises in cases where:

- (i) a particular item of income is taxable in India as well as in the other Contracting State under the relevant DTAA; and
- (ii) tax has in fact been paid in the other Contracting State on such income.

However, while computing the total income in India, the operation of domestic law provisions—such as deductions, exemptions, or set-off of losses—results in no tax being payable in India on that income.

This gives rise to the question whether the absence of actual tax liability in India disentitles the taxpayer from claiming foreign tax credit, particularly where the DTAA employs the expression “subject to tax” in the elimination of double taxation article.

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#### 4. Treaty Drafting - Does Language Matter?

Treaty drafting does matter, but only to the extent of determining the method and limitation of credit. Most Indian tax treaties adopt OECD-aligned language, providing that India shall allow a credit against Indian tax for foreign taxes paid, subject to the limitation that such credit shall not exceed the Indian tax attributable to such income.

Such limitation clauses impose a cap, not a condition precedent. Unless a treaty expressly links FTC to tax “payable” in the residence State, credit cannot be denied merely because Indian tax payable is nil.

#### 5. Judicial Evolution of FTC in India

Indian courts and tribunals have progressively adopted a purposive and treaty-consistent interpretation of FTC provisions. Several decisions have recognised that FTC entitlement flows from taxability of income, not from the existence of net tax payable.

A recent Delhi Income-tax Appellate Tribunal decision in the case of *Canon India Pvt Ltd Vs. DCIT ITA No. 585/DEL/2021* has reaffirmed this principle. In this case, the Tribunal categorically held

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that foreign tax credit cannot be denied merely because the Indian tax liability is nil, where the foreign income has been offered to tax in India.

*Let us analyse this scenario in light of recent Delhi ITAT ruling in the case of Canon India Pvt Ltd Vs. DCIT in ITA No. 585/DEL/2021 dated 10.11.2025.*

### **Brief Facts of the Case**

- The assessee was an Indian tax resident who earned foreign-source income during the relevant assessment years (AY 2003-04 and AY 2005-06). The said income was:
  - Taxed in the foreign jurisdiction, and
  - Chargeable to tax in India under the Income-tax Act read with the applicable DTAA.
- While computing total income in India:
  - The assessee claimed foreign tax credit (FTC) under section 90 read with the DTAA.
  - Due to set-off of losses / deductions under domestic law, the ultimate Indian tax liability was nil or substantially reduced.

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- Indian tax had already been paid / recovered (by way of TDS, advance tax, or self-assessment tax).
  - Grant of FTC resulted in excess Indian tax paid, which the assessee claimed as refund.

### Contention of Revenue

Revenue contended that neither Section 90 of the Act nor Article 23 (Elimination of Double taxation) of the DTAA contemplates any refund of foreign taxes. FTC is strictly a credit mechanism against Indian tax liability and cannot be converted into a refund mechanism.

Granting such credit in the absence of domestic liability would lead to a situation of double non-taxation, which is expressly against the object and purpose of the DTAA and the statutory scheme. Purpose of FTC is to neutralize double taxation, not to create a financial advantage or windfall for taxpayers.

According to this view, if the final tax payable is nil, the FTC automatically becomes nil.

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## Observations and Reasoning of the Tribunal

The Income-tax Appellate Tribunal examined the statutory provisions, treaty framework, and judicial precedents and made the following key observations:

1. Chargeability vs. Tax Payable- The Tribunal drew a clear distinction between chargeability of income to tax and actual tax payable. It held that FTC provisions are triggered once the foreign income is chargeable to tax and included in total income in India. The absence of final tax payable does not negate such chargeability.
2. Interpretation of Section 90 and Rule 128-Neither Section 90 nor Rule 128 prescribes that FTC is allowable only where tax is payable in India. Rule 128 merely restricts the quantum of credit to the Indian tax attributable to such income and cannot be interpreted as denying the credit altogether.
3. Treaty Intent and Object- The Tribunal emphasised that the object of DTAA is the elimination of double taxation. Denial of FTC merely because Indian tax payable is nil would defeat the very purpose of the treaty and result in economic double taxation.

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4. Reliance on Judicial Precedents-The Tribunal placed reliance on various earlier decisions where FTC was allowed despite the Indian tax liability being reduced or eliminated due to domestic law provisions. ITAT relied on decision of Delhi High Court in the case of M/s HCL Comnet Systems and Service Limited (ITA 546 of 2022). It may be noted that Karnataka High Court in the case of Wipro Ltd vs DCIT (2015) was relied upon by the Delhi High Court while allowing credit of FTC.
  5. The Delhi ITAT decision does not treat foreign tax credit as a refundable item. It merely recognises that once treaty credit is granted to compute the correct Indian tax liability, any excess Indian tax already paid must be refunded in accordance with the Income-tax Act. The ruling reinforces the distinction between impermissible refund of foreign tax credit and permissible refund of excess domestic tax arising from recomputation.
  6. Foreign Tax Credit cannot be denied merely on the ground that no tax is payable in India, so long as the foreign income is chargeable to tax and included in the total income in India.

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## Conclusion

Evolving Indian jurisprudence converge on a consistent principle: Foreign Tax Credit is an entitlement arising from taxability of income and cannot be denied merely because Indian tax payable is nil. The recent ITAT decision analysed in this article reinforces this position and aligns Indian practice with internationally accepted tax principles.

There are several judicial pronouncements in favour of the assessee permitting the grant of foreign tax credit. In a large number of such decisions, reliance has been placed on the judgment of the Karnataka High Court in the case of *Wipro Ltd.* It is, however, relevant to note that the Revenue has carried the said decision in appeal before the Supreme Court. The Special Leave Petition filed by the Revenue has been admitted, and the issue is presently pending consideration before the Supreme Court.

Pending an authoritative pronouncement by the Supreme Court on the issue, this interpretation may be regarded as the most consistent with the prevailing legal position, treaty framework, and accepted principles of international tax interpretation.

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## EXCEL TIPS

### TOCOL and TOROW functions



CA. DUNGAR CHANDU JAIN

One of the most common challenges in Excel is converting multi-row, multi-column data into a single, continuous list. Whether it is audit data, ledger exports, survey responses, or system-generated reports, users often need to “flatten” data before further processing. Traditionally, this task required complex formulas, helper columns, Power Query, or VBA macros.

With the introduction of dynamic arrays in Excel 365, Microsoft has provided two elegant and powerful functions to solve this problem: **TOCOL** and **TOROW**. These functions convert ranges into a single column or a single row, respectively, while retaining flexibility and automation. They form the backbone of many modern Excel models and work seamlessly with other new-age functions such as **FILTER**, **UNIQUE**, **WRAPROWS**, **SORT**, and **TAKE**.

### **TOCOL**

**TOCOL** function converts a two-dimensional range (rows and columns) into a single column by stacking values vertically.

### **Syntax**

=TOCOL(array, [ignore], [scan\_by\_column])

- **array** – Range or array to be flattened

- **ignore** (optional) - Controls whether blanks, errors, or both are ignored
- **scan\_by\_column** (optional) - Determines scanning order

**Example 1 :**

	A	B	C	D	E	F
1	1	2	3		1	
2	4	5	6		2	
3	7	8	9		3	
4					4	
5					5	
6					6	
7					7	
8					8	
9					9	

**Example 2 - Ignoring Blanks:**

=TOCOL(A1:C10,1)

	A	B	C	D	E	F
1	1	2	3		=TOCOL(A1:C10,1)	
2	4		6		2	
3	7	8	9		3	
4					4	
5		4			6	
6					7	
7					8	
8					9	
9					4	
10						
11						

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### Example 3 - Ignoring Errors:

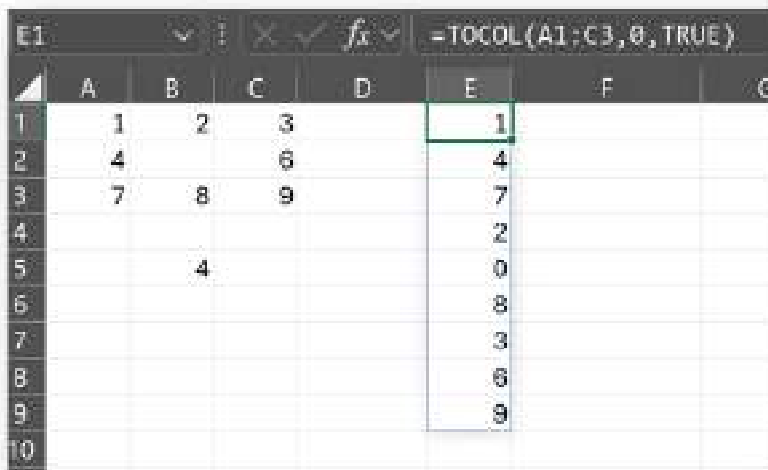
=TOCOL(A1:C10,2)

### Example 4 - Ignoring Blanks and Errors:

=TOCOL(A1:C10,3)

### Example 5 - Scan by Column Instead of Row :

=TOCOL(A1:C3,0,TRUE) This stacks values column-wise instead of row-wise.



	A	B	C	D	E	F	G
1	1	2	3		1		
2	4		6		4		
3	7	8	9		7		
4					2		
5		4			0		
6					8		
7					3		
8					6		
9					9		
10							

### Practical Use Cases for TOCOL

- Flattening ERP or accounting exports for audit sampling
- Converting survey responses into a single analyzable list
- Preparing data for use with UNIQUE, SORT, or FILTER
- Cleaning datasets before dashboard creation

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## TOROW

**TOROW** function converts a two-dimensional range into a single row, laying values horizontally instead of vertically.

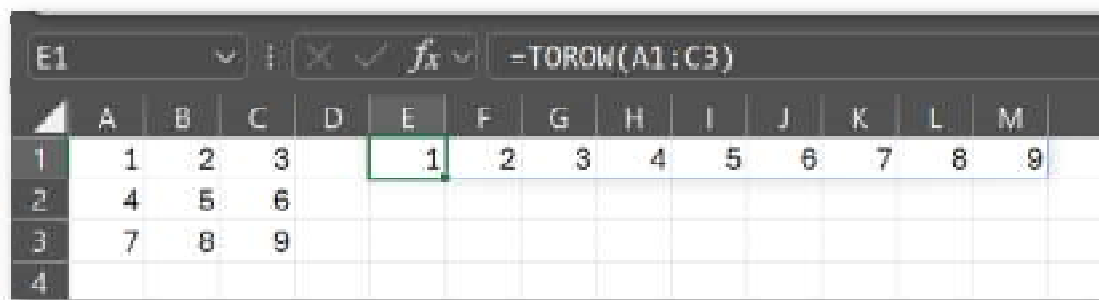
### Syntax

=TOROW(array, [ignore], [scan\_by\_column])

- **array** - Range or array to be flattened
- **ignore** (optional) - Controls whether blanks, errors, or both are ignored
- **scan\_by\_column** (optional) - Determines scanning order

### Example 1:

=TOROW(A1:C3)



The screenshot shows an Excel spreadsheet with the formula bar containing =TOROW(A1:C3). The spreadsheet displays the following data:

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	1	2	3		1	2	3	4	5	6	7	8	9
2	4	5	6										
3	7	8	9										
4													

### Example 2 - Ignoring Blanks:

=TOROW(A1:D10,1)

### Example 3 - Column-wise Scanning:

=TOROW(A1:C3,0,TRUE)

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## Practical Use Cases for TOROW

- Preparing horizontally aligned headers or labels
- Reformatting imported data for presentations
- Feeding data into WRAPROWS or WRAPCOLS

## Combining TOCOL / TOROW with other New-Age Functions

### Example 1 - With FILTER

=FILTER(TOCOL(A1:C100,1), TOCOL(A1:C100,1)>1)

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	1	2	3		2										
2		4	5	8	3										
3		7	8	9	4										
4					5										
5			-1		6										
6					7										
7			15		8										
8					9										
9					15										

### Example 2 - With WRAPROWS

=WRAPROWS(TOCOL(A1:C20,1),4)

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	1	2	3		1	2	3	4					
2		4	5	8		5	6	7	8				
3		7	8	9		8	-1	15	#N/A				
4													
5			-1										
6													
7			15										
8													

---

### Example 3 - With SORT

=SORT(TOROW(A1:D10,1))

	A	B	C	D	E	F	G	H	I	J	K
1	1	2	3		-1						
2	4	5	6		1						
3	7	8	9		2						
4					3						
5		-1			4						
6					5						
7		15			6						
8					7						
9					8						
10					9						
11					15						
12											

### Example 4 - With TAKE

=TAKE(TOCOL(A1:D100,1),8)

	A	B	C	D	E	F	G	H	I	J	K	L
1	1	2	3		1							
2	4	5	6		2							
3	7	8	9		3							
4					4							
5		-1			5							
6					6							
7		15			7							
8					8							
9												

### Error Handling and Limitations

1. **Spill Errors** : Ensure sufficient empty space for the output.
2. **Excel Version** : Available only in Microsoft Excel 365.

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**3. Data Volume :** Large ranges may generate very large arrays – use FILTER or TAKE to limit output.

**4. Ignore Parameter Awareness :** Choosing the correct ignore option avoids misleading results.

These functions represent a shift from manual data restructuring to formula-driven automation. Instead of reshaping data visually, Excel users define logic once and allow Excel to handle all future changes dynamically.

For professionals in finance, audit, analytics, and compliance, TOCOL and TOROW significantly reduce data preparation time and improve reliability and auditability.

TOCOL and TOROW are foundational tools in the modern Excel ecosystem. They simplify flattening operations that were once complicated and error-prone. When combined with other dynamic array functions, they enable clean, scalable, and maintainable spreadsheet solutions.

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## RESIDENCY BEYOND DAYS: INTERPRETING SECTION 6 AND TREATY TIE-BREAKERS IN BINNY BANSAL'S CASE

### I. Introduction

The decision of the *Bangalore Bench of the Income Tax Appellate Tribunal in Binny Bansal v. DCIT [2026] 182 taxmann.com 226 (Bangalore - Trib.)* for Assessment Year 2020–21 is one of



Mr. ESHAAN SINGAL

the most detailed rulings ever delivered on individual tax residency after the Finance Act, 2020 amendments. Running into nearly 190 pages, the judgment does not confine itself to the mechanical application of section 6 of the Income-tax Act, 1961. It travels far beyond, examining the interaction between domestic residency rules, treaty tie-breaker provisions, OECD commentary, factual migration patterns, investment behaviour, family movements, and even conduct during the Covid-19 period.

The ruling assumes importance not merely because of the stature of the assessee, but because it lays down how Indian tax authorities may evaluate residency claims of globally mobile entrepreneurs in a post-2019 world. The case effectively answers a difficult question: when does leaving India truly translate into leaving India for tax purposes?

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## II. Facts of the Case

The assessee, an Indian citizen and co-founder of Flipkart, migrated to Singapore in February 2019 for employment. He was initially employed with 10X Pte Ltd and later with Three State Capital Advisors Pte Ltd. For Assessment Year 2020–21, he filed his return claiming the status of a non-resident, contending that he was “being outside India” and therefore entitled to the benefit of Explanation 1(b) to section 6(1)(c), which substitutes the 60-day condition with 182 days.

During the relevant previous year (FY 2019–20), the assessee stayed in India for 141 days. In the four preceding financial years, his stay in India aggregated to 1,237 days, far exceeding the 365-day threshold prescribed under section 6(1)(c).

The Assessing Officer treated the assessee as a resident under section 6(1)(c), denying the benefit of Explanation 1(b). The Dispute Resolution Panel upheld the Assessing Officer’s view. The assessee carried the matter in appeal before the Tribunal, contesting both the domestic law determination and, alternatively, invoking the India–Singapore DTAA tie-breaker rules.

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### III. Tribunal's Order

#### Domestic Law - Section 6

The Tribunal first dealt with the basic residency tests. It noted that the assessee did not satisfy section 6(1)(a) as his stay in India was less than 182 days during FY 2019-20. However, section 6(1)(c) required satisfaction of two cumulative conditions: stay of 365 days or more in the preceding four years and stay of 60 days or more in the relevant previous year.

Both conditions were admittedly satisfied. The core controversy, therefore, was whether the assessee could replace the 60-day requirement with 182 days by invoking Explanation 1(a) or Explanation 1(b).

The Tribunal held that Explanation 1(b) applies only to Indian citizens or persons of Indian origin who are already "being outside India" and who come on a visit to India. According to the Tribunal, the legislative intent behind this relaxation was to protect non-resident Indians who frequently visit India to supervise investments, not persons who were residents in the immediately preceding year.

Explanation 1(a) was also rejected on the ground that it applies only in the year in which the assessee leaves India for employment. Since

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the assessee left India in February 2019 (FY 2018–19), and not in FY 2019–20, the Tribunal held that this relaxation was unavailable for the year under consideration.

On this reasoning, the Tribunal concluded that the assessee was a resident under section 6(1)(c).

### **Treaty Tie-Breaker - Article 4 of India-Singapore DTAA**

Having held the assessee to be a resident under domestic law, the Tribunal proceeded to examine whether treaty relief was available.

On the issue of permanent home, the Tribunal found that the assessee had a rented residential apartment in Singapore under long-term lease agreements. In India, the assessee owned a high-value apartment in Mantri Classic, Koramangala, and another residential property under construction.

The Tribunal rejected the argument that an under-construction house cannot constitute a permanent home. It observed that ownership and availability were sufficient, and physical habitability was not decisive. The Tribunal also relied on the assessee's silence regarding his accommodation during significant periods of stay in India.

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It further noted that during the Covid-19 pandemic, the assessee spent 38 days in India, which according to the Tribunal suggested a preference for India as a place of stability in times of crisis.

On centre of vital interests, the Tribunal accepted that the assessee's nuclear family eventually shifted to Singapore. However, it gave greater weight to economic ties, holding that the assessee's substantial investments, immovable properties, loans, and business interests remained India-centric. The Tribunal rejected the argument that passive investments should carry lesser weight, holding that the scale and concentration of economic interests in India were decisive.

The Tribunal also rejected the contention that centre of vital interest should be evaluated only after migration. It held that the test must apply for the entire assessment year.

On habitual abode, the Tribunal found that the assessee had habitual abode in both countries. Since the assessee was an Indian national, the final tie-breaker also went in favour of India.

Accordingly, even under the DTAA, the assessee was held to be a resident of India.

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## **IV. Analysis of the Tribunal’s Reasoning**

The Tribunal’s decision is anchored in a strict, almost uncompromising, application of statutory text and treaty principles. At its core, the ruling proceeds on the assumption that tax residency is not determined by intention or narrative, but by objective, verifiable conduct spread across the entire year.

### **Interpretation of Section 6 and the Explanations**

On domestic law, the Tribunal’s reasoning flows logically once it accepts that section 6(1)(c) is attracted. There is no dispute on facts regarding physical presence. The assessee clearly crossed both the 365-day test in the preceding four years and the 60-day test in the relevant year.

The controversy begins with the interpretation of the Explanations. The Tribunal treats Explanation 1(a) as year-specific and event-driven. According to it, the phrase “leaves India in any previous year for the purposes of employment” cannot be stretched beyond the year of departure. This interpretation reflects a traditional, literal approach, consistent with earlier jurisprudence that views tax statutes as precise instruments rather than flexible frameworks.

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Similarly, Explanation 1(b) is treated as a status-based concession. The Tribunal reads the phrase “being outside India” as referring to a settled condition rather than a transitional phase. In effect, the Tribunal views residential status as something that must stabilise before concessional provisions can be invoked.

What is important here is the Tribunal’s rejection of purposive elasticity. It consciously avoids interpreting the Explanations in a manner that would accommodate transitional migrants. The underlying assumption is that Parliament deliberately chose rigidity to prevent abuse.

### **Approach to Treaty Interpretation**

When the Tribunal moves to Article 4 of the India–Singapore DTAA, it adopts a cumulative and holistic approach, but with a strong domestic flavour.

On permanent home, the Tribunal does not distinguish sharply between ownership and usability. Instead, it treats legal ownership and long-term possession as sufficient to establish availability. This approach leans towards certainty and administrability rather than factual nuance.

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On centre of vital interests, the Tribunal applies a composite test of personal and economic relations but assigns heavier weight to economic ties. This weighting reflects a traditional view that capital, control, and financial influence are more enduring indicators of allegiance than family movement, which can be gradual and reversible.

The Tribunal also rejects the idea of a “point-in-time” analysis. It insists that treaty tests must hold good for the entire assessment year. This approach avoids the complexity of split-year residency but simultaneously raises the bar for taxpayers attempting to demonstrate a genuine mid-year shift.

In sum, the analysis shows that the Tribunal views residency as a slow-changing status. Migration, in its view, must be complete, consistent, and visible across all parameters before tax consequences can follow.

## **V. Criticism and Flaws in the Judgment**

Despite its intellectual rigour and factual depth, the judgment suffers from several conceptual and practical shortcomings that merit serious scrutiny.

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## **Reading Conditions Not Found in the Statute**

The most significant flaw lies in the Tribunal's interpretation of Explanation 1(b). The statute does not say that the benefit is available only to persons who were non-residents in the immediately preceding year. It merely refers to Indian citizens or persons of Indian origin "being outside India".

By importing a prior-year non-residency requirement, the Tribunal effectively legislates a new condition. This sits uneasily with its own assertion that fiscal statutes must be interpreted literally and nothing should be read into the law. Literal interpretation cuts both ways, and here it appears selectively applied.

A transitional migrant can factually be "outside India" even if he was resident in the preceding year. The judgment does not convincingly explain why such a person must be excluded when the text itself does not do so.

## **Overextension of the Concept of Permanent Home**

The Tribunal's approach to permanent home blurs the line between ownership and availability. International tax jurisprudence, including OECD commentary, emphasises that a permanent home must be available for continuous use. A house under construction, which is admittedly uninhabitable, arguably fails this test.

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By treating such property as a permanent home merely because it is owned, the Tribunal expands the concept beyond its intended scope. This approach risks converting every owned residential property into a permanent home, irrespective of factual usability.

This interpretation disproportionately affects Indian entrepreneurs, for whom property ownership often precedes migration and continues long after relocation.

### **Excessive Reliance on Historical Economic Ties**

Another major weakness is the Tribunal's heavy reliance on investments made while the assessee was a resident of India. Centre of vital interest is meant to capture current and active economic engagement, not historical capital accumulation.

Most global entrepreneurs carry legacy investments that cannot be unwound overnight due to commercial realities and regulatory constraints. Treating such investments as decisive indicators of continuing economic allegiance makes genuine migration practically impossible unless one exits all prior investments, which is neither realistic nor required by international norms.

The Tribunal acknowledges that many investments are passive, but then proceeds to give them decisive weight due to their quantum. This creates a contradiction in reasoning.

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## **Dismissal of FEMA Constraints**

The assessee's argument regarding FEMA restrictions is brushed aside too lightly. Indian exchange control regulations significantly limit the ability of outgoing residents to restructure or repatriate capital. Ignoring this context leads to an artificial evaluation of economic choice, as if capital mobility were unrestricted.

International tax analysis cannot be divorced from regulatory reality. By ignoring these constraints, the Tribunal implicitly assumes freedom of capital that does not exist in practice.

## **Use of Covid-19 Conduct as an Adverse Inference**

The Tribunal's reliance on the assessee's presence in India during the Covid-19 period is particularly problematic. The pandemic was an extraordinary event marked by travel bans, health risks, and logistical impossibilities.

Drawing adverse inferences from pandemic-era conduct risks importing hindsight bias into legal analysis. Exceptional circumstances should be treated as neutral unless there is clear evidence of choice rather than compulsion.

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## **Rejection of Mid-Year Shift in Centre of Vital Interests**

Perhaps the most consequential flaw is the Tribunal's outright rejection of the concept of a mid-year shift in centre of vital interests. International tax principles do not mandate that personal and economic relations must remain static throughout the year.

By insisting on uniformity across the year, the judgment effectively denies recognition to transitional phases of migration. This approach prioritises administrative simplicity over economic reality and modern mobility patterns.

## **VI. Overall Impact of These Flaws**

Collectively, these issues tilt the judgment heavily in favour of revenue certainty at the cost of conceptual balance. While the Tribunal's approach may reduce litigation in the short term, it creates a high threshold that may be difficult for genuine migrants to satisfy.

The ruling, therefore, stands less as a neutral application of law and more as a signal that India expects an almost complete severance of economic history before acknowledging tax migration.

This may be administratively convenient, but it raises serious questions about alignment with global tax norms and the lived realities of internationally mobile individuals.

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## VII. Conclusion

The Binny Bansal ruling marks a decisive shift towards a conservative, revenue-favouring interpretation of residency in India. It signals that physical migration, foreign employment, and even family relocation may not be sufficient if economic roots in India remain deep.

While the judgment brings clarity on the Tribunal's approach, it also raises concerns about overreach, interpretational rigidity, and insufficient sensitivity to modern mobility patterns. For globally mobile Indian entrepreneurs, the ruling underscores the need for meticulous planning, documentation, and realistic expectations.

Ultimately, the case reminds us that in Indian tax law, residency is not merely about where you go, but about what you leave behind, and how convincingly you do so.

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## **SUMMARY OF THE GST CASE STUDIES DISCUSSED AT 26TH ARC HELD AT VIZAG**

*Summarised by - CA. M. SARAVANA PRABHU*

### Case Study 1: GST on Cooperative Housing Societies - The Principle of Mutuality



**CA. M. SARAVANA PRABHU**

#### **A. Brief Facts:**

##### **Property Scale:**

- 10 Residential Towers | 500+ Apartments.
- Dedicated block featuring a Bank, Supermarket, and three Offices.
- “Serene Enclave Cooperative Housing Society” is a registered entity managing above property

##### **Primary Revenue:**

- **Small Apartments:** <sup>1</sup> 6,000/month.
- **Large Apartments:** <sup>1</sup> 9,000/month.
- **Annual Maintenance Collection:** Over <sup>1</sup> 4 Crores.

**Member-Exclusive Services:** Fee-based access to premium Clubhouse and Swimming Pool.

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**Community Hall Rentals:** Rented at ₹ 75,000/day; generated ₹ 30 Lakhs from non-members (weddings/corporate events) last year.

**Telecommunications Lease:** Fixed rental of ₹ 12 Lakhs/annum for a terrace-mounted mobile tower.

**B. Issues discussed in Group:**

1. Principle of Mutuality – Scope and applicability to GST Law
2. Constitution 46<sup>th</sup> Amendment Act
3. Scope of Articles 366(29A)(e) and (f) and relevance to GST Law
4. Decisions in the Case of
  - CTO vs. Young Men’s Indian Association [(1970) 1 SCC 462]
  - State of West Bengal vs. Calcutta Club Ltd. [2019 (29) G.S.T.L. 545 (S.C.)]
  - Indian Medical Association’s case [(2025) 29 Centax 232 (Ker.)]
5. The said doctrine as expounded to above cases may largely exclude member – club activities *inter se*. This principle may continue to apply even after Retrospective Insertion of Section

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7(1)(aa), which may not be valid without corresponding Constitutional amendments - *Indian Medical Association's case [(2025) 29 Centax 232 (Ker.)]*

6. Entry 77 of Notificaiton 12/2017 CTR and threshold exemptions among others can be explored for services provided to non-members.
7. The Speaker had provided inputs that even non-member activities, may not fall within the scope of Supply u/s 7(1) being not in the “course or furtherance of business”
8. The Speaker had provided inputs on **Entry 77 - Notification No. 12/2017-Central Tax (Rate)**: Services by an unincorporated body or a non-profit entity to its own members by way of reimbursement of charges or share of contribution up to an amount of INR 7,500 per month per member for sourcing goods or services from a third person for common use. Whether, taxability above the threshold or entire value?
  - CBIC Circular No. 109/28/2019-GST dated July 22, 2019
  - *Greenwood Owners Association vs. Union of India 2021-VIL-523-MAD*

<b>Nature of Receipt</b>	<b>Possible Interpretations</b>
Property Tax / N.A. Tax	Not Taxable
Water / Electricity Charges	Clarified Not Taxable as in the nature of tax?
Maintenance and Society Charges	Taxable, subj. to mutuality and exemption
Parking Charges	Taxable, subj. to mutuality and exemption
Non Occupancy Charges	Taxable, subj. to mutuality and exemption
Fee-based access to premium Clubhouse and Swimming Pool	Taxable, subj. to mutuality and exemption
Sinking/Repair Fund	Taxable, subj. to mutuality and exemption
Share Transfer Fees	Taxable, subj. to mutuality
Community Hall Rentals	Whether in the course or furtherance of business?
Telecommunication Tower Lease	Whether in the course or furtherance of business?

## **Case Study - 2 - Healthcare Services**

### **A. Facts of the Case**

- 1. The Entity:** “Diagnosys Connect Pvt. Ltd.” is a technology startup that operates an online portal and mobile application to connect patients with over one hundred independent, NABL-accredited diagnostic laboratories.

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2. **Service Model:** The platform facilitates searching, price comparison, and booking for various diagnostic tests (ranging from routine blood work to MRIs/CT scans). It also manages scheduling, coordinates home sample collection by lab technicians, and delivers digital medical reports.
  3. **Professional Analysis:** The company employs medical professionals who analyse these lab reports to provide patients with a short, simplified summary alongside the detailed medical results.
  4. **Revenue and Financial Flow:** Patients pay the company directly through the platform. The company retains **20% as a “Platform & Facilitation Fee”** and remits the remaining 80% to the diagnostic laboratory.
  5. **Invoicing:** The final invoice is generated by the platform but transparently states that the actual healthcare service was rendered by the partner laboratory.
  6. **The Company’s Tax Position:** Diagnosys Connect does not charge GST, arguing that its services are essentially exempt healthcare services under Notification No. 12/2017-C.T. (Rate). They contend they act as a conduit for an exempt supply and that their medical summaries prove they are more than mere facilitators.

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## B. Issues Discussed in Groups / highlighted by Speaker

1. **The Department's Tax Position:** GST authorities argue the company is an **e-commerce operator** providing a bundle of taxable services (such as marketing, booking, and payment collection) rather than a "clinical establishment". Consequently, the department views the 20% fee as consideration for a taxable supply subject to **18% GST**.
2. **Moot point:** Who is the service recipient for the services?
  - P2P vs. P2A - Principles to determine the true nature
  - Privity of Contract
  - Legal Responsibility
3. Is the service rendered by Diagnosys Connect 'health care services' - Exemption entry in Notification 12/ 2017 CTR for Health Care Services?
4. Is DC a 'clinical establishment'?
5. How do we interpret the exemption entry? - Strict vs. Liberal Interpretation

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6. Services by way of-

(a) health care services by a clinical establishment, an authorised medical practitioner or para-medics;

(zg)“health care services” means any service by way of diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India and includes services by way of transportation of the patient to and from a clinical establishment, but does not include hair transplant or cosmetic or plastic surgery, except when undertaken to restore or to reconstruct anatomy or functions of body affected due to congenital defects, developmental abnormalities, injury or trauma;

(s) “clinical establishment” means a hospital, nursing home, clinic, sanatorium or any other institution by, whatever name called, that offers services or facilities requiring diagnosis or treatment or care for illness, injury, deformity, abnormality or pregnancy in any recognised system of medicines in India, or a place established as an independent entity or a part of an

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establishment to carry out diagnostic or investigative services of diseases;

## 7. Cases Referred:

- Sri Ganga Ram Hospital vs. CST 2020 (43) G.S.T.L. 390 (Tri. - Del.) – Amount retained by hospitals from doctors is healthcare service
- STEMCYTE INDIA THERAPEUTICS PVT. LTD. - 2025 (394) E.L.T. 3 (S.C.) – Cord Blood Banking is healthcare service
- Dr. Lal Path Labs Pvt Ltd vs. CCE, Ludhiana [2006 (4) S.T.R. 527 (Tri. - Del.)] – Lab Tests under franchisee model is healthcare service
- 2025-VIL-2015-CESTAT-CHD-ST OM SAVITRI JINDAL CHARITABLE SOCIETY Vs COMMISSIONER – Healthcare Services provided through third person infrastructure is healthcare service
- 2025-VIL-93-AAR GETON YOGA PRIVATE LIMITED GST Online Yoga is not eligible for exemption

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## Case Study - 3 - GST on Commercial Leasehold Rights

### **A. Facts of the Case**

1. The Original Asset: A 99-year industrial lease from the State Industrial Development Corporation (SIDC), held by Vertex Industries for 20 years.
2. The Transaction: Transfer of the remaining 79-year unexpired leasehold rights to Zenith Logistics LLP.
3. The Consideration: A lumpsum "Assignment Fee" of ₹ 50 Crores.
4. The Process: (a) Cessation of manufacturing operations by Vertex. (b) Approval obtained from SIDC (Lessor). (c) Transfer fee paid and rights legally assigned to the new lessee.

### **B. Issues Discussed in Groups**

- Does the assignment of unexpired long-term leasehold rights for a lumpsum consideration constitute a "supply of service" under the CGST Act?

### **Reply:**

1. Moot point is (a) Whether it is a sublease covered in Schedule II Para 5(a) or Para 2 - Dept contention OR (b) Whether it is an Assignment / Transfer of Immovable Property

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i. Whether it is a sublease covered in Schedule II Para 5(a) or Para 2?

- Can such a transaction be considered equivalent to a “sale of land” and thereby been excluded from the levy of GST by virtue of Schedule III of the CGST Act?
- Assignment of leasehold rights plus building is transfer of a benefit/interest in immovable property and amounts to sale of land/building covered by Schedule III (neither supply of goods nor services).
- Leasehold rights are “benefits arising out of land” and therefore “immovable property” under s.3(26) General Clauses Act, s.3 TPA and s.2(6) Registration Act; assignment extinguishes lessee’s rights and vests them in assignee akin to sale.
- General Clauses Sec. 3 (26) “immovable property” shall include land, **benefits to arise out of land**, and things attached to the earth, or permanently fastened to anything attached to the earth;
- Under service tax, “service” excluded transfer of title in immovable property (s.65B(44)); GST aimed to subsume but not newly tax transfers of land/building; Council minutes show conscious decision not to tax land/building.

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- Entry 5 of Schedule III excludes sale of land; exclusion must be read broadly to cover sale/transfer of interests and benefits in land; otherwise GST would indirectly tax immovable property contrary to legislative intent.
  - Notification 11/2017 (construction) deems one third of total amount as value of land/undivided share including by lease/sub lease, demonstrating land (including leasehold) is treated as immovable property outside taxable service value.
  - Alternatively, if assignment is held a taxable supply, assignees should get ITC under s.16 because transaction is in course or furtherance of business and denial causes cascading.

ii. **Whether it is a sublease covered in Schedule II Para 5(a) or Para 2:** What is the significance of the original lessor (SIDC) remaining the owner of the land in determining the nature of the transaction between the assignor (Vertex) and the assignee (Zenith)?

1. A complete assignment of an “interest” in immovable property (leasehold) that extinguishes the transferor’s estate and makes the assignee lessee vis à vis SIDC is treated, for GST scope, as

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transfer of immovable property itself, not as continuing renting/ service.

2. Sale and transfer of leasehold rights of the plot of land allotted by SIDC to the lessee in favour of third party-assignee for a consideration shall be assignment/sale/transfer of benefits arising out of “immovable property” by the lessee-assignor in favour of third party-assignee who would become lessee of SIDC in place of original allottee-lessee. In such circumstances, provisions of section 7(1)(a) of the GST Act providing for scope of supply read with clause 5(b) of Schedule II and Clause 5 of Schedule III would not be applicable to such transaction of assignment of leasehold rights of land and building and same would not be subject to levy of GST as provided under section 9 of the GST Act.

### **Relevant Cases:**

- Facts Mirror GCCI vs UoI - [2025] 170 taxmann.com 251 (Gujarat)
- Rohan Corporation India Pvt Ltd. - HIGH COURT OF KARNATAKA - [2025] 173 taxmann.com 480 (Karnataka)

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- Hon'ble Apex Court in case of *Commissioner, Central Excise and Customs v. Larsen and Toubro Ltd. (2016) 1 SCC 170*, wherein Hon'ble Apex Court while considering the levy of service tax on indivisible works contract held that same is not leviable prior to amendment in the Finance Act, 1994 with effect from 1.06.2007 as works contracts is a separate species of contract distinct from contracts for services simpliciter recognised by the world of commerce and the law and has to be taxed separately as such.

3. However, the speaker invited attention to the following

**Builders Association of Navi Mumbai vs. Union of India 2018  
(12) GSTL 232 (Bom)**

- b. Schedule II : Entry 2(a) - any lease, tenancy, easement, licence to occupy land is a supply of services
- c. No notification granting exclusion for statutory functions by local authorities

**SLP dismissed by Supreme Court 2024 (84) G.S.T.L. 417 (S.C.)**

- d. We do not find any good ground and reason to take a different view than the one expressed by the High Court. However, it is

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clarified that we have not examined the question of exemption granted by Notification No. 12 of 2017-CT (Rate) dated 28.06.2017 w.e.f., 01.07.2017. We have also not examined the scope and ambit of the expression in Clause 2 (a) of Schedule-II “licence to occupy land is a supply of services” of the Central Goods and Services Tax Act, 2017. These aspects are left open.

- e. Recording the aforesaid, the special leave petition is dismissed.
2. Even if considered as a sub-lease will Entry 44 of Notification 12/2017 will apply ?
- a. *[Upfront amount (called as premium, salami, cost, price, development charges or by any other name) payable in respect of service by way of granting of long term lease of thirty years, or more) of industrial plots or plots for development of infrastructure for financial business, **provided by** the State Government Industrial Development Corporations or Undertakings or by any other entity having [20] per cent, or more ownership of Central Government, State Government, Union territory to the industrial units or the developers in any industrial or financial business area.]*
- b. *Is exemption is “plot” specific or “service” specific?*

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## Case Study 4 : Input Tax Credit on Office Renovation and Modernization

### **A. Brief Facts:**

**Project Scope:** A comprehensive overhaul of the corporate headquarters to create a state-of-the-art tech workspace.

#### **Key Expenditure Categories:**

**Civil Works:** Demolition, glass partitions, marble flooring, and restroom plumbing.

**Electrical & HVAC:** Full rewiring and installation of a centralized climate control system.

**Furniture & Specialized Assets:** Modular workstations and reinforced foundations for server racks.

**Professional Fees:** Architectural and interior design services for project supervision.

**The Dispute:** Innovate Solutions claimed full ITC on these costs, which the GST Department has now proposed to disallow entirely.

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## A. Issues Discussed in Groups

1. What is the legal distinction between “construction” of an immovable property, which is blocked under Section 17(5), and “repairs, renovation, or modernization,” on which ITC may be available?

### Reply: Section 17(5)

- (c) works contract services when supplied for construction of an immovable property (other than plant and machinery) except where it is an input service for further supply of works contract service;
- (d) goods or services or both received by a taxable person for construction of an immovable property (other than plant and machinery) on his own account including when such goods or services or both are used in the course or furtherance of business.

*Explanation [1]. – For the purposes of clauses (c) and (d), the expression “construction” includes re-construction, renovation, additions or alterations or repairs, to the extent of capitalisation, to the said immovable property;*

**Conclusion:** Hence only “repairs, renovation, or modernization, “to the extent of capitalization falls in the ambit of Sec. 17(5)(d)

- 
- How should the term “plant and machinery” be interpreted for a service-based industry like a technology firm? Does it include assets like a centralized HVAC system or a server rack foundation?

## Reply

(6) *Explanation.* – For the purposes of this Chapter and Chapter VI, the expression “plant and machinery” means apparatus, equipment, and machinery fixed to earth by foundation or structural support that are used for making outward supply of goods or services or both and includes such foundation and structural supports but excludes –

- (i) land, building or any other civil structures;
- (ii) telecommunication towers; and
- (iii) pipelines laid outside the factory premises.

**Conclusion:** Hence, for a service-based industry like a technology firm assets like a centralized HVAC system or a server rack foundation may have nexus to output hence qualify as “Plant and Machinery”

**Alternate view:** HVAC Not essential to output Service, hence not Plant and Machinery

- Is ITC on movable items like modular workstations and chairs, which are not permanently attached to the building, affected by the restrictions under Section 17(5)(d)?

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**Conclusion:** Movable items, qualify for ITC – do not attract vires of 17(5)(d)

### Cases Referred

- (a) **Bharti Airtel Limited Vs Commissioner & Ors, Delhi HC [TS-839-HC(DEL)-2024-GST]**
- (b) **Bharti Airtel Ltd. v. Commr. (CGST) - 2025 (92) G.S.T.L. 467 (Del.) / (2024) 25 Centax 232 (Del.)**
- (c) *“Wework India Management Pvt. Ltd. [2020 (37) G.S.T.L. 136 (App. A.A.R. - GST - Kar.)]*
- (d) *Commissioner of C. Ex., Chandigarh versus Dwarikadhish Spinners Ltd. [2004 (168) E.L.T. 134 (Tri. - Del.)*
- (e) Safari Retreats – Supreme Court SCC 2025
- (f) Relevant Excise Circulars and CENVAT decisions on the aspect of Movablility
  - Can professional services from architects and interior designers be considered as used for “construction,” and would the ITC on such services be blocked if the underlying project is deemed to be construction?

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**Conclusion:** Section 17(5)(d) covers “Goods” or “Services” – Pro-rata eligibility based on eligibility of “Civil Structures” and “P&M”

### **Case Study 5 : ITC Reversal on Credit Notes**

**A. Brief Facts:** The case involves **Supreme Electronics Ltd.**, a manufacturer of consumer electronics, and its distributor, **Global Retail**.

**Audit Scrutiny:** During an audit of Global Retail, the GST department examined four different scenarios regarding credit notes issued by Supreme:

**Scenario A (Post-Sale Volume Discount):** Supreme issued a “**financial credit note**” without GST adjustment for a 2% turnover discount based on a pre-existing agreement. Global Retail did not reverse any Input Tax Credit (ITC), viewing it as a commercial arrangement separate from the supply value.

**Scenario B (Sales Return of Damaged Goods):** Supreme issued a **Section 34 GST-compliant credit note** for returned damaged goods. However, Global Retail failed to reverse the corresponding ITC due to an administrative oversight.

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**Scenario C (Price Discrepancy Rectification):** Supreme issued a credit note with a GST adjustment to correct a clerical overcharge. In this instance, both parties handled the transaction correctly, and Global **reversed the excess ITC**.

**Scenario D (Supplier Error):** Supreme incorrectly invoiced Global Retail instead of another distributor. They issued a credit note to Global but **did not send it**; consequently, Global neither claimed nor reversed the credit.

- **The Department's Demand:** The audit officer issued a notice demanding ITC reversal, plus interest and penalties, for Scenarios A, B, and D.
- **The Department's Legal Arguments:**
- **For Scenario A:** The officer contended the financial credit note was a “**sham arrangement**” to bypass GST law and that a Section 34 credit note should have been used, which would have required an ITC reversal.
- **For Scenario B:** The non-reversal was flagged as a straightforward **compliance failure**.
- **For Scenario D:** The officer argued that under the **Invoice Management System (IMS)**, the credit note was “**deemed accepted**”, necessitating an automatic ITC reversal regardless of whether Global had claimed the credit

## B. Issues Discussed in Groups / Highlighted by Speaker

Scenario	Documentation	Treatment at Recipient End	Department Contention	Tax Payer
A - Post Sale Volume Discount	Financial Credit Note	No ITC Reversal	Sham - Recharacterise as Pre Sale Discount	No Evidence of Sham - No substantiation as Pre Sale Discount. Protected by Circular 105 (though withdrawn - underlying circular 92 prevails)
B - Sales Return of Damaged Goods	GST Credit Note	No ITC Reversal	ITC Reversal required but missed	Mere oversight no mens rea, no interest (if R.88B) and no penalty
C - Price Discrepancy Rectification	GST Credit Note	ITC Reversed	No Issue	ITC Reversed
D - Error at Supplier End	GST Credit Note (Unilateral)	Neither Credit claimed nor reversed	Invoice unilaterally accepted so CN has to be reversed	No Credit claimed hence no further question arises irrespective of IMS IMS is not final, non-presence of credit in e-credit ledger is conclusive.

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## C. Citations Referred”

1. Circular 105 and Circular 92
2. Section 16, 17 of CGST Act, 2017
3. Section 37,38,39 of CGST Act, 2017

## Case Study 6 : Condonation of Delay in Filing a GST Appeal

### A. Brief Facts:

1. **Order Type:** Order-in-Original under Section 73 of the CGST Act.
2. **Date of Issuance:** March 28, 2023.
3. **Mode of Service:** Uploaded to the GST Portal dashboard.
  - Automated email sent to the Managing Director (MD).
  - **Note:** No physical copy of the order was served.
4. **Timeline of Appeal**
  - **Order Date:** March 28, 2023.
  - **Appeal Filed:** August 20, 2023.
  - **Total Delay:** Approximately 4 months and 23 days from the date of the order.

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5. **Legal Rationale:** Maximum period allowed is **4 months** (3 months statutory + 1 month condonable).

- Authority held that statutory limits cannot be extended beyond the additional one month, regardless of the “sufficient cause” provided.
- Service via the common portal was ruled as valid service under **Section 169**.

6. **Reasons cited for Condonation:**

- **CA’s Medical Emergency:** The company’s GST consultant\ was hospitalized and on medical leave for three months (early April - July).
- **Administrative Oversight:** The MD overlooked the email notification due to a high volume of correspondence and an urgent international business trip.
- **Discovery:** The adverse order was only identified on **August 5, 2023**, during a post-travel internal review.

**B. Issues Discussed in Groups**

1. Power to Condone delay within 1 month period - subjective satisfaction of Appellate Authority
2. Power to Condone delay beyond 1 month period - largely settled in Glaxo Smithkline 2020 (36) G.S.T.L. 305 (S.C.)

- 
3. But issue is not of condonation , it is question of “Service” u/s 169 vs “Communication” u/s 107 – Refer Sharp Tanks Case **2025-VIL-981-MAD**
  4. Order may have been sufficiently served – *Refer - M/s. Poomika Infra Developers, Represented by its Proprietor K.S. Udhayashankar Versus State Tax Officer And others [2025] 173 taxmann.com 866 (Madras), however is it efficiently served? – Refer M/s. Axiom Gen Nxt India Private Limited, Rep by its Director, Mr. A. Arunkumar vs Commercial State Tax Officer, Chennai - 2025 (4) TMI 1381 - MADRAS HIGH COURT*
  5. However, if condonation is filed, makes it harder to argue non-communication now.

### **C. Other Cases Referred and Discussed by Speaker**

- Pushpam Reality 2022-VIL-146-MAD
- Calyx Coronation **2025-VIL-1098-MAD**
- Sharp Tanks and Structuralis **2025-VIL-981-MAD**
- Mathur Polymers **2025-VIL-909-DEL against**
- *Meritas Hotels Pvt. Ltd. vs. State of Maharashtra [2021 (12) TMI 376] Against*

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## Case Study 7: Secondment

### A. Brief Facts Tabulated

Feature	Scenario 1 : Domestic Secondment	Scenario 2 : International Secondment
<b>Lending Entity</b>	India Holdings Ltd.	Global Inc. (Germany)
<b>Personnel</b>	CFO (Financial Restructuring)	Robotics Engineer (Automation)
<b>Payroll</b>	Remains on India Holdings' payroll	Remains on Global Inc.'s payroll
<b>Cost Structure</b>	Pure Reimbursement: Gross salary via debit note (No markup)	Service Fee : Salary + 10% administrative markup
<b>Control</b>	Functional control with <b>M/s India Manufacturing (Noticee)</b>	Exclusive direction/supervision by India Manufacturing

### A. Issues Discussed in Groups/ highlighted by Speaker

#### 1. Defence available to Noticee - **M/s India Manufacturing**

- (a) **Employer-Employee Nexus:** Personnel work under the direct control, supervision, and direction of the recipient, creating a de-facto employer-employee relationship.
- (b) **Schedule III Argument:** Activities performed by an employee for the employer are “neither a supply of goods nor a supply of services” under Entry 1 of Sch. III.

- 
- (c) **Nature of Payment:** Financial transfers are merely cost reimbursements for payroll processing, not consideration for a service.
- (d) **Economic Reality:** The substance of the contract (Control) should prevail over the form of the payment (Payroll processing).
- (e) De facto vs De Jure Control

## 2. The Revenue's Contentions

- **Domestic (Scenario 1):** The Department views this as a taxable supply of “**Manpower Recruitment or Supply Services**” between two distinct legal entities.
- **International (Scenario 2):** Classified as an “**Import of Service**” from a related person.
- **Liability:** IGST payable by India Manufacturing under **Reverse Charge Mechanism (RCM)** on the total value (Salary + Markup).

## 3. Cases Referred: *CCE vs. Northern Operating Systems Limited 2022 (61) G.S.T.L. 129 (S.C.)*

*(The Above Case Studies were discussed at 26<sup>th</sup> ARC held at Vizag. The Summary is prepared by CA.M.Saravana Prabhu.)*

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## **FEEDBACK OF 26TH ARC**

**CA.S.RAMALINGAM, VELLORE**

Thanks to the organizers and to the participants for making it useful and a pleasurable trip. More than me, my wife is very Happy. The continuous efforts taken by the organizers disregarding their participation and enjoyment, particularly Mr Balaji, When I became sick, he was very grateful, accompanied me and travelled with me. This is very much appreciable. Next day everyone inquired me about my health. We are much obliged to all. Wishing to see you all in the next ARC.

**CA.RAMACHANDRAN, CHENNAI**

Dear ARC committee members, Though it looks easy and simple for participants like me, Still I can imagine the Quantum of time and efforts put in by the ARC committee in the back end for the last few months. My salute to all and my special salute to Mr.Balaji and Mr.Thulasi.

**Mr. & Mrs. SATYA YANMANTRAM, CHENNAI**

Friends, It's great togetherness and bonding. We felt the absence of J. Murali and Mami. Sundar Ji it's a great miss . MC has meticulously planned and made us to remember the event. Best wishes.

---

**CA.ARUMUGARAJ, CHENNAI**

Sincere thanks to the CASC Organizing Team for the wonderful Visakhapatnam Conference. From academic excellence to warm hospitality, every aspect was thoughtfully arranged. It was truly a pleasure to be part of such a well-conducted and inspiring event. Kudos to the team!

**CA.RAMAMANI RAVI, CHENNAI**

So many months of efforts have gone in for this so well planned project. Praying that God gives the entire team the best of health always.

**CA.V.VENKATESWARAN, CHENNAI**

Thank you very much. I thoroughly enjoyed the 26th CASC Conference. My sincere thanks to all the organizers for the excellent arrangements that made the conference a great success.

**CA.NATARAJAN, CHENNAI**

This ARC shows the arranging, managing, calibrating and team work of CASC trained members. It creates leaders, leadership and friendship. CASC stands for Creation, Acceptance, Service, and Calibration .Thank you all.

---

### **CA.ANIL KUMAR KHEECHA, CHENNAI**

I have been attending this ARC for the past 3 years. We all would have read many books like 'Road ahead for profession', 'Challenges faced in Profession', But the Experiences of Mr.Rajan or Mr.M.R.V is not available in any books. These people gives us a lot of experiences and we need a forum to share all those. This can be done only through such conferences.

### **CA.MADHUMITHA, CHENNAI**

One of my best trips in recent days . The stay , the sightseeing and hospitality made me forget the world of office and stress at chennai . Had much rejuvenation and relaxation . I do know the difficulty of organizers in planning and organizing such a meticulous trip. Wish all the organizers of CASC best wishes for their excellent effort. My family enjoyed as much as me. This is our first trip and await for many more to come.

### **CA.MANASA MEENAKSHI, CHENNAI**

I have joined this trip with my 1 year Baby. Despite planning the trips in the last 3 to 4 years, only this time it happened with CASC. More than me and my daughter, my husband had more fun time here. All the subjects discussed were Eye-opener. Much happy to be a part of it. Even Though we have already been to Vizag, Its not about Where you Go, But it is whome you are with, i.e. CASC @ Vizag.

---

**Mr.K.KARTHIK SREERAM, CHENNAI**

Though my wife CA.Padmaja had attended ARC several times, This is the First trip for me and my son Saketh Eswar. Thanks to all for bringing us here and looking forward.

**Mr.ARIVAZHAGAN, S/o.KRIPAKAR, CHENNAI**

This is my First trip with CASC. Even though I missed to attend the Group discussions, the case studies coverage were from Basics to Advance level. Being a young professional I had lot of exposures in this trip.

**CA.ARUN & CA.CHARUMATHY, CHENNAI**

All the Technical sessions and Group discussions were very good. It was more of a professional enrichment and social well being. As a family we look forward for ever year of such trips. Thanks to the organizers for giving me an opportunity as one of the Group leader of Direct Taxes.

**Adv.NAGAHARSHITA & Adv.B.SHRUTHILAYAA, CHENNAI**

This is the First time we are attending as delegates and also one of the Group leader in Direct Taxes. Each and every one them became so familiar. All the organizers and members were like down to earth persons. Thanks to Adv.Ramana kumar, who is our senior for bringing us here.

---

**Adv.RAMANA KUMAR, CHENNAI**

It was a huge comradeship. One more family trip has ended now. Wherever this trip is going to be planned in future, we will be attending. Thanks to all the organizers and they were able to serve to all our needs.

**CA.SUNDAR, CHENNAI**

Thanks to all the organisers. They helped to book my tickets at the last minute. Very wonderfully organized trip. The entire Food arrangements in the conference were very good.

**Mrs.UMA VAIDHYANATHAN, CHENNAI**

Thanks to each and every one. It was like a Re-union with only difference where the entire family was taken again. The organisers cater to the needs of all age people like taking kids to chocolate factory and senior persons to temple visits. That's why CASC stands. I also suggest to plan for a local one day trip in addition to ARC.

**Mrs.JAYASHREE RAVI, CHENNAI**

CASC always rocks. Mr.Balaji has taken tremendous efforts. This ARC not only gives the learning process to delegates alone, but accommodates every one for all age groups.

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**Mrs.PREETHI SRINIVASAN, CHENNAI**

I am the odd man out of this group because I am a mechanical engineer. I appreciate CASC because it is always a children friendly trip. Thank you.

**CA.A.P.KUMAR, CHENNAI**

I was wondering when planning was done for Vizag, because each one were coming by different modes of transportation and how is this going to be working out. But kudos to the organizers. All the subjects had different views coming up and it made us to think differently on different matters.

**CA.ASHUTOSH, CHENNAI**

My suggestion is that CASC should revert to 26<sup>th</sup> January as it was done earlier, so that this ARC can be clubbed with other holidays.

**BABY VEDHIKA , D/o.CA.VINOTH, CHENNAI**

We enjoyed this trip and we were much excited when we visited the Chocolate Factory. Thanks for taking us to those places.

**Ms.AISHWARYA GANESH PRAKASH, CHENNAI**

I have been to ARC from my child hood days, and as usual I enjoy coming for the trips.

---

**Master MITHUN KRISHNA, S/o.CA.T.SIVAGURUNATHAN,  
CHENNAI**

It was only after joining the trips with CASC members that the idea of becoming a Chartered Accountant truly took shape for me, seeing the camaraderie and experiences made me aspire to be part of such journeys myself.

**CA.YESWANTH KUMAR, CHENNAI**

This is my 3<sup>rd</sup> ARC. For the next trip I plan to join with my wife and family. Thanks to the organizers as they always ensures that right from kids to delegates & non-delegates, all are satisfied.

**CA.SHIVACHANDRA REDDY, CHENNAI**

I had lot of tensions in my mind for the past few days. But the last 3 days I felt so relaxed. The organizers always ensures that all generation people are satisfied.

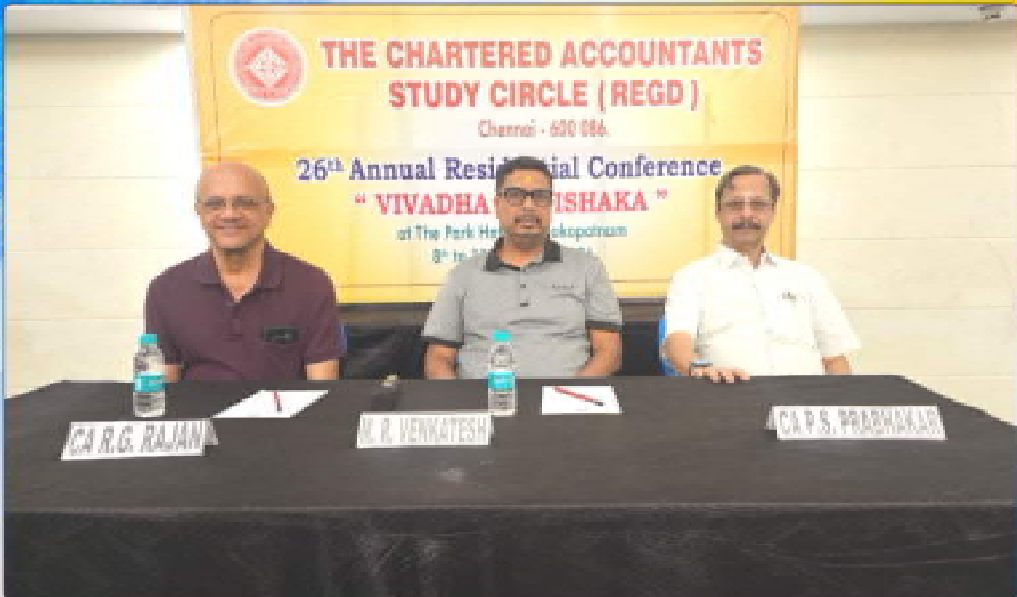
**CA.T.S.RAVI, CHENNAI**

Thanks to all organizers. I observed that CASC organizes such trips in the same format each and every year but at different places. I had the opportunity to be one of the Group leader for Indirect taxes. My best wishes to the entire team for success in future also.

**"GLIMPSES FROM THE 26TH ARC HELD AT VIZAG "VIVADHA AT VISHAKA"**



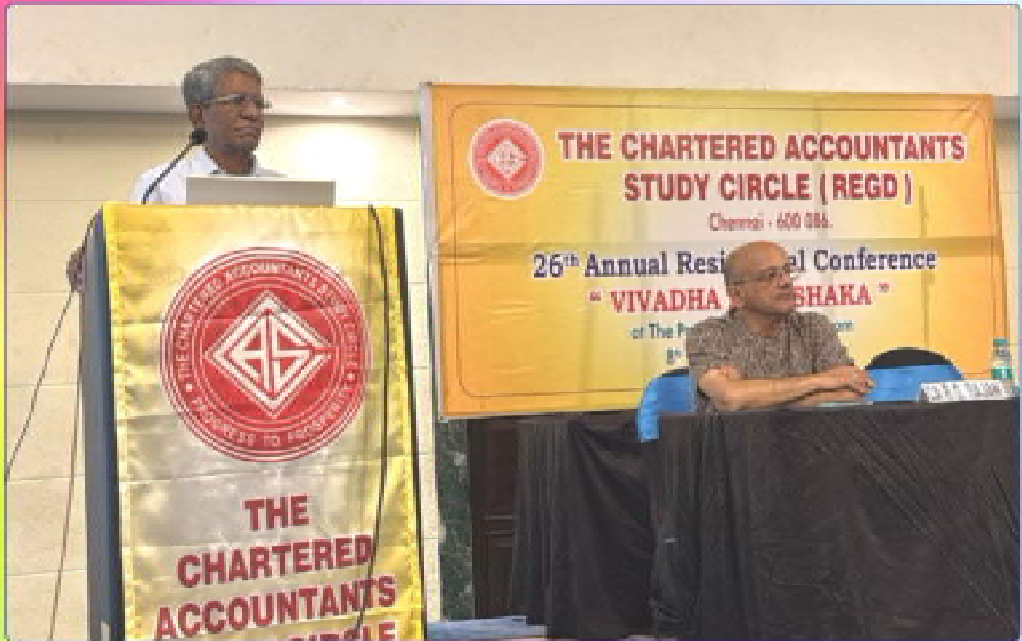
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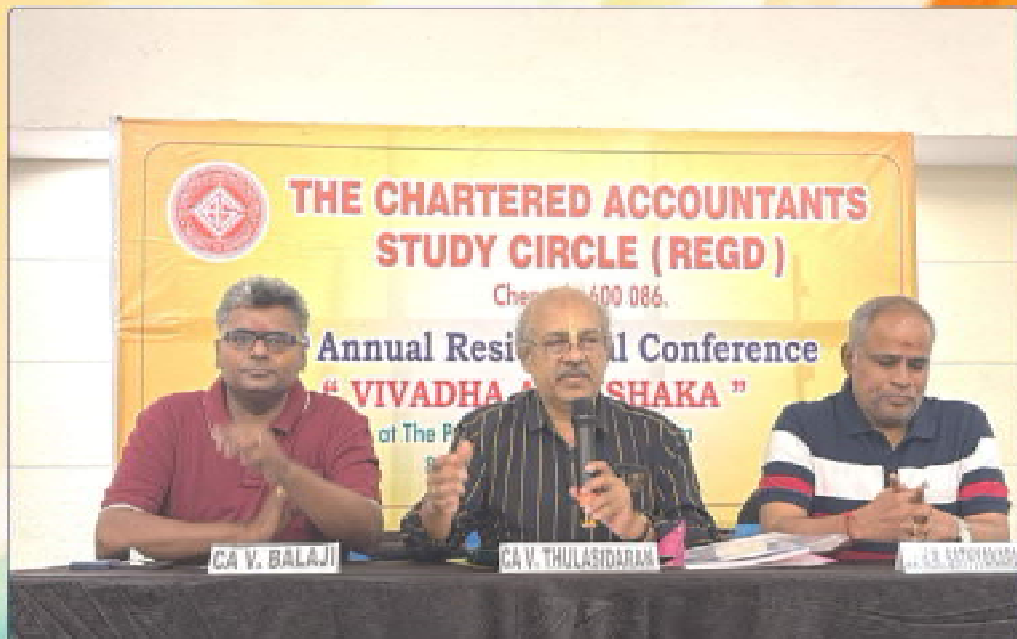
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## ABOUT OURSELVES

### The Chartered Accountants Study Circle (Regd.)

During the middle of 1978 a handful of young chartered accountants, based on MADRAS (as it then was) met periodically to discuss matters of professional relevance and significance and to widen the knowledge exposure and skills. From a limited role of discussions on tax laws and corporate laws, we have become full fledged treasure-house of talent mobilization. More than two third of our speakers / Chief guests have made their first ever public Speech under our banner.

The organization is proud that many of its members have become men of great eminence including three of its members being occupants of coveted position of the President of the Institute of Chartered Accountants of India and a number of members have been serving in the Regional and Central Councils of ICAI, ICSI, Chambers of Commerce and other Bodies. The members of CASC are interspersed in the society and more particularly in practice and in the industry.

The membership of CASC is in the form of Life, Corporate and Annual Membership.

The Composition of the members includes lawyers, company secretaries, consultants and members of the other allied and related professions. Besides our regular meetings, the CASC organizes with regularity, workshop, refresher courses, seminars and group discussions on all professional related subjects and topics in its self owned fully Air-Conditioned Premises at central location in Chennai with the state of the art infrastructure.

Every Year, scholarship are granted to meritorious students of the CA Course through the various endowments created by members and their families.

The residential Conference conducted by CASC, an annual feature is awaited eagerly by all the members. The programmes are conducted in exotic places at affordable rates coupled with good learning experience are booked well in advance.

Our monthly publication, the CASC bulletin contains thought provoking articles, exchange of problems and solution and digest of recent discussions, notifications and circulars.

Our Other Regular Publications are "Cenvat - Demystified", "User Guide to TNVAT", "Corporate Audit Check List", "Anti Dumping Measures in the WTO frame work" 'A Handy Booklet on Bank Branch Audit', and "Guide to Tax Audit".

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