THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

AHMEDABAD BRANCH (WIRC)

Newsletter - July 2026

78th CA Day

1st July 2026

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INDEX

From the Chairman's Desk

CA. Rinkesh Shah

Chairman, Ahmedabad Branch (WIRC) of ICAI

Chairman's Message July 2026

Dear Esteemed Members,

Warm greetings from ICAI Ahmedabad Branch (WIRC)!

A very Happy **78th CA Day** to all of you—a proud milestone that marks the glorious journey of our profession and its ever-growing contribution to nation-building since its inception.

It gives me immense pleasure to connect with you through this edition of our newsletter as we reflect upon a highly dynamic and enriching month of June 2026. The month stood as a fine example of our Branch's commitment towards knowledge dissemination, professional excellence, and meaningful outreach. The overwhelming participation and enthusiastic response from members and students alike truly reflect the strength, unity, and progressive spirit of our fraternity.

We commenced the month on a remarkable note with the **National Conference of CA Students held on 6th and 7th June 2026**, witnessing participation from more than 2,600 students. I place on record my sincere appreciation for the valuable support of **CCM CA Purushottam Khandelwal** for his guidance and contribution towards the successful execution of this mega event. I also extend my heartfelt compliments to **CA Sahil Gala, Chairman – WICASA Ahmedabad**, for organizing one of the most impactful student conferences during his tenure. The conference served as a vibrant platform for young aspirants, igniting their aspirations and reinforcing the core values of our profession.

Continuing our focus on capacity building, the Branch organized a **12-Day Series on the Income Tax Act, 2025 (8th to 23rd June 2026)**, which was attended by more than 250 participants. I sincerely appreciate the commendable efforts of **CA Jiten Trivedi, Chairman – Direct Tax Committee**, for conceptualizing and executing this comprehensive series, which provided deep insights into the evolving tax framework.

Our commitment to excellence in indirect taxation was reflected through the **National Conference on GST held on 13th and 14th June 2026**, with participation from over 400 Chartered Accountants. I express my gratitude to **CCM CA Purushottam Khandelwal** for his continued support and guidance. I also compliment **CA Abhinav Malaviya, Chairman – Indirect Tax Committee,** for successfully organizing this high-quality conference. The presence of senior GST authorities enriched the sessions and provided valuable clarity on complex issues.

In line with the evolving technological landscape, we also conducted an **AI Level 1 Batch from 16th to 18th June 2026**, equipping members with foundational knowledge and practical exposure to emerging technologies and their application in the accounting and finance profession—an important step towards future-ready skill development.

On 19th June 2026, we hosted the **CPA Australia Face-to-Face Information Session,** which saw participation from more than 200 members. We were privileged by the presence of **CA Aniket Sunil Talati, Past President ICAI (CPA Australia)**, whose insights were truly inspiring. I also acknowledge the valuable address by **CA Fenil Shah, RCM – WIRC of ICAI (CPA Australia),** who guided members on expanding global professional opportunities.

An innovative initiative was undertaken on 20th June 2026 through the **Mock GST Search & Seizure Session,** featuring a realistic simulation of departmental proceedings. I sincerely appreciate **CA Abhinav Malaviya** for conceptualizing this unique learning experience, which was highly appreciated by participants for its practical relevance.

On the same day, we organized an **Interactive Meet & Networking Session for Newly Qualified Chartered Accountants (May 2026 batch).** It was truly encouraging to witness the enthusiasm of our newly qualified members as they begin their professional journey, and we remain committed to supporting them through guidance and mentorship.

Our outreach initiatives gained further momentum through the **MSME Week Programme on 23rd June 2026, themed "Your GST Issues – Our Priority."** We were honored by the presence of **Shri Sunil Mall, Chief Commissioner (CGST),** along with other esteemed Commissioners. I also extend my appreciation to **CA Bishan Shah, Secretary – WIRC,** for his support in making this initiative impactful and meaningful for members.

Further, on 27th June 2026, we conducted a **Seminar on MSME**, where valuable insights were shared by the GM of SIDBI, highlighting financial support mechanisms and growth opportunities for MSMEs. The session witnessed participation from more than 150 members and aligned with the national vision of strengthening the MSME sector.

As we step into July, we celebrate the foundation of our profession with pride and enthusiasm. **The CA Day celebrations on 1st July 2026 have been thoughtfully curated as a "Power Pack Programme", including Walkathon, Flag Hoisting, Blood Donation Camp, Plantation Drive, Bird Feeder Distribution, and a Comprehensive Health Check-up Camp. These initiatives reflect our commitment not only towards professional excellence but also towards social responsibility and well-being. The celebrations will culminate in a grand Cultural Evening featuring a Mega Anamorphic Video Opening, AI-powered Photo Booth, and vibrant performances—promising an unforgettable experience for all.**

■ Looking ahead, we have an exciting lineup of upcoming programmes:

- **2nd July 2026** –Outreach Programme on Registration/Re-registration of Trusts & Seminar on "Decoding Trust & NPO Taxation under the Income Tax Act, 2025"
- **3rd to 5th July 2026** – Women RRC at Ranakpur
- **17th July 2026** –Seminar on "Practical Guide on ITR Filings: From Forms to Intricacies"
- **18th July** – Seminar on Unlock opportunities in Qatar
- **7th to 9th August 2026** – Practice Summit 2.0 at Goa

Each initiative is thoughtfully designed to enhance professional knowledge, strengthen networks, and equip members for future challenges.

I extend my sincere gratitude to all esteemed speakers, dignitaries, knowledge partners, participants, sponsors, and volunteers for their invaluable support. I also acknowledge the relentless efforts of the Managing Committee Members and Team ICAI Ahmedabad in making these initiatives a grand success.

As Chartered Accountants, we are custodians of trust and integrity. Let us continue to uphold the highest professional standards, embrace change, and contribute meaningfully towards nation-building.

Wishing you and your families a proud and inspiring CA Day!

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

AHMEDABAD BRANCH (WIRC)

MEMBERS OF AHMEDABAD BRANCH

INVITATION TO CONTRIBUTE ARTICLES FOR THE MONTHLY **E-NEWSLETTERS**

Suggested Topics for Contribution

Seasoned Practitioners & Young Professionals Welcome!

TAXATION

Direct Tax, Indirect Tax (GST), International Taxation, recent Judicial pronouncements

CORPORATE LAWS

Companies Act updates, SEBI regulations, Insolvency and Bankruptcy Code (IBC), RERA

PRACTICE MANAGEMENT

Companies Act updates, SEBI regulations, Insolvency and Bankruptcy Code (IBC), RERA

AUDIT & ASSURANCE

Statutory Audit, Internal Audit, Forensic Audit, Quality Review

TECHNOLOGY & INNOVATION

Artificial Intelligence in accounting, Data Analytics, Cybersecurity, ERP implementations

EMERGING SECTORS

Startup ecosystem, ESG (Environmental, Social, and Governance) reporting, personal finance

Submission Guidelines

WORD COUNT

Ideally between 1,000 to 1,500 words

FORMAT

Editable MS Word document (.doc or .docx)

ORIGINALITY

Original work, not published elsewhere. Cite references

AUTHOR PROFILE

Include high-resolution passport-size photograph

Email To: newsletterabadicai@gmail.com

Subject Line: Article Submission for E-Newsletter - [Your Name]

Last date: 25th of Every month

CA. Rinkesh Shah
Chairman

CA. (Dr.) Fenil Shah
Chairman - Newsletter Committee

CA. Chetan Jagetiya
Secretary

Editorial

CA. Dr. Fenil Padmini Rajendra Shah
Editor & Chairman, Newsletter Committee

"A profession does not grow by counting its years, but by the trust it earns and the change it dares to lead."

Dear Esteemed Members,

It is with a deep sense of pride and purpose that I place before you the July 2026 edition of the E-Newsletter of ICAI Ahmedabad Branch (WIRC). This edition arrives in a month that holds special meaning for every one of us — the month in which our great institution and the profession of Chartered Accountancy complete another glorious year of service to the nation. As the calendar turns to July, our hearts naturally turn to the values that have carried us this far: integrity, excellence, independence, and an unwavering commitment to the public interest.

Celebrating CA Day 2026. On the 1st of July, we proudly observe CA Day, commemorating the founding of the Institute of Chartered Accountants of India in 1949. On this occasion, I extend my warmest wishes to every member of our fraternity, to our hardworking article assistants, and to their families. Each one of us is a small but vital part of a 76-year-old legacy that has shaped the financial conscience of a rising nation. May this CA Day renew our pride in the profession, deepen our sense of responsibility, and inspire us to keep "sparking change" in everything we do. The signing letters "CA" before our names are not merely a qualification — they are a quiet promise of trust we make to society every single day.

A profession at the cusp of transformation.
This edition continues to reflect the theme that runs through our times — the meaningful convergence of intelligence, regulation, and professional judgment. Members will find a rich blend of insights spanning evolving taxation and GST developments, audit and governance practices, regulatory updates, the growing influence of Artificial Intelligence in everyday practice, and thoughtful perspectives on skilling, technology adoption, and the future-ready Chartered Accountant. Together, these contributions reaffirm a simple truth: our profession is not merely responding to change, it is actively shaping it.

As the profession steps further into an era defined by data, automation, and intelligent systems, the true differentiator will remain unchanged — the professional's ability to interpret, apply, and lead with clarity and integrity. Tools may evolve, frameworks may transform, but trust, judgment, and ethics will always remain distinctly human, and distinctly ours.

A special word of gratitude. I extend my heartfelt thanks to CA Parimal Shah for sharing his valuable thoughts in the Mentor's Talk. His experience, wisdom, and guiding perspective continue to inspire professionals across generations and add immense depth and value to this publication. Mentorship of this kind is precisely what keeps the spirit of our profession alive and forward-looking.

My sincere gratitude also goes to all our contributors, whose insightful articles lend depth and diversity to this edition; each write-up reflects not only technical expertise, but also a generous commitment to knowledge sharing that remains the backbone of our community. I thank CA.

Rinkesh Shah, Chairman, ICAI Ahmedabad Branch (WIRC), for his trust and encouragement, the entire Newsletter Committee for their tireless coordination, and every individual associated with this initiative for their dedication in bringing out yet another meaningful edition.

We warmly invite members and professionals to contribute their insights, experiences, and technical knowledge for our upcoming editions. This newsletter is not just a publication — it is a shared platform to guide, inspire, and add value to the entire fraternity. Your perspective matters.

“ As the calendar turns to July, our hearts naturally turn to the values that have carried us this far: integrity, excellence, independence, and an unwavering commitment to the public interest. ”

As we celebrate this special month, let us reaffirm our pledge to embrace change, contribute knowledge, and strengthen the profession with a spirit of collaboration and excellence. Here’s to a profession that not only manages the future — but meaningfully shapes it.

Happy CA Day, and happy reading.

Warm regards,

CA. Dr. Fenil Padmini Rajendra Shah

Editor & Chairman, Newsletter Committee

ICAI – Ahmedabad Branch (WIRC)

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Mentor's Talk

CA. Parimal S. Shah
Past Chairman, Ahmedabad Branch of ICAI (2002-03)

Navigating Transformation: Lessons from a Quarter-Century in the Profession

Dear Colleagues, Friends, and the Vibrant Future of our Profession,

Stepping into the Ahmedabad Branch of ICAI always triggers a profound wave of nostalgia. Serving as Chairman during the 2002–03 term remains one of the most rewarding and fulfilling chapters of my life. It was a time of immense learning, leadership, and collective growth. When the existing Chairman reached out and invited me to share my reflections for the "Mentor-Talk" column in next month's newsletter, it naturally compelled me to pause and look back at a journey spanning nearly four decades.

We are living in an era that is radically different from the one in which I cut my teeth as a young professional. The business world has mutated, technology has leaped, and the expectations from a Chartered Accountant have undergone a seismic shift. The lessons I learned—often through intense struggle, personal trial, and unavoidable errors—can serve as a compass for the next generation navigating this Brave New World.

Being completely candid about my personal views, experiences, and perceptions, I offer these reflections to the modern professional.

1. The Strategic Pivot: Value Creation Over Mere Compliance

If I were given the opportunity to completely restart my professional career today, I would make one radical change: I would completely bypass traditional compliance-based practice.

For decades, the bedrock of a standard CA practice has been filing returns, handling routine assessments, and conducting basic statutory audits. Today, these areas are increasingly automated, highly commoditised, and driven down in financial value. They represent a "rear-view mirror" approach to business—simply recording what has already happened. Crucially, they offer little to no visible value addition to a client's bottom line.

As an ambitious modern professional, you must position yourself where your contribution is glaringly visible to both the client's board and the nation's economic fabric. If I were starting today, I would dive headfirst into:

Forensic Audits and Financial Sleuthing: Unearthing fraud, evaluating systemic risks, and protecting corporate integrity.

AI-Driven Practice Transformation: Re-engineering traditional financial architectures into automated, real-time intelligence systems.

Strategic Startup Mentorship: Providing expert, cross-functional guidance to India's booming entrepreneurial ecosystem, moving from simple bookkeeping to structured capital raising, valuation strategy, and cross-border structuring.

Do not be a mere historian of financial data. Be the strategic architect who shapes the client's economic future.

2. The Roots of Resilience: A First-Generation Journey & A Beautiful Legacy

My journey began in 1987 as a first-generation entrepreneur. I did not inherit a readymade client base, a prestigious family cabin, or an established brand name. My father, Late Shri Sumantlal Shah, was a pure, unyielding Gandhian disciple who spent his entire professional life heading corporate accounts at top-level management and dealing extensively with statutory auditors.

In the mid-1970s and 1980s, the brightest minds almost universally opted for the science stream, aspiring to become doctors or engineers. Commerce was widely viewed as a secondary option. However, during the finalisation of accounts for his company in 1975–76, my father witnessed firsthand the sheer grandeur, majesty, dignity, knowledge, and unparalleled power of Chartered Accountants. That experience left an indelible mark on his soul. He made up his mind right then that his son would wear that prestigious prefix.

When I qualified and hung up my shingle, I faced the harsh realities of commercial life. Because of my father’s uncompromising Gandhian reputation for absolute honesty, many prospective clients were initially reluctant to give me work—they feared our office would be too rigid! Coming from a pure service-class family background, I had zero inherited business acumen, no understanding of client acquisition, and no safety net of family wealth.

Driven by the pure financial insecurity of a beginner, I accepted every single piece of work that walked through my door. I filed individual income tax returns, audited tiny cooperative societies, managed public trusts, handled corporate filings, and dabbled in NBFC regulations.

While this kept the kitchen fires burning, it created a structural trap: I became a "Jack of all trades, but master of none." Because of that initial anxiety, I missed the crucial window to specialise deeply in a single, high-value domain.

However, a beautiful coincidence reshaped my destiny. My father, Shri Sumantlal Shah, retired from service in 1988, just a year after I started my practice. He stepped in and took complete, absolute control of my office backend. When it came to accounts, auditing, and corporate discipline, his genius, skill, and depth of knowledge were beyond words. He was a meticulous perfectionist.

> *“ The truth is simple: I could only serve the profession because my father held the fort at home. ”*

Admittedly, his zero-tolerance temperament and strict Gandhian principles sometimes posed a threat! I lived in constant fear of losing clients who couldn't match his rigorous standards of documentation. Yet, looking back, it was his backend management, unyielding discipline, and foundational structure that transitioned my firm from a state of raw survival to stability, and ultimately, to explosive growth.

The Silent Architect of My Institutional Service

There is a deeply personal debt of gratitude I owe to my father that extends far beyond the walls of my private practice. Many often wonder how a sole proprietor can balance a thriving office while climbing the leadership ranks of professional governance. The truth is simple: I could only serve the profession because my father held the fort at home.

It was entirely due to his absolute, unyielding backend support that I could carve out the massive amounts of time required to serve our beloved Ahmedabad Branch of ICAI. Throughout my six-year tenure on the Managing Committee—leading all the way up to my election as Chairman—he ran the office meticulously in my absence. Despite operating as a proprietary firm with all its inherent pressures, his presence gave me the complete freedom and peace of mind to dedicate myself to institutional leadership. My contributions to the branch are as much his legacy as they are mine.

The Pillar of My Personal Ecosystem

Behind every successful professional stands a silent, resilient anchor who rarely shares the spotlight but entirely shapes the journey. For me, that anchor is my wife, Jignasa Shah.

While my father managed the backend of my office and I engaged with the corporate world, Jignasa took absolute charge of our universe outside of work. She completely and selflessly shouldered 100% of our domestic affairs, family responsibilities, and social obligations. By taking the full weight of home management off my shoulders, she granted me a priceless gift: the absolute freedom and peace of mind to focus entirely on building my practice and climbing new professional heights. True success is never a solo achievement; it is built on the quiet, unyielding sacrifices of a partner like her.

Passing the Torch: The Next Generation of Leadership

Life has a beautiful way of coming full circle. Just as my father and my wife became the foundations of my early practice and life, my daughter, Vidhi Shah, became the anchor of its modern era.

Vidhi stepped into the CA world in 2004. Though destiny steered her path such that she could not formalise the CA prefix before her name, the depth of her practical wisdom possesses a brilliance that no degree alone can capture. Since 2008, she has immersed herself into our practice with profound dedication. Armed with nearly two decades of full-time, rigorous, hands-on experience, Vidhi handles our practice full-time to this very day. She seamlessly bridges my traditional foundational values with the modern execution required today. Her leadership stands as a living testament to the fact that absolute capability, commitment, and deep professional expertise transcend mere certifications.

3. The Death of Sole Proprietorship: Aggregation and LLPs

My early career trap of trying to do everything alone, coupled with watching the immense effort required to manage a modern firm, brings me to a hard, undeniable truth about the modern market: the era of the standalone sole practitioner is dead.

The contemporary business ecosystem is too vast, volatile, and complex for a single human mind to master. Today, an enterprise doesn't just need a tax filler; it needs simultaneous advice on GST, cross-border transfer pricing, corporate law, cyber security, capital markets, and complex financial structuring.

Unless you aggressively aggregate, collaborate, and transition into large-scale, multi-disciplinary LLP structures, long-term survival is impossible. Clients are actively looking for robust institutional stability and comprehensive, "under-one-roof" professional solutions. We must break down our individual silos, merge our strengths, and build institutions that outlive their founders.

4. Empowering Our Women Leaders: A Call for Structural Equity

Management and psychological treatises frequently highlight a scientifically proven truth: women possess up to four times the inherent multitasking productivity and resilience of men. By their very nature, women are meticulous, display far greater emotional intelligence and patience when de-escalating complex corporate conflicts, and are instinctive perfectionists.

Seeing my daughter Vidhi effortlessly steer the helm of our practice daily, and reflecting on how seamlessly my wife Jignasa managed our entire domestic and social universe, only solidifies my absolute conviction in this truth. Women don't just manage frameworks; they bring an innate stability and structural precision to them.

Yet, the uncomfortable reality within our profession is that a vast reservoir of brilliant women are unable to scale to the highest tiers of leadership. This is not due to a lack of capability, but due to a severe, systemic imbalance between managing domestic affairs and pursuing career advancement.

To our young women in the profession, my advice is deeply practical and non-negotiable: enforce absolute, structural delegation.

Do not try to be a superwoman who handles everything alone. Sit down with your spouse and family members and execute a 100% clear, systematic reallocation of domestic responsibilities. Your career advancement, your firm, and your intellectual growth deserve the exact same uninterrupted time, focus, and energy as any man's. Professional excellence requires an environment of equity at home.

5. Harnessing AI Without Losing the Professional Soul

> *" She completely and selflessly shouldered 100% of our domestic affairs, family responsibilities, and social obligations. "*

Let me be completely transparent: I am not naturally a tech-savvy individual. For the longest time, I viewed the rapid onslaught of software with a degree of traditional skepticism. However, my perspective was completely revolutionized recently when I attended the workshop titled "Bridging Experience with AI (for 50 years and above)" organized right here by our Ahmedabad Branch of ICAI.

It was a profound eye-opener. I currently run my practice with Vidhi and just two qualified CAs in our office. Based on what I learned, I can confidently state this definitive rule for the modern age: If we fully adopt, integrate, and embed AI and advanced automation into our office workflows, we can run our entire practice seamlessly with zero staff, while maintaining a strict condition that we will leave the office by 5:00 PM every single day. That is the liberating, hyper-efficient power of technology.

However, as a mentor, I must issue a vital caution to the younger generation: AI must remain your assistant, never your master.

AI can aggregate data, draft templates, detect anomalies, and predict trends at lightning speed. But AI can never replicate your original human thoughts, your bespoke corporate strategies, your ethical anchors, and your sharp, situational professional reflexes. Use technology ruthlessly to automate the mundane, but rely entirely on your human intellect to deliver leadership.

6. The Alchemy of Success: Conquering the Morning Hours

In our fast-paced, hyper-connected world, we often search for complex growth hacks, completely ignoring the foundational laws of nature. The timeless piece of wisdom, "Early to bed and early to rise, makes a man healthy, wealthy, and wise," has been taught to us since childhood.

I hold a deep, reverent admiration for the ancient thinkers who gift-wrapped this wisdom centuries ago—long before televisions, smartphones, and addictive social media algorithms began consuming our nights at the absolute cost of our golden morning hours.

When a professional follows this rhythm religiously, it aligns their biology with nature, optimizing the secretion of critical human growth and happiness hormones. It balances cortisol and adrenaline, while naturally boosting dopamine, serotonin, and endorphins. This biochemical alignment is the ultimate antidote to professional burnout, ensuring a completely stress-free life while maintaining a perfect equilibrium between a demanding career and a loving family.

For decades, my morning hours have been fiercely guarded and spared for only two sacred activities: investing in physical health and constant, aggressive knowledge upgradation. Combined with sheer, unglamorous hard work, this single habit of conquering the morning has been my greatest competitive advantage.

7. The Golden Era: India's Next 20 Years

The future of our financial profession is not merely bright; it is unimaginably spectacular. As we watch the India Growth Story unfold, the nation is expanding at a breakneck, unprecedented pace across every imaginable sector—from high-speed railways and defense manufacturing to aviation, deep-sea mining, massive ports, digital banking, and next-generation green industries.

This massive economic engine cannot run on auto-pilot. It requires a world-class army of financial guardians, risk managers, and strategic advisors. We are moving toward a severe, imminent shortage of highly competent, ethically grounded professionals in India.

There is only one institution on this planet that has the structural mandate, the rigorous training framework, and the vision to equip and produce the caliber of professionals needed to sustain this global economic superpower: The Institute of Chartered Accountants of India.

8. A Clairvoyant Charge to the Next Generation

To the young members and students reading this: never lose sight of the profound weight and grandeur of our calling. We are the custodians of national trust.

Break free from the comfort of traditional compliance. Build large, collaborative frameworks. Embrace artificial intelligence without fear. Safeguard your physical health, conquer your mornings, and constantly upgrade your intellect. The nation is building its future, and it is waiting for your leadership to show the way.

Closing Thoughts

As I hand over these thoughts to you, I do so with an overwhelming sense of optimism. The prefix we carry or the values we protect are not just badges of professional entry; they are foundational pillars of a changing India. Step forward with courage, operate with absolute clarity, and let your contributions echo in the growth of our corporate landscape and our great nation.

Wishing the Ahmedabad Branch, its leadership, and all its members continued glory, innovation, and growth.

In Professional Fraternity,

CA PARIMAL SHAH

Past Chairman, Ahmedabad Branch of ICAI

Acquisition of Immovable Property in India by Foreign Nationals

CA. Parag Raval
Member of the Institute

Acquisition of Immovable Property in India by Foreign Nationals

India has always been a country with rich human talent who have conquered various positions globally. Indians have settled across the world and most of them continue to or wish to hold / own property in India. India's real estate market has always attracted people from across the world. With rapid urban development, growing infrastructure, and increasing investment opportunities, many overseas Indians and foreign nationals are interested in purchasing property in India.

However, buying property in India by a person living outside India is governed by specific laws and regulations. Failure to comply with those regulations can attract monetary as well as other penal actions. One should be aware of the various provisions pertaining to the purchase or owning of an immovable property in India under the Foreign Exchange Management Act (FEMA) as well as Income Tax Act.

Therefore, before making any investment, it is important to understand who can buy property, what type of property can be purchased, and the legal and tax implications involved.

Applicable Laws

The acquisition and transfer of immovable property in India by persons residing outside India is mainly governed by:

- The Foreign Exchange Management Act, 1999 (FEMA)
- Foreign Exchange Management (Acquisition and Transfer of Immovable Property in India) Regulations, 2018 issued by the Reserve Bank of India (RBI)

These laws regulate foreign exchange transactions and ensure that property transactions are carried out through proper banking channels.

Who Can Buy Property in India?

1. Non-Resident Indian (NRI)

NRI is a person resident outside India who is a citizen of India.

NRIs are generally allowed to purchase residential and commercial properties in India without obtaining prior approval from the RBI.

2. Overseas Citizen of India (OCI)

OCI is a person resident outside India who is registered as an Overseas Citizen of India Cardholder under Section 7(A) of the Citizenship Act, 1955.

OCI holders are also permitted to buy residential and commercial properties in India, similar to NRIs.

What Type of Properties Can Be Purchased?

- NRIs and OCI Cardholders can purchase:
- Residential properties

- Commercial properties
- Flats
- Houses
- Shops
- Office premises
- However, they are not permitted to purchase:
- Agricultural land
- Farmhouses
- Plantation properties

Such properties can generally be acquired only by inheritance.

NRI's and OCI's cannot purchase or acquire by way of gift any agricultural land/farmhouse and plantation property in India.

Specific conditions are given in the FEMA regulations for acquisition of immovable property

1. by foreign embassies/diplomats/consulate generals,

2. by Branch/Office for carrying out permitted activity and

3. by Long-term Visa Holders residing in India who are citizens of Afghanistan / Bangladesh / Pakistan belonging to minority communities in those countries, i.e, Hindus, Sikhs, Buddhists, Jains, Parsis and Christians.

As per section 6(5) of FEMA, a person resident outside India can hold, own, transfer or invest in any immovable property situated in India if such property was acquired, held or owned by him/ her when he/ she was resident in India or inherited from a person resident in India.

Can Foreign Nationals Buy Property in India?

Foreign nationals of non-Indian origin generally cannot purchase immovable property in India unless they obtain prior approval from the Reserve Bank of India.

However, a foreign national residing in India under valid visa and residency conditions may, in certain cases, acquire residential property for self-occupation subject to FEMA regulations.

Citizens of certain countries such as:

- Pakistan
- China
- Afghanistan
- Nepal
- Bhutan
- Sri Lanka
- Hong Kong
- Democratic People's Republic of Korea

face additional restrictions and generally require prior RBI approval even for certain lease transactions exceeding five years.

Property Through Inheritance

- A person residing outside India, including an NRI, OCI, or foreign national, can inherit immovable property in India from:
- A person residing in India, or
- A person residing outside India

However, the original acquisition of the property by the deceased person must have been in accordance with applicable foreign exchange laws.

“ Any person making payment to person resident in India on account of purchase of immovable property, TDS @1% is required to be deducted if sale consideration of the property exceeds Rs. 50Lakhs. ”

Modes of Acquisition

Property can be acquired by:

- Purchase
- Gift
- Inheritance
- An NRI or OCI can receive property as a gift from:
- A relative residing in India
- Another NRI
- Another OCI Cardholder

The term “relative” is defined under the Companies Act, 2013.

Payment modes for Property Purchase

All transactions relating to purchase or transfer of property must be carried out through proper banking channels in India.

- Out of funds received in India through normal banking channels by way of inward remittance
- Non-Resident Account (NRO / NRE/ FCNR) maintained in accordance with the Act

No payments can be done by traveller's cheque or by foreign currency notes or any other mode except those specifically mentioned above. Payment by traveller's cheque or foreign currency notes is not permitted.

Applicable stamp duty, registration fees, taxes, and government levies must also be paid.

Repatriation of Sale Proceeds

When an NRI or OCI sells property in India, the sale proceeds can generally be repatriated outside India subject to certain conditions.

The authorised dealer bank may permit repatriation if:

- The property was originally acquired in accordance with FEMA regulations.
- The purchase amount was paid through banking channels or from NRE/FCNR accounts.
- In case of residential property, repatriation is allowed for up to two properties.
- Proper documentation and tax compliance are essential before remittance abroad.

Joint acquisition of property by the spouse of an NRI or an OCI :

A person resident outside India, not being a NRI or an OCI, who is a spouse of a NRI or an OCI, may acquire one immovable property (other than agricultural land/ farm house/ plantation property), jointly with his/ her NRI/ OCI spouse subject to some conditions :

- The consideration shall be paid as per mode of payment mentioned above.
- Marriage has been registered and subsisted for a continuous period of at least 2 years immediately preceding the acquisition of such property.
- The non-resident spouse is not otherwise prohibited from such acquisition.

Prohibition on acquisition and transfer by citizens of certain countries :

- No person being a citizen of Pakistan, Bangladesh, Sri Lanka, Afghanistan, China, Iran, Nepal, Bhutan, Hong Kong or Macau or Democratic People's Republic of Korea (DPRK) without prior permission of the Reserve Bank shall acquire or transfer immovable property in India.
- No such prohibition is applicable if the above person is an OCI.
- The above persons can take a lease for period not exceeding 5 years.

Mode of transfer of immovable property :

NRIs/OCIs can transfer/gift any agricultural land/farmhouse and plantation property in India only to Resident of India.

Income Tax Implications

1. Capital Gains Tax

Tax liability depends upon the period for which the property was held.

Short-Term Capital Gain (STCG)

If the property is sold within 24 months from the date of purchase, the gain is treated as short-term capital gain and taxed accordingly.

Long-Term Capital Gain (LTCG)

If the property is held for more than 24 months, the gain is treated as long-term capital gain.

Long-term gains may also qualify for indexation benefits and exemptions subject to conditions under the Income-tax Act.

2. TDS (Tax Deducted at Source)

A. When seller is Non-resident

As per provisions of section 195 of Income Tax Act, any person making payment to a non-resident needs to deduct tax at source as per rates given in force. Accordingly, it is essential to take care of the points mentioned below while acquiring property from non-resident (NR) :

1. Any person buying property from another NR needs to deduct and pay tax as per rates in force from the sale consideration.

2. In case lower/nil deduction application is filed by NR, deduct and pay tax as per rates given in Order issued by Assessing Officer. NR should make sure that his PAN is lying with International Tax ward while applying for such application. In case jurisdiction of the PAN is not with International Tax Ward, PAN migration needs to be carried out.

3. Person deducting lower tax as per the said certificate should ensure :

a. Online Certificate is obtained from Tax Department having 10 digit certificate number. The said certificate number needs to be quoted in TDS Return to be filed.

b. Certificate obtained will be applicable only for payments made after date of issuance of certificate. Accordingly, TDS should be deducted at rates prescribed in the Act for the payments made prior to obtaining the certificate.

4. Buyer also needs to file TDS Return in Form 27Q disclosing details of taxes deducted at source for which it is mandatory to hold TAN (Tax Deduction Number).

5. For remitting sale proceeds outside India or transferring to NRE Account of such NR seller, Form A2, Form 15CA & Form 15CB need to be submitted to the bank along with other supporting documents as may be prescribed by the AD Bank.

6. NR needs to file his return of Income in India.

“ Indians have settled across the world and most of them continue to or wish to hold / own property in India. ”

The buyer is required to deduct TDS while making payment to the seller.

In general:

1% TDS may apply in certain resident transactions subject to conditions.

In case of sale by NRIs, higher TDS provisions may apply depending upon the nature of capital gains and applicable law.

Therefore, professional tax advice should always be taken before executing the transaction.

B. When buyer is Non-resident

1. Any person making payment to person resident in India on account of purchase of immovable property, TDS @1% is required to be deducted if sale consideration of the property exceeds Rs. 50Lakhs.

2. If the NR is purchasing property from another NR, then TDS should be deducted at rates as mentioned above in Part A.

3. Accordingly, whenever NR purchases immovable property in India, it is essential for him to deduct TDS if applicable while making payment of the said property.

4. Tax deducted needs to be paid within 30 days from date of deduction by filing Form 26QB which is Return cum Challan.

5. There is no requirement of applying for TAN by the NRI buyer. Form 26QB can be filed based on PAN of NR.

C. Results of Non-deduction/Non-payment and Non-filing of TDS Return :

1. Interest @ 1% per month or part thereof for non-deduction of TDS.

2. Interest @ 1.5% per month or part thereof for delay in payment of TDS after due date

3. Fees of INR 200 per day for late filing of TDS Return. The fees is restricted to the TDS amount.

3. Filing of Income Tax Return

- If income is earned from the property, such as:
- Rent
- Capital gains on sale
- then filing of Income Tax Return (ITR) in India becomes mandatory.

4. Form 15CA and 15CB

These forms are generally required when money is being remitted outside India.

They help ensure that applicable taxes have been properly paid before foreign remittance.

Important Documents Required

The following documents are generally required while purchasing property in India:

- Passport
- PAN Card
- OCI Card (if applicable)
- Bank account details
- Foreign Inward Remittance Certificate (FIRC)
- Title documents
- Approved building plan
- Occupancy Certificate
- Property tax receipts
- Encumbrance Certificate
- Mutation / Khata documents
- Important Precautions Before Investment

Before investing in any property in India, the following checks are highly advisable:

Legal Verification

Verify:

- Clear title of property
- Ownership records
- Encumbrances
- Pending disputes or litigation
- Verify Builder or Seller Credentials
- Particularly in under-construction projects, proper verification of the developer is essential.
- Take Professional Advice
- Consult:
- Chartered Accountant
- Advocate
- Property consultant

to ensure proper compliance with FEMA, tax laws, and local property laws.

Conclusion

India offers significant opportunities in the real estate sector for NRIs, OCI Cardholders, and global investors who wish to maintain financial or emotional ties with the country.

At the same time, property transactions involving foreign residents are governed by detailed legal and regulatory requirements. Therefore, proper planning, legal due diligence, and tax compliance are extremely important.

With informed decision-making and professional guidance, investment in Indian real estate can become a secure and rewarding experience.

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Digital Visibility for the Newly Started CA Firm

CA. Mitul Pujara
Member of the Institute

When we set up practice, our seniors tell us the same thing: work will come through reference. For a generation of Chartered Accountants, that was true. It is no longer the whole story — and the gap is wider than young members realise.

How Google, Reviews and SEO Quietly Become Your Biggest Source of New Clients

When we set up practice, our seniors tell us the same thing: work will come through reference. For a generation of Chartered Accountants, that was true. It is no longer the whole story — and the gap is wider than young members realise.

In a practice I observe closely, the share of new enquiry arriving purely through peer-group and personal reference has settled at roughly twenty per cent. The other eighty per cent walks in through a screen — a Google search, a map listing, a LinkedIn post, a website found at the right moment. The figure surprises every practitioner I mention it to, because it inverts what we were trained to expect.

A prospective client today does not first ask a friend. The businessman with a GST notice, the founder seeking incorporation, the NRI worried about a property sale — their first instinct is to type the question into Google, often at night, often on a phone. By the time they call anyone, they already have a shortlist. If your firm does not exist in that search, you were never in the running. You did not lose the client; you were never considered. That is the quiet part that hurts — the enquiries you never receive leave no trace, and you simply assume the market is slow.

The aim of digital visibility, then, is not to advertise. It is to be findable at the moment someone is looking for what you do. That distinction matters, both ethically and practically.

Google My Business: the highest-return, zero-cost step

If a new firm does only one thing this year, it should be to complete a Google Business Profile (still called Google My Business, or GMB). It is free and takes an afternoon.

When someone searches "CA near me" or "Chartered Accountant in Ahmedabad", Google returns a map with a short list of local firms — name, rating, distance — sitting above almost everything else. A firm with a complete, active profile can appear there without even owning a high-ranking website. Fill it properly: real firm name, correct address, hours, services, genuine photographs. The name, address and phone number must match exactly what appears elsewhere online — Google reads that consistency as proof you are a real, settled business.

Then the part everyone underestimates — reviews. A client review does two jobs at once: it tells the algorithm that real people deal with your firm (improving your ranking), and it tells the next prospect that you are trustworthy (which converts the search into a call). A firm with twenty honest reviews beats an identical firm with none, almost every time.

> *" If a new firm does only one thing this year, it should be to complete a Google Business Profile (still called Google My Business, or GMB). "*

A caution suited to our profession: ask ethically. There is nothing improper in requesting a satisfied client to leave genuine feedback. There is everything improper in fabricating or incentivising reviews. Real ones compound; fake ones eventually cost you both your ranking and your reputation.

The website — and the one technical point most of us miss

Many young members treat a website as a brochure and stop there. But before any of that comes a basic problem I learned from an IT client, which no one in our professional circle had ever mentioned: without HTTPS, Google will effectively not promote your site.

Every web address begins with http or https. The "s" means secure, provided by an SSL certificate. A site without it is flagged "Not Secure" by the browser and quietly demoted by Google. You can write the finest content in the world; on an unsecured site, the search engine treats it as second-class. For a CA firm, where a visitor may share financial details through a contact form, this is also basic credibility. The fix is cheap and standard — most hosting includes SSL at little or no cost. Just know it exists and insist on it before spending energy on anything else.

The keyword game, in plain language

Once the site is secure, what should it say? A keyword is simply the phrase a client types when they need help. People do not search "comprehensive taxation advisory solutions". They search "GST registration Ahmedabad", "how to reply to income tax notice", "company registration cost", "ITR filing for NRI".

Your site ranks for the phrases it genuinely talks about. So a page titled "Services" helps no one; a page titled "GST Registration and Return Filing in Ahmedabad", which actually explains the process, documents and timelines, gets found by everyone searching that need. You are not tricking the algorithm — you are speaking the client's language back to them. Write one clear, honest page for each core service. That alone puts a new firm ahead of most established ones, whose sites were built years ago and never updated.

How the algorithm actually decides

> *" Google, LinkedIn, Instagram and Facebook all ask one question: of everything I could show this person, what is most useful right now? "*

Forget the mystique around "cracking the algorithm". Google, LinkedIn, Instagram and Facebook all ask one question: of everything I could show this person, what is most useful right now? They weigh relevance (does it match the search?), freshness (is it recent?), engagement (do others find it useful?) and consistency (does this source post reliably?).

That is essentially it. No secret switch. A firm that publishes useful content consistently, on a secure site, will rise over time. A firm that posts once in three months will not. Understanding this saves you from chasing tricks and lets you focus on the only thing that compounds — showing up, usefully, again and again.

Social media as a funnel, not a billboard

Here the professional caution matters most. As Chartered Accountants we are bound by the Institute's restrictions on advertising and solicitation. Social media used to tout for work crosses that line; used for education and awareness it stays within it — and the Institute itself has been liberalising what members may share.

So treat LinkedIn, Facebook and Instagram not as billboards but as places to teach: a new GST circular explained simply, an upcoming due-date reminder, a two-line clarification on advance tax. None of it says "hire me"; all of it demonstrates competence, and competence earns trust. LinkedIn suits the corporate reader, Facebook and Instagram the local business owner — but every post should quietly route the reader back to one home base: your website or Business Profile. The post builds awareness; the site and GMB convert it. That is the funnel.

Your existing clients are part of this too. A periodic update — a simplified budget change, a due-date calendar, a compliance alert — keeps you top-of-mind with people who already trust you. That is service, not solicitation, and a client who finds it useful is far more likely to refer you. Your twenty per cent of reference work grows because you served the existing community well.

Why it compounds — and a note to the young practitioner

None of these channels works alone, or overnight. The website makes the posts credible; the posts drive traffic that strengthens the site; the profile captures the local searcher; the reviews convert them; the client updates feed referrals. Each reinforces the others. Expect twelve to eighteen months of consistent effort before the effect is obvious — there is no shortcut, and anyone promising one should be doubted. But a page you write today will still bring enquiries three years from now. Consistency beats intensity, and on this ground a disciplined new firm with almost no budget can out-compete a far larger one.

What strikes me most is that none of this was ever taught to us. We mastered tax, audit and accounting standards, and spent not a minute on how a client would actually find us. For the member starting out today, digital visibility is a genuinely untapped treasure — low cost, high return, and largely ignored by the profession. You need a secure website that speaks your clients' language, a complete Google Business Profile with honest reviews, a steady habit of sharing useful knowledge, and the patience to let it compound. Do that ethically and consistently, and you may find, as others have, that the world beyond your reference circle is far larger than you were led to believe.

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Substance over Procedure: Refund Allowed in Duplicate DRC-03 Payment Case

CA. Sagar Patel
Member of the Institute

Substance over Procedure:

1. Introduction

In the landscape of GST compliance and litigation, procedural errors can sometimes set off a chain of consequences that the taxpayer never intended. One such situation arises when a voluntary payment under Section 74(5) of the CGST Act, 2017 is made in Form DRC-03 with an inadvertent clerical mistake – and the department, instead of appreciating the substance of the payment, treats it as a separate liability altogether.

The case analysed in this article presents precisely this dilemma. A taxpayer, under investigation for allegedly availing Input Tax Credit (ITC) from a non-existent supplier, made a voluntary payment in DRC-03. Due to a human error in selecting the tax period, the payment was not linked by the department to the underlying dispute. Faced with a fresh departmental communication asking for ITC reversal, the taxpayer made a second payment – this time with the correct period. The result: a duplicate payment of the same liability, followed by a refund claim, an initial rejection, and ultimately, a favourable refund order.

This case is a textbook illustration of how substantive evidence can – and should – prevail over procedural or clerical defects in GST proceedings.

2. Background and Facts of the Case

During an Anti-Evasion investigation, the department alleged that the taxpayer had wrongly availed ITC from a supplier ("Supplier A") who was purportedly non-existent or bogus. The disputed ITC pertained exclusively to purchase transactions reflecting in the taxpayer's books during February 2023:

- CGST: Rs. 1,50,000
- SGST: Rs. 1,50,000
- Total ITC involved: Rs. 3,00,000

No transactions with Supplier A existed in any other period – a fact that would later prove decisive.

First DRC-03 (Dated 09-08-2024):

To avail the benefit of reduced penalty under Section 74(5) and demonstrate bona fides, the taxpayer voluntarily paid the following amounts during the course of investigation:

- Tax: Rs. 3,00,000
- Interest: Rs. 75,306
- Penalty: Rs. 45,000
- Total: Rs. 4,20,306

However, while filing DRC-03, the tax period was erroneously entered as "April 2024 to July 2024" instead of February 2023. Crucially, the narration in DRC-03 specifically mentioned "Reversal of ITC relating to Supplier A" – unmistakably identifying the underlying liability.

Closure Request and Department's Response:

After making payment, the taxpayer submitted a letter requesting closure of proceedings under Section 74(6) of the CGST Act. Instead of accepting the voluntary compliance, the department subsequently issued a fresh communication requiring the taxpayer to reverse ITC and file a DRC-03 – apparently without recognising that the liability had already been discharged.

Second DRC-03 (Dated 05-01-2026):

Acting under bona fide belief that the earlier payment had not been accepted or linked to the dispute, the taxpayer made a fresh payment through a second DRC-03:

- Tax: Rs. 3,00,000
- Interest: Rs. 1,58,894
- Penalty: Rs. 45,000
- Total: Rs. 5,03,894

This time, the tax period was correctly mentioned as February 2023, and the same supplier and same liability were identified. In effect, the taxpayer had now paid the same liability twice.

Comparative Summary of Both DRC-03 Payments:

Particulars	First DRC-03 (09-08-2024)	Second DRC-03 (05-01-2026)
Section	74(5)	74(5)
Tax Paid	Rs. 3,00,000	Rs. 3,00,000
Interest Paid	Rs. 75,306 (@18%)	Rs. 1,58,894 (@18%)
Penalty Paid	Rs. 45,000	Rs. 45,000
Total Paid	Rs. 4,20,306	Rs. 5,03,894
Tax Period Mentioned	April 2024 – July 2024 (Erroneous)	February 2023 (Correct)
Supplier Referenced	Supplier A	Supplier A
Nature of Liability	ITC reversal – Supplier A	ITC reversal – Supplier A

3. The Refund Application and Initial Rejection

Recognising the duplication, the taxpayer filed a refund application under the category "Any Other (Specify)" under Section 54 of the CGST Act, on the ground of duplicate/excess payment of the same liability. The refund amount claimed was Rs. 5,03,894 (the full amount of the second DRC-03).

Department's Objection in RFD-08:

The department initially proposed rejection of the refund. The objection was straightforward: the first DRC-03 mentioned the period April 2024 to July 2024, while the second mentioned February 2023. Since the periods differed, the department took the position that both payments represented different liabilities – and hence no duplicate payment had occurred.

On its face, this objection had a certain mechanical logic. In a system that relies heavily on period-wise matching, a mismatch in the "tax period" field of DRC-03 can raise serious doubts. But the department's position, if accepted, would lead to a patently unjust outcome: the taxpayer would end up paying double for a single liability.

4. Taxpayer's Explanation and Documentary Evidence

In response to RFD-08, the taxpayer presented a clear and verifiable explanation:

- All disputed purchases with Supplier A appeared exclusively in February 2023 – this was verifiable from the supplier ledger and GSTR-2B.
- No transactions with Supplier A existed in April 2024 to July 2024 whatsoever – making any liability in that period factually impossible.
- The mention of "April 2024 to July 2024" in the first DRC-03 was a plain clerical/human error at the time of filing.

- The narration in the first DRC-03 explicitly stated "Reversal of ITC relating to Supplier A" – which aligned perfectly with the subject matter of the investigation.
- Both DRC-03 filings referred to the same supplier, the same nature of ITC, and the same quantum of tax (Rs. 3,00,000).

The taxpayer supported these submissions with supplier ledger extracts, GSTR-2B data for the relevant periods, copies of both DRC-03 challans, and the investigation correspondence – effectively reconstructing the timeline of events for the refund authority.

5. Analysis of the Refund Order

After considering the explanation and documentary evidence, the refund authority held as follows:

- Both DRC-03 payments pertained to the same liability, i.e., ITC reversal in relation to Supplier A.
- A duplicate payment had indeed occurred, entitling the taxpayer to a refund.
- The incorrect tax period mentioned in the first DRC-03 was merely a clerical and procedural error, and did not convert the same liability into a separate one.
- Substantive documentary evidence – specifically the supplier ledger, GSTR-2B, ITC quantum, supplier identity, and the investigation record – established that both payments discharged an identical underlying obligation.

This is a significant finding. The refund authority did not mechanically rely on the tax period field. Instead, it looked at the totality of evidence to determine the true nature of the payment. This reflects a mature application of the principle that form cannot be allowed to triumph over substance.

Refund Summary:

Particulars | Amount (Rs.)

Particulars: Refund Amount Claimed | Amount (Rs.): 5,03,894

Particulars: Refund Sanctioned | Amount (Rs.): 4,78,795

Particulars: Refund Rejected (Interest differential – Sec. 50(3)) | Amount (Rs.): 25,099

6. The Section 50(3) Issue: Partial Rejection of Interest Component

While the refund was substantially granted, one aspect merits careful attention: the partial rejection of Rs. 25,099 on account of the interest differential.

The refund authority held that the interest component claimed in the refund was calculated at 18% per annum. However, since the payment related to wrongly availed ITC (and not tax short-paid or not paid), the applicable interest rate was 24% per annum under Section 50(3) of the CGST Act, 2017 – not 18% under Section 50(1).

Section 50(3) – A Brief Note:

> *“ The refund authority correctly identified that the first DRC-03's interest was short-paid at 18% instead of 24%. ”*

Section 50(1) provides for interest at 18% per annum on tax paid belatedly. Section 50(3) provides for interest at 24% per annum on ITC wrongly availed and utilised. Where ITC is reversed pursuant to an investigation (as in the present case), the applicable rate is 24%, since the character of the liability is one of wrongly availed ITC – not a simple tax default.

The taxpayer, in both DRC-03 filings, had computed interest at 18%. The refund authority correctly identified that the first DRC-03's interest was short-paid at 18% instead of 24%. The difference in interest calculated at the correct rate (24%) versus the rate paid (18%) amounted to Rs. 25,099, which was therefore not refunded – since the government was entitled to retain the correct interest, and the taxpayer had in fact under-paid interest in the first DRC-03.

Key Takeaway on Section 50(3):

Where ITC is reversed voluntarily during investigation, professionals must carefully determine whether interest falls under Section 50(1) (18%) or Section 50(3) (24%). An error in rate selection does not merely create a minor computation issue – it can affect the eventual refund eligibility if excess interest paid under a wrong rate is later subjected to scrutiny. The safest approach is to compute and disclose the correct applicable rate at the time of filing DRC-03 itself.

7. Practical Implications for CA Professionals

7.1 DRC-03 is Litigation Evidence, Not a Mere Payment Form

Practitioners often treat DRC-03 as a straightforward payment mechanism. This case is a reminder that every field in DRC-03 – particularly the tax period, section reference, and narration – becomes part of the evidentiary record. A wrong entry today can trigger unnecessary litigation tomorrow. Always verify entries before submission; DRC-03 has no revision facility once filed.

7.2 The Tax Period Field Must Reflect the Actual Disputed Period

The core problem in this case was the mismatch between the period mentioned in the first DRC-03 and the actual period of the disputed transactions. Although the error was ultimately excused by a pragmatic refund authority, that outcome cannot be taken for granted. In a less enlightened adjudication, the same facts could have resulted in full rejection of the refund. The correct tax period must always correspond to the GSTR-2B and ledger entries that form the basis of the ITC claim.

7.3 Narration in DRC-03 – Your Best Friend in Dispute Resolution

In this case, the narration "Reversal of ITC relating to Supplier A" was arguably the single most important factor that saved the taxpayer. It created an unambiguous link between the DRC-03 and the investigation. Professionals should develop a habit of writing detailed, specific, and accurate narrations in DRC-03 – mentioning the supplier name, invoice period, show-cause notice reference, or investigation reference wherever applicable.

7.4 Triangulate GSTR-2B, Ledger, and DRC-03 Before Filing

Before filing any DRC-03 in the context of an ITC dispute, a three-way reconciliation is essential: (a) the supplier's GSTR-2B entry, (b) the purchase ledger of the taxpayer, and (c) the tax period and ITC amount proposed to be entered in DRC-03. All three must be mutually consistent. This reconciliation should be documented and retained, as it forms the factual foundation for any future refund claim or legal proceeding.

7.5 Closure of Proceedings Under Section 74(6) – Obtain Explicit Acknowledgment

After paying DRC-03 under Section 74(5) and submitting a closure request, practitioners must follow up for an explicit acknowledgment or closure order from the department under Section 74(6). The absence of a formal closure – as happened in the present case – left room for the department to re-open the matter and demand fresh payment. A formal closure document, properly archived, is a vital piece of practice management.

7.6 Responding to Subsequent Departmental Communications After DRC-03

When the department issues a communication after a DRC-03 has already been filed, the first instinct of the taxpayer or their advisor should be to verify whether the existing payment covers the demand in question. Making a fresh payment without this verification – as occurred here – can result in duplicate payments and the attendant complications of refund proceedings. A ledger cross-reference and a letter to the department drawing attention to the earlier payment would have been the correct course.

7.7 Section 50(3) vs. 50(1) – Interest Rate Identification is Non-Negotiable

As discussed in Section 6, the interest applicable on wrongly availed and utilised ITC is 24% under Section 50(3), not 18% under Section 50(1). This distinction must be factored into all DRC-03 computations arising from ITC-related disputes. Under-computation of interest at the time of voluntary payment can create complications in the event of a subsequent refund claim, as the government will rightly retain the additional interest it is entitled to.

8. Key Takeaways at a Glance

- A clerical error in the tax period field of DRC-03 does not ipso facto create a new or separate liability – substantive evidence governs.
- The narration in DRC-03 carries significant evidentiary weight; always make it specific and cross-referenced.
- Reconcile GSTR-2B, purchase ledger, and DRC-03 entries before submission. Document this reconciliation.
- After filing DRC-03 under Section 74(5), actively pursue formal closure under Section 74(6); do not assume closure from payment alone.
- Before making any fresh payment in response to a departmental communication, verify whether an earlier DRC-03 already covers the demand.
- Interest on wrongly availed ITC falls under Section 50(3) at 24% per annum – not 18%. Incorrect rate selection can lead to partial denial of refund.
- Refund under "Any Other" category is available for duplicate/excess DRC-03 payments; supporting documentation must be robust.
- Maintain investigation correspondence and closure letters as part of client files – they are critical in any future dispute or refund proceeding.

9. Conclusion

This case is a vivid reminder that in GST litigation, the quality of documentation and the accuracy of procedural compliance can determine outcomes as much as the underlying legal merits. A single erroneous field in a DRC-03 set off a cascade of events: a missed closure, a duplicate payment, a refund rejection, and extended litigation – all of which were ultimately avoidable.

At the same time, the case offers a measure of reassurance. A thoughtful refund authority, presented with coherent and verifiable documentary evidence, was willing to look beyond the procedural defect and acknowledge the substantive reality. That is the GST system working as it should.

For practitioners, the lesson is clear: treat every DRC-03 as carefully as a court filing. Verify the period, verify the section, verify the rate of interest, write a specific narration, and document the entire chain of events. The few minutes spent in careful pre-filing review can save clients months of refund proceedings and significant financial inconvenience.

As the refund order in this case implicitly recognises, substance must prevail over procedure – but it is always better to get the procedure right in the first place.

Disclaimer: This article is based on a real case with all identifying details anonymised. It is intended for educational and informational purposes only and does not constitute legal or professional advice.

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Don’t Chase the Rally: The Recency Trap & Your Money

CA. Dishank Shah
Member of the Institute

Don't Chase the Rally — CA Dishank Shah

Why the investment everyone is excited about today is often the worst place to be tomorrow — explained with 26 years of real market data across Sensex, Gold, and the S&P 500.

🧠 Recency Bias · 📊 2000–2026 Data · 🇮🇳 Sensex & 🥇 Gold & 🇺🇸 S&P 500 · 💡 Three Practical Ideas

What is Recency Bias?

Our brain gives too much weight to what happened recently and forgets the bigger picture. If it rained for three days, we pack an umbrella for a week. In investing, if an asset has gone up for three years, we assume it will go up forever.

→ The rally that feels “obvious” is usually the one that is almost over.

Three Stories — Told Simply: The Same Trap, Three Different Assets

🥇 Gold

2001–2012: Rose for 11 straight years. Investors called it the ultimate safe haven and piled in at the top.

2013: Crashed −28% in a single year. All the late buyers absorbed maximum pain.

2024–25: Surged again — +27%, then +55%. The cycle has restarted.

11-yr bull run → −28% crash

🇺🇸 S&P 500 (USA)

1995–1999: Five years of 20%+ gains. “The internet changes everything.” Investors went all-in.

2000–2002: Three consecutive loss years: −10%, −13%, −23%.

2023–2025: Three consecutive double-digit years. The same excitement is building again.

5-yr streak → 3 consecutive loss years

🇮🇳 Sensex (India)

2003–2007: Averaged +47%/yr. India was the hottest market. Money flooded in from everywhere.

2008: Collapsed −52.5%. Late investors lost over half their money in a single year.

Long-term: Still the strongest of the three — ~13% CAGR over 26 years despite two 50%+ crashes.

+47%/yr average → −52% crash

> *“ Period: 2024–25 | Leader: 🥇 Gold +27%, then +55% | Laggard: 🇮🇳 Sensex moderate returns ”*

The CA Perspective

As advisors trusted with client wealth, we recognise this pattern: maximum capital enters at peak valuations, maximum loss is absorbed at the subsequent correction.

The 26-year data confirms that no asset class maintains leadership indefinitely — the rotation is the rule, not the exception.

Disciplined entry timing > Asset selection

How the Recency Trap Works — Every Single Time

1 · 📈 The Surge

An asset rises strongly for 3–7 years. News celebrates it. Your neighbour made 40% last year. It feels inevitable and obvious to everyone around you.

2 · 🚪 The Crowd Rushes In

Late investors chase past returns and pour money in near the top. Fund inflows hit records. Valuations stretch. Smart money quietly exits stage left.

3 · 📉 The Reversal

One trigger — a rate hike, a valuation reset, a global event. The crowd, fully invested at peak prices, absorbs maximum loss. The cycle resets quietly elsewhere.

Centric Wealth · Securing tomorrow.

Page 1 of 2 — continued overleaf ➜

Don't Chase the Rally — The Recency Trap & Your Money

CA Dishank Shah · Market Perspectives · ICAI Ahmedabad (WIRC) · June 2026

Who Led Each Era — 2000 to 2026

Period | Leader | Laggard

Period: 2000–07 | Leader: 💰 Gold +19%/yr | Laggard: 🇺🇸 S&P 500 +3%/yr (two bear markets)

Period: 2008–12 | Leader: 💰 Gold +15%/yr | Laggard: 🇺🇸 S&P 500 +1%/yr (GFC recovery)

Period: 2013–19 | Leader: 🇺🇸 S&P +14% · 🏴 Sensex +12% | Laggard: 💰 Gold −2%/yr (nobody wanted it)

Period: 2020–23 | Leader: 🇺🇸 S&P 500 +15%/yr | Laggard: 💰 Gold mixed; 🏴 Sensex moderate

Period: 2024–25 | Leader: 💰 Gold +27%, then +55% | Laggard: 🏴 Sensex moderate returns

Period: 2026 YTD | Leader: 🇺🇸 S&P ~+2% | Laggard: 🏴 Sensex ~−7.5% (YTD est.)

Bull Run → Crash Pattern: The Evidence

Gold · 2001–2012

11-year bull run to 2012 → −28% crash in 2013

S&P 500 · 1995–1999

Five consecutive 20%+ years → −10%, −13%, −23% (2000–02)

> *“ The investor who held the S&P 500 through 2009 made 400%+ in the next ten years. ”*

Sensex · 2003–2007

+47%/yr average over five years → −52% collapse in 2008

S&P 500 · 2003–2007

Strong five-year recovery bull → −38% crash in 2008 (GFC)

⚠️ Watch Closely — 2026 & Beyond

Gold gained +27% in 2024 and +55% in 2025. By historical pattern, euphoric entries after extended bull runs carry elevated reversal risk. The cycle has not been repealed — only delayed.

The Long-Term Verdict — 26-Year CAGR (2000–2026)

🏴 ~13% — Sensex · 26-Yr CAGR

Survived two 50%+ crashes. Patience rewarded — every single time.

💰 ~9% — Gold · 26-Yr CAGR

+1,300%+ total return. Volatile cycle-to-cycle, remarkably consistent over decades.

🇺🇸 ~9% — S&P 500 · 26-Yr CAGR

Two lost decades absorbed. Time in market heals all crashes.

⚡ The Key Insight

All three asset classes converge at 9–13% long-term CAGR. The real risk is not the asset — it is crowded entry at the top of a cycle. The winner rotates every few years. The patient, diversified investor wins every time. Timing an exit from a peaked asset matters as much as picking the next one.

Three Things to Do Right Now

⚖️ Rebalance, Don't Chase

If one asset has doubled, it now occupies too much of the portfolio. Trim it. Add to what has lagged. Sell expensive, buy cheap. This is not pessimism — it is systematic discipline.

😌 Get Comfortable with Discomfort

The asset nobody at the dinner table is discussing may be the one building its next bull run. Discomfort at entry is often the price of admission for the next cycle's gains.

🔭 Zoom Out to 10+ Years

Sensex crashed −52% and delivered ~13% CAGR over 26 years. S&P 500 survived two lost decades and returned ~9% long-term. Time in the market builds wealth. Recency bias destroys it.

The asset everyone wants to own today is more often than not the one that will disappoint tomorrow. The discomfort you feel about a lagging asset class is frequently the signal, not the warning. The investor who looked at gold in 2000 — when nobody wanted it — and bought, earned over 1,000% in a decade. The investor who held the S&P 500 through 2009 made 400%+ in the next ten years. The next great opportunity probably does not feel like one today.

Data Sources: BSE (Sensex calendar-year price returns), World Gold Council / LBMA PM fixing (Gold USD returns), S&P Global (S&P 500 price returns). 2026 figures are YTD estimates as of June 2026 and subject to revision. Sensex & S&P 500 in local currencies; Gold in USD.

Disclaimer: Past performance is not indicative of future results. This document is for informational and educational purposes only and does not constitute investment advice. Please consult a SEBI-registered investment advisor before making any financial decisions. ·

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GIFT IFSC: The Structural Advantage Behind India's Global Financial Ambition

CA. Bansari Patel
Member of the Institute

GIFT IFSC: The Structural Advantage Behind India's Global Financial Ambition

Beyond incentives and infrastructure, GIFT IFSC represents a structural transformation in India's financial architecture, laying the foundation for a globally competitive and innovation-driven financial ecosystem.

A Shift from Participating in Global Finance to Hosting It

For decades, key financial activities relating to Indian businesses—including offshore fund management, foreign currency borrowing, treasury operations and cross-border investment structures—were largely routed through international financial centres such as Singapore, London, Dubai and Mauritius. Consequently, a significant share of financial intermediation associated with India took place outside the country.

GIFT IFSC seeks to reverse this trend by enabling global financial activities to be undertaken from within India under internationally competitive regulatory, tax and operational frameworks. Its structural advantages include foreign exchange flexibility, access to international capital markets and a unified regulatory environment that supports cross-border financing, treasury management and global investment activities.

Beyond attracting capital, GIFT IFSC strengthens India's financial sovereignty by encouraging high-value financial services, expertise and decision-making to be located within India, while positioning the country as an increasingly important participant in the global financial ecosystem.

The IFSCA Model – One Regulator, One Vision

One of the most significant reforms supporting GIFT IFSC is the establishment of the International Financial Services Centres Authority (IFSCA) under the IFSCA Act, 2019.

Unlike the domestic financial system, where multiple regulators such as RBI, SEBI, IRDAI and PFRDA govern different sectors, IFSCA functions as a unified regulator for all financial activities within the IFSC. This single-window approach simplifies regulatory compliance, provides greater certainty to global institutions and enhances ease of doing business.

IFSCA regulates banking, capital markets, insurance, fund management, leasing, fintech and other financial services through specialised frameworks. It has also introduced Regulatory

Sandbox and Innovation Sandbox mechanisms to encourage innovation while maintaining adequate safeguards. The presence of a unified regulator strengthens GIFT IFSC's competitiveness as a global financial centre and supports the development of emerging financial products and technologies.

Strengthening the Rupee – The Foreign Exchange Architecture

A unique feature of GIFT IFSC is its treatment as a non-resident jurisdiction under India's foreign exchange regulations. This distinction allows eligible transactions to be undertaken under a separate foreign exchange framework, thereby facilitating efficient cross-border fund flows and international financial transactions. Transactions within the IFSC are generally undertaken in freely convertible foreign currencies, providing operational flexibility comparable to international financial centres.

This framework enables Indian businesses to raise foreign capital, undertake treasury operations and access global financial markets from within India. It facilitates international transactions in freely convertible foreign currencies, thereby reducing exchange conversion costs and mitigating currency risks.

Further, GIFT IFSC enables foreign currency borrowing, lending, liquidity management and treasury operations through an Indian jurisdiction while benefiting from a non-resident regulatory framework. This effectively bridges the gap between domestic and international financial systems.

> *" One of the most significant reforms supporting GIFT IFSC is the establishment of the International Financial Services Centres Authority (IFSCA) under the IFSCA Act, 2019. "*

GIFT IFSC also supports the gradual internationalisation of the Indian Rupee. The growth of Rupee-denominated instruments, Rupee-linked derivatives and international fund-raising structures through the IFSC contributes towards developing global acceptance and liquidity for the Indian currency.

Bringing the World to India – Institutional Convergence at GIFT IFSC

The success of any international financial centre depends upon the institutions operating within it. GIFT IFSC has witnessed rapid participation from global banks, fund managers, insurers, exchanges and financial intermediaries, creating a vibrant ecosystem for international financial activity.

Leading international and Indian banks operate through IFSC Banking Units (IBUs), offering offshore lending, trade finance, treasury operations and foreign currency services. Similarly, India INX and NSE IFSC provide world-class exchange infrastructure for trading and listing of global securities, debt instruments and derivatives.

The Fund Management Entity (FME) framework has attracted alternative investment funds, venture capital funds, private equity funds, family offices and global asset managers. The Fund Relocation Framework further allows offshore funds to migrate to GIFT IFSC in a tax-efficient manner, encouraging fund management activities to be conducted from India. The framework supports onshoring of fund management activities while preserving continuity of investment structures and investor participation.

By bringing together banking, capital markets, insurance, reinsurance, asset management and fintech activities within a single ecosystem, GIFT IFSC creates the network effects necessary for a globally competitive financial centre. It also provides direct access to international capital markets through debt listings, fund structures and global investment platforms, making it an attractive destination for multinational corporations and institutional investors.

The ecosystem also serves as a strategic platform for multinational corporations seeking a regional hub for treasury operations, investment management and cross-border financing. By enabling these activities to be undertaken within an Indian jurisdiction, GIFT IFSC enhances India's competitiveness in global financial services and retains greater economic value domestically.

Other important developments include the establishment of the India International Bullion Exchange (IIBX), growth of insurance and reinsurance activities, and increasing focus on aircraft and ship leasing. These specialised financial services were historically concentrated in overseas jurisdictions and their gradual migration to GIFT IFSC reflects India's growing capability to host complex international financial activities.

Tax and Fiscal Architecture – Competing on Global Terms

A key pillar of GIFT IFSC's competitiveness is its internationally benchmarked tax and fiscal framework designed to facilitate cross-border financial activities. Some of the major incentives include:

100% tax deduction under Section 80LA for eligible income for ten consecutive years out of a fifteen-year period.

Capital gains tax exemptions on specified securities traded on recognised IFSC exchanges.

Exemption from Securities Transaction Tax (STT) and Commodity Transaction Tax (CTT).

> *“ 100% tax deduction under Section 80LA for eligible income for ten consecutive years out of a fifteen-year period. ”*

Tax-neutral relocation of eligible offshore funds to GIFT IFSC.

Nil GST on specified services provided within the IFSC and to offshore clients.

Collectively, these measures create regulatory certainty and ease of doing business for international investors while encouraging foreign direct investment and global business operations to be structured through India.

Sustainable Finance, Fintech and the Future

GIFT IFSC is being developed not only for current financial requirements but also for emerging global trends.

IFSCA has introduced frameworks relating to green bonds, sustainability-linked instruments, ESG-focused investments and climate finance. These initiatives position GIFT IFSC as an attractive destination for sustainable finance activities.

The fintech ecosystem is also expanding through regulatory support for innovation in areas such as cross-border payments, regtech solutions, digital finance and emerging technologies.

Strategically located between major Asian, Middle Eastern, European and African markets, GIFT IFSC is well positioned to serve as a regional hub for international financial services. Combined with its regulatory framework and growing institutional presence, this strengthens its long-term growth potential.

The Expanding Role of Chartered Accountants

As businesses increasingly utilise IFSC structures for global operations, Chartered Accountants are expected to play a key role in areas such as international taxation, fund structuring, financial reporting, valuation, regulatory compliance and transaction advisory. The increasing complexity of cross-border transactions and global investment structures is creating demand for specialised expertise in IFSC regulations and international financial frameworks.

The growth of GIFT IFSC is also fostering a globally competitive professional services ecosystem comprising Chartered Accountants, lawyers, valuers, consultants and risk professionals. This evolving landscape presents an opportunity for the profession to move beyond traditional compliance functions and contribute more strategically to India's global financial ambitions.

Concluding Remark

The evolution of GIFT IFSC represents a transformative shift in India's financial journey—from participating in global financial markets to creating a world-class ecosystem within its own borders. As India advances towards its vision of Viksit Bharat 2047, GIFT IFSC will play a pivotal role in strengthening India's position as a global financial powerhouse.

For the Chartered Accountancy profession, this evolving ecosystem presents an opportunity to develop specialised expertise and play a more strategic role in India's journey towards becoming a globally integrated financial economy. More importantly, GIFT IFSC represents a structural shift in India's approach to international finance—from facilitating global capital flows to hosting and intermediating them within India.

GIFT IFSC is not just a destination for global capital; it is a reflection of India's aspiration to become a creator of global financial standards, and the Chartered Accountancy profession will be an integral part of this transformation.

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Continuous Review of Monetary Policy: How Meaningful Is It?

CA. Rahul Sharma
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Continuous Review of Monetary Policy: How Meaningful Is It?

Core Theme

The attached article examines a fundamental question in economic policy: whether continuous review of monetary policy is meaningful, or whether it becomes harmful when review turns into repeated intervention. Its central argument is balanced. It does not oppose review. Instead, it warns that review must not become a habit of frequent policy reversal. In a modern economy, the central bank must observe data continuously, explain its view regularly and remain alert to inflation, liquidity, credit, exchange-rate pressure and financial stability. Yet the broad policy framework must remain stable enough to give confidence to investors, banks, farmers, small industries and households.

The article therefore treats monetary policy not merely as a technical exercise of changing interest rates, but as an instrument for maintaining economic confidence. A central bank influences the cost of money, the availability of credit, returns to savers, the viability of investments, government borrowing costs, the exchange rate, and inflation expectations. Since all these affect real economic behaviour, monetary policy must be reviewed carefully. The real issue is not whether policy should be reviewed, but how frequently, at what level, for what purpose and within what limits.

Long-term Policy and Executive Instructions

A major idea in the article is the distinction between long-term policy and short-term executive instructions. Long-term policy provides the stable framework within which society forms expectations. It includes the inflation target, the broad stance toward price stability, the balance between growth and inflation, and the credibility of the central bank. In India, the flexible inflation-targeting framework, with a medium-term inflation target and tolerance band, is an example of such a long-term policy structure. It tells the market that the central bank will not suddenly change its basic objective.

Executive instructions are different. They are operational and temporary. Repo operations, reverse repo operations, open market operations, variable-rate auctions, cash reserve tools, liquidity support, foreign-exchange intervention and regulatory guidance are instruments for managing short-term pressures. If liquidity is tight because of tax payments or government cash flows, the solution may be a temporary liquidity operation rather than a change in monetary philosophy. If food prices rise briefly because of seasonal supply factors, the central bank need not immediately reverse the interest-rate cycle unless the rise spreads into wider inflation expectations.

In simple terms, policy gives direction while executive action manages immediate movement. Policy works over years; executive instructions work over days, weeks or months. Policy creates confidence; instructions create balance. The article argues that continuous review is useful only when it strengthens this separation. It becomes dangerous when every short-term disturbance is treated as a reason to redefine policy.

Uncertainty and Its Economic Cost

The article gives special attention to the psychology of economic uncertainty. Investors do not base decisions only on today's rate of interest. They estimate future borrowing costs, demand, exchange-rate movements, tax conditions and policy signals. If policy signals change every few months, investors begin to delay projects. A manufacturing project that is viable at a 9% cost of debt may become doubtful if rates move to 10.5%. Even if the rate later falls, the investor may continue to wait because the policy environment appears unpredictable. This invisible burden is described as a policy uncertainty premium.

This uncertainty is not limited to large companies. Banks may prefer shorter maturity lending and become cautious about long-term loans. Small industries may receive loans only at floating rates. Farmers may face tighter credit conditions at the very time they need seasonal working capital. Households may hesitate to take home loans because of fear of rising EMIs. Government borrowing costs may also become volatile. Thus, frequent intervention without a clear framework can create a culture of delayed decisions across the economy.

The article rightly observes that expectations create real economic outcomes. If markets believe the central bank will react harshly to every temporary shock, bond yields may rise in advance. If people believe the central bank will respond too late to inflation, they may demand higher wages and adjust prices upward. Therefore, central-bank credibility depends not only on action but also on discipline, language and continuity.

Strategic Value of the Half-yearly Review

The article explains that the older half-yearly monetary review system had strategic value in the Indian context. India's economy was deeply linked with agriculture, monsoon cycles, government procurement, rural cash flows, public sector bank lending and festival demand. A six-month policy horizon was therefore connected with the real rhythm of the economy. Before the kharif and rabi seasons, farmers need liquidity for seeds, fertilisers, diesel, wages and irrigation. After harvest, mandi payments and rural consumption increase liquidity. A half-yearly review allowed policy-makers to understand whether a change was seasonal or structural.

> *" A company expanding with Rs. 70 crore debt may see its annual interest burden rise by more than Rs. 1 crore if rates increase from 9% to 10.5%. "*

This strategic patience helped avoid overreaction. If onion or pulse prices rose for two months, it was not always necessary to change policy rates. Agricultural supply might correct the price movement later. But if foodgrain, fuel, wages and import costs together created broader inflationary pressure, a policy-level response could be justified. Thus, the half-yearly system helped the central bank distinguish short-term noise from long-term signals.

Short-term Deviations and Market Behaviour

A central argument of the article is that every short-term problem should not be solved through a change in the policy rate. Many deviations can be handled through market behaviour, banking operations and liquidity management. Temporary tightness in money markets can be addressed through repo auctions. Temporary pressure on government securities can be managed through open market operations. Sudden foreign portfolio outflows can be moderated through foreign-exchange reserves, forward-market signals or prudential measures. None of these requires a reversal of the long-term policy stance.

The article also warns against moral hazard. If markets expect the central bank to rescue them in every disturbance, they may stop managing risk responsibly. Banks may become careless about maturity matching. Investors may assume that market falls will always bring policy relief. Such expectations prevent proper pricing of risk. Therefore, the central bank must sometimes allow market adjustment while preventing systemic instability. This is the essence of mature monetary policy.

Arguments in Favour of Continuous Review

The article does not reject continuous review. It accepts that the modern economy is faster and more complex than before. Global capital can move quickly, crude oil prices may rise suddenly due to war or sanctions, digital payments have increased financial speed, and financial markets now react immediately to data and signals. If the central bank remains silent for too long, markets may speculate and overreact. Therefore, regular review is valuable when it provides information, explains risks and stabilises expectations.

Continuous review also improves transparency. When the central bank explains its view on inflation, growth, credit, liquidity, exchange rates and global risk, uncertainty is reduced. Communication itself becomes a policy instrument. Sometimes the language of the policy statement can moderate market rates without any change in the policy rate. Regular review also enhances public accountability because ordinary citizens are affected by inflation, deposits, EMIs and employment. Hence, the problem is not review itself, but review that is reactive, directionless or inconsistent.

Arguments Against Continuous Intervention

The article identifies several dangers of excessive intervention. First, it can distort long-term interest rates. Bond investors demand a risk premium when they cannot predict policy direction. This raises borrowing costs for government, infrastructure, manufacturing and other long-term projects. Second, it can make policy too dependent on short-term data such as one month's CPI, one quarter's GDP or one week's food price movement. If policy bends at every data point, businesses also abandon long-term planning and begin making speculative bets.

Third, frequent intervention weakens credibility. Markets need to understand the central bank's reaction function, meaning what it will do under different circumstances. If one meeting calls inflation the main threat and the next meeting quickly shifts to growth support without a clear explanation, stakeholders become confused. The article therefore concludes that repeated reassessment is necessary, but repeated redefinition of policy is dangerous.

Agriculture, Rural Liquidity and Inflation

The article gives a practical illustration of agriculture-based liquidity. Suppose 10,000 farmers in a district need Rs. 80,000 each before the kharif season. The total requirement is Rs. 80 crore. If liquidity is tight and lending rates rise, farmers may reduce fertiliser, seed quality or irrigation. Lower production may later increase food prices. Thus, excessive liquidity tightening can itself contribute to future inflation. On the other hand, after harvest, when procurement payments and rural income increase, the central bank may absorb extra liquidity to prevent demand pressure.

The article stresses that monetary policy must distinguish productive credit from speculative or consumption credit. Credit to fertiliser, irrigation, animal husbandry, storage and processing can increase supply and reduce inflation. Liquidity flowing only into speculation, real estate or imported luxury consumption may increase imbalance. This distinction is especially important for India, where food prices and rural income remain central to inflation and demand.

Corporate, Banking and Household Impact

The article uses numerical examples to show how small rate movements can have large effects. A company expanding with Rs. 70 crore debt may see its annual interest burden rise by more than Rs. 1 crore if rates increase from 9% to 10.5%. Its interest coverage weakens, the bank perceives higher risk, and expansion may be postponed. A bank with long-term floating housing loans may face pressure if deposit costs rise faster than loan repricing. It may then slow new lending to housing, MSMEs and agriculture.

Households are also affected. A 1% rise in interest on a long-term housing loan can increase monthly EMI significantly. This may reduce spending on education, health and savings. Government borrowing is affected on a much larger scale; even a small increase in yields on large borrowing can raise the annual interest burden by thousands of crores. Therefore, policy language, rate signals and review discipline influence the allocation of economic resources.

> *“ A manufacturing project that is viable at a 9% cost of debt may become doubtful if rates move to 10.5%. ”*

Exchange Rate, Capital Flows and Policy Signals

The article also links monetary policy with exchange-rate stability. Foreign investors examine real interest rates, inflation credibility and policy consistency. If policy direction appears unstable, foreign portfolio investors may reduce exposure, creating pressure on the rupee. A weaker rupee increases the cost of imported crude oil, fertilisers, electronics and machinery. This can feed inflation and create pressure for further tightening. Thus, instability in policy signals can itself become a cause of inflation.

At the same time, the central bank cannot change policy rates for every exchange-rate movement. That would make domestic growth hostage to global capital flows. The proper method is to maintain a stable domestic policy framework while using forex intervention, forward guidance and capital-flow management as executive tools. Continuous monitoring is necessary, but continuous policy intervention is not.

Communication as an Instrument

The article gives importance to central-bank communication. In modern monetary policy, words matter almost as much as rates. Markets read the tone of statements, inflation forecasts, growth projections, voting patterns and signals from the governor. If communication changes from harsh to soft to uncertain without a stable logic, markets become confused. But if the central bank clearly states that its goal is medium-term price stability and that short-term shocks will be handled through appropriate instruments, expectations remain stable.

Communication should explain which deviations are temporary, which may become permanent, and which tools may be used in different situations. It should also acknowledge the limits of monetary policy. Interest rates alone cannot solve food supply problems, global oil shocks, logistics issues or productivity weaknesses. Clear and honest communication strengthens credibility.

Policy Suggestions and Final Conclusion

The article recommends a three-level structure. First, the long-term framework--inflation target, financial stability and the growth-inflation balance--should remain stable over the medium term. Second, periodic reviews should present rates, stance, forecasts and risk assessment. Third, daily or weekly operational measures should manage liquidity and market pressure. Confusion arises when these three are mixed.

It also suggests that the central bank should clearly explain its reaction function. It should state that temporary food inflation may not immediately require rate action, but broader inflation expectations would justify intervention. Similarly, growth support should be given only when inflation and financial stability permit it. The article further recommends renewed attention to agriculture, rural liquidity, procurement, food stocks, animal husbandry, microcredit and cooperative banking in monetary analysis.

In conclusion, the article argues that continuous monetary policy review is meaningful only when it represents disciplined vigilance. Review should give signals, not noise; confidence, not panic; stability, not repeated intervention. The ideal approach is to combine the strategic restraint of the earlier half-yearly system with the transparency of the modern review system. Long-term policy should remain credible and predictable, while executive tools should remain flexible and timely. This balance is essential for a complex, agriculture-linked and rapidly developing economy like India.

Key Takeaways

Issue	Core Message
Review vs intervention	Review is useful, but repeated policy reversal creates uncertainty.
Long-term policy	Stable targets and framework create confidence.
Executive tools	Liquidity operations and market tools should handle temporary shocks.
Agriculture link	Indian monetary policy must understand crop cycles and rural liquidity.
Communication	Clear language is itself a monetary instrument.
Final view	Meaningful review means disciplined vigilance, not constant reaction.

From Detention to Confiscation: Has Judicial Intervention Restored the Balance?

CA. Hiral Gajera
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From Detention to Confiscation: Has Judicial Intervention Restored the Balance?

Introduction

Imagine a truck carrying goods worth ₹50 lakh being intercepted during transit.

The tax invoice is available. The goods are genuine. The transaction is recorded in the books of account. Yet, owing to a discrepancy in the accompanying documents, the vehicle is detained and the goods are withheld.

Within a short span, the taxpayer not only faces proceedings under Section 129 of the CGST Act but may also receive a notice proposing confiscation under Section 130.

For many businesses, this is not a hypothetical situation but a practical reality.

Since the implementation of GST, Sections 129 and 130 have emerged as some of the most litigated provisions under the law. While these provisions were introduced to curb tax evasion and safeguard revenue, disputes have frequently arisen regarding their scope, application and misuse.

The resulting judicial intervention has significantly shaped the understanding of these provisions and clarified the distinction between detention and confiscation.

Legislative Framework

The movement of goods under GST is governed primarily by Section 68 of the CGST Act read with Rule 138 relating to e-way bills.

To ensure compliance during transit, the legislature introduced Sections 129 and 130.

Section 129 – Detention, Seizure and Release

Section 129 empowers authorities to detain or seize goods and conveyances when goods are transported in contravention of the provisions of the Act or Rules.

The objective is primarily regulatory in nature. It ensures that goods moving in transit are accompanied by valid documents and that tax compliance requirements are adhered to.

Section 130 – Confiscation

Section 130 is a far more stringent provision.

It empowers authorities to confiscate goods and conveyances where there is evidence of deliberate tax evasion or specified violations enumerated under the provision.

Unlike detention, confiscation results in deprivation of ownership rights unless redemption fine and other liabilities are discharged.

The distinction is crucial because detention is temporary, whereas confiscation carries far more severe consequences.

Section 129 vs Section 130 – A Practical Distinction

The distinction between the two provisions may be summarised as follows:

Particulars	Section 129	Section 130
Nature	Detention and release	Confiscation
Objective	Regulatory compliance	Punishment for serious violations
Requirement of intent	Generally not necessary	Significant factor
Ownership of goods	Remains with taxpayer	May vest with Government
Consequence	Payment of tax and penalty	Confiscation and redemption fine
Forms commonly used	MOV-07, MOV-09	MOV-10, MOV-11

The judiciary has repeatedly emphasized that these provisions operate in different fields and cannot be treated as interchangeable.

The Practical Problem

While the legislative intent appears straightforward, the practical experience of taxpayers has often been different.

> *“ Since the implementation of GST, Sections 129 and 130 have emerged as some of the most litigated provisions under the law. ”*

Several disputes have arisen from situations such as:

- Minor clerical errors in e-way bills.
- Typographical mistakes in vehicle numbers.
- Expiry of e-way bill due to vehicle breakdown.
- Incorrect entry of quantity or destination.
- Delay in updating Part-B details.

In many cases, there is no allegation that tax has not been paid.

There is no allegation that goods are non-existent.

There is no allegation that the transaction is fictitious.

Yet taxpayers have found themselves facing detention, substantial penalties and, at times, confiscation proceedings.

For businesses, the consequences are immediate:

- Delay in delivery schedules.
- Loss of customer confidence.
- Working capital blockage.
- Additional logistics costs.
- Increased litigation expenditure.

The issue therefore extends beyond tax demand and directly impacts ease of doing business.

Judicial Intervention: Restoring the Legislative Intent

One of the most significant developments came from the Gujarat High Court in Synergy Fertichem Pvt. Ltd. The Court recognized that Sections 129 and 130 operate in distinct fields and that confiscation cannot automatically follow detention. The principles laid down in the decision have subsequently found acceptance and support in various judicial pronouncements across the country.

The decision played an important role in reaffirming the legislative distinction between detention under Section 129 and confiscation under Section 130, thereby discouraging mechanical invocation of confiscation proceedings.

CBIC's Own Recognition of the Issue

Interestingly, even the CBIC acknowledged the practical difficulties arising from strict enforcement in transit cases. Circular No. 64/38/2018-GST dated 14.09.2018 clarified that proceedings under Section 129 should not be initiated for certain minor discrepancies in e-way bills, such as minor spelling mistakes, small errors in PIN codes, one or two digit errors in document numbers, HSN codes or vehicle numbers. Instead, only a nominal penalty may be imposed.

The Circular reflects an important principle: not every procedural lapse should be treated as an attempt to evade tax.

Emerging Judicial Trend

Recent judicial pronouncements across the country indicate a common theme: statutory powers must be exercised with fairness and in accordance with due process.

Ranjeet Kumar Poddar

(WPA 622 of 2026, Calcutta High Court)

The Court held that once the taxpayer complied with the requirements prescribed under Section 129(1)(a), the detained goods were liable to be released. The department could not continue detention beyond what the statute permits.

Panchhi Traders

(R/SCA No. 9250 of 2020 with connected matters [2025 (12) TMI 941], Gujarat High Court)

The Gujarat High Court held that where facts indicate a genuine intention to evade tax, confiscation proceedings under Section 130 can be initiated. The decision underscores that courts support strict action in deserving cases while insisting on compliance with statutory safeguards.

Venkateshwara Traders

“ Perhaps the most important takeaway from the evolving jurisprudence is that the debate is no longer about whether the department possesses the power to detain or confiscate goods. ”

(D.B. Civil Writ Petition No. 2413 of 2025, Rajasthan High Court, Jaipur Bench)

The Court emphasized that confiscation is a serious consequence and cannot be sustained unless the mandatory procedure prescribed under law is followed. Any departure from statutory safeguards would vitiate the proceedings.

Authentic Metals

(W.P.(C) No. 881 of 2026, Kerala High Court)

The Court reiterated that procedural safeguards are not empty formalities. Authorities must adhere to the statutory framework before taking coercive action against taxpayers.

ASP Traders v. State of Uttar Pradesh & Ors.

(Civil Appeal No. 9764 of 2025, Supreme Court)

The Supreme Court clarified that payment of tax and penalty pursuant to Section 129 does not dispense with the officer's obligation to pass a reasoned order. In the absence of such an order, the taxpayer's statutory right to appeal would become illusory. The judgment reinforces the principle that procedural fairness must accompany the exercise of statutory powers.

Kamal Envirotech Pvt. Ltd.

(2025 SCC OnLine Del 184, Delhi High Court)

The Delhi High Court observed that Section 129 cannot be used as a blanket punitive provision. The power must be exercised in a manner consistent with the object of the legislation and not mechanically in every case of discrepancy.

At the same time, courts have not diluted the powers available to the department in genuine cases involving tax evasion.

In Panchhi Traders, the Gujarat High Court recognized circumstances where confiscation proceedings may be justified.

The judicial message is therefore balanced.

Courts are not restricting enforcement.

They are ensuring lawful enforcement.

Key Lessons for Tax Professionals

Recent jurisprudence provides several practical lessons:

1. Every Detention Is Not Confiscation

The existence of a discrepancy during transit does not automatically justify confiscation proceedings.

2. Due Process Matters

Authorities must follow the procedure prescribed under the Act and Rules before taking adverse action.

3. Facts Remain Critical

The nature of the discrepancy and surrounding circumstances often determine the outcome.

4. Proportionality Is Important

Minor procedural lapses should not ordinarily attract consequences designed for deliberate tax evasion.

5. Documentation Remains the First Line of Defence

Proper maintenance of invoices, e-way bills and supporting records continues to be essential.

Conclusion

Sections 129 and 130 remain indispensable tools in the GST framework for preventing tax evasion and protecting government revenue.

However, the exercise of these powers has far-reaching implications for businesses engaged in legitimate trade.

Recent judicial pronouncements demonstrate a conscious effort to maintain the balance between enforcement and fairness. The courts have consistently reiterated that while revenue protection is important, statutory powers must be exercised within the limits prescribed by law and in accordance with principles of natural justice.

Perhaps the most important takeaway from the evolving jurisprudence is that the debate is no longer about whether the department possesses the power to detain or confiscate goods. The real question is whether such powers are exercised in the manner contemplated by the legislature.

A robust GST regime requires both effective enforcement and procedural fairness. Neither can exist sustainably without the other.

Compliance Calendar - July 2026

CA. Bhavin Soni
Member of the Institute

Income Tax Due Dates

Date	Period	Compliance
7	June'26	Deposit TDS/TCS liability
7	Apr-June'26	Upload Declaration received in Form 121 from recipients
7	Apr-June'26	Quarterly deposit of TDS where permitted by AO [Table Sl. Nos. (1)(i) and (ii), and 5(ii) and (iii)]
7	June'26	Upload Declaration received in Form 127 from buyer
15	May'26	TDS certificate in Form 132 u/s 395(4) for TDS deducted u/s 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)]
15	Apr-June'26	Furnishing of quarterly statement in Form 147
15	Apr-June'26	Quarterly statement in Form 148 to be furnished by a unit of IFSC
15	June'26	Statement in Form 1 by the stock exchange
15	June'26	Form 137 [Old Form 24G]
30	June'26	Payment of TDS u/s 393(1) [Table Sl. No. 2(i), 3(i), 6(ii) & 8(vi)]
31	Apr-June'26	Quarterly statement in Form No. 138 for TDS on salary
31	Apr-June'26	Quarterly statement in Form No. 140 for TDS other than salary
31	Apr-June'26	Quarterly statement in Form No. 143 for TCS
31	AY 2026-27	ITR Filing for salaried individuals, pensioners, and taxpayers not requiring an audit

GST Due Dates

Date	Period	Compliance
10	June'26	GSTR-7 (TDS) & GSTR-8 (TCS)
11	June'26	GSTR-1 (Monthly)
13	Apr-June'26	GSTR-1 (QRMP)
13	June'26	GSTR-5 (NRTP) & GSTR-6 (ISD)
18	Apr-June'26	CMP-08 (Composition Dealer)
20	June'26	GSTR-3B (Monthly) & GSTR-5A (OIDAR)
22	Apr-June'26	GSTR-3B (QRMP List-1 Taxpayers)
24	Apr-June'26	GSTR-3B (QRMP List-2 Taxpayers)
30	Jul-Sept'26	Opt in/out from QRMP scheme

PF/ESIC & ROC Due Dates

Date	Period	Category	Compliance
15	June'26	PF/ESIC	PF/ESIC Deposit & Return
31	FY 2025-26	ROC	Return of Deposits in DPT-3 (Due Date Extended)

Understanding the Proposed Variable Capital Company Structure Coming to GIFT IFSC

CA. Vidit Khandelwal
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Understanding the Proposed Variable Capital Company Structure Coming to GIFT IFSC

Gujarat International Finance Tec-City's (GIFT City) rise as an international fund-management centre is no longer a matter of ambition. As of 31 March 2026, fund management entities (FME) in the International Financial Services Centre (IFSC) had drawn commitments of USD 39.09 billion, of which USD 19.51 billion was already raised by launching around 360 funds/schemes.

A fund/scheme in the IFSC today is usually a trust, sometimes a company or an LLP. Each works, and each leaves something on the table.

The trust is flexible and cheap to run, which is why it is the most popular vehicle; but it is not a body corporate, and that creates two problems. Ring-fencing one scheme's assets from another rests on contract rather than law, so the wall is only as strong as the paperwork behind it. And because a trust is unincorporated, it can struggle to claim the tax-treaty benefits in foreign jurisdictions.

A company solves the 'legal entity' and treaty problem, but trades it for rigidity. Its capital rules make it hard to issue and redeem shares freely, returning money to investors is cumbersome, and housing several distinct strategies under one roof does not come naturally along with the full weight of company-law compliance. The LLP sits somewhere in between, and is no better suited to open-ended fund mechanics.

Step back, and the same features are missing by design in these structures: statutory segregation between pools, the freedom to expand and shrink capital at will, the ability to pay investors out of capital, and room for many strategies or many sub-funds under a single umbrella. Today, these are stitched on through contracts and regulations.

That is the gap the draft IFSC Authority (Amendment) Bill, 2026 ('Bill') sets out to close, with a new vehicle: the Variable Capital Company, or VCC. The idea is not new. The VCC is already the structure of choice across the world's leading financial centres. Singapore introduced its VCC framework in 2020 and has seen rapid adoption; Luxembourg's variable-capital investment companies have long been a backbone of European fund structuring; and Mauritius, Hong Kong and the United Kingdom each offer their own versions of the idea. By bringing a comparable structure to GIFT City, India is signalling that the IFSC intends to compete with these jurisdictions on their own terms.

India has taken a careful route to get here. A committee under Dr K. P. Krishnan first studied whether the VCC fit the IFSC and reported in May 2021. A second, under Dr M. S. Sahoo, drafted the legal framework and reported in October 2022. The FY 2024-25 Budget then committed to a "variable company structure" for pooled private-equity funds and for financing and leasing aircraft and ships. The Bill is where that journey lands, open for public consultation.

So, what exactly is a VCC?

Picture a parent that owns nothing itself but holds a family of funds beneath it. That, in essence, is a VCC. It would be a body corporate i.e. a separate legal entity with its own name, perpetual succession and limited liability, much like a company. The twist is the two-tier design. The VCC sits on top as an umbrella; underneath it has one or more sub-funds. At sub-fund level, the money will be pooled from investors. The umbrella holds no assets or liabilities of its own i.e. everything belongs to a particular sub-fund, or apportioned amongst multiple sub-funds.

A sub-fund would not be a separate legal person; the VCC signs contracts on its behalf. But for nearly every purpose, each sub-fund would stand on its own.

> *“ Ring-fencing one scheme's assets from another rests on contract rather than law, so the wall is only as strong as the paperwork behind it. ”*

The big idea: ring-fencing

Here is the cornerstone. Under the Bill, each sub-fund's assets and liabilities would be legally walled off from every other. The assets of one sub-fund could not be touched to pay another's debts — not in the ordinary course, not even when the VCC or a sister sub-fund is being wound up. A lawsuit or an insolvency affecting one sub-fund does not reach across to the others.

For a Chartered Accountant advising fund clients, this is a genuine shift. Today, segregation between schemes within a single structure rests on contractual arrangement and careful accounting. Due to ring-fencing feature, a manager can run a credit strategy, a private-equity strategy and a venture strategy as three sub-funds under one VCC, confident that trouble in one will not contaminate the others.

A capital structure designed for funds

Two kinds of shares – management shares and participating shares

The Bill contemplates two distinct classes of share capital. Management shares are issued at the VCC level to those who establish and control the company, typically the FME. They carry voting rights but no economic rights, except where they separately choose to invest as an ordinary investor. Participating shares, by contrast, are issued at the sub-fund level to investors. They carry the economic rights (i.e. entitlement to returns and redemptions) but only limited voting rights only in case of variation of rights.

Why “variable” matters

Now the part that gives the structure its name. Participating capital would be variable: the VCC could issue and redeem these shares as fluidly as an open-ended fund admits and exits investors, without the elaborate approvals conventional company law requires to alter share capital. The Bill would also permit dividends to be paid not only out of profits but out of paid-up participating capital. Such flexibility is not extended under the existing company law.

Governance and confidentiality

The proposed governance will feel familiar to those who work with IFSC funds. A single board at the VCC level, appointed by management shareholders, will oversee all sub-funds and discharge fiduciary responsibilities similar to those under the existing IFSC fund management regime. The board will appoint an IFSCA-registered FME and fund manager(s), who will collectively be responsible for managing the VCC's investment activities and remain accountable to both investors and the board. To strengthen regulatory oversight and investor protection, a compliance officer will be designated for legal compliance and grievance redressal, with flexibility to appoint personnel from the FME subject to prescribed eligibility criteria.

Charter documents are not open to public inspection, and information about the VCC, its sub-funds and its investors is closely guarded to maintain confidentiality.

Light-touch design

> *“ That is the gap the draft IFSC Authority (Amendment) Bill, 2026 (‘Bill’) sets out to close, with a new vehicle: the Variable Capital Company, or VCC. ”*

A quiet philosophy runs through the Bill is to keep the regulator in charge, and keep it proportionate. Routine winding up of a sub-fund in non-insolvency situations would rest with IFSCA rather than the courts, allowing timely exits at the sub-fund level. The jurisdiction of the National Company Law Tribunal is deliberately confined to defined circumstances such as fraud or concerns touching public interest. Where genuine insolvency arises, the VCC and its sub-funds would be treated as financial service providers under the Insolvency and Bankruptcy Code, 2016. The aim throughout is a framework cut to fit fund management, not a photocopy of company-law compliance.

The tax angle every CA should note

The Bill does one decisive thing on tax: it treats each sub-fund as a separate "person," so the fiscal boundary mirrors the legal wall between sub-funds. However, the Bill does not prescribe a comprehensive taxation framework for VCCs.

In this regard, the recommendations of Dr. M. S. Sahoo’s Committee provide useful insight. The Committee proposed that each sub-fund should be taxed based on its regulatory classification (such as an AIF, Mutual Fund, REIT, or InvIT), with a separate PAN, tax return, and assessment. It also recommended issuance of Tax Residency Certificates at the sub-fund level to facilitate treaty benefit claims under DTAAs. Further, mergers involving sub-funds or VCCs were envisaged as tax-neutral transactions. These proposals, however, remain subject to corresponding amendments under the Income-tax Act, 2025 and the final tax framework to be prescribed for VCCs.

Why this matters for our profession

For Chartered Accountants, the VCC is more than a regulatory curiosity. It opens a widening field of work right at our doorstep: structuring and setting up VCCs and their sub-funds, serving as compliance officers and auditors, and advising domestic and global managers on how best to use the VCC. As GIFT City’s fund-management sector grows, CA who understands the VCC early i.e. its mechanics, its possibilities and its open questions, will be well placed to lead rather than to follow.

The views expressed in this article are strictly personal and intended solely for academic and knowledge-sharing purposes.

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Permanent Employee, Fixed Term Employee, Contract Labour and Consultants - A Need for Workforce Reassessment

CA. Kankshil Parikh
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India's new Labour Codes are expected to significantly influence how organization's structure and engage their workforce. Traditionally, businesses have relied on a combination of permanent employees, contract labour and consultants to balance operational needs and workforce flexibility.

Permanent Employee, Fixed Term Employee, Contract Labour and Consultants - A Need for Workforce Reassessment

India's new Labour Codes are expected to significantly influence how organization's structure and engage their workforce. Traditionally, businesses have relied on a combination of permanent employees, contract labour and consultants to balance operational needs and workforce flexibility. However, the introduction of Fixed-Term Employment (FTE) has provided employers with an additional workforce model that combines flexibility with statutory protection.

As organizations prepare for the implementation of the Labour Codes, a key area of focus will be workforce classification. The distinction between Fixed-Term Employees, Contract Labour and Consultants is no longer merely an HR consideration—it has direct implications on statutory benefits, social security obligations and employer liabilities.

Understanding the Difference

Permanent Employees

Permanent employees are engaged without a predetermined end date and form part of the organization's regular workforce. They work under the direct supervision and control of the employer and continue in employment until resignation, retirement, termination or separation in accordance with applicable laws and company policies.

Permanent employees are generally entitled to all applicable statutory benefits, including:

- Provident Fund (PF)
- Employee State Insurance (ESI), where applicable
- Gratuity
- Bonus, where eligible
- Paid leave
- Maternity benefits
- Notice period protections
- Other social security benefits

The employer bears primary responsibility for ensuring compliance with all labour law obligations.

Fixed-Term Employees

Fixed-term employees are directly employed by the organization for a specific period under a written employment contract. Although their employment is time-bound, they remain employees of the establishment and work under the supervision and control of the employer.

The key distinction is that the duration of employment is fixed, but the employment relationship remains the same as that of a regular employee. Accordingly, fixed-term employees are entitled to statutory benefits and protections applicable under law.

These benefits may include:

- Provident Fund (PF)
- Employee State Insurance (ESI), where applicable
- Gratuity as per applicable provisions
- Bonus, where eligible

> *" Fixed-Term Employment represents a significant shift in India's employment framework by providing employers with workforce flexibility while ensuring statutory protections for employees. "*

- Leave benefits
- Maternity benefits
- Other social security protections

Contract Labour

Contract labour is engaged through a contractor or manpower service provider. While the workers perform services for the principal employer, the employment relationship exists with the contractor.

Contract workers may also be eligible for PF, ESI, gratuity and other statutory benefits based on applicable laws. However, the contractor is primarily responsible for compliance, while the principal employer may be held liable if the contractor fails to fulfil statutory obligations.

As a result, organizations cannot completely transfer labour law responsibilities simply by outsourcing manpower through third-party contractors.

Consultants and Freelancers

Consultants are generally engaged under a contract for services rather than a contract of employment. They operate independently and typically retain the freedom to determine how services are delivered.

Unlike employees, consultants and freelancers are generally not entitled to statutory employment benefits such as:

- Provident Fund (PF)
- Employee State Insurance (ESI)
- Gratuity
- Bonus
- Paid leave
- Other employee welfare benefits

Consultants may provide services to multiple clients simultaneously and remain responsible for their own tax and social security arrangements.

However, organizations should exercise caution. Merely designating an individual as a consultant does not determine legal status. Authorities may examine the actual nature of the relationship, including supervision, reporting structure, exclusivity, working hours and degree of control exercised by the organization.

While each workforce model serves a different business purpose, the legal relationship, statutory benefits and compliance obligations vary significantly. The following summary table provides a high-level comparison of Permanent Employees, Fixed-Term Employees, Contract Labour and Consultants from an employment law and compliance perspective. Organizations should carefully evaluate these distinctions when designing workforce structures and assessing potential labour law liabilities.

Particulars	Permanent Employee	Fixed-Term Employee	Contract Labour	Consultant
Direct Employee of Company	Yes	Yes	No	No
Fixed End Date	No	Yes	Depends on contract	Depends on contract
PF Eligibility	Yes	Yes	Yes (if applicable)	No
ESI Eligibility	Yes	Yes	Yes (if applicable)	No
Gratuity Eligibility	Yes	Yes (as applicable under law)	Yes (if applicable)	No
Paid Leave	Yes	Yes	As applicable under law	Contractual only
Can Work for Multiple Clients	No	Generally No	No	Yes
Employer-Employee Relationship	Yes	Yes	With Contractor	Generally No
Wage Payment Responsibility	Employer	Employer	Contractor	As per contract
PF/ESI Compliance Responsibility	Employer	Employer	Contractor (Principal Employer has secondary liability)	Not Applicable
Labour Law Compliance Responsibility	Employer	Employer	Contractor (with oversight responsibility on Principal Employer)	Not Applicable
Statutory Benefits	Applicable	Applicable	Applicable, subject to eligibility	Generally Not Applicable
Liability for Non-Compliance	Employer	Employer	Contractor and, in certain cases, Principal Employer	Generally Not Applicable
Primary Compliance Responsibility	Employer	Employer	Contractor	Consultant/Freelancer

> *" Traditionally, businesses have relied on a combination of permanent employees, contract labour and consultants to balance operational needs and workforce flexibility. "*

Impact on Industries and Employers

The introduction of Fixed-Term Employment is expected to encourage organizations to reassess existing workforce structures.

Historically, many businesses relied on long-term consultants, retainers and outsourced manpower to achieve flexibility while managing employment costs. Fixed-Term Employment now offers an alternative model that allows organizations to engage workers directly for defined periods while remaining compliant with statutory obligations.

As a result, employers may increasingly evaluate:

- Whether consultants are effectively functioning as employees.
- Whether certain contractor positions should be converted into fixed-term roles.
- Whether statutory benefits are being extended to eligible workers.
- Whether contractor compliance monitoring mechanisms are adequate.
- Whether existing workforce models create reclassification risks.
- Whether long-term project resources are more appropriately engaged as fixed-term employees.

This reassessment is likely to be particularly relevant in industries such as information technology, manufacturing, infrastructure, logistics, retail, facility management and professional services where mixed workforce models are commonly used.

Organizations may increasingly undertake workforce classification reviews, contractor audits and labour compliance assessments to identify potential gaps before they result in regulatory action.

Conclusion

Fixed-Term Employment represents a significant shift in India's employment framework by providing employers with workforce flexibility while ensuring statutory protections for employees.

Unlike consultants, fixed-term employees remain employees of the establishment and are entitled to applicable labour law benefits. Unlike contract labour, they are directly employed by the organization and form part of its workforce.

As the Labour Codes are already in the implementation stage, employers should proactively review their workforce arrangements, reassess consultant and contractor engagements and ensure that worker classification aligns with the actual nature of the relationship. Organizations that take these steps early will be better positioned to manage compliance risks, avoid future disputes and build sustainable workforce practices in the evolving labour law landscape.

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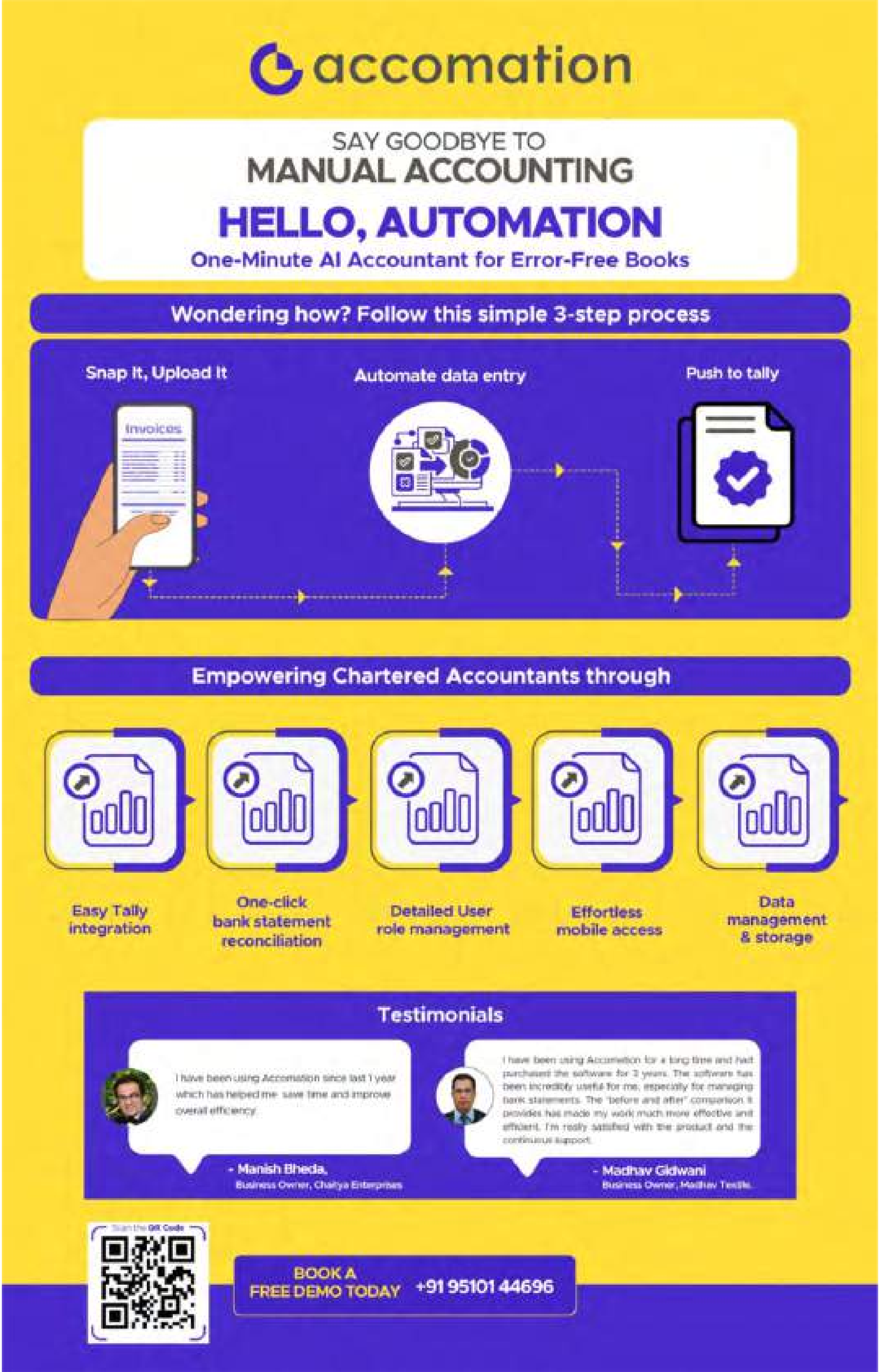
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Outbound Investment through IFSC: GIFT IFSC as a Gateway to Global Markets

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GIFT IFSC: Gateway to Global Markets

GIFT City hosts India's first and only International Financial Services Centre (IFSC), a specially designated jurisdiction offering a distinct regulatory and tax framework. From an exchange control perspective, IFSC is treated as a jurisdiction outside India and entities operating from IFSC are regarded as non-residents under the Foreign Exchange Management Act, 1999 (FEMA). Consequently, transactions between IFSC entities and offshore jurisdictions generally fall outside the ambit of FEMA. Further, eligible IFSC entities enjoy various tax incentives, including profit-linked deductions and exemptions from certain indirect taxes, subject to prescribed conditions.

As Indian investors increasingly seek global diversification and exposure to international growth opportunities, GIFT IFSC has emerged as a regulated gateway connecting Indian capital with global financial markets.

At present, Indian investors primarily access overseas investment opportunities through the following routes:

- Direct Investment Route

Under this route, resident individuals can directly invest in foreign securities in accordance with the overseas investment framework. Such investments are generally facilitated through foreign brokers or arrangements with overseas intermediaries by Indian stock brokers. However, there is presently no dedicated regulatory framework prescribed by SEBI governing such arrangements, resulting in limited regulatory recourse for investors in India.

- Managed or Pooled Investment Route

“ Currently, the industry-wide limits of USD 7 billion for Mutual Funds and USD 1.5 billion for AIFs have been substantially utilised. ”

Under this route, Mutual Funds and Alternative Investment Funds (AIFs) pool capital from investors and invest in overseas securities. Unlike direct investments, overseas investments by such pooled vehicles are expressly permitted under the applicable SEBI framework.

However, overseas investments by Mutual Funds and AIFs are subject to industry-wide limits prescribed by SEBI. Currently, the industry-wide limits of USD 7 billion for Mutual Funds and USD 1.5 billion for AIFs have been substantially utilised. Consequently, fresh investments into overseas-focused schemes are generally possible only to the extent of available headroom arising from redemptions or release of existing allocations.

While the existing routes provide access to overseas investments, they are subject to regulatory, operational and capacity-related constraints. GIFT IFSC addresses many of these challenges through a dedicated regulatory framework and multiple channels for accessing global markets. Overview of IFSC routes for global investments are as under:

- Direct Investment through GIFT IFSC

To facilitate overseas investments, the International Financial Services Centres Authority (IFSCA) has introduced the Global Access Framework for broker-dealers operating in IFSC. Under this framework, broker-dealers registered as Global Access Providers (GAPs) or Introducing Brokers facilitate investments in overseas securities through arrangements with foreign brokers. Indian stock brokers may also refer clients to IFSC broker-dealers for facilitating investments in overseas listed securities. Resident Indian investors can invest in offshore securities through such GAP or introducing brokers in accordance with FEMA.

Since the framework is regulated by IFSCA, investors benefit from regulatory oversight and investor protection measures that are generally unavailable in conventional cross-border brokerage arrangements. Several fintech brokers, as well as the IFSC arms of Indian stock exchanges- India INX (IFSC arm of BSE) and NSE IX (IFSC arm of NSE) have established or are establishing platforms to facilitate such investments.

- Managed or Pooled Investment through GIFT IFSC

GIFT IFSC also offers pooled investment structures such as Alternative Investment Funds (AIFs) and Retail Schemes (akin to Mutual Funds), enabling investors to obtain diversified exposure to global markets through professionally managed investment vehicles.

“ Eligible Indian entities can invest under the Overseas Portfolio Investment (OPI) framework, subject to the 50% of their net worth. ”

Resident individuals can invest in such funds under the Liberalised Remittance Scheme (LRS), which presently permits remittances of up to USD 250,000 per financial year. Eligible Indian entities can invest under the Overseas Portfolio Investment (OPI) framework, subject to the 50% of their net worth. Investments in IFSC AIFs generally require a minimum commitment of USD 150,000, while investment thresholds for Retail Schemes are determined by the respective asset management company (AMC).

A key feature of the IFSC framework is the deemed OPI route, which enables unlisted Indian companies, LLPs and partnership firms to obtain exposure to overseas listed securities through eligible IFSC funds, despite being restricted from making such investments directly from mainland India.

Further, unlike mainland Mutual Funds and AIFs, investments made by IFSC funds into overseas securities are not subject to industry-wide overseas investment limits, thereby offering greater flexibility and scalability for global investments.

- Other Investment Avenues through GIFT IFSC

Apart from direct and pooled investments, IFSC also offers Portfolio Management Services (minimum investment of USD 75,000), Investment Advisory Services and distribution of foreign investment products. These services enable resident investors to access professional portfolio management, investment advice and global investment products through regulated IFSC intermediaries. Distribution activities are currently permitted for products originating from specified jurisdictions including the USA, UK, Japan, South Korea, France and Germany.

Concluding Remarks

As demand for global diversification continues to grow, GIFT IFSC is emerging as a key platform for outbound investments from India. By offering multiple investment avenues within a regulated framework and addressing several limitations of conventional overseas investment routes, IFSC is playing an important role in connecting Indian investors with global financial markets.

Disclaimer: Above views are strictly personal and do not represent any organisation.

From Cost Absorption to Price Correction: The Ahmedabad Developers' Response to Global Headwinds

CA. Shweta Changlani
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From Cost Absorption to Price Correction: The Ahmedabad Developers' Response to Global Headwinds

Decision

Global oil and fuel prices have surged amid the recent US-Iran conflict and its aftermath. Even after a June 2026 ceasefire deal eased tensions, experts warn it will take many months (perhaps into 2027) for oil and gasoline prices to return to pre-war levels. This sustained energy inflation directly feeds into Indian construction costs – diesel and petrol are needed to transport cement, steel and other materials. Indeed, official data show U.S. pump prices are still about 7–8% higher than two months ago, and 40% above last year's levels. In India, developers report that fuel, power and shipping costs have climbed sharply with global rates. The resulting higher diesel and transportation costs (on top of local labor and currency effects) have contributed to sharp price rises for building inputs, squeezing project budgets nationwide.

CREDAI Ahmedabad's Freeze-Till-June, Hike-From-July Decision

Facing this cost squeeze, CREDAI Ahmedabad (the builders' association) convened ~400 member-developers in mid-June 2026. They unanimously decided to keep home sale prices unchanged through June 30, 2026, then implement a phased hike from July 1, 2026. Under the plan, new residential projects will see list prices rise by up to 10%, while ongoing (under-construction) projects will be hiked by up to 5% depending on construction stage. CREDAI leaders explicitly cited global supply-chain disruptions (especially the Middle East conflict) as driving up material costs by 30–80%, with overall building costs up ~20–25%. It was also noted that some raw materials have become "up to 80% costlier" and developers can no longer absorb the entire burden and thereby pushing total project expenses ~20–25% higher.

The July 1 hike essentially passes some of this burden to homebuyers. Builders announced new-pricing levels starting July 2026 (across Ahmedabad) to partially offset cost inflation. (Existing bookings signed before July 1 remain at contracted rates; only new agreements will reflect the higher prices.) CREDAI notes that under the old regime, prices were "locked" through June 2026 to protect buyers, but that commitment ends on June 30. Indeed, many developers are now advising customers to book by June to avoid the 5–10% jump. In sum, Ahmedabad's leading builders have chosen to absorb inflation temporarily, then adjust prices once the freeze period expires.

“ RERA Funding Rules – RERA mandates that 70% of funds collected for a project must be deposited in a project account and used only for that project. ”

The decision by local builders reflects sharply higher domestic construction costs. According to a June 2026 NDTV report, India-wide residential project costs have surged as much as 25% since hostilities escalated. Builders report shortages of key supplies (steel, electrical components, premium fittings) and rapidly rising prices for imports and commodities. High-grade steel, cement and glass are significantly more expensive, and local suppliers (seeing strong demand) have begun raising rates frequently. Overseas exchange-rate swings add further uncertainty for any imported parts. In this environment, Ahmedabad’s CREDAI members say their overall per-unit construction cost is roughly 20–25% higher than a year ago. Transportation itself is costlier: rising diesel prices have noticeably increased the per-ton delivery charges for sand, gravel and cement. Labor costs have also ticked up, as migrant workers face higher travel and living expenses in the summer of 2026.

Regulatory and Contractual Challenges

This price-hike move raises several legal and compliance issues under India’s real estate laws:

RERA (Real Estate Regulation Act 2016) – Under RERA, project registrations may be extended for “force majeure” events (including war) for up to one year. CREDAI Ahmedabad has already petitioned the Gujarat RERA Authority for a 6-month extension on project completion deadlines. RERA Section 6 explicitly allows extensions when promoters face events like war or natural calamity. Thus, the ongoing Middle East conflict arguably qualifies as force majeure under RERA, potentially excusing some delays. However, developers must still formally notify RERA and homebuyers, and get approvals for new timelines. If extensions are granted, builders avoid penalties; if not, any delay beyond the promised handover date will trigger RERA’s delay penalties. (Under RERA Section 18, a buyer can either cancel and get a full refund with interest, or continue and claim monthly interest on delayed possession. The prescribed interest is roughly SBI’s lending rate plus 2%.)

RERA Funding Rules – RERA mandates that 70% of funds collected for a project must be deposited in a project account and used only for that project. This restricts developers’ ability to reallocate cash toward inflation-induced cost overruns. If material costs swell beyond original estimates, the promoter may need additional financing, but RERA limits use of sales proceeds to ensure only timely completion. Moreover, if any delay occurs, RERA requires the promoter to pay the homebuyer’s “pre-EMI” interest on their housing loan. In other words, delays can effectively double as interest compensation obligations.

“ (Notably, a major GST reform in 2025 simplified real estate taxation to two slabs (5% affordable/essentials, 18% others) and cut GST on inputs like cement (28%→18%) and steel (18%→12%). ”

Consumer Protection – The Consumer Protection Act (2019) and RERA both prohibit unfair trade practices. Any unilateral price revision not agreed in the sale deed could lead to disputes. Under RERA, if a builder increases the selling price unilaterally (beyond what was contracted), buyers may claim it as a breach of contract or unfair practice. The collective hike decision must therefore be implemented via new agreements only; already-booked flats cannot legally be re-priced unless an escalation clause was pre-agreed. Builders must also be careful not to misrepresent the reasons for the hike, or buyers could seek relief in Consumer Forums or RERA tribunals. (Importantly, RERA's force majeure definition includes war explicitly, but it does not consider mere price volatility as a force majeure excuse. Builders can invoke "war" to get time extensions, but they cannot argue that higher costs alone freed them from contractual price commitments.)

GST (Goods & Services Tax) – Under GST law, the sale of an under-construction residential flat is taxable (currently at 5% without input credit for non-affordable housing). If Ahmedabad projects hike prices by 5–10%, the added amount carries an additional GST liability. In practice, developers must issue revised tax invoices for new bookings reflecting the higher base price. The state will simply collect 5% of the extra ₹ paid. Thus, the government also benefits from any rate increase. (Notably, a major GST reform in 2025 simplified real estate taxation to two slabs (5% affordable/essentials, 18% others) and cut GST on inputs like cement (28%→18%) and steel (18%→12%). Those cuts have modestly lowered base costs, but in this cycle global price hikes have overwhelmed these gains.) Builders should ensure compliance with the Central GST Act on invoicing. They must also consider the impact of GST on their cash flows: higher prices mean larger tax collections to remit, which reduces the developer's net working capital.

Income Tax (ITA 1961) – All additional revenue from the price hike will be taxable as business income. Most developers (as companies or partnerships) pay roughly 25–30% tax on profits (including surcharge and cess). The higher nominal selling prices will raise the sales turnover and gross profits in their tax returns. At the same time, project cost inflation will increase deductible construction expenses and interest costs. Under RERA extensions, additional interest for delayed timelines could further inflate finance costs. Moreover, since under-construction projects attract GST instead of stamp duty, the eventual Buyer has no TDS on purchase (unlike ready housing after OC). However, promoters should note that any profit arising from accelerated sales prices is subject to income-tax and (if applicable) Minimum Alternate Tax. There are no special capital-gains provisions for under-construction property: all gains are business income. In summary, from an income-tax standpoint the hike means higher taxable revenue and larger tax liability, offset by higher deductible costs. Developers must ensure proper accounting of cost overruns and timely payment of income tax installments on the revised project estimates.

Implications for Developers

From a developer's perspective, these measures have mixed implications. On one hand, deferring the price-rise to July protects sales momentum in the short term; on the other, it erodes profit margins in Q1–Q2 2026 as costs accumulate. Building a 20–25% higher cost into projects that were priced earlier means funding the gap through equity or debt until July. After July, new sales will improve gross margins, but significant GST payments and higher taxes will follow. Developers should carefully recalibrate budgets, ensure new buyer agreements reflect the correct stamp duty and tax bases, and track RERA compliance closely. It may also be prudent to negotiate price-escalation clauses for future projects (as RERA and finance norms allow) to mitigate such sudden shocks.

In summary, Ahmedabad's building community has signaled that it will absorb global inflationary pressure until June 30, 2026, then revise prices from July 1. While this is a buyer-friendly stance in the near term, realtors must now navigate complex regulatory terrain – particularly RERA extensions, GST on revised prices, and tax accounting for higher revenues. Key legal/tax points include: obtaining RERA deadline extensions under Section 6 (force majeure); ensuring any delay beyond deadlines triggers only lawful buyer interest and compensation; complying with GST invoicing on raised prices; and reporting the extra revenue under the Income Tax Act. Keeping project funding (the 70% escrow) intact and managing stakeholder communications will be crucial. Despite these hurdles, Ahmedabad developers remain optimistic that demand will endure; indeed, many continue urging buyers to close deals before July to save on the coming increase.

Sources: Industry reports and statements (CREDAI) confirm the cost spikes and the association's pricing decision. News analyses detail the global oil impact and Indian construction inflation. Legal commentaries and official texts document RERA's extension and delay rules. Tax and GST impacts are interpreted from recent reforms and existing law. All data are the latest available.

Can a Single GST Show Cause Notice Span Multiple Financial Years?

CA. Pinkesh Chhajed
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A Critical Analysis of the Judicial Split and the Supreme Court's intervention

■ Introduction

Sections 73 and 74 of the CGST Act, 2017 are the bedrock of GST adjudication. Every demand for short-payment, non-payment, erroneous refund, or wrongful availment of ITC must be preceded by a show cause notice (SCN) under one of these provisions. A question that has escalated into one of the most consequential procedural controversies in GST litigation is: can the Revenue issue a single composite SCN covering multiple financial years - or must separate notices be issued for each financial year?

What began as a routine procedural objection has today produced a sharp, irreconcilable judicial split across multiple High Courts. The Supreme Court of India has now stepped in, and a binding ruling is imminent. For every GST practitioner and taxpayer, this development demands immediate attention - because it goes to the very validity of thousands of composite SCNs already issued across the country.

■ The Statutory Framework

Section 73 governs non-fraud demands (three-year limitation under sub-section (10)); Section 74 governs fraud and suppression cases (five-year limitation). Section 2(106) defines "tax period" as the period for which a return is required to be furnished - typically a calendar month. Critically, sub-sections (1) and (3) of both Sections 73 and 74 use the expressions "any period" and "such periods" -- not "financial year" or "tax period" - when describing the scope of an SCN. The limitation provisions in sub-section (10), however, are explicitly anchored to each financial year. This textual asymmetry - broad language for SCN issuance, year-specific language for limitation - is the root of the controversy.

■ The Judicial Split: High Courts at Variance

(A) Courts Holding Composite SCNs Impermissible

Andhra Pradesh High Court: In Sahiti Agencies v. ACCT & CE [W.P. No. 14874 of 2025, Sep 26, 2025], the Court set aside a composite order covering July 2017 - March 2023 (six years), holding that separate notices and orders are mandatory for each tax period.

The same position was followed in M/s. Supraja Dairy Pvt. Ltd. v. ACCT [W.P. No. 25206 of 2025, Sep 24, 2025] and Sri Ganesh Steels & Cements v. Addl. Commr. CT (GST-Appeals) [W.P. No. 34400 of 2025, Dec 31, 2025].

Kerala High Court (Division Bench): In Jt. Commr. (I&E) v. M/s Lakshmi Mobile Accessories [W.A. No. 258 of 2025, Feb 05, 2025], the Court held that Section 74(1) requires the proper officer to apply his mind to evasion factors qua a particular financial year, and separate orders must be passed for each year.

> *"First, the limitation mechanism in Sections 73(10) and 74(10) is anchored to individual financial years."*

Madras High Court: In Smt. R. Ashaarajaa v. Senior Intelligence Officer [W.P. Nos. 29716, 29720, 29726 & 34137 of 2024, Jul 21, 2025], clubbing of financial years was held impermissible as it violates year-specific limitation requirements and prejudices taxpayer rights.

Bombay High Court (Goa and Nagpur Benches): The Goa Bench in Milroc Good Earth Developers v. UOI and the Nagpur Bench in M/s. Techops Infrastructure Pvt. Ltd. v. Addl. Dir., DGGI Nagpur [W.P. No. 1886 of 2025, Dec 05, 2025] consistently held that consolidated SCNs for multiple years are impermissible and quashed such notices.

(B) Courts Upholding Composite SCNs

Karnataka High Court (Division Bench): In Commr. of CT v. Chimney Hills Education Society [WA No. 1751 of 2024 (T-RES), Apr 23, 2026], the Hon'ble court held that SCNs under Sections 73/74 are neither tax period-specific nor financial year-specific. The expressions "any period" and "such periods" in sub-section (3) plainly permit multi-year coverage; any contrary reading would be judicial rewriting of the statute. The Court also held that the concern about the five-year limitation under Section 74(10) overriding the three-year limit under Section 73(10) is addressed by Section 74(4) itself.

Delhi High Court: In Mathur Polymers v. UOI and Ambika Traders v. UOI, consolidated SCNs were upheld - particularly in fraud and large-scale ITC cases - on the basis that the statute uses "for any period" and not "financial year" in the operative provisions.

(C) Bombay High Court - Reference to a Larger Bench

In M/s Rollmet LLP & Ors v. UOI [WP No. 16848 of 2025, Apr 17, 2026], a Division Bench declined to follow the Goa Bench in Milroc and referred five substantial questions of law to a Larger Bench - including whether the limitation in sub-section (10) restricts the power to issue a consolidated SCN under sub-section (1), and the binding force of the Supreme Court's speaking order in Mathur Polymers under Article 141 of the Constitution. Interim protections in all connected matters were directed to continue.

- **The Supreme Court Steps In**

The Supreme Court has clubbed this controversy into a cluster of SLPs to be heard together. One of the principal matters is ACCT & CE v. M/s Sahiti Agencies [SLP (C) Diary No. 1429/2026, 06.02.2026], Revenue's challenge to the AP High Court ruling, with related SLPs in Techops Infrastructure, Supraja Dairy, Sri Ganesh Steels and Lakshmi Mobile Accessories directed to be heard along with it.

Significantly, during the course of proceedings, the Union of India informed the Hon'ble Gujarat High Court that the Government is actively considering a statutory amendment to address the composite SCN issue - a development that taxpayers and practitioners must monitor closely.

- The Core Legal Arguments on Each Side
- Arguments Against Composite SCNs (Pro-Taxpayer)

> *"No. 14874 of 2025, Sep 26, 2025], the Court set aside a composite order covering July 2017 - March 2023 (six years), holding that separate notices and orders are mandatory for each tax period."*

First, the limitation mechanism in Sections 73(10) and 74(10) is anchored to individual financial years. Allowing composite SCNs to club earlier and later years could create ambiguity about which year's limitation clock governs, potentially prejudicing the taxpayer. Second, Section 2(106) defines "tax period" as the foundational unit of GST compliance - every return, every ITC claim, every liability is computed period by period. Adjudication proceedings, which are downstream consequences of return-level compliance, must logically follow the same granularity. Third, the introduction of Section 74A (applicable from FY 2024-25) - which itself uses "financial year" as the unit for demand - suggests that Parliament has consciously used financial year as the operative unit when it intends to do so, lending credence to the argument that the earlier Sections 73/74 also operate on a year-by-year basis.

(B) Arguments Favouring Composite SCNs (Pro-Revenue)

First, sub-sections (1) and (3) of Sections 73 and 74 use the expressions "any period" and "such periods" - not "financial year" or "tax period". This is in deliberate contrast to the limitation provisions in sub-section (10), which do refer to "financial year". The legislature, aware of both concepts, chose broader language for the power to issue notices. Second, in large-scale fraud cases involving systematic ITC fraud across multiple years, requiring separate SCNs for each year may make it impossible to demonstrate the underlying "illegal modality" and "consistent pattern" of evasion - the very evidence that establishes fraud. Third, the CBIC's GST Policy Wing Circular dated September 16, 2025 clarifies that consolidation does not alter the year-wise limitation - each financial year remains independently subject to its own statutory time limit, even in a composite notice.

Critical Analysis: Which View Is More Defensible?

With respect, the view holding composite SCNs impermissible appears more consistent with the CGST Act's legislative architecture, for the following reasons.

The limitation periods in Sections 73(10) and 74(10) are computed from the due date for filing the annual return for each financial year - they are inherently year-specific. A composite SCN that bunches five years into a single notice effectively forces the adjudicating authority to pass a single order within limitation periods that expire at different times for different years - a practical impossibility that the statute does not contemplate.

The risk of the fraud-based five-year period under Section 74(10) providing cover for earlier years that would otherwise fall under Section 73's three-year limit - even if theoretically addressed by Section 74(4) - remains a real concern in practice.

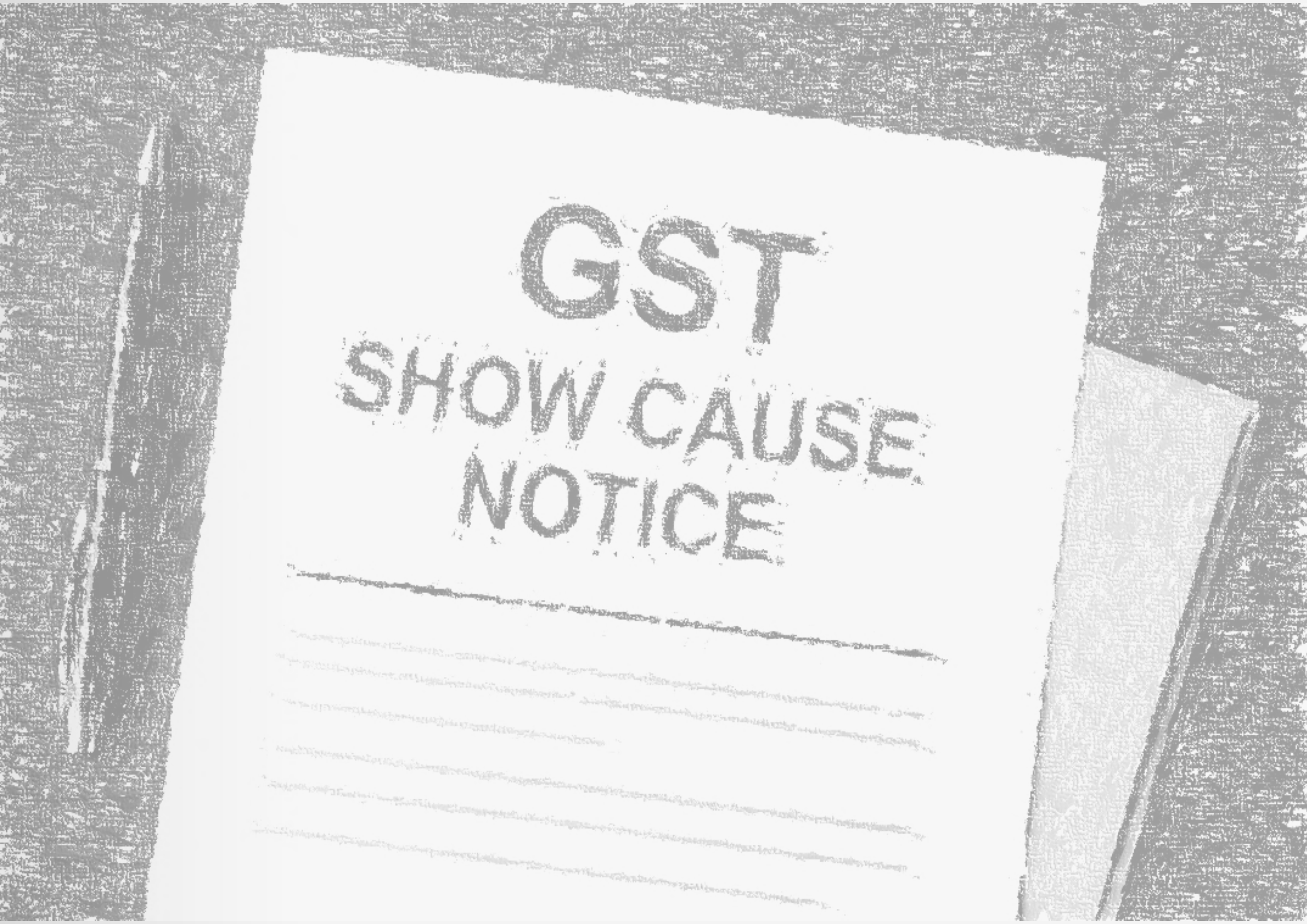
The legislative history of Section 74A, introduced from FY 2024-25 by the Finance Act 2024, is also instructive. Section 74A expressly operates on a financial year basis. The very fact that Parliament felt the need to introduce a new provision that is explicitly year-specific, while retaining the original Sections 73 and 74 with their broader "any period" language, has been cited both ways - as evidence that Sections 73/74 were always period-agnostic, or as evidence that Parliament intended year-specificity even before Section 74A. The Supreme Court's resolution of this ambiguity will be decisive.

That said, the Revenue's concern about the practical feasibility of separate year-wise notices in multi-year fraud cases is not without merit. An optimal legislative solution - as the Government itself appears to be considering - would be to expressly permit composite notices while mandating year-wise breakdowns and independent limitation compliance within each such composite notice.

- Practical Implications for Taxpayers and Practitioners
- Existing composite SCNs - challenge available: Taxpayers who have received composite SCNs covering multiple financial years, particularly within the Andra Pradesh, Kerala, and Madras High Court jurisdictions, have strong grounds to challenge such notices by way of a writ petition under Article 226 of the Constitution, pending the Supreme Court's verdict. Practitioners must examine the jurisdictional judicial position before advising.
- Seek interim stay on adjudication: Where a composite SCN has been issued and adjudication proceedings are underway, practitioners should seek a stay of proceedings or request deferment pending the Supreme Court's ruling. In Rollmet LLP, the Bombay HC specifically directed that interim

protections shall continue until the Larger Bench decides.

- Raise the objection in every SCN reply: Even where no writ is filed, every reply to a composite SCN must specifically raise the ground of non-maintainability and statutory impermissibility. Failure to raise this in the reply may preclude the taxpayer from agitating it at the appellate stage or in subsequent writ proceedings.
- Watch for legislative amendment: The Revenue's disclosure before the Gujarat High Court that the Government is considering an amendment to clarify the position on clubbed SCNs is a significant indicator. If and when such an amendment is notified, the calculus for pending challenges will change. Practitioners must track this development closely.



Transfer of Leasehold Rights Not Liable to GST: Supreme Court Affirms Bombay High Court

CA. Jeet Shah
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Transfer of Leasehold Rights Not Liable to GST: Supreme Court Affirms Bombay High Court in Aerocom Cushions Pvt. Ltd.

When Transfer of an Industrial Plot Becomes a GST Dispute

Imagine a manufacturing company that has been operating from an industrial plot allotted by a State Industrial Development Corporation for decades. Due to commercial reasons, it decides to transfer its leasehold rights to another industrial unit after obtaining all required permissions from the development corporation.

The transaction is registered, stamp duty is paid, transfer charges are paid to the industrial development authority, and ownership rights under the lease stand completely transferred to the new occupier.

Everything appears routine.

Then suddenly, a GST notice arrives demanding tax on the entire consideration received from the transfer.

The department's argument?

The transfer of leasehold rights is a "supply of services" liable to GST.

This very controversy reached the Bombay High Court in Aerocom Cushions Private Limited v. Assistant Commissioner (Anti-Evasion), and ultimately the matter travelled to the Supreme Court. The decisions have now become one of the most important precedents concerning GST implications on assignment of leasehold rights.

Case Details

Case Title

Aerocom Cushions Private Limited v. Assistant Commissioner (Anti-Evasion), CGST

Citation 2026-VIL-36-BOM

Court Bombay High Court

Date of Judgment 09 January 2026

Supreme Court Appeal

Assistant Commissioner (Anti-Evasion) v. Aerocom Cushions Pvt. Ltd.

Citation: 2026-VIL-46-SC

Date: 22 May 2026

Facts of the Case

Aerocom Cushions Pvt. Ltd. was allotted an industrial plot by the Maharashtra Industrial Development Corporation (MIDC).

The allotment was made through a long-term lease of 95 years, which effectively granted substantial possessory and transferable rights over the property.

The lease agreement specifically permitted transfer of leasehold rights with prior approval of MIDC.

Subsequently, Aerocom transferred its leasehold rights in favour of another industrial unit, M/s. Rishita Industries, for a consideration of ₹1.50 crore.

Before completing the transaction:

MIDC granted permission.

Transfer charges and additional premium were paid.

The deed was registered.

The original lessee's rights stood extinguished.

The transaction was therefore a complete assignment of leasehold rights rather than a temporary lease or sub-lease.

Department's Allegation

The GST Department initiated proceedings under Section 74 of the CGST Act, 2017 and issued a Show Cause Notice demanding approximately ₹27 lakh GST.

According to the Department:

Transfer of leasehold rights amounted to supply.

Such transfer was covered by Section 7(1) of the CGST Act.

It was taxable as a supply of services under Schedule II.

GST at 18% was payable on the consideration received.

The Department attempted to classify the activity under miscellaneous services taxable under Notification No. 11/2017-Central Tax (Rate).

The Core Legal Question

The entire dispute revolved around one fundamental question:

Is assignment of leasehold rights in an industrial plot a "supply of services" under GST?

Or,

Is it merely transfer of an interest in immovable property, which falls outside the GST framework?

The answer would determine whether crores of rupees worth of industrial land transfers across India would remain outside GST or become taxable.

Relevant GST Provisions

Section 7 of the CGST Act – Scope of Supply

Section 7(1)(a) provides that supply includes:

All forms of supply of goods or services such as sale, transfer, barter, exchange, license, rental, lease or disposal made for consideration in the course or furtherance of business.

Thus, for GST to apply:

There must be a supply.

It should be for consideration.

> *“ The decisions have now become one of the most important precedents concerning GST implications on assignment of leasehold rights. ”*

It must be in the course or furtherance of business.

All three ingredients must coexist.

Schedule II – Activities Treated as Supply of Services

Paragraph 2 of Schedule II states:

Clause (a)

Any lease, tenancy, easement, or license to occupy land is a supply of services.

Clause (b)

Any lease or letting out of a building for business or commerce is a supply of services.

The Department relied heavily upon these provisions.

Bombay High Court's Analysis

The Court carefully examined the nature of the transaction.

A critical finding emerged:

The transaction was not a lease.

The Court observed that Aerocom was not granting a fresh lease.

It was also not creating a sub-lease.

Instead, it had completely assigned all its rights to another party.

Upon assignment:

Aerocom's rights ceased.

The assignee stepped into Aerocom's shoes.

The original lessee no longer retained any interest.

Therefore, the transaction was fundamentally different from renting or leasing.

Transfer of Immovable Property vs Supply of Service

The Court made an extremely important distinction.

It held that assignment of leasehold rights represents:

Transfer of benefits arising out of immovable property.

Under property law principles, leasehold rights constitute valuable rights in immovable property.

When those rights are permanently assigned, what is transferred is not a service but an interest in immovable property itself.

The Court observed that such transfer:

Has no connection with business operations.

Does not amount to providing any service.

Is merely realization of property rights.

Therefore, one of the essential conditions of Section 7 failed.

The transaction was not undertaken "in the course or furtherance of business."

Reliance on Gujarat High Court Judgment

The Bombay High Court relied extensively upon the landmark decision of the Gujarat High Court in:

Gujarat Chamber of Commerce and Industry v. Union of India 2025-VIL-21-GUJ

This judgment had already examined identical issues involving industrial plots allotted by GIDC.

The Gujarat High Court analysed:

- Transfer of Property Act, 1882
- Registration Act, 1908
- General Clauses Act
- Nature of leasehold rights

After detailed examination, the Court concluded that assignment of leasehold rights amounts to transfer of benefits arising from immovable property and therefore does not constitute supply under GST.

The Bombay High Court fully agreed with this reasoning.

Why Schedule II Did Not Apply

One of the most significant observations made by the Court was that Schedule II merely classifies a transaction as goods or services.

It does not independently create a taxable event.

Before reaching Schedule II, the transaction must first qualify as a "supply" under Section 7.

Since assignment of leasehold rights itself was held not to be a supply, Schedule II could not be invoked.

This principle is consistent with several GST rulings where courts have repeatedly held that Schedule II is merely classificatory and cannot expand the scope of Section 7.

" The GST Department initiated proceedings under Section 74 of the CGST Act, 2017 and issued a Show Cause Notice demanding approximately ₹27 lakh GST. "

Treatment Under Property Laws

The Courts also referred to broader property law principles.

Under the Transfer of Property Act:

Leasehold rights are valuable proprietary rights.

- Such rights:
- Can be transferred.
- Can be assigned.
- Can be inherited.

Are recognized as interests in immovable property.

The assignment deed itself attracts:

- Stamp duty
- Compulsory registration

These characteristics further support the conclusion that the transaction is a transfer of property rights rather than provision of a service.

Supreme Court's Verdict

The Revenue challenged the Bombay High Court decision before the Supreme Court.

The Department argued that GST should be levied on assignment of leasehold rights.

However, the Supreme Court refused to interfere.

In a brief but significant order dated 22 May 2026, the Court held:

"We are not inclined to interfere with the impugned judgment and order of the High Court."

Accordingly, the Special Leave Petition was dismissed.

Though concise, the dismissal effectively affirms the Bombay High Court's reasoning and substantially strengthens the legal position against GST on assignment of leasehold rights.

Important Legal Principles Emerging from the Judgment

The following principles now emerge:

1. Assignment is Different from Lease

A fresh lease or renting arrangement may attract GST.

However, complete assignment of leasehold rights is a different legal transaction.

2. Leasehold Rights are Interests in Immovable Property

Transfer of such rights amounts to transfer of benefits arising from immovable property.

3. Schedule II Cannot Override Section 7

A transaction must first qualify as supply before being classified as goods or services.

4. Business Nexus Must Exist

For GST liability, the transaction should be in the course or furtherance of business.

Mere transfer of property rights does not automatically satisfy this condition.

5. Transfer Charges Paid to MIDC/GIDC May Still Attract GST

An important distinction remains.

While assignment consideration received by the transferor may not be taxable, the service provided by MIDC or GIDC in granting transfer permission may independently attract GST.

Practical Impact on Industry

This judgment is likely to have far-reaching consequences for:

- MIDC plots in Maharashtra
- GIDC plots in Gujarat
- Industrial estates across India
- SEZ units
- Long-term industrial land allotments

Thousands of industrial units frequently transfer leasehold rights due to restructuring, expansion, mergers, acquisitions, or closure of operations.

The ruling provides substantial clarity that such transfers are generally not liable to GST.

Conclusion

The Aerocom Cushions ruling is a landmark victory for taxpayers and a significant development in GST jurisprudence.

Both the Bombay High Court and the Supreme Court have now recognised an important distinction between:

Providing a lease, which may constitute a taxable service, and

Assigning leasehold rights, which is essentially a transfer of an interest in immovable property.

The judgment reinforces a fundamental GST principle that not every transaction involving consideration is taxable. The transaction must first satisfy the statutory definition of "supply" under Section 7 of the CGST Act.

By holding that assignment of leasehold rights represents transfer of benefits arising from immovable property rather than provision of a service, the Courts have brought much-needed certainty to industrial land transactions throughout India.

For taxpayers holding long-term leasehold industrial plots allotted by government development corporations, the decision may become one of the most significant GST precedents of recent years.

The ESG Revolution: More Than a Buzzword, It's Your Next Big Opportunity

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The ESG Revolution: More Than a Buzzword, It's Your Next Big Opportunity

For decades, the financial world has operated on a clear premise: maximise shareholder value. Financial statements, cash flow, and profit margins were the undisputed metrics of success. Today, a profound shift is underway. A new, more holistic lens is being applied to assess a company's long-term viability and value: Environmental, Social, and Governance (ESG).

Once considered a niche interest for "impact investors," ESG has stormed into the mainstream. It's no longer a side-note in an annual report but a core component of risk management, strategic planning, and capital allocation. This newsletter explores why ESG is not just a trend but a fundamental re-evaluation of what creates durable value, and highlights the emerging sectors brimming with opportunity.

Demystifying ESG: The Three Pillars of a Modern Business

ESG provides a framework to evaluate a company's performance on a broader set of criteria that have tangible financial consequences. Let's break down its components.

1. Environmental (E): The Planet's Stake in Your Profit This pillar assesses a company's impact on the natural world. It moves beyond mere compliance with environmental regulations to measuring a company's stewardship of the planet. Key areas include:

Climate Change & Carbon Emissions: How a company manages its carbon footprint, its transition to cleaner energy, and its exposure to climate-related risks.

Resource Depletion: Scrutiny of water usage, deforestation, and consumption of raw materials.

Waste Management & Pollution: Policies on reducing waste, handling hazardous materials, and adopting circular economy principles (designing products for reuse and recycling).

Example Sector: The CleanTech industry, encompassing renewable energy (solar, wind), battery storage, and carbon capture technology, is a direct response to the "E" imperative.

2. Social (S): People, Purpose, and Community The "Social" pillar evaluates how a company manages its relationships with its employees, suppliers, customers, and the communities where it operates. It's the human element of business. Key considerations are:

Labor Practices & Employee Relations: Fair wages, health and safety, diversity and inclusion, and employee engagement.

Data Privacy & Security: In our digital age, how a company protects customer data is a critical social responsibility.

Supply Chain Management: Ensuring no forced labor, ethical sourcing of materials, and fair treatment of suppliers.

> *“ This newsletter explores why ESG is not just a trend but a fundamental re-evaluation of what creates durable value, and highlights the emerging sectors brimming with opportunity. ”*

Community Impact: The company's role as a "corporate citizen," including philanthropy and local investment.

Example Sector: EdTech (Education Technology) and Telehealth platforms are emerging sectors focused on the "S" by improving access to essential services for wider populations.

3. Governance (G): The Bedrock of Trust and Transparency Governance refers to the systems, rules, and practices that direct and control a company. It's the internal framework that ensures accountability, fairness, and transparency for all stakeholders, especially shareholders. Key aspects include:

Board Composition: The independence of the board, diversity of its members, and separation of CEO and Chairman roles.

Executive Compensation: Aligning executive pay with long-term performance, not just short-term stock gains.

Shareholder Rights: Mechanisms for shareholders to vote on important issues and hold management accountable.

Audit & Control: Robust systems to prevent fraud, bribery, and corruption, coupled with transparent financial reporting.

Example Sector: The rise of RegTech (Regulatory Technology) firms, which help companies navigate complex compliance and transparently report data, is a direct outgrowth of the "G" focus.

From Niche to Necessity: Why ESG Matters Now

The surge in ESG is driven by three powerful forces: risk, regulation, and returns.

Sophisticated Risk Management: ESG factors are now recognized as material financial risks. A company heavily reliant on fossil fuels faces transition risk as the world decarbonizes. A company with poor labor practices faces reputational and operational risk. Ignoring these factors is no longer prudent.

Investor and Consumer Demand: A new generation of investors and consumers wants their money and loyalty to align with their values. Institutional investors, managing trillions of dollars, are now integrating ESG analytics into their core investment process because their clients demand it.

Regulatory Momentum: Governments worldwide are beginning to mandate ESG disclosures. The EU's Sustainable Finance Disclosure Regulation (SFDR) and proposals from the SEC in the U.S. signal a future where ESG reporting will be as standard as financial reporting.

Performance Potential: A growing body of evidence shows a strong correlation between high ESG scores and strong financial performance. Companies that manage resources efficiently, retain top talent, and maintain stakeholder trust are often more resilient, innovative, and profitable over the long term.

> *“ Data Privacy & Security: In our digital age, how a company protects customer data is a critical social responsibility. ”*

Spotlight on Emerging Sectors: Where to Find ESG-Driven Growth

The ESG movement is creating and accelerating entire industries. Astute investors and businesses should be watching these spaces closely.

The Circular Economy: Moving beyond the "take-make-waste" model, this sector is focused on resource recovery, recycling innovation, and sustainable product design. Look for companies in advanced materials (like biodegradable plastics) and logistics platforms that enable product take-back and reuse.

Sustainable Agriculture & FoodTech: With a growing global population and strained resources, this sector is critical. It includes precision agriculture (using data to reduce water and fertiliser use), alternative proteins (plant-based and lab-grown meat), and vertical farming, which promises high-yield crops with a fraction of the land and water.

Water Technology: Access to clean water is a pressing global issue. This creates opportunities for companies specializing in water purification, desalination, smart metering to reduce waste, and advanced irrigation systems for agriculture. This is a classic "E" and "S" investment.

The Built Environment: This involves retrofitting existing buildings for energy efficiency and constructing new "green buildings" that use sustainable materials, generate their own power, and harvest rainwater. This sector sits at the intersection of real estate, technology, and engineering.

Navigating the Challenges: A Clear-Eyed View

While the potential is immense, the ESG landscape is not without its complexities.

Greenwashing: The risk of companies making exaggerated or misleading claims about their ESG credentials is real. Diligence is required to separate genuine commitment from marketing spin.

Data Standardization: Unlike financial accounting, ESG reporting lacks a single global standard. Various frameworks (SASB, GRI, TCFD) exist, making direct comparisons between companies challenging. However, convergence towards a global baseline is beginning.

The Weighting Dilemma: How do you weigh a strong "E" against a weak "G"? These trade-offs are complex and require sophisticated analysis beyond a simple score.

The Way Forward: Integrating ESG into Your Strategy

ESG is evolving from a separate investment category into an essential layer of analysis for any sound business or investment decision. It's the new benchmark for quality management and long-term resilience.

The question is no longer if you should incorporate ESG, but how. Whether you are assessing your own company's operations, evaluating a potential investment, or advising clients on their portfolios, understanding the risks and opportunities through an ESG lens is now indispensable.

We are here to help you navigate this changing landscape. Let's start a conversation about how an integrated ESG strategy can enhance your financial goals and build a more sustainable, resilient enterprise for the future.

How to Deal With Difficult Emotions

Dr. Anurag Mehta
Guest Contributor

How to Deal With Difficult Emotions

Our emotions in a particular moment are what we are…

Emotions being a domain of the mind, both positive and negative emotions arise and disperse in this faculty. Therefore to understand emotional intelligence it is important to understand the mind in detail. All stress and related negativity that we see around is the play of mind; the way the mind perceives a situation and frames or tags it with emotion. All of this is illusory because the situation is the same for everyone but the reaction is subjective and while using the brain, comes from the mind only.

The mind is like clay, the way you groom it in childhood, it takes that shape and defines the personality of the individual. Therefore it is important that both parents and teachers condition the mind in a way that the self-esteem of the child is developed very well and the child transforms into a responsible adult as he grows.

> *“ All of this is illusory because the situation is the same for everyone but the reaction is subjective and while using the brain, comes from the mind only. ”*

What is Emotional Intelligence?

Emotional Intelligence (EI) refers to the ability to be able to observe the emotions within and relate with the emotions of others as separate from the visible behaviour and behave accordingly. In other words, it is about being empathetic towards self and others and in that being able to manage and sometimes even manipulate personal behaviour situationally so as to avoid conflict and maintain peace. Emotional Intelligence is about a transition from conditioned automatic behaviour to an intelligent way of dealing with self, others and the given situation.

Emotional intelligence is the foundation of all human behaviour. It has the power to transform relationships, beliefs and value systems and therefore lives. We see stress and conflict at almost all areas of our lives whether it is within family, at the workplace or with friends, relatives, neighbours and even strangers.

The inner conflict or cognitive dissonance – the battle within the metamorphic mind and the heart certainly top the chart. Being emotionally intelligent empowers us to manage both success and failure in life and remain centered.

How to deal with difficult emotions?

> *“ This ability is known as empathy and empathy has been known to be the biggest ingredient in conflict management – internally and externally. ”*

When one is in control of emotions and free from the tyrannies of the mind, one can assess the situation in a much better way by going deep cognitively. When an unacceptable behaviour is expressed, the individual who is habituated to think critically will do a post-mortem on the behaviour and end up in going to the roots of the behaviour and hopefully be better next time.

To deal with emotional disturbance, we need to become more aware of how and why a particular emotion has erupted in our mind in a given situation. We also need to check if there is a pattern in which our mind thinks and reacts. For example, do I get angry when I am hungry? This is so obvious to be noticed and yet we miss watching ourselves doing it. When we observe a pattern in our mind, we can try and manipulate our behaviour accordingly.

We need to do the same in case I have a conflict with someone else. Do I see a pattern in which an individual or people in general behave? Can I then maturely mould my behaviour to navigate through the situation rather than getting immersed in a dust of negativity? This ability is known as empathy and empathy has been known to be the biggest ingredient in conflict management – internally and externally.

To increase self awareness so as to be able to see our emotions and manipulate our behaviour accordingly, meditation is on natural way that must be adopted in our routine. Research has shown enough for us to believe that meditation is a go-to way of dealing with difficult emotions.

Emotions make us human. They define our character and personality in the way we react to a situation emotionally. The more we can remain mindful of our emotions, self-aware in the way emotions rise in us, we will be able to manipulate our behaviour in a socially appropriate way as well as take the right decisions especially in testing times.

Taxing Rights and DTAA Applicability in Multi-Jurisdiction Transactions - India, UAE & Singapore

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Taxing Rights and DTAA Applicability in Multi-Jurisdiction Transactions – India, UAE & Singapore

With the growing prevalence of cross-border business operations, Double Taxation Avoidance Agreements (DTAAs) have significant importance in providing tax certainty, preventing double taxation, and facilitating the efficient allocation of taxing rights between contracting jurisdictions.

This article analyses the interaction of below Article of DTAA through a practical case involving India, UAE, and Singapore.

Article | Technical Name

Article: Article 5 | Technical Name: Permanent Establishment

Article: Article 7 | Technical Name: Business Profits

Article: Article 12 | Technical Name: Royalties and Fees for Technical Services

Article: Article 25 | Technical Name: Elimination of Double Taxation

Concept of Double Taxation:

Double taxation generally arises when the same income is taxed in more than one jurisdiction. Broadly, it may be classified into:

Juridical Double Taxation: | Economic Double Taxation:

Juridical Double Taxation:: Same income taxed in two or more jurisdictions in the hands of the same taxpayer. | Economic Double Taxation:: Same income taxed in two or more jurisdictions but in the hands of different taxpayers.

The OECD Commentary recognises that Articles 23A and 23B are primarily intended to eliminate juridical double taxation through exemption or foreign tax credit mechanisms.

Practical Scenario:

An Indian company, World Pvt Ltd, establishes a branch in the United Arab Emirates (UAE). The UAE branch provides marketing support functions, including market surveys and auxiliary support services, to a Singapore company. As per the domestic tax laws of Singapore, such payments made to UAE branch is subject to withholding tax.

At this juncture, it is important to understand the significance of DTAAs:

The reference to DTAA becomes essential in cross-border transactions for the following reasons:

Allocation of taxing rights between source and residence jurisdictions.

Availing concessional withholding tax rates.

Claiming exemption or foreign tax credit relief.

Avoiding juridical double taxation.

Recognition of Treaty Benefits under Domestic Tax Laws:

It is pertinent to note that the domestic tax laws of all three jurisdictions—India, the United Arab Emirates (UAE), and Singapore expressly recognise and give effect to the provisions of DTAAs.

Jurisdiction | Relevant Domestic Law Provision

Jurisdiction: India | Relevant Domestic Law Provision: Section 159(4) in The Income Tax Act, 2025 corresponding to section 90(2) of the Income-tax Act, 1961 provides that where DTAA provisions are more beneficial than domestic law, the taxpayer may apply the treaty provisions.

Jurisdiction: UAE | Relevant Domestic Law Provision: Article 66 of UAE Federal Decree-Law No. 47 of 2022 provides that international agreements override UAE Corporate Tax provisions to the extent of inconsistency.

Jurisdiction: Singapore | Relevant Domestic Law Provision: Section 49 of the Income Tax Act,1947 recognises treaty arrangements entered into by Singapore for relief from double taxation.

The pertinent question is:

- Which DTAA applies, when income flows through multiple jurisdictions?
- India–Singapore DTAA
- India–UAE DTAA
- UAE–Singapore DTAA
- To apply a DTAA, two key factors must be examined:
- Residence of the taxpayer.
- Source of income.

“ If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State, but only so much of them as is attributable to that permanent establishment.”

In the present case:

- The income arises from Singapore, making Singapore the source country.
- The Company is resident of Indian, making India the resident country.

Accordingly, the India–Singapore DTAA becomes relevant.

Here, it gives rise to an important question:

Which Article of the DTAA should be applied?

For the same, essential to identify whether marketing support functions, including market surveys and auxiliary support services provided by UAE branch falls under the “Specific Article” like Article 12 or Article 7 of DTAA.

Evaluation of Article 12 - Fees for Technical Services:

Under Article 12 of the India–Singapore DTAA, “Fees for Technical Services” generally covers managerial, technical, or consultancy services subject to satisfaction of the “make available” condition.

The “make available” clause requires that the service provider must transfer technical knowledge, skill, know-how, or processes enabling the recipient to independently apply such technology in future. Mere rendering of services is insufficient.

In the present case:

- No technical know-how is transferred.
- No technical capability is imparted.
- No advisory or consultancy element exists.
- The recipient cannot independently perform such services in future.

Therefore, the services do not satisfy the nature and the “make available” test which is prescribed under Article 12 of the India–Singapore DTAA.

Evaluation of Article 7 – Business Profits:

Extract of Article 7

“The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a Permanent Establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other State, but only so much of them as is attributable to that permanent establishment."

The wording of Article 7 creates two important principles:

"Shall be taxable only" grants exclusive taxing rights to the residence country.

"May be taxed" permits source-country taxation where a Permanent Establishment (PE) exists.

Therefore, Singapore may tax the income only if the Indian enterprise has a PE in Singapore.

Here, understanding of Article 5 - Permanent Establishment is essential:

Article 5 generally includes:

- Place of management
- Branch
- Office
- Factory
- Workshop

In the present case, the Indian company does not maintain any PE in Singapore.

Therefore, under Article 7 of the India–Singapore DTAA, Singapore should not tax the business profits arising to the Indian enterprise.

Consequently, withholding tax should ideally not apply in Singapore, subject to compliance with procedural treaty documentation requirements.

UAE Tax Perspective:

> *" Therefore, Singapore may tax the income only if the Indian enterprise has a PE in Singapore. "*

Although Singapore may not have taxing rights under the treaty, the UAE branch income remains taxable in the UAE under UAE Corporate Tax provisions.

Under UAE Corporate Tax law, a non-resident person having a Permanent Establishment in the UAE becomes taxable in the UAE to the extent income is attributable to such PE.

Since the Singapore income is attributable to the UAE branch, such income shall form part of total taxable income of the UAE branch.

Foreign Tax Credit in UAE:

A practical issue arises where Singapore company deducts withholding tax despite treaty protection.

Under UAE Corporate Tax Guide CTGFSI1, a UAE PE may claim Foreign Tax Credit (FTC) for foreign taxes paid on income attributable to the UAE PE.

Accordingly:

Singapore-source income qualifies as foreign-source income.

WHT deducted in Singapore may be eligible for FTC in UAE.

However, OECD Commentary – "Article 1 of Paragraph 109 – Limitations of source taxation: procedural aspects" clarifies that treaty benefits may also be implemented through refund mechanisms where excess source taxation occurs. Therefore, where WHT is wrongly deducted in Singapore contrary to DTAA provisions, the taxpayer may alternatively seek refund from Singapore authorities instead of claiming FTC in UAE.

Indian Tax Perspective:

Under Indian tax law, the global income of World Pvt Ltd remains taxable in India, including profits attributable to the UAE branch.

This creates juridical double taxation since the same income may be taxed in both India and UAE.

To eliminate such double taxation, reference must be made to Article 25 of the India–UAE DTAA.

Article 25 – Elimination of Double Taxation:

Article 25 of the India–UAE DTAA provides that where income derived by an Indian resident "may be taxed" in UAE, India shall allow credit for taxes paid in UAE against Indian tax liability.

The foreign tax credit is restricted to the lower of:

Tax paid in UAE, or

Indian tax attributable to such income.

CBDT Notification No. 91/2008 also clarifies that where treaty language uses the expression “may be taxed”, such income remains taxable in India with relief available through FTC mechanism.

An Indian resident entity is entitled to claim a foreign tax credit in respect of taxes paid in the UAE through its branch, subject to the limitation that such credit shall not exceed the amount of Indian tax attributable to the relevant income. A proper understanding of these provisions is essential to ensure accurate tax positions and to mitigate the risk of unintended double taxation in cross-border transactions.

The currency conversion mechanism:

In practical scenarios, the UAE branch may discharge taxes in AED, whereas the FTC is required to be claimed in INR under the Indian Income-tax provisions. Accordingly, the conversion mechanism prescribed under the Income-tax Rules becomes relevant.

For claiming Foreign Tax Credit (FTC), Rule 76 of the Income-tax Rules, 2026 [corresponding to Rule 128 of the Income-tax Rules, 1962] provides that the foreign tax paid shall be converted into INR using the Telegraphic Transfer Buying Rate (TTBR) of the State Bank of India (SBI) on the last day of the month immediately preceding the month in which such foreign tax was paid or deducted.

Further, Rule 206 of the Income-tax Rules, 2026 (corresponding to Rule 115 of the Income-tax Rules,1962) governs the conversion of foreign income into INR. The Rule prescribes different specified dates depending upon the nature of income. Inter alia, in case of business income, the conversion is required to be made using the SBI TTBR on the last day of the tax year (corresponding to previous year).

Conclusion:

Multi-jurisdiction transactions require careful evaluation of:

- Source rules
- Residency principles
- Permanent Establishment exposure
- Treaty allocation provisions
- Foreign tax credit mechanisms

In the present case, the India–Singapore DTAA governs taxation of Singapore-source income, while the India–UAE DTAA becomes relevant for elimination of double taxation arising between India and UAE.

A proper understanding of Article 5, Article 7, Article 12 and Article 25 is essential for determining accurate tax positions and mitigating unintended double taxation in cross-border business structures.

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Clause 22 of Form 3CD - Reporting of Payments to Micro and Small Enterprises

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Clause 22 of Form 3CD – Reporting of Payments to Micro and Small Enterprises

Introduction

The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) was enacted to promote and protect micro and small enterprises by ensuring timely payment for goods supplied and services rendered.

To strengthen this objective, the Finance Act, 2023 inserted clause (h) in Section 43B of the Income-tax Act, 1961, effective from 1 April 2024. Under this provision, expenditure payable to eligible micro and small enterprises is allowable as a deduction only if payment is made within the time prescribed under Section 15 of the MSMED Act. Where payment is made beyond the prescribed period, deduction is deferred to the year of actual payment.

Consequently, Clause 22 of Form 3CD has assumed significant importance in tax audits and now requires detailed reporting of MSME dues and related disallowances.

Evolution of Clause 22

Earlier Position

Originally, Clause 22 required reporting only of interest inadmissible under Section 23 of the MSMED Act.

Notification No. 34/2024

The clause was expanded to capture information relating to amounts disallowable under Section 43B(h).

Notification No. 23/2025

Clause 22 was further revised and now requires reporting under three heads:

1. Interest inadmissible under Section 23 of the MSMED Act.
2. Total amount payable to micro and small enterprises under Section 15.
3. Break-up of such amount into:
    a. Amount paid within the prescribed period.
    b. Amount not paid within the prescribed period and consequently inadmissible under Section 43B(h).

The revised format enhances transparency regarding compliance with MSME payment timelines.

Relevant Provisions of the MSMED Act

Section 15

Payment for goods supplied or services rendered must be made:

Within the agreed credit period, subject to a maximum of 45 days; or

Where there is no written agreement, before the "appointed day".

Section 16

Delayed payment attracts compound interest at three times the RBI Bank Rate.

Section 23

Interest payable under Section 16 is not deductible while computing taxable income.

Section 24

The provisions of Sections 15 to 23 override inconsistent provisions contained in any other law.

Understanding Key Concepts

Day of Acceptance

The day on which goods are delivered or services rendered.

Where a written objection is raised within fifteen days, the date of acceptance shifts to the date on which such objection is removed.

Day of Deemed Acceptance

Where no objection is raised within fifteen days from delivery, the date of delivery itself becomes the date of deemed acceptance.

Appointed Day

The day immediately following the expiry of fifteen days from the day of acceptance or deemed acceptance.

Practical Implication

Where a written agreement exists:

- Agreed credit period applies.
- Maximum permissible credit period is 45 days.

Where no written agreement exists:

- Payment must be made before the appointed day.
- Effectively, payment should be made within 15 days from acceptance/deemed acceptance.

Many businesses incorrectly assume that a uniform 45-day period applies in all cases.

Section 43B(h) – Income-tax Implications

Section 43B(h) overrides the normal mercantile system deduction in respect of amounts payable to eligible micro and small enterprises.

Accordingly:

- Payment made within the period prescribed under Section 15 of the MSMED Act → deduction allowed in the year of accrual.

" Under this provision, expenditure payable to eligible micro and small enterprises is allowable as a deduction only if payment is made within the time prescribed under Section 15 of the MSMED Act. "

- Payment made beyond the prescribed period → deduction allowed only in the year of actual payment.

Unlike other clauses of Section 43B, payment made after the prescribed MSMED period but before the due date of filing the return under Section 139(1) does not save the deduction.

Who is Covered?

Section 43B(h) applies only to:

- Micro Enterprises
- Small Enterprises

It does not apply to Medium Enterprises.

Revised MSME Classification

(Effective 1 April 2025 and relevant from A.Y. 2026-27 onwards)

Category	Investment Limit	Turnover Limit
Micro Enterprise	Up to ₹2.50 crore	Up to ₹10 crore

Category	Investment Limit	Turnover Limit
Small Enterprise	Up to ₹25 crore	Up to ₹100 crore
Medium Enterprise	Up to ₹125 crore	Up to ₹500 crore

Supplier Definition and Udyam Registration

Section 15 applies only where payment is due to a “supplier” as defined under Section 2(n) of the MSMED Act.

A supplier generally means a micro or small enterprise that has filed the prescribed memorandum and is recognized under the MSMED framework.

In practice, Udyam Registration Certificate is the primary evidence of MSME status.

Therefore, auditors should obtain and verify:

- Udyam Registration Number;
- Classification as Micro or Small Enterprise;
- Nature of activity disclosed in the registration certificate.

Maintenance of updated vendor master records containing MSME status is strongly recommended.

Position of Traders

Retail and wholesale traders are permitted Udyam Registration for certain limited purposes.

However, questions continue to arise regarding the applicability of Chapter V of the MSMED Act to traders.

Accordingly, auditors should carefully examine:

- Nature of activity reflected in the Udyam Registration Certificate;
- Relevant facts of the case; and
- Prevailing legal position at the time of audit.
- A blanket assumption should be avoided.

Reclassification and Three-Year Transition Benefit

Para 8(5) of Notification No. S.O. 2119(E) provides a transition benefit where an enterprise moves to a higher category.

Consequently, where a Small Enterprise subsequently becomes a Medium Enterprise, certain non-tax benefits of the earlier classification may continue for a period of three years.

Auditors should therefore evaluate:

- Classification prevailing during the relevant transaction period; and
- Applicability of transition provisions.

Reporting Requirements under Clause 22

Clause 22(i)

Report aggregate interest inadmissible under Section 23 of the MSMED Act.

Important: Only interest actually debited to the Profit & Loss Account is reportable.

Where no provision for interest has been made, reporting under Clause 22(i) may be NIL, though disclosures under Section 22 of the MSMED Act may still be required.

Clause 22(ii)

Report the total amount payable to micro and small enterprises during the year, including:

- Amounts paid during the year;
- Amounts outstanding at year-end; and
- Amounts accrued during the year.

Clause 22(iii)(a)

Report amounts paid within the prescribed period under Section 15.

Clause 22(iii)(b)

Report amounts:

> *“ Consequently, Clause 22 of Form 3CD has assumed significant importance in tax audits and now requires detailed reporting of MSME dues and related disallowances. ”*

Claimed as deduction;

Remaining unpaid beyond the prescribed period; and

Consequently inadmissible under Section 43B(h).

Capital Expenditure

Pure capital expenditure, which is otherwise not deductible under the Income-tax Act, does not result in disallowance under Section 43B(h) and ordinarily falls outside Clause 22(iii).

Audit Considerations

The tax auditor should:

Obtain a complete list of MSME suppliers.

Verify Udyam Registration details.

Review agreements, purchase orders and correspondence.

Determine invoice-wise due dates.

Verify compliance with 15-day and 45-day requirements.

Examine subsequent payments.

Review MSME disclosures in financial statements.

Verify MSME Form-1 filings wherever applicable.

Examine computation of interest under Section 16.

Maintain comprehensive working papers supporting conclusions.

Special attention should be given to suppliers whose MSME status changes during the year.

Disclosure Requirements under Section 22 of the MSMED Act

Audited financial statements are required to disclose:

Principal amount outstanding.

Interest paid during the year.

Interest accrued and unpaid.

Further interest payable in succeeding years.

Auditors should ensure consistency between:

Financial statement disclosures;

Books of account; and

Reporting under Clause 22 of Form 3CD.

Judicial and Practical Developments

Certain broad principles emerging from judicial and practical guidance are relevant:

Supplier Status is Fundamental

MSMED benefits are available only where the payee qualifies as a supplier under Section 2(n).

Registration Status is Important

Judicial decisions have repeatedly emphasized the relevance of MSME registration status while determining entitlement to statutory protections under the MSMED Act.

Udyam Registration is Critical Evidence

Udyam Registration serves as the principal documentary evidence of classification as a micro or small enterprise.

Caution Regarding Non-Tax Decisions

Commercial recovery suits and similar proceedings occasionally refer to Section 43B(h). However, unless they contain a direct interpretation of tax law, they should not be treated as precedents for Clause 22 reporting.

Tax Consequences of Delayed Payment

Delayed payment to an eligible micro or small enterprise can trigger two independent consequences:

1. Disallowance of Principal Expenditure

Under Section 43B(h), deduction is deferred until actual payment.

2. Disallowance of Interest

Interest payable under Section 16 is permanently disallowed under Section 23.

Thus, principal and interest must be analysed separately.

Conclusion

The insertion of Section 43B(h) has transformed MSME compliance from a disclosure-oriented requirement into a significant tax adjustment issue.

Delayed payment to eligible micro and small enterprises can now result in:

Deferral of deduction of principal expenditure under Section 43B(h); and

Disallowance of interest under Section 23 read with Section 16 of the MSMED Act.

The revised Clause 22 of Form 3CD requires auditors to carefully verify supplier eligibility, Udyam Registration, contractual payment terms, statutory due dates and actual payment status before reporting.

For taxpayers, maintaining updated vendor records, obtaining Udyam certificates, documenting payment terms and monitoring outstanding dues on an invoice-wise basis are essential compliance measures.

For auditors, robust documentation and thorough verification remain the key to accurate reporting and effective discharge of professional responsibilities.

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ECLGS 5.0: Emergency Credit Line Guarantee Scheme

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Emergency Credit Line Guarantee Scheme

1. Introduction

India has consistently used targeted credit-guarantee instruments to cushion businesses from external shocks - from pandemic lockdowns to, now, geopolitical disruptions. ECLGS 5.0, approved by the Union Cabinet in May 2026, extends this framework to address the West Asia crisis: surging Aviation Turbine Fuel (ATF) prices, airspace restrictions, and trade-route disruptions that have tightened liquidity for MSMEs and airlines despite broader economic recovery.

This fifth iteration signals an important evolution - from a purely pandemic-response tool to a standing macro-stabilisation instrument. For Chartered Accountants, the scheme opens a meaningful advisory, certification, and assurance canvas that demands prompt and informed engagement.

2. The ECLGS Journey — From 1.0 to 5.0

Each version of ECLGS has responded to a distinct stress point. The table below captures the progression:

Version	Year	Focus	Key Coverage
1.0	May 2020	Pandemic Relief	MSMEs – collateral-free WC top-up
2.0	Nov 2020	Expanded MSMEs	Higher outstanding limits; stressed sectors
3.0	2021	Hospitality & Aviation	Hotels, restaurants, airlines
4.0	2022	Healthcare	Hospitals, oxygen generation units
5.0 ★	May 2026	Geopolitical Stress	MSMEs, non-MSMEs, airlines (West Asia crisis)

3. ECLGS 5.0: Scope and Structure

Total targeted credit: ₹2,55,000 crore, including ₹5,000 crore earmarked for scheduled passenger airlines.

Administered by: Ministry of Finance, implemented through NCGTC as guarantee trustee.

Application channel: Mandatorily through the Jan Samarth portal - the unified government credit-scheme interface.

Scheme validity: Loans sanctioned from NCGTC guideline date up to 31 March 2027, or until ₹2,55,000 crore in guarantees is exhausted, whichever is earlier.

“Scheme validity: Loans sanctioned from NCGTC guideline date up to 31 March 2027, or until ₹2,55,000 crore in guarantees is exhausted, whichever is earlier.”

4. Eligibility — Who Qualifies and How Much?

The following comparison table details eligibility conditions and key parameters for the two borrower categories:

Criterion	MSMEs / Non-MSMEs	Scheduled Passenger Airlines
Account status	Standard (not SMA-2 / NPA) as on 31-03-2026	Standard (not SMA-2 / NPA) as on 31-03-2026
Existing relationship	Fund-based WC limits with MLI on cut-off date	Total credit exposure (fund + non-fund) with MLI
Limit basis	Peak fund-based WC utilisation in Q4 FY 2025-26	Peak total credit exposure in Q4 FY 2025-26
Quantum of credit	Up to 20% of peak utilisation	Up to 100% of peak exposure
Per-borrower cap	₹100 crore	₹1,500 crore (₹1,000 cr base + ₹500 cr on equity infusion)
Guarantee coverage	100% (MSMEs) / 90% (non-MSMEs)	90%
Tenor	5 years from first disbursement	Up to 7 years (incl. moratorium)
Principal moratorium	1 year (interest payable)	2 years (interest payable; up to 50% convertible to FITL)
Interest-rate cap	Banks/FIs: ~9% p.a. | NBFCs: 13% p.a.	Banks/FIs: ~9% p.a. | NBFCs: 13% p.a.

Key exclusions: Accounts classified as NPA or SMA-2 as on 31 March 2026 are ineligible. Overlapping guarantee coverage on the same exposure under another scheme is not permitted.

Prior ECLGS participation: Borrowers who availed ECLGS 1.0–4.0 are not automatically disqualified; eligibility is independently determined based on current account status and Q4 utilisation.

5. Key Features at a Glance

Feature	Detail
Nature of facility	Working Capital Loan or similar incremental facility over existing WC lines.
Guarantee fee	NIL - entirely borne by the Government of India. No fee for lender or borrower.
Collateral	Collateral-free incremental credit; charge extended on existing primary/collateral securities and on assets created from ECLGS 5.0 loan. No additional collateral required.
Lender's retained risk	10% on non-MSME and airline exposures - preserving appraisal rigour while providing substantial risk transfer.
Eligible MLIs	Scheduled Commercial Banks, Scheduled Urban Co-operative Banks, Financial Institutions, RBI-registered NBFCs approved by NCGTC.
End-use	Working-capital support and operational needs only. Not permitted for refinancing unrelated borrowings, dividend payouts or speculative activities.

6. Practical Implications

For MSMEs and Businesses

ECLGS 5.0 provides a predictable liquidity line - without fresh collateral - to bridge cash-flow gaps, fund disrupted inventory and receivable cycles, and protect employment. The facility is however still debt: repayment capacity after the moratorium must be rigorously assessed to avoid over-leveraging.

For Banks and NBFCs

The 100%/90% sovereign guarantee substantially reduces expected credit loss and provisioning pressure, enabling proactive engagement with stressed-but-viable clients. Lenders must execute NCGTC guarantee agreements, maintain portal-level records and documentation, and monitor end-use - all of which create a digital audit trail NCGTC can verify before settling guarantee claims.

7. Challenges and Critical Perspective

Challenge	Implication
Fiscal / Contingent Liability	₹2.55 lakh crore guarantee envelope adds to off-balance-sheet sovereign risk; higher-than-expected defaults - especially in aviation - could crystallise fiscal costs.
Moral Hazard	Repeated guarantee-backed schemes risk weakening credit culture if not accompanied by robust appraisal and post-disbursement monitoring.
Awareness Gaps	Smaller MSMEs may face barriers in portal navigation and documentation, concentrating benefits among better-resourced borrowers.
Sectoral Gaps	Exporters, freight forwarders and logistics players - often acutely impacted by West Asia disruptions - may not qualify if they fail standard-account or utilisation criteria.

8. Conclusion — A Bridge, Not a Crutch

ECLGS 5.0 is a precision instrument: it buys time, protects viability, and preserves employment during disruptions that are neither of the borrower's making nor easily remedied by conventional credit channels. The nil guarantee fee, sovereign risk absorption, collateral-free design, and capped interest rates make it one of the most borrower-friendly facilities currently available.

But its value depends entirely on how it is deployed. Accessed without rigorous cash-flow planning and end-use discipline, the scheme defers stress rather than resolving it. The Chartered Accountant - as eligibility advisor, financial planner, certifier, and auditor - is uniquely positioned to ensure this emergency credit becomes a genuine catalyst for resilience, rather than simply a postponement of the inevitable.

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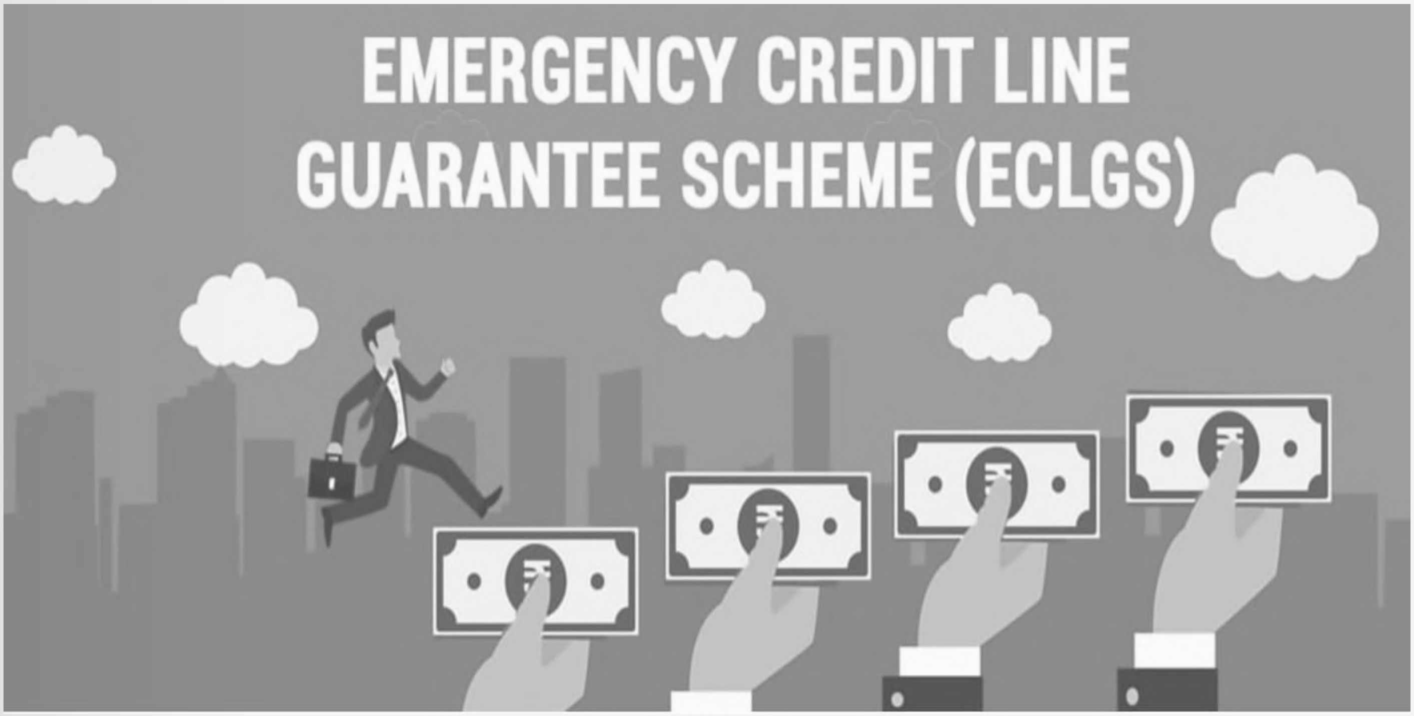

RBI Updates - June 2026

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RBI Updates

In the month of June-2026, the Monetary Policy Committee (MPC) in its meeting on June 3 to 5, 2026. The Monetary Policy Committee (MPC) decided to keep the policy repo rate unchanged at 5.25% and continue with its neutral policy stance. The committee noted that global conditions have become weaker due to ongoing conflicts, supply chain disruptions, and higher energy prices, which may slow economic growth and increase inflation. Although inflation is still below the target and domestic demand remains strong, there are risks from rising prices, possible effects on wages and expectations, and uncertainty caused by a weaker monsoon and El Niño. Since the future impact of these factors is still unclear, the MPC felt it was best to wait for more information before changing interest rates, while continuing to closely monitor inflation and economic growth.

" The Monetary Policy Committee (MPC) decided to keep the policy repo rate unchanged at 5.25% and continue with its neutral policy stance. "

There are various Master directions, Master circulars, notifications issued by RBI, Summary and brief understanding of few of them are as under:

Date of issue	Master directions/ Master circulars/ notifications No.	Applicability	Brief understanding
10.06.2026	RBI/2026-27/109 DOR.CRE.REC.89/07.01.001/2026-27	All Commercial Banks	**RBI Issues New Lending Rules for REITs and InvITs:** The Reserve Bank of India (RBI) has introduced new guidelines allowing banks to lend to Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) under a stronger regulatory framework. Banks must ensure that these trusts are listed, have stable income-generating assets, use the funds for approved purposes, and maintain adequate security and repayment capacity. The RBI has also imposed limits on leverage and bank exposure to reduce risks. These measures are aimed at supporting investment in the real estate and infrastructure sectors while ensuring prudent lending practices and maintaining the stability of the banking system.

15.06.2026	RBI/2026-27/114 A.P. (DIR Series) Circular No. 14	All Category – I Authorised Dealer Banks	**Liberalisation of Foreign Portfolio Investment under Schedule III of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019:** The Reserve Bank of India (RBI) has relaxed the rules for foreign investment in Indian stock markets by allowing all individuals living outside India—not just NRIs and OCIs—to invest in shares of listed Indian companies under the Foreign Portfolio Investment (FPI) route. Banks can now open special repatriable rupee accounts for these investors to facilitate such investments. The move is aimed at attracting more foreign investment into India while ensuring that banks follow RBI, FEMA, and SEBI regulations and properly monitor investment limits and reporting requirements.
15.06.2026	RBI/2026-27/115 DOR.MCS. REC.No.94 /01-01-032/2026-27	All Commercial Banks	**RBI Strengthens Customer Protection in Sale of Financial Products (Effective from January 1, 2027)** The Reserve Bank of India (RBI) has issued new rules to ensure that banks sell financial products and services in a fair, transparent, and responsible manner. Banks must obtain clear customer consent, provide complete information about risks, charges, and terms, and ensure that products are suitable for customers. The rules prohibit mis-selling, compulsory bundling of products, misleading advertisements, and the use of deceptive online practices (dark patterns). Banks must also properly monitor their agents, respect customer privacy, provide easy opt-out options for marketing messages, and compensate customers if mis-selling is proven. These guidelines aim to improve customer protection and build trust in banking services.
16.06.2026	RBI/2026-27/132 DOR.STR. REC.111/21-01-002/2026-27	All Commercial Banks	**RBI Provides Capital Relief for Loans under ECLGS 5.0** The Reserve Bank of India (RBI) has amended its capital adequacy rules to support lending under the Government's **Emergency Credit Line Guarantee Scheme (ECLGS) 5.0**. With immediate effect, banks can assign a **zero percent risk weight** to **75% of the guaranteed portion** of loans covered under ECLGS 5.0, as this amount is backed by a government guarantee and is expected to be settled within 30 days if invoked. The remaining portion of the loan will continue to attract normal risk weights as per existing RBI guidelines. This measure reduces the capital burden on banks and encourages them to provide more credit under the scheme.

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FEMA Updates for June 2026

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FEMA Updates for June 2026

A) Updates through Circulars and Notifications

1) RBI Withdraws Relaxation on INR Forex Derivative Contracts with Related Parties

In a significant regulatory development, the Reserve Bank of India (RBI) has withdrawn the temporary relaxation granted on 1 April 2026 permitting Authorised Dealers (ADs) to undertake INR foreign exchange derivative contracts with their related parties.

Vide A.P. (DIR Series) Circular No. 7 dated 20 April 2026, RBI has now restricted Authorised Dealers from entering into any fresh foreign exchange derivative contracts involving Indian Rupees with their related parties.

Permitted Transactions

The restriction shall not apply to the following transactions:

Cancellation and rollover of existing derivative contracts; and

Back-to-back transactions undertaken with non-related non-resident users in accordance with the Master Direction – Risk Management and Inter-Bank Dealings dated 5 July 2016, as amended from time to time.

Comments / Our Analysis

The withdrawal of the relaxation indicates RBI's cautious approach towards related-party derivative transactions. By limiting fresh transactions while permitting rollover and cancellation of existing contracts, RBI has sought to minimise potential conflicts of interest and speculative exposures without disrupting existing hedging arrangements.

Authorised Dealers should revisit their internal treasury policies and ensure that any INR derivative transaction with related parties falls strictly within the permitted exceptions.

2) RBI Issues Final Reporting Directions for INR OTC Derivative Transactions

The Reserve Bank of India has issued the final Reporting Instructions for Authorised Dealer Category-I Banks after considering stakeholder feedback on the draft directions released on 16 February 2026.

The reporting framework seeks to improve transparency and regulatory oversight of INR-based Over-the-Counter (OTC) derivative transactions.

Key Reporting Requirements

The directions require AD Category-I Banks to:

Report all INR-based OTC derivative transactions to the Clearing Corporation of India Limited (CCIL).

Include transactions executed outside India by overseas group entities.

Report both deliverable and non-deliverable derivative contracts.

Complete reporting within two working days of the transaction date.

Implement the reporting framework in phases up to 2028.

> *"The Government has amended the FEMA (Non-Debt Instruments) Rules to increase the Foreign Direct Investment (FDI) limit in the insurance sector from 74% to 100% under the automatic route."*

Exemptions

The following transactions are excluded:

Transactions below USD 1 million.

Certain back-to-back hedging transactions undertaken in accordance with RBI directions.

Comments / Our Analysis

The reporting framework represents another step towards strengthening transparency in India's foreign exchange derivatives market.

By bringing offshore group transactions within the reporting framework, RBI will gain better visibility over aggregate market exposures and systemic risks. AD Category-I Banks should accordingly strengthen their reporting systems and internal controls to ensure timely compliance.

3) Government Notifies Amendments to FEMA (Non-Debt Instruments) Rules on Beneficial Ownership

The Government has amended the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 to operationalise the changes introduced through Press Note 2 of 2026 relating to investments from countries sharing land borders with India.

The amendment aligns FEMA with the revised FDI policy framework.

Key Amendments

The notification provides for:

Adoption of the definition of Beneficial Owner as prescribed under the Prevention of Money-laundering Act, 2002 and the Prevention of Money-laundering (Maintenance of Records) Rules.

Requirement of prior Government approval where there is a subsequent change in beneficial ownership attracting the land-border country restrictions.

Prescribed reporting requirements for such changes.

Comments / Our Analysis

This amendment provides statutory backing to the revised FDI policy announced through Press Note 2 of 2026.

The introduction of a uniform definition of beneficial ownership removes ambiguity and improves consistency between FEMA and anti-money laundering regulations. Investors should continuously monitor ownership changes, as subsequent restructuring may trigger Government approval requirements.

4) Government Increases FDI Limit in Insurance Sector to 100%

The Government has amended the FEMA (Non-Debt Instruments) Rules to increase the Foreign Direct Investment (FDI) limit in the insurance sector from 74% to 100% under the automatic route.

The amendment represents one of the most significant liberalisation measures in the insurance sector in recent years.

Key Changes

> *"Foreign investment in Life Insurance Corporation of India (LIC) continues to remain capped at 20%."*

The revised framework provides that:

Foreign investment up to 100% is permitted under the automatic route in insurance companies, insurance intermediaries and insurance brokers.

Foreign investment in Life Insurance Corporation of India (LIC) continues to remain capped at 20%.

Majority of directors and Key Managerial Personnel must continue to be resident Indian citizens.

Additional governance conditions have been prescribed for LIC.

Comments / Our Analysis

The enhancement of the FDI limit is expected to facilitate greater foreign capital inflows, strengthen the financial position of insurers and improve insurance penetration across India.

At the same time, the Government has retained governance safeguards to ensure effective domestic oversight and management of insurance companies.

5) RBI Notifies FEMA (Authorised Persons) Regulations, 2026

The Reserve Bank of India has notified the Foreign Exchange Management (Authorised Persons) Regulations, 2026, replacing the earlier regulatory framework governing Authorised Persons dealing in foreign exchange.

Key Changes Introduced

The Regulations provide that:

No fresh franchisee arrangements may be entered into by Full-Fledged Money Changers (FFMCs).

Existing franchisee arrangements must be discontinued within two years from 6 May 2026.

FFMCs and non-bank AD Category-II entities must submit:

Annual audited balance sheet along with a statutory auditor's certificate confirming net worth by 31 October every year.

Statutory auditor's certificate certifying annual foreign exchange turnover by 30 April every year.

Comments / Our Analysis

The new regulations are intended to strengthen regulatory oversight over entities dealing in foreign exchange while gradually phasing out the franchisee model.

The introduction of annual certification requirements will improve regulatory monitoring and reinforce financial discipline among Authorised Persons. Existing FFMCs should begin planning the transition from franchisee arrangements well before the prescribed two-year timeline.

Conclusion

The regulatory developments during April–May 2026 reflect RBI's continued emphasis on strengthening the foreign exchange regulatory framework through enhanced transparency, improved reporting standards and tighter governance over derivative transactions. Simultaneously, the Government's decision to liberalise foreign investment in the insurance sector demonstrates its commitment to attracting overseas capital while maintaining appropriate safeguards.

Businesses, Authorised Dealers, multinational groups and foreign investors should evaluate the implications of these amendments and ensure timely compliance with the revised FEMA framework.

REITs: The Future of Institutional Real Estate in India

Mr. Piyush Kothari
Guest Contributor

REITS : The Future of Institutional Real Estate in India

India's commercial office market has recently crossed 100 crore sq. ft. of total office space.

Today, listed REITs own approximately 17.4 crore sq. ft. of institutional real estate-comprising 16.4 crore sq. ft. of office assets and 1 crore sq. ft. of retail assets.

This milestone reflects a fundamental transformation. India is no longer merely a cost-arbitrage destination for global occupiers-it has evolved into one of the world's leading hubs for institutional-grade commercial real estate.

Yet, despite the scale of professionally developed, income-generating commercial real estate across the country, only five REITs have been listed in India-one retail REIT and four office REITs. Together, the four office REITs represent just 16.4 crore sq. ft. or 16.4% of India's total office space.

The gap between the institutional-quality office assets that exist and those that have been brought into listed REIT structures is not accidental. It is the result of structural constraints that have shaped-and in many ways, limited-the evolution of India's commercial real estate investment ecosystem.

What the Structure Actually Does

A Real Estate Investment Trust (REIT) is a SEBI-regulated investment vehicle that enables investors to own a fractional interest in large-scale, income-generating real estate without the high capital commitment or operational complexities of direct property ownership.

REITs generate rental income from their underlying assets and are required to distribute at least 90% of their net distributable cash flows to unitholders, making them one of the few investment structures that combine real estate ownership with regular cash distributions.

This highlights what makes the REIT structure fundamentally different. Direct real estate ownership has traditionally offered rental income and inflation protection, but rarely liquidity. REITs combine all three-regular income, ownership in high-quality institutional assets, and the ability to buy or sell units on a stock exchange at market prices on any trading day.

> *" Together, the four office REITs represent just 16.4 crore sq. ft. or 16.4% of India's total office space. "*

For long-term investors focused on portfolio construction, that combination represents a structural evolution in how commercial real estate can be owned and accessed.

Where It All Began

The REIT structure was born in the United States in 1960, allowing ordinary investors to own a share of large-scale, income-producing real estate, the same way a mutual fund allows them to own equities. The first REIT company was established in 1961. The idea was simple: pool capital, own real estate professionally, distribute income regularly, and trade on a stock exchange.

Growth was slow for the first three decades. The real shift came in the 1990s, a period now recognised as the Modern REIT Era triggered by the creation of the UPREIT structure in 1992. This tax reform allowed private real estate owners to convert their large property portfolios into publicly traded shares without triggering significant tax liabilities. The result was transformative: US REIT AUM grew from under $50 billion in 1990 to $1.75 trillion by 2021 and today, nearly half of America's population lives in households invested in REITs through retirement accounts and investment plans.

Other countries followed steadily. Australia, New Zealand, and the Netherlands had frameworks by the late 1960s. Japan and Singapore followed in the early 2000s, the UK in 2007. Today, more than 40 countries have REIT legislation, over 1,000 REITs trade globally with a combined market capitalisation exceeding $2 trillion, and nearly 5 billion people live in countries that have REITs. What started as one country's experiment is now the global standard for how institutional real estate is owned and made accessible to investors.

India's Journey

India introduced its REIT framework through SEBI regulations in 2014 with a clear intent to bring a structure that had worked across 40 countries into one of the world's fastest-growing commercial real estate markets. The first listing, however, did not arrive until 2019. Embassy Office Parks listed in April 2019 as India's first publicly listed REIT and at the time, Asia's largest office REIT by area. That five-year gap between framework and first listing was a signal in itself the conditions had to be right, and for most sponsors, they were not yet.

Today, India has five listed REITs. 1.Embassy manages 51 million sq. ft with tech giants as anchor tenants. 2. Mindspace covers 37 million sq. ft with 87–90% occupancy across IT and BFSI tenants. 3.Brookfield India holds 30 million sq. ft of premium offices backed by one of the world's largest alternative asset managers. 4.Nexus Select Trust is India's only retail REIT- 10 million sq. ft of shopping mall assets. 5.Knowledge Realty Trust manages 46 million sq. ft focused on commercial spaces.

Together, these five REITs hold over 174 million square feet of Grade A real estate, 164 million sq. ft in office assets valued at approximately ₹1.74 lakh crore, and 10 million sq. ft in retail valued at approximately ₹32 thousand crore for a total ecosystem GAV of approximately ₹2.06 lakh crore across pan-India prime locations of listed REITs. Since inception, they have distributed over ₹31,700 crore rental income to unitholders. The structure works when the assets are right and the management is credible.

Where India Stands Globally And Where the Gap Is

> *“ At 1.5% of GDP, India's REIT market remains among the most underpenetrated in the world against 5% to 12% in the US, Australia, Singapore, and Japan. ”*

Placed against mature markets, India's REIT story has two sides.

The US spans 13 distinct property types which are offices, industrial warehouses, data centres, healthcare facilities, cell towers, self-storage, retail, residential, hotels, timberlands, and more. When office REITs struggled post-pandemic, logistics and data centre REITs held the broader market steady. Japan's J-REITs is diversified into 12 property types. Singapore built its entire REIT market on regulatory clarity alone, with 90% of its REIT assets sitting outside the country. The framework became the product.

India's five listed REITs remain concentrated in just two property types - office and retail. The assets for diversification exist. Logistics parks, data centres, healthcare facilities, and hospitality assets are all present and growing in India. The structure permits them. What has been missing is the economic incentive for sponsors to list and that is where the gap between India and the mature markets is most visible.

What This Means for Investors

A REIT unit trades at an accessible price, enabling any investor with a demat account to own a fractional interest in a Grade A office park or premium shopping mall-assets that would otherwise require crores of rupees to acquire directly.

The value proposition extends well beyond accessibility. Occupancy levels of over 90%, diversified investment-grade tenants, regular quarterly income distributions, professional asset management, and exchange-traded liquidity together create an investment structure that combines the benefits of institutional real estate with the convenience of listed securities.

The rapid expansion of the investor base-from just a few thousand unitholders in 2019 to more than 4.25 lakh today-demonstrates the growing acceptance of REITs as an efficient and accessible way to participate in India's institutional commercial real estate market.

Today, these 4.25 lakh unitholders collectively own 17.4 crore sq. ft. of institutional-grade real estate, translating into an average fractional ownership of approximately 409 sq. ft. per investor. During the last quarter alone, the five listed REITs generated approximately ₹2,566 crore in rental income. On a simple average basis, this equates to roughly ₹60,376 of quarterly rental income per investor, before accounting for differences in individual holdings.

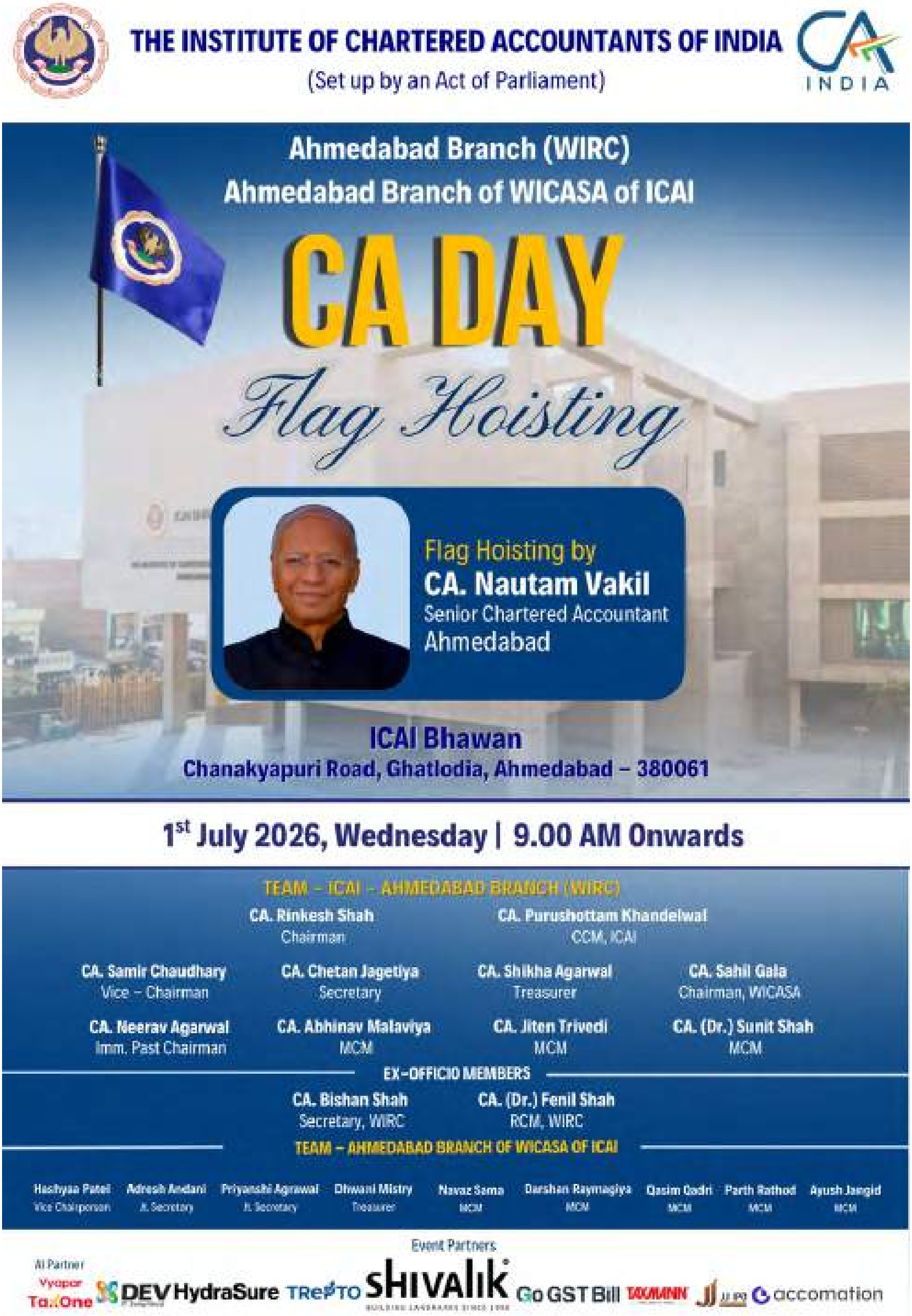
In essence, REITs enable investors to participate in the rental income generated by premium commercial real estate-without the large capital commitment, property management responsibilities, maintenance obligations, or operational complexities of direct ownership-all within a transparent, SEBI-regulated, exchange-listed investment framework.

The Reset That Changes the Equation And What Comes Next

For most of the last decade, India's REIT market was held back by one structural problem: REITs could not access bank lending directly. Debt was raised through capital markets at a cost the underlying assets did not warrant, making listing less attractive for sponsors. Two regulatory actions in 2025–26 changed that. SEBI reduced minimum ticket sizes, expanding investor access. The RBI through its Commercial Banks Credit Facilities (Third Amendment) Directions, 2026, effective October 1, 2026 - permitted commercial banks to lend directly to listed REITs for the first time, with bank exposure capped at 49% of gross asset value and eligibility tied to proven cash flow performance. The structural inefficiency has been materially reduced.

At 1.5% of GDP, India's REIT market remains among the most underpenetrated in the world against 5% to 12% in the US, Australia, Singapore, and Japan. That gap is not a problem. It is the scale of what remains to be built. The five-REIT count will grow. Diversification into logistics, data centres, and healthcare will follow. India built a billion square feet of Grade A commercial real estate in two decades. The global REIT story took six decades. With the right financing, the right regulation, and a growing investor base now coming together, India may not need six decades. The question is no longer whether REITs belong in this market. It is how quickly the market catches up with the assets that are already here.

◆ ◆ ◆


THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)
CA INDIA
Ahmedabad Branch (WIRC)
Ahmedabad Branch of WICASA of ICAI
CA DAY
Flag Hoisting
Flag Hoisting by
CA. Nautam Vakil
Senior Chartered Accountant
Ahmedabad
ICAI Bhawan
Chanakyapuri Road, Ghatlodia, Ahmedabad – 380061
1st July 2026, Wednesday | 9.00 AM Onwards
TEAM – ICAI – AHMEDABAD BRANCH (WIRC)
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CCM, ICAI
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Vice – Chairman
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Vice Chairperson
Adresh Andani
Jt. Secretary
Priyanshi Agrawal
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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

AHMEDABAD BRANCH (WIRC)

AHMEDABAD BRANCH OF WICASA OF ICAI

Walkathon

July 1, 2026 | Wednesday

Assembly Time : 05:45AM to 06:00AM

Starting Time : 06:00AM

Assemble Point

Riverfront Walkway, NID, Paldi, Ahmedabad

Instructions

1. Flag Off from Sabarmati Riverfront Walkway, Sardar Bridge, NID, Paldi, Ahmedabad.
2. Breakfast will be served at Sabarmati, Riverfront, NID, Paldi, Ahmedabad.

Route : From Riverfront Walkway, NID, Paldi Ahmedabad to Botonical Garden, Chandranagar Bridge, Ahmedabad to Riverfront Walkway, NID, Paldi Ahmedabad.

Free For Members & Students, but Online Registration Mandatory.

Scan QR or visit **http://tiny.cc/Walkathon2026**

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CA. Purushottam Khandelwal
CCM, ICAI

CA. Samir Chaudhary
Vice – Chairman

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MCM

CA. Jiten Trivedi
MCM

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MCM

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Secretary, WIRC

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RCM, WIRC

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Vice Chairperson	Jt. Secretary	Jt. Secretary	Treasurer	MCM	MCM	MCM	MCM	MCM

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AI Partner: Vyapar TaxOne

DEV HydraSure TRESTO SHIVALIK GoGSTBill TAXMANN accomation

Upcoming Events

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AHMEDABAD BRANCH (WIRC)
CA INDIA
Thyrocare
Tests you can trust
Full Body
Checkup – 2026
From 01st July 2026 Onwards
Aarogyam Winter Basic Package
₹1600 ₹999*/-
Vitamin Profile (2)
Diabetes Profile (2)
Ultrasensitive TSH [UTSH]
Lipid Advanced* [10]
Liver Extended [12]
Kidney Advanced [7]
Iron Deficiency Profile [4]
Electrolytes [2]
CBC [28]
Aarogyam C Plus Package
₹3299 ₹1500*/-
Thyroid Advanced [3]
Lipid Advanced* [10]
Liver Extended [12]
Kidney Advanced [7]
Iron Deficiency Profile [4]
Diabetes Profile [2]
Vitamin Profile [2]
Electrolytes [2]
CBC [28]
High Sensitivity C-reactive Protein (hs-CRP)
Complete Urine Analysis (24)
Aarogyam Stree - Package (111 Parameters)
₹5900 ₹2500/-
Thyroid Advanced (3)
Lipid Advanced* (10)
Liver Extended (12)
Kidney Advanced (7)
Iron Deficiency Profile (4)
Electrolytes Profile (2)
Diabetes Profile (2)
Vitamin Profile (3)
Cardiac Risk Markers (6)
Cancer Profile (2)
Infertility (3)
Magnesium
Phosphorous
Anti Nuclear Antibodies (ANA)
Anti CCP (ACCP)
Estradiol/oestrogen (e2)
CBC (28)
Complete Urine Analysis (24)
Aarogyam Purush - Package (108 Parameters)
₹5900 ₹2500/-
Thyroid Advanced (3)
Lipid Advanced* (10)
Liver Extended (12)
Kidney Advanced (7)
Iron Deficiency Profile (4)
Electrolytes Profile (2)
Diabetes Profile (2)
Vitamin Profile (3)
Cardiac Risk Markers (6)
Cancer Profile (2)
Magnesium
Phosphorous
Anti Nuclear Antibodies (ANA)
Anti CCP (ACCP)
Testosterone
CBC (28)
Complete Urine Analysis (24)
*10-12 hours Fasting Required. *Reports Soft Copy Options Only *For home collection offer Ahmedabad only
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For Booking : Thyrocare Service Provider
207, 2nd Floor Ganesh Plaza, Nr. Anjali Char Rasta, Vasna, Ahmedabad – 380007
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+91-9429629159
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Upcoming Events

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AHMEDABAD BRANCH (WIRC)

OUT REACH PROGRAM OF
REGISTRATION / RE – REGISTRATION OF TRUST UNDER INCOME TAX &
SEMINAR ON DECODING TRUST & NPOS TAXATION UNDER INCOME TAX ACT 2025 (INCLUDING AOPS & BOIS)

2nd July 2026 | Thurs

ICAI Bhawan, Ahmedabad

Rs. 350/- +GST per Member, Free for TaxMarga Series Registered Members

3:30 PM to 7:30 PM

02 CPE Hours

Out reach program of
Registration / Re – Registration of TRUST under Income Tax
V Nandakumar IRS
Commissioner of Income Tax(Exemption)

Decoding Trust & NPOs Taxation Under Income Tax Act 2025 (Including AOPs & BOIs)

CA. Aagam Dalal, Ahmedabad

Scan QR or Register at: **http://tiny.cc/DTNT**

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CA. Jiten Trivedi
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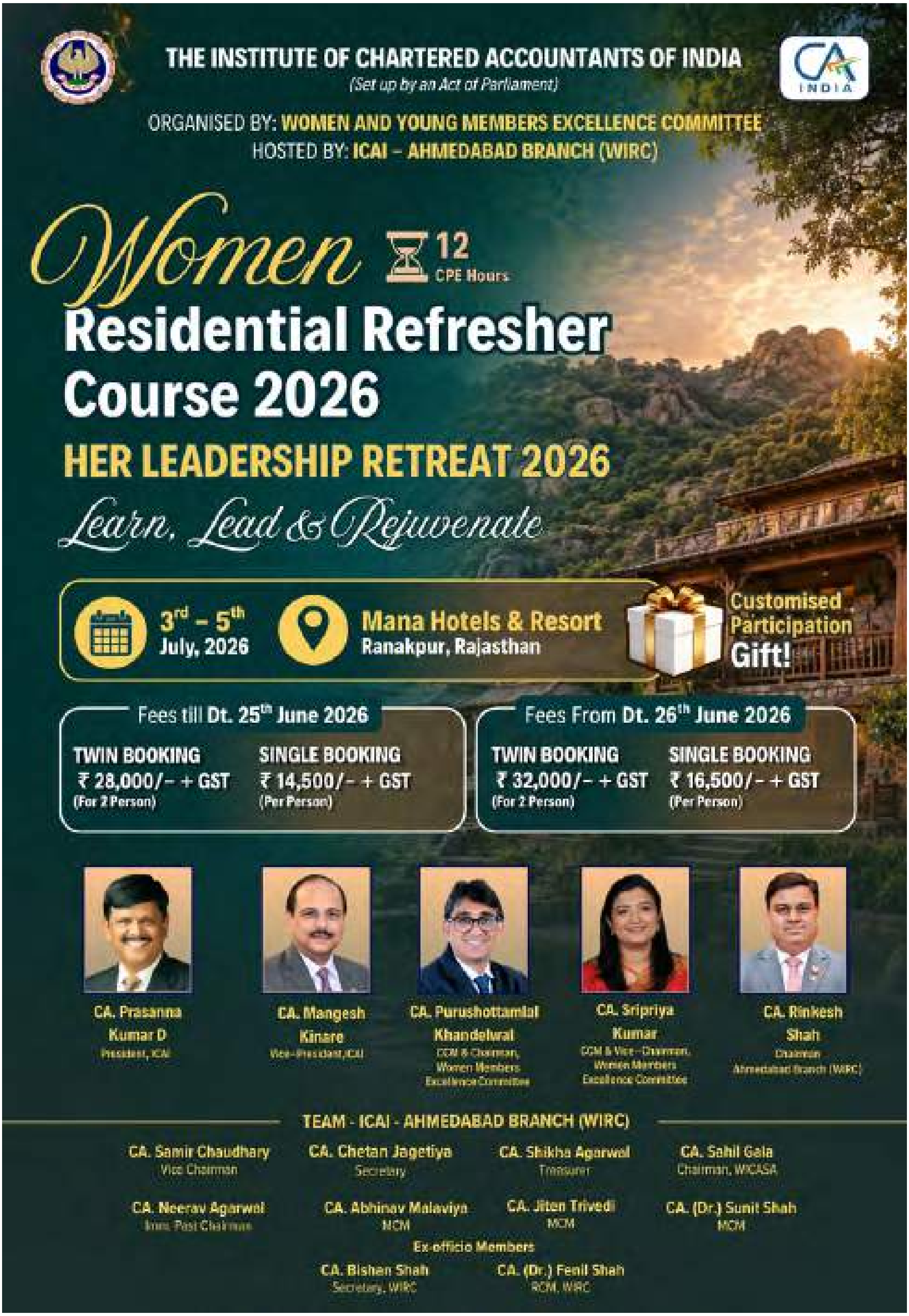
CA. Chetan Jagetiya
Secretary

CA. Sahil Gala
Vice-Chairman, Direct Tax & International Tax Committee, ICAI - Ahmedabad Branch (WIRC)

AI Partner

Event Partners


THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
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CA INDIA
ORGANISED BY: WOMEN AND YOUNG MEMBERS EXCELLENCE COMMITTEE
HOSTED BY: ICAI – AHMEDABAD BRANCH (WIRC)
Women
12 CPE Hours
Residential Refresher Course 2026
HER LEADERSHIP RETREAT 2026
Learn, Lead & Rejuvenate
3rd – 5th July, 2026
Mana Hotels & Resort
Ranakpur, Rajasthan
Customised Participation Gift!
Fees till Dt. 25th June 2026
TWIN BOOKING ₹ 28,000/- + GST (For 2 Person)
SINGLE BOOKING ₹ 14,500/- + GST (Per Person)
Fees From Dt. 26th June 2026
TWIN BOOKING ₹ 32,000/- + GST (For 2 Person)
SINGLE BOOKING ₹ 16,500/- + GST (Per Person)
CA. Prasanna Kumar D
President, ICAI
CA. Mangesh Kinare
Vice-President, ICAI
CA. Purushottamlal Khandelwal
CCM & Chairman, Women Members Excellence Committee
CA. Sripriya Kumar
CCM & Vice-Chairman, Women Members Excellence Committee
CA. Rinkesh Shah
Chairman Ahmedabad Branch (WIRC)
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Vice Chairman
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CA. Jiten Trivedi
MCM
CA. (Dr.) Sunit Shah
MCM
Ex-officio Members
CA. Bishan Shah
Secretary, WIRC
CA. (Dr.) Fenil Shah
RCM, WIRC

Women Residential Refresher Course 2026

Day 1
CONNECT & GROW

- Departure from ICAI–Ahmedabad, at 5:00AM Sharp by AC Coach

  Arrival at Venue
  Check-in & Lunch
- 04:00 PM – 04:30 PM
  Registration & Welcome Tea
- 04:30 PM – 05:00 PM
  Inaugural Session
- 05:00 PM – 07:00 PM
  Session 1:
  Emerging Professional Opportunities for Chartered Accountants
- 07:30 PM onwards
  Dinner & Informal Networking with Dance Games

Day 2
LEARN, LEAD & EXPERIENCE

- 05:30 AM – 08:00 AM
  Leopard Safari – Curated Wildlife Experience
- 08:00 AM – 09:00 AM **Breakfast**
- 09:30 AM – 12.00 pm
  Session 2:
  AI, Automation & Digital Productivity
- 12:00 PM – 12:15 PM **Tea Break**
- 12:15 PM – 02:15 PM
  Session 3:
  Leadership Mindset, Personal Branding & Professional Visibility for Women CAS
- 02:15 PM – 03:15 PM **Lunch**
- 03:30 PM – 06:00 PM
  Session 4:
  Recent Developments in Taxation, Corporate Laws & Regulatory Compliance
- 06:15 PM onwards
  Leisure / Spa / Informal Networking
- 08:30 PM onwards
  Dinner with Networking Activities, Dance & Games

Day 3
FINAL SEESION, VALEDICTORY & DEPARTURE

- 07:00 AM – 08:30 AM
  Breakfast & Check-out Formalities
- 08:30 AM – 11:30 AM
  Session 5:
  Panel Discussion –
  Her Leadership Journey Growth, Practice, Purpose & Future Pathways
- 11:30 AM – 11:50 AM
  Valedictory Session & Group Photograph
- 11:50 AM – 12:30
  Visit to Ranakpur Jain Temple
- 12:30 PM
  Departure for Ahmedabad by AC Coach

PACKAGE INCLUSIONS

- **It includes All Meals, Logistics, Safari Expenses as mentioned in the Itinerary and Accommodation in a Hotel in earmarked rooms on Twin (Double) sharing Basis.**
- **Logistics by AC Coach Bus**

SCAN QR

Register at http://tiny.cc/WRRC2026

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AHMEDABAD BRANCH (WIRC)

SEMINAR ON

PRACTICAL GUIDE ON ITR FILLINGS : FROM FORMS TO INTRICACIES

ICAI Bhawan
Chanakyapuri Road,
Ghatlodia, Ahmedabad-380061

17th July
2026 | FRI
4:30PM - 8:00PM

3 CPE HOURS

REGISTER NOW
http://tiny.cc/SOITRF

4:30PM - 5:00PM	Registration & Networking
5:00PM - 8:00PM	Technical Sessions

SCHEDULE - TOPIC & FACULTY

Topic	Faculty
Practical Guide on ITR Filings: From Forms to Intricacies ITR 1 & 2	CA. Milin Shah, Ahmedabad
Practical Guide on ITR Filings: From Forms to Intricacies ITR 3 & 4	CA. Virat Bhavsar, Ahmedabad

₹250 (+GST)
Till 03.07.2026
thereafter
₹500+GST Per Member

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CA. Jiten Trivedi
Chairman, Direct Tax & International Tax Committee, ICAI Ahmedabad Branch (WIRC)

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Vice-Chairman, Direct Tax & International Tax Committee, ICAI Ahmedabad Branch (WIRC)

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Upcoming Events

CA final result: Six from Surat feature in AIR 50

Ahmedabad records pass percentage of 13.7 % against national pass percentage of 14.07%; 7,931 candidates clear the exam nationally

ICAI દ્વારા મે-2026માં લેવાયેલી CA ફાઈનલનું રિઝલ્ટ જાહેર કરાયું, સિટી ટોપર્સે કહ્યું

'AI ક્યારેય CAના ટેલેન્ટને રિપ્લેસ નહીં કરી શકે, ફોકસ, સકારાત્મક અભિગમથી સફળતા મળી'

CA RESULT 2026

અમદાવાદ-ગિફ્ટ સિટીમાં સીએ ક્ષેત્રે કેરિયર-ફ્યુચર બ્રાઈટ છે

CA ફાઈનલ મે-2026નું પરિણામ એક મહીના વહેલુ જાહેર

20 વર્ષમાં પહેલીવાર અમદાવાદનો એક પણ વિદ્યાર્થી ટોપ 50માં નહીં

અમદાવાદ સેન્ટરનું બંને ગ્રૂપનું પરિણામ 13.70% જાહેર થયું

એજ્યુકેશન રિપોર્ટર

ધ ઈન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઈન્ડિયા (ICAI) દ્વારા મે-2026માં લેવાયેલી સીએ ફાઈનલ પરીક્ષાનું પરિણામ જાહેર કરી દેવાયું છે. આ વર્ષના પરિણામમાં સૌથી ચોંકાવનારી વાત એ રહી છે કે ઓલ ઈન્ડિયાના ટોપ-50 રેન્કર્સમાં અમદાવાદમાંથી એક પણ વિદ્યાર્થી પોતાનું સ્થાન મેળવી શક્યો નથી. સામાન્ય રીતે દર વખતે જુલાઈ મહિનામાં જાહેર થતું પરિણામ ડિજિટલ પ્રક્રિયાના કારણે એક મહિનો વહેલું એટલે કે જૂન મહિનામાં જ જાહેર થયું છે.

અમદાવાદ સેન્ટર પરથી આ વર્ષે સીએ ફાઈનલની બંને ગ્રુપની પરીક્ષામાં કુલ 664 વિદ્યાર્થીઓ બેઠા હતા. જેમાંથી 91 વિદ્યાર્થીઓ ઉત્તીર્ણ થતાં અમદાવાદ સેન્ટરનું બંને ગ્રુપનું પરિણામ 13.70 ટકા જાહેર થયું છે. અમદાવાદના આ પરિણામમાં જાન્યુઆરી-2026ની પરીક્ષાના બંને ગ્રુપના 13.86 ટકા પરિણામની તુલનાએ 0.16 ટકાનો નજીવો ઘટાડો નોંધાયો છે. અમદાવાદ સેન્ટર પર સિંગલ ગ્રુપની વાત કરીએ તો, ગ્રુપ એકની પરીક્ષા આપનારા 851 વિદ્યાર્થીઓમાંથી માત્ર 51 પાસ થતાં તેનું પરિણામ 5.99 ટકા રહ્યું છે.

CAની પરીક્ષા અઘરી, વ્યક્તિગત કે અન્ય કારણોથી વિદ્યાર્થી દેખાવ ન કરી શકતા કોઇ ટોપર્સ ન બની શક્યા

'સીએમાં છેલ્લા વર્ષોમાં વિદ્યાર્થીઓનુ પરિણામ 12થી 20 ટકા આસપાસ રહ્યું છે. સીએનો કોર્સ અને પરીક્ષાનું સ્તર અઘરુ હોય છે. તેથી વિદ્યાર્થીઓએ ખૂબ જ સારી રીતે તૈયારી કરવી પડે છે. વિદ્યાર્થી વ્યક્તિગત કે અન્ય કારણોથી પરીક્ષામાં અપેક્ષા મુજબનો દેખાવ કરી શક્યા નથી. તેથી ઓલ ઈન્ડિયા લેવલ પર આપણા વિદ્યાર્થી સ્થાન મેળવી શક્યા નહીં.'
- શૈલેશ શાહ, ચેરમેન, સીએ ઈન્સ્ટિટ્યૂટ, અમદાવાદ બ્રાન્ચ

અમદાવાદ સેન્ટર જાન્યુઆરી-2026 પરિણામ

પરીક્ષા આપી	વિદ્યાર્થી	પાસ	ટકાવારી
બંને ગ્રુપના	635	88	13.86
ગ્રુપ એકના	872	178	20.41
ગ્રુપ નંબર 2	406	018	4.43

ઓલ ઇન્ડિયા જાન્યુઆરી-2026 પરિણામ

પરીક્ષા આપી	વિદ્યાર્થી	પાસ	ટકાવારી
બંને ગ્રુપના	22293	2446	10.97
ગ્રુપ એકના	53652	11282	21.03
ગ્રુપ બે	38169	3726	9.76

જ્યારે ગ્રુપ બેની પરીક્ષા આપનારા 472 વિદ્યાર્થીઓમાંથી 96 પાસ થતાં તેનું પરિણામ 20.34 ટકા આવ્યું છે.

મે-2026ની સીએ ફાઈનલની ઓલ ઈન્ડિયા સ્તરની પરીક્ષામાં દેશભરમાંથી બંને ગ્રુપમાં કુલ 23776 વિદ્યાર્થીઓ બેઠા હતા. જેમાંથી 3345 વિદ્યાર્થીઓ પાસ થતાં રાષ્ટ્રીય સ્તરે બંને ગ્રુપનું સરેરાશ પરિણામ 14.07 ટકા નોંધાયું છે. ઓલ ઈન્ડિયાનું આ પરિણામ જાન્યુઆરી-2026ની બંને ગ્રુપની પરીક્ષાના પરિણામની તુલનાએ 10.97 ટકા જેટલું ઘણું વધારે છે. દેશમાંથી સિંગલ ગ્રુપમાં 54606 વિદ્યાર્થીમાંથી 6555 પાસ થતાં 12 ટકા પરિણામ આવ્યું છે.

સંઘર્ષ સાથે મક્કમ મનોબળ અને મહેનતથી સપનાઓને મળી નવી ઊંચાઈ

આઈસીએઆઈ દ્વારા ફાઈનલ પરીક્ષાનું પરિણામ જાહેર

સીએ ફાઈનલનું ૧૪.૦૭ ટકા રિઝલ્ટ અમદાવાદમાંથી એક પણ રેન્કર નહીં

અમદાવાદનું ૧૩.૭૦ ટકા રિઝલ્ટ: અનેક વર્ષો બાદ ટોપ-૫૦માં સ્થાન નહીં : ૭૯૩૧ વિદ્યાર્થી સીએ તરીકે લાયક

ઓલ ઇન્ડિયાનું બન્ને ગ્રૂપનું પરિણામ 14.07 ટકા, અમદાવાદનો કોઇ વિદ્યાર્થી ઓલ ઇન્ડિયા રેંકમાં નહીં

સી.એ. ફાઈનલ: અમદાવાદ શહેરનું બન્ને ગ્રૂપનું 13.70 ટકા પરિણામ

ઓલ ઇન્ડિયામાં ફાઈનલનું બન્ને ગ્રૂપનું પરિણામ જાન્યુઆરી કરતાં વધ્યું

સાત માર્કસ માટે ઓલ ઇન્ડિયા રેંક ચૂક્યો હમઝા પુનાવાલા (અમદાવાદમાં પ્રથમ)

સીએ ફાઈનલ મે ૨૦૨૬નું પરિણામ જાહેર: દેશને નવા ૭,૯૩૧ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ મળ્યા, અમદાવાદ કેન્દ્રનું પરિણામ ૧૩.૭૦ ટકા નોંધાયું

"અમદાવાદ:" ઇન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઇન્ડિયા (ICAI) દ્વારા મે ૨૦૨૬માં લેવાયેલી સીએ ફાઇનલ (CA FINAL) પરીક્ષાઓનું પરિણામ સત્તાવાર રીતે જાહેર કરવામાં આવ્યું છે. આ પરિણામોની જાહેરાતને પગલે, દેશભરમાંથી કુલ ૭,૯૩૧ ઉમેદવારોએ સફળતાપૂર્વક ચાર્ટર્ડ એકાઉન્ટન્ટ તરીકે અર્હતા (ક્વોલિફાય) મેળવી છે. તાજેતરનું આ પરીક્ષા ચક્ર રાષ્ટ્રીય સ્તર અને અમદાવાદ સહિતના પ્રાદેશિક કેન્દ્રો બંનેમાં સ્પર્ધાત્મક પ્રદર્શનના આંકડા દર્શાવે છે.

અમદાવાદ કેન્દ્રમાં, મે ૨૦૨૬ના પ્રદર્શન પર નજર કરીએ તો માલૂમ પડે છે કે બંને ગ્રુપ માટે ૬૬૪ વિદ્યાર્થીઓ પરીક્ષામાં બેઠા હતા, જેમાંથી ૯૧ ઉમેદવારો ઉત્તીર્ણ થયા છે, જે ૧૩.૭૦% પાસિંગ ટકાવારી દર્શાવે છે. કેન્દ્ર પર વ્યક્તિગત (અલગ-અલગ) ગ્રુપમાં હાજર રહેલા ઉમેદવારોની વાત કરીએ તો, ગ્રુપ વનમાં ૫.૯૯% (૮૫૧માંથી ૫૧ પાસ) પરિણામ નોંધાયું છે, જ્યારે ગ્રુપ ટુમાં ૨૦.૩૪% નું મજબૂત પ્રદર્શન જોવા મળ્યું છે, જેમાં ૪૭૨માંથી ૯૬ ઉમેદવારોએ પરીક્ષા પાસ કરી છે. નોંધનીય છે કે, જાન્યુઆરી ૨૦૨૬ની પરીક્ષાની સરખામણીમાં અમદાવાદના ગ્રુપ ટુના ઉમેદવારો માટે આ એક મોટો સુધારો છે, જ્યાં પાસ થવાની ટકાવારી ઘટીને ૪.૪૩% થઈ ગઈ હતી.અખિલ ભારતીય (ઓલ ઇન્ડિયા) સ્તરે, મે ૨૦૨૬ના સત્રમાં બંને ગ્રુપ માટે ૨૩,૭૭૬ ઉમેદવારો ઉપસ્થિત રહ્યા હતા, જેમાંથી ૭,૯૩૧ ઉમેદવારોમાંથી ૩,૩૪૫ વિદ્યાર્થીઓ સફળતાપૂર્વક પાસ થતાં રાષ્ટ્રીય સ્તરે પાસ થવાની ટકાવારી ૧૪.૦૭% રહી છે. દરમિયાન, ગ્રુપ વન માટે ઓલ ઇન્ડિયા પાસિંગ ટકાવારી ૧૨.૦૦% (૫૪,૬૦૬માંથી ૬,૫૫૫ પાસ) રહી હતી, અને ગ્રુપ ટુ એ ૨૦.૪૯% નો સફળતા દર (૪૨,૫૭૩માંથી ૮,૭૨૫ પાસ) હાંસલ કર્યો છે. આ અગાઉના જાન્યુઆરી ૨૦૨૬ના સત્રની સરખામણીમાં એક સ્થિર ગતિ દર્શાવે છે, જેમાં બંને ગ્રુપ માટે ઓલ ઇન્ડિયા પાસિંગ ટકાવારી ૧૦.૯૭% હતી, અને સપ્ટેમ્બર ૨૦૨૫ના સત્રમાં તે ૧૯.૨૩% હતી.

CA Final Result-2026

6 મહિના સોશિયલ મીડિયાથી દૂરી અને રોજના 10 કલાકનું પ્લાનિંગ જ અમારી સફળતાની ચાવી : ટોપર્સ

ફાઈનલની છેલ્લી ૬ પરીક્ષામાં અમદાવાદ ચેપ્ટરનું સૌથી નબળું પરિણામ

CA ફાઈનલનું ૧૩.૭૦ ટકા પરિણામ, ટોપર્સમાં શહેરનો એકપણ વિદ્યાર્થી નહીં

બોથ ગ્રુપમાં અમદાવાદના ૯૧ વિદ્યાર્થી સફળ, સમગ્ર દેશમાં ૩,૩૪૫ વિદ્યાર્થી સફળ

| અમદાવાદ |

ચાર્ટર્ડ એકાઉન્ટન્ટ્સ (CA) ફાઈનલનું આજે ગુરૂવારે પરિણામ જાહેર થયુ છે. અમદાવાદ ચેપ્ટરમાંથી બોથ ગ્રુપમાં ૬૬૪માંથી ૯૧ વિદ્યાર્થી પાસ થતાં ૧૩.૭૦ ટકા પરિણામ આવ્યુ છે. છેલ્લી ૬ પરીક્ષાઓના પરિણામમાં સૌથી નબળુ પરિણામ આવ્યુ છે. એટલુ જ નહીં, આ વખતે અમદાવાદમાંથી એકપણ વિદ્યાર્થી દેશના ટોપર્સમાં આવ્યો નથી. ગત જાન્યુઆરી-૨૦૨૬ની પરીક્ષામાં અમદાવાદના ૨ વિદ્યાર્થી દેશના ટોપ-૩૦માં આવ્યાં હતા. સમગ્ર દેશમાંથી ૩,૩૪૫ વિદ્યાર્થી પાસ થતાં ૧૪.૦૭ ટકા પરિણામ આવ્યુ છે. આમ દેશના સરેરાશ પરિણામની સરખામણીએ પણ અમદાવાદ ચેપ્ટરનું પરિણામ ઓછુ આવ્યુ છે.

ICAI દ્વારા મે-૨૦૨૬માં લેવાયેલી સીએ ફાઈનલ પરીક્ષાનુ ગુરૂવારના રોજ પરિણામ જાહેર કરાયું હતું. ઇન્સ્ટિટ્યૂટે જાહેર કરેલા પરિણામ મુજબ, અમદાવાદમાંથી ગ્રુપ-૧માં ૮૫૧ વિદ્યાર્થીએ પરીક્ષા આપી હતી જેમાથી ૫૧ પાસ થતાં ૫.૯૯ ટકા પરિણામ આવ્યું છે. ગ્રુપ-૨માં ૪૭૨માથી ૯૬ વિદ્યાર્થી પાસ થતાં ૨૦.૩૪ ટકા પરિણામ આવ્યું છે. બીજી તરફ સમગ્ર દેશમાંથી બોથ ગ્રુપમાં ૨૩,૭૭૬ વિદ્યાર્થીએ પરીક્ષા આપી હતી જેમાથી ૩,૩૪૫ પાસ થતા ૧૪.૦૭ ટકા પરિણામ આવ્યુ છે. ગત જાન્યુઆરી-૨૦૨૬ની પરીક્ષામાં અમદાવાદ ચેપ્ટરમાં બોથ ગ્રુપમાં ૬૩૫ વિદ્યાર્થીએ પરીક્ષા આપી હતી જેમાથી ૮૮ પાસ થતાં ૧૩.૮૬ ટકા પરિણામ આવ્યુ છે. અમદાવાદ ચેપ્ટરમાં ગ્રુપ-૧નું પરિણામ પણ જાન્યુઆરીની સરખામણીએ ૧૪.૪૨ ટકા ઘટ્યુ છે.

અમદાવાદનું છેલ્લી ૧૦ પરીક્ષાનું બોથ ગ્રુપનું પરિણામ

પરીક્ષા સમય	ઉપસ્થિત ઉમેદવાર	ઉત્તીર્ણ	પરિણામ (ટકામાં)
નવેમ્બર-૨૦૨૩	૮૬૦	૧૧૬	૧૩.૩૫
મે-૨૦૨૪	૯૦૦	૧૮૨	૨૦.૨૨
નવેમ્બર-૨૦૨૪	૮૬૫	૧૩૪	૧૫.૪૯
મે-૨૦૨૫	૭૪૪	૧૨૪	૧૬.૩૫
સપ્ટેમ્બર-૨૦૨૫	૫૩૫	૧૨૪	૨૩.૧૮
જાન્યુઆરી-૨૦૨૬	૬૩૫	૮૮	૧૩.૮૬
મે-૨૦૨૬	૬૬૪	૯૧	૧૩.૭૦

TALK AND GATHERING

વ્યવસાય પ્રક્રિયાને સરળ બનાવવા માટે ICAI દ્વારા MSME વીક સેલિબ્રેટ કરાયું

અમદાવાદ : ઈન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઈન્ડિયા દ્વારા MSME વીક યોજાયું. કાર્યક્રમનો મુખ્ય હેતુ માઈક્રો, સ્મોલ અને મિડિયમ એન્ટરપ્રાઈઝિસ (MSMEs) ને GST સહાય, જાગૃતિ, વ્યાવસાયિક માર્ગદર્શન દ્વારા સશક્ત બનાવવાનો હતો.

જેમાં મુખ્ય અતિથિ અને મુખ્ય વક્તા તરીકે સીજીએસટીના ચીફ કમિશ્નર સીએ સુનિલ કુમાર મલ્લ ઉપસ્થિત રહ્યાં હતા. જેમણે જણાવ્યુ કે, 'GST માત્ર ટેક્સ સુધારણા નથી, પરંતુ પરિવર્તનાત્મક યાત્રા છે. વિભાગ અને ચાર્ટર્ડ એકાઉન્ટન્ટ્સ જેવા વ્યાવસાયિકો વચ્ચેનો સહકાર પારદર્શિતા, કાર્યક્ષમતા અને MSMEs માટે વ્યવસાય સરળતા સુનિશ્ચિત કરવા જરૂરી છે. MSMEs વિકાસ કરે ત્યારે ભારત વિકાસ કરે છે.'

આ વીક થકી GST પાલન મજબૂત બનાવવું અને MSMEs માટે વ્યવસાય પ્રક્રિયાઓને સરળ બનાવવાનો લક્ષ્ય રાખવામાં આવ્યો હતો. કાર્યક્રમના મુખ્ય આકર્ષણોમાં ઉદ્યોગ સહાયતા કેન્દ્રોની સ્થાપના, ટાર્ગેટેડ આઉટરીચ કાર્યક્રમો અને GST સંબંધિત મુદ્દા જેમ કે, રજિસ્ટ્રેશન, રિફંડ માટે ઝડપી નિરાકરણનો સમાવેશ થયો હતો. જેમાં પ્રતિનિધિઓ જોડાયા હતાં.

એમએસએમઈ વીક ૨૦૨૬નું આયોજન

ઈન્ડિયન ઈન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઈન્ડિયા (આઈસીએઆઈ) અને સીજીએસટી અમદાવાદ ઝોનના સહયોગથી આઈસીએઆઈ ભવન ખાતે એમએસએમઈ વીક ૨૦૨૬નું આયોજન કરવામાં આવ્યું હતું. આ કાર્યક્રમનો મુખ્ય હેતુ માઈક્રો, સ્મોલ અને મીડિયમ એન્ટર પ્રાઈઝિસને જીએસટી સહાય, જાગૃતિ અને વ્યાવસાયિક માર્ગદર્શન દ્વારા સશક્ત બનાવવાનો હતો.

એમએસએમઈ વીક ૨૦૨૬: "તમારા GST પ્રશ્નો, અમારી પ્રાથમિકતા" - આઈસીએઆઈ અમદાવાદ દ્વારા GST આઉટરીચ પહેલ

એમએસએમઈ વીક ૨૦૨૬: "તમારા GST પ્રશ્નો, અમારી પ્રાથમિકતા" - આઈસીએઆઈ અમદાવાદ દ્વારા GST આઉટરીચ પહેલ

"તમારા GST પ્રશ્નો, અમારી પ્રાથમિકતા" - આઈસીએઆઈ અમદાવાદ દ્વારા GST આઉટરીચ પહેલ

આઈસીએઆઈ અમદાવાદ દ્વારા એમએસએમઈ વીકનું આયોજન કરાયુ

અમદાવાદ, ઈન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઈન્ડિયા (ICAI) દ્વારા તેના GST અને ઈન્ડાયરેક્ટ ટેક્સ કમિટી મારફતે, CGS અમદાવાદ ઝોનના સહયોગથી ICAI ભવન, અમદાવાદ ખાતે MSME Week 2026 નું સફળ આયોજન કરવામાં આવ્યું હતું. આ કાર્યક્રમનો મુખ્ય હેતુ માઈક્રો, સ્મોલ અને મિડિયમ એન્ટરપ્રાઈઝિસ (MSMEs) ને GST સહાય, જાગૃતિ અને વ્યાવસાયિક માર્ગદર્શન દ્વારા સશક્ત બનાવવાનો હતો. આ કાર્યક્રમમાં મુખ્ય અતિથિ અને કીનોટ સ્પીકર તરીકે CA. શ્રી સુનીલ કુમાર મલ્લ (IRS), ચીફ કમિશનર, CGST અમદાવાદ ઝોનની પ્રતિષ્ઠિત ઉપસ્થિતિ રહી હતી. આ પહેલ ICAI ના રાષ્ટ્ર નિર્માણ પ્રત્યેના સતત પ્રતિબદ્ધતાને દર્શાવે છે, જેમાં GST પાલન મજબૂત બનાવવું અને MSMEs માટે વ્યવસાય પ્રક્રિયાઓને સરળ બનાવવાનું મુખ્ય લક્ષ્ય રહ્યું. કાર્યક્રમના મુખ્ય આકર્ષણોમાં ઉદ્યોગ સહાયતા કેન્દ્રો (Udyam Sahayata Kendras) ની સ્થાપના, ટાર્ગેટેડ Outreacr કાર્યક્રમો અને GST સંબંધિત મુદ્દાઓ જેમ કે રજિસ્ટ્રેશન અને રિફંડ માટે ઝડપી નિરાકરણનો સમાવેશ થયો હતો. મુખ્ય અતિથિનો ઉલ્લેખ સુનીલ કુમાર મલ્લ: "GST માત્ર ટેક્સ સુધારણા નથી, પરંતુ એક પરિવર્તનાત્મક યાત્રા છે. વિભાગ અને ચાર્ટર્ડ એકાઉન્ટન્ટ્સ જેવા વ્યાવસાયિકો વચ્ચેનો સહકાર પારદર્શિતા, કાર્યક્ષમતા અને સરળતા માટે વ્યવસાય સરળતા સુનિશ્ચિત કરવા માટે અત્યંત જરૂરી છે."

એમએસએમઈ વીક ૨૦૨૬: "તમારા GST પ્રશ્નો, અમારી પ્રાથમિકતા" - આઈસીએઆઈ અમદાવાદ દ્વારા GST આઉટરીચ પહેલ

આઈસીએઆઈ અમદાવાદ દ્વારા GSTઆઉટરીચ પહેલ

અમદાવાદ,શુક્રવાર

ઈન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઈન્ડિયા) દ્વારા તેના GST અને ઈન્ડાયરેક્ટ ટેક્સ કમિટી મારફતે, CGST અમદાવાદ ઝોનના સહયોગથી ICAI ભવન, અમદાવાદ ખાતે MSME Week ૨૦૨૬ નું સફળ આયોજન કરવામાં આવ્યું હતું.

આ કાર્યક્રમનો મુખ્ય હેતુ માઈક્રો, સ્મોલ અને મિડિયમ એન્ટરપ્રાઈઝિસ ને GST સહાય, જાગૃતિ અને વ્યાવસાયિક માર્ગદર્શન દ્વારા સશક્ત બનાવવાનો હતો.

આ કાર્યક્રમમાં મુખ્ય અતિથિ અને કીનોટ સ્પીકર તરીકે CA. સુનીલ કુમાર મલ્લ , ચીફ કમિશનર, GST અમદાવાદ ઝોનની પ્રતિષ્ઠિત ઉપસ્થિતિ રહી હતી.

આ પહેલ ICAI ના રાષ્ટ્ર નિર્માણ પ્રત્યેના સતત પ્રતિબદ્ધતાને દર્શાવે છે, જેમાં GST પાલન મજબૂત બનાવવું અને MSMEs માટે વ્યવસાય પ્રક્રિયાઓને સરળ બનાવવાનું મુખ્ય લક્ષ્ય રહ્યું.

કાર્યક્રમના મુખ્ય આકર્ષણોમાં ઉદ્યોગ સહાયતા કેન્દ્રો ની સ્થાપના, ટાર્ગેટેડ Outreach કાર્યક્રમો અને GST સંબંધિત મુદ્દાઓ જેમ કે રજિસ્ટ્રેશન અને રિફંડ માટે ઝડપી નિરાકરણનો સમાવેશ થયો હતો. મુખ્ય અતિથિનો ઉલ્લેખ – સુનીલ કુમાર મલ્લ: "GST માત્ર ટેક્સ સુધારણા નથી, પરંતુ એક પરિવર્તનાત્મક યાત્રા છે. વિભાગ અને ચાર્ટર્ડ એકાઉન્ટન્ટ્સ જેવા વ્યાવસાયિકો વચ્ચેનો સહકાર પારદર્શિતા, કાર્યક્ષમતા અને MSMEs માટે વ્યવસાય સરળતા સુનિશ્ચિત કરવા માટે અત્યંત જરૂરી છે."

RASHTRATIMES

MSME Week 2026: "Your GST Issues, Our Priority" – ICAI Ahmedabad Leads GST Outreach Initiative

Times of Gujarat

MSME Week 2026: "Your GST Issues, Our Priority" – ICAI Ahmedabad Leads GST Outreach Initiative

MSME Week 2026: "Your GST Issues, Our Priority" – ICAI Ahmedabad Leads GST Outreach Initiative

MSME Week 2026: "Your GST Issues, Our Priority" – ICAI Ahmedabad Leads GST Outreach Initiative

RAJKOTMIRROR

MSME Week 2026: "Your GST Issues, Our Priority" – ICAI Ahmedabad Leads GST Outreach Initiative

સીએ ઇન્ટરમીડિયેટ મે-2026નું પરિણામ જાહેર કરાયું, શહેરના 3 સ્ટુડન્ટ્સે ઓલ ઇન્ડિયા રેન્ક મેળવ્યો છે

'આવતીકાલનો CA માત્ર એકાઉન્ટન્ટ નહીં, એક સ્માર્ટ એડવાઇઝર પણ હશે'

CA INTERMEDIATE RESULT

ટોપર્સે કહ્યું કે, પરીક્ષા ડિફિકલ્ટ હતી છતાં સખત મહેનત અને આત્મવિશ્વાસથી સારું પરિણામ મેળવ્યું

CA ઇન્ટર મીડિએટનું પરિણામ જાહેર, અમદાવાદનું બન્ને ગ્રુપનું પરિણામ 6.55% આવ્યું

ટોપ 50માં સ્થાન મેળવનારા વિદ્યાર્થીઓ વધ્યા, પરંતુ ગયા વર્ષ કરતાં પરિણામ 4 ટકા ઘટ્યું

જાન્યુઆરીની તુલનાએ મેનું પરિણામ 6.44 % ઘટ્યું, ઓલ ઇન્ડિયાનું પરિણામ 8.47% રહ્યું

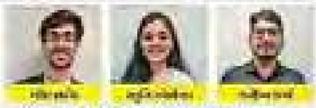
આઈસીએઆઈ દ્વારા મેમાં પરીક્ષા લેવાઈ હતી

CA ઈન્ટરમીડિએટનું ૮.૪૭ ટકા રિઝલ્ટ અમદાવાદના ત્રણ વિદ્યાર્થી ટોપ ૫૦માં

એક વિદ્યાર્થી દેશના ટોપ પાંચમાં આવ્યો: અમદાવાદનું ૯.૫૫ ટકા રિઝલ્ટ: શહેર અને સમગ્ર દેશનું રિઝલ્ટ ઘટ્યું

અમદાવાદ સેન્ટરનું ગ્રુપ-૨નું પરિણામ ૨૧.૭૦ ટકા નોંધાયું

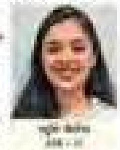
સીએ ઈન્ટરમીડિયેટના પરિણામમાં દેશના ટોપ-૫૦માં શહેરના ૩ વિદ્યાર્થી



હવે આર્ટિકલશિપ અને જ્ઞાનનું લક્ષ્ય

CA Intermediate Result

એક્ઝામ માટે શોર્ટકટ નહિ, માત્ર હાર્ડવર્ક અને કન્સિસ્ટન્સી જ અમારો વિજયમંત્ર : ટોપર્સ



સી.એ. ઈન્ટર મીડિયેટનું શહેરનું બન્ને ગ્રુપનું 6.55% પરિણામ : ત્રણ વિદ્યાર્થીએ ટોપ 50માં સ્થાન મેળવ્યું

મે-૨૦૨૬ની સીએ ઈન્ટર મીડિયેટ પરીક્ષામાં અમદાવાદના વિદ્યાર્થીઓનું ઉત્કૃષ્ટ પ્રદર્શન

CA ઈન્ટરમિડીએટ પરીક્ષામાં અમદાવાદના ૩ વિદ્યાર્થીઓ ઝળક્યાં

અમદાવાદ, તા. ૨૩

ધ ઇન્સ્ટિટ્યૂટ ઓફ ચાર્ટર્ડ એકાઉન્ટન્ટ્સ ઓફ ઇન્ડિયા (ICAI) દ્વારા સીએ ઇન્ટરમીડિયેટનું પરિણામ જાહેર કરવામાં આવ્યું છે. ICAI એ મે ૨૦૨૬માં સભ્યની ગ્રુપ વનની પરીક્ષાઓ ૫ મે, ૭ મે અને ૯ મેના રોજ લેવાઈ હતી. ગ્રુપ ટુની પરીક્ષાઓ ૧૧ મે, ૧૩ મે અને ૧૫ મેના રોજ યોજવામાં આવી હતી. ગયા વર્ષે કરતા આ વર્ષે પરિણામ ખૂબ ઓછું આવ્યું છે. જો કે અમદાવાદ સેન્ટરના ત્રણ વિદ્યાર્થીઓએ ઓલ ઇન્ડિયા ૫૦માં રેન્ક મેળવ્યો છે. ઓલ ઇન્ડિયામાં ૩૩,૩૦૪ જેટલા વિદ્યાર્થીઓએ પરીક્ષા આપી હતી, જેમાંથી ૨,૮૨૦ વિદ્યાર્થીઓ પાસ થયા છે. તો અમદાવાદ સેન્ટરના ૯૯૩ વિદ્યાર્થીઓએ પરીક્ષા આપી હતી જેમાંથી માત્ર ૯૫ વિદ્યાર્થીઓ પાસ થયા છે. ગત જાન્યુઆરીમાં ઇન્ટરમીડિયેટનું ઓલ ઇન્ડિયાનું પરિણામ ૯.૩૫ ટકા હતું જે ઘટીને ૮.૪૭ ટકા થઈ ગયું છે. તો અમદાવાદ સેન્ટરનું જાન્યુઆરીનું પરિણામ ૧૩.૧૯ ટકા હતું જે ઘટીને ૯.૫૫ ટકા થઈ ગયું છે. જેથી આગામી કરતા આ વર્ષે પરિણામ ખૂબ ઓછું જોવા મળી રહ્યું છે.

સીએ ઈન્ટરમીડિએટ ૨૦૨૬નું પરિણામ જાહેર

અમદાવાદના મોક્ષ રાઠોડે ઓલ ઈન્ડિયામાં પાંચમો રેન્ક મેળવ્યો

ઓલ ઈન્ડિયામાં ૩૩૩૦૪ વિદ્યાર્થીઓએ પરીક્ષા આપી હતી

3 from city in top 50 in CA Inter exams

Moksh Rathod secures AIR 5 while Stuti Goenka placed 10th in country; Kanhaiya Sharma gets AIR 40

3 CA Inter students from city in Top 50 list

Three CA Intermediate students from Ahmedabad in Top 50 list

Ahmedabad/Surat/Vadodara: CA Intermediate exam results declared by Institute of Chartered Accountants of India (ICAI) on Wednesday have delivered a mixed picture for Gujarat. While pass percentages remained modest across major cities, students made a strong mark nationally, with 13 candidates from Ahmedabad and Surat featuring in the all-India Top 50 ranks. Ahmedabad produced three national rank holders. Moksh Rathod secured all-India Rank (AIR) 5 with 508 marks out of 600. Stuti Goenka secured AIR 10, and Kanhaiya Sharma achieved AIR 40.

The city, however, witnessed a sharp drop in its success rate, with only 65 of the 993 candidates who appeared in both groups clearing the exam. This 6.55% pass percentage is nearly half of the figure recorded in the previous attempt. It falls below the national average of 8.47%. Ahmedabad recorded a 9.09% success rate in Group I, with 126 of 1,386 candidates clearing the exam. In Group II, 182 of 831 candidates passed, resulting in a pass rate of 21.9%.

Family, football & faith: CA Intermediate toppers on what helped them crack exam

મે-૨૦૨૬ ની સીએ ઇન્ટરમીડિયેટ પરીક્ષામાં અમદાવાદના વિદ્યાર્થીઓનો દેશવ્યાપી ડંકો

CA Intermediate result 2026: 3 Ahmedabad students in All India Top 50

ઓલ ઇન્ડિયા ટોપ ૫૦માં અમદાવાદના ત્રણ વિદ્યાર્થીઓ ઝળક્યા : મોક્ષ રાઠોડનો પાંચમો રેન્ક

Result 2026 / દીકરીઓએ ફરી બાજી મારી! CA ઈન્ટર મીડિએટમાં અમદાવાદની બે છોકરીઓ ટોપ 10 માં

CA Intermediate 2026 results declared: Ahmedabad's Moksh Rathod secures All India Rank 5; Vadodara school van driver's daughter shines

3 from city in top 50 in CA inter exams

These CA Intermediate students from Ahmedabad in Top 50 list

Event Recap in Pictures

National Conference of CA Students - 2026

Event Recap in Pictures

National Conference of CA Students - 2026

Conference on GST












Event Recap in Pictures

Interactive Meet & Networking
Newly Qualified Chartered Accountants (May-2026) Exam

GST : MOCK Search & Seizure

Event Recap in Pictures

Explore a Global Professional Qualification Through the ICAI–CPA Australia



International Yoga Day 2026




Event Recap in Pictures

MSME Week 2026
Your GST issues our Priority










Event Recap in Pictures

Seminar on MSME
(International MSME Day)




12 days Series on Income Tax Act 2025

TaxMarga Pathway to Clarity on New Income Tax Act & Rules



Event Recap in Pictures

12 days Series on Income Tax Act 2025

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Event Recap in Pictures

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

(Set up by an Act of Parliament)

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