

Editorial Board

Adv. Subhas Agarwal
AdvisorAdv Giridhar Dhelia
ChairmanCA Mohan Lal Gupta
Co-ChairmanCA Ankit Bothra
MemberCA Manurishi Varma
MemberCA Brinda Bidasaria (Dalmia)
MemberCA Barkha Agrawal
President
Ex-OfficioCA Shyam Agarwal
Secretary
Ex-Officio

DISCLAIMER

Views expressed in the articles of this Journal are contributor's personal views. DTPA and its Journal Sub-Committee do not accept any responsibility in this regard. Although every effort has been made to avoid any error or omission in the Journal, the DTPA and its Journal Sub-Committee shall not be responsible for any kind of loss or damage caused to anyone on account of any error or omission which might have occurred.

Total no. of page: 77

....From the Desk of Editors



Respected Seniors and My Dear Friends,

We are pleased to present before you our 5th (Fifth) Monthly DTPA e-Journal for February 2025 for the term 2024-2025 which inter-alia, contains diversified area of updates on various statutes which we are sure that the readers of our Monthly Journal will find useful.

As we step into February 2025, the tax and accounting fraternity is once again at the crossroads of policy shifts, technological advancements, and professional responsibilities. This month is significant not just for compliance deadlines but also for the much-anticipated Union Budget, which sets the tone for economic and regulatory frameworks.

The Union Budget remains a crucial moment for professionals, businesses, and taxpayers alike. This year's budget was presented by our Hon'ble Finance Minister, Mrs. Nirmala Sitharaman on 1st February 2025. On the Direct Tax Front, the Union Budget 2025 has brought many-fold benefits for almost all categories of assesseees by way of rationalization of various provisions of Income Tax Act 1961. Our Hon'ble Finance Minister, during her speech, announced that the Central Government will forego Rs.1.00 lakh crore on account of such rationalization during the financial year 2025-2026. Hon'ble Finance Minister has re-affirmed the commitment of the Income Tax Department to **"trust first, scrutinize later"**. The **New Income Tax Bill 2025** has been placed in the Parliament on 13th February 2025 as proposed by her during her speech.

On the Indirect Taxes front, proposals relating to Customs aim to rationalize tariff structure and address duty evasion. These proposals will also support domestic manufacturing and value addition, promote exports, facilitate trade and provide relief to common people. On the GST front, the proposal to amend the GST provision for blocked credit to overrule the Hon'ble Supreme Court's judgement in Safari Retreat would not be welcomed by the Industry.

It will not be out of place to mention that our esteemed association has organized a Residential Conclave'2025 from 20th March 2025 to 23rd March 2025 at Lucknow and Ayodhya, the details whereof, you will find inside this issue. We welcome each one of you to join in this program.

The increasing reliance on technology in taxation is transforming compliance. AI-driven tax assessments, automated reconciliation tools, and e-invoicing systems are making tax administration more efficient. However, these advancements also require professionals to stay updated and embrace digital transformation. The importance of using technology for error-free filings, reducing litigation risks, and ensuring real-time compliance cannot be overstated.

Having mentioned as above, we feel pleasure to inform that like last year, this year also, our association is going to conduct a full day Seminar on 1st March, 2025, Saturday, at Park Hotel, Kolkata, on Information Technology, the details whereof you would find in this issue. We would request our all the members to kindly register for this Seminar to embrace the latest technology, which is the need of the hour for **"We Professionals"**.

February marks an important phase in the financial year, with multiple tax deadlines approaching, including advance tax payments and GST return filings. It is also the time to start preparing for the finalization of books before the financial year-end. A proactive approach toward compliance can help avoid penalties and ensure smoother audits.

Beyond technical expertise, ethics remain the foundation of our profession. Issues such as confidentiality, professional independence, and conflict of interest require continuous attention. In an era of increased scrutiny and digital transparency, maintaining the highest ethical standards is not just a regulatory requirement but also a cornerstone of trust between professionals and their clients.

As we navigate these evolving landscapes, it is imperative for us as professionals to remain agile, well-informed, and ethically sound. Let this be a year of adaptability, innovation, and unwavering commitment to professional excellence.

The DTPA Journal Committee warmly invite accomplished fellow professionals to embrace opportunity to devote their valuable time to craft enlightening articles, enrich the discourse within our esteemed profession and pen down wonderful articles in their areas of expertise as also provide an opportunity to speak on the DTPA Platform.

To quote "Kautilya (Ancient Economist, Author of Arthashastra)" - "A government should collect taxes like a honeybee collects nectar from flowers – without causing harm to the source.."

We wish our all members a productive and insightful month ahead.

Jai Hind!! Jai DTPA!!

With Best Regards

Yours truly,
Giridhar Dhelia
Chairman
Journal Sub-Committee, DTPA

Mohan Lal Gupta
Co-Chairman
Journal Sub-Committee, DTPA

SNO.	Particulars	Page No.
1	PRESIDENT'S MESSAGE	3
2	RECENT DTPA ACTIVITIES	5
3	COMPLIANCE CALENDAR FOR FEBRUARY 2025 AND MARCH 2025	9
4	FORTHCOMING PROGRAMS	13
4	DIRECT TAXES	
	- Statutory Updates	15
	- Supreme Court	16
	- High Court	17
	- Tribunal	21
5	GST/INDIRECT TAX LAWS	
	- Statutory Updates	27
	- Supreme Court	30
	- High Court	30
6	COMPANY AND SEBI LAWS UPDATES	
	- Statutory Updates	39
	- Supreme Court	43
	- High Court	43
	- NCLAT	44
	- NCLT	44
7	COMPETITION LAW	
	- NCLAT	45
	- CCI	45
8	FEMA BANKING AND INSURANCE LAWS	
	- Statutory Updates	46
	- Supreme Court	49
	- High Court	49
9	INSOLVENCY AND BANKRUPTCY CODE	
	- Statutory Updates	51
	- Supreme Court	51
	- High Court	52
	- NCLAT	52
	- NCLT	52
10	Discussion Paper on Streamlining the Voluntary Liquidation Process - CA (Dr) Tulsi Ram Tibrewala IP and Ms. Aslesha Shau FCS	55
11	The Evolving Landscape of IBC: Challenges, Successes, and the Road Ahead - CA Brinda Bidasaria (Dalmia)	59
12	ACCOUNTS & AUDIT UPDATES	62
13	Ind AS: Transforming Financial Reporting In India - FCA Shreyans Begwani	63
14	Changing Landscape of Consolidated Reporting and Group Auditing: Role of Indian AS and NFRA in curbing financial fraud - CA Santosh Dutta	68
15	DTPA MEMBERSHIP FORM	73

....From the desk of President

Dear Esteemed Members,

As we enter the month of February, it's a time for reflection and forward thinking. February has been a pivotal month, not just for DTPA but also for the broader financial and taxation landscape, particularly with the presentation of the Indian Budget 2025 and the new Income Tax Bill.

The Indian Budget 2025 brought with it a wave of optimism, with several key reforms aimed at simplifying taxation and fostering a more inclusive economic environment. The proposal to introduce changes to the income tax structure and focus on digital transparency is a step in the right direction, and as professionals in the field, it is our responsibility to stay informed and adapt to these evolving policies. The Income Tax Bill 2025, with its provisions for streamlining tax collection and addressing long-standing issues, presents both opportunities and challenges for taxpayers and practitioners alike.

The month of January 2025 began with an insightful session on Capital Markets and Alternative Investments, where participants gained a comprehensive understanding of the equity market outlook and valuable insights into Alternative Investment Funds, presented by the highly experienced Shri Sameer Narayan from Aditya Birla Capital - Mutual Funds.

We also had the privilege of hosting Dr. H.R. Nagendra, renowned as the personal yoga consultant to Prime Minister Narendra Modi and honored with the Yoga Shri title by the Ministry of Health and Family Welfare. His session on "Enjoying a Stress-Free Life at Work" was not only insightful but also timely, addressing a critical need in today's fast-paced world.

Additionally, we conducted a highly relevant and informative session on "AI for Professionals" and "ICAI GPT" by CA Shyam Agarwal and CA Sumit Bihani, which is essential knowledge for our fraternity in the current age of technology. These sessions were truly enriching and invaluable for all involved.

We were also fortunate to have had the opportunity to felicitate the newly elected members of the Central Council of ICAI from the Eastern Region, as well as the members of the Eastern India Regional Council of ICAI (2025–2029) at Swarnalaxmi Banquet, New Town. It was a moment of pride and honor to recognize their contributions and dedication to the profession.

DTPA, in collaboration with our esteemed knowledge partner, the Terapanth Professional Forum, is proud to present ACCOUNTECH 4.0 on 1st March 2025. This prestigious event will feature 17 distinguished speakers, 15 engaging sessions, and a unique parallel hands-on session, complemented by an innovative AI Quiz Challenge.

I highly encourage all DTPA members to actively participate in this intellectually enriching event and extend the invitation to your friends and family, allowing them to benefit from the invaluable insights into Artificial Intelligence and its evolving impact. This is an exceptional opportunity to gain knowledge at the forefront of technology and innovation.

In the third week of March, we are excited to kick off our highly anticipated Residential Conclave in Ayodhya and Lucknow, which has received an overwhelming response from our members. This conclave offers a unique opportunity for both learning and bonding, followed by a sacred journey to the birthplace of Lord Ram, Janmabhumi in Ayodhya, along with a host of engaging and enjoyable activities. We eagerly look forward to the wholehearted participation and contributions of all attendees.

This month, I encourage all members of DTPA to engage deeply with the emerging tax policies, contribute to discussions, and leverage our collective expertise to help shape the future of taxation in India. Together, we can rise to meet these challenges and make a lasting impact on the profession.

Thank you for your continued commitment to excellence and innovation. Let's make February 2025 a month of growth, learning, and progress.

Warm regards,

CA Barkha Agrawal

President

20th February, 2025

Glimpses of Seminar on Capital Market & Alternate Investments held on 07.01.2025 at ITC Sonar



Glimpses of Felicitation Ceremony at Swarnalaxmi Banquet, Newtown held on 16.01.2025



Glimpses of An Insightful Session : Enjoy Stress Free Life at Work at DTPA Conference Hall held on 27.01.2025



Glimpses of Study Circle Meeting by CA Shyam Agarwal and CA Sumit Bihani at DTPA Conference Hall held on 29.01.2025



Compliance Calendar for February, 2025

Statute	Due dates	Compliance Period	Details	
Income Tax Act, 1961	07th February 2025	Jan-25	Securities Transaction Tax - Due date for deposit of tax collected for the month of January, 2025	
	07th February 2025	Jan-25	Commodities Transaction Tax - Due date for deposit of tax collected for the month of January, 2025	
	07th February 2025	Jan-25	Declaration under sub-section (1A) of section 206C of the Income-tax Act, 1961 to be made by a buyer for obtaining goods without collection of tax for declarations received in the month of January, 2025	
	07th February 2025	Jan-25	Collection and recovery of equalisation levy on specified services in the month of January, 2025	
	07th February 2025	Jan-25	Due date for deposit of Tax deducted/collected for the month of January, 2025. However, all the sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income tax Challan	
	14th February 2025	Jan-25	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194-M and 194-S in the month of December 2024 in Form 16B, 16C, 16D and 16E respectively.	
	15th February 2025	Jan-25	Due date for furnishing statement in Form No. 3BB by a stock exchange in respect of transactions in which client codes have been modified after registering in the system for the month of January, 2025	
	15th February 2025	Jan-25	Due date for furnishing statement in Form No. 3BC by a recognised association in respect of transactions in which client codes have been modified after registering in the system for the month of January, 2025	
	15th February 2025	Jan-25	Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of January, 2025	
	15th February 2025	Oct-24-Dec-24	Quarterly TDS certificate (in respect of tax deducted for payments other than salary) for the quarter ending December 31, 2024	
Statute	Due dates	Compliance Period	Return	Turnover/Complying Taxpayer
GST	10th February 2025	Jan-25	GSTR-7	Monthly Return by Tax Deductor for January 2025
	10th February 2025	Jan-25	GSTR-8	Monthly Return by E-Commerce Operators for January 2025
	10th February 2025	Jan-25	GSTR-1	1. Summary of Outward Supplies where turnover exceeds Rs. 5 Crore during preceding year or who have not chosen QRMP scheme 2. Registered person, with aggregate turnover of less than INR 5 Crore during preceding year, opted for monthly filing of return under QRMP.
	13th February 2025	Jan-25	GSTR-5	Summary of Outward taxable supplies and tax payable by a non-resident taxable person
	13th February 2025	Jan-25	GSTR-6	Details of ITC received and distributed by an ISD
	20th February 2025	Jan-25	GSTR-5A	Summary of outward taxable Supplies and tax payable by a Person supplying OIDAR services
	20th February 2025	Jan-25	GSTR-3B	Due Date for filling GSTR – 3B return for the month of January 2025 for the taxpayer with Aggregate turnover exceeding INR 5 crores during previous year
	20th February 2025	Jan-25	GSTR-3B	Due Date for filling GSTR – 3B return for the month of January 2025 for the taxpayer with Aggregate turnover less than INR 5 crores during previous year and not opted for QRMP Scheme.
Statute	Due dates	Compliance Period	Details	
Prof. Tax on Salaries	10th February 2025	Jan-25	Professional Tax (PT) on Salaries for January 2025	
ESI & PF	15th February 2025	Jan-25	Provident Fund (PF) & ESI Returns and Payment for January 2025	

Statute	Due dates	Compliance Period	Details	
Income Tax Act, 1961	02nd March 2025	Feb-25	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194IB, 194S & 194M in the month of January, 2025	
	07th March 2025	Feb-25	Securities Transaction Tax - Due date for deposit of tax collected for the month of February, 2025	
	07th March 2025	Feb-25	Commodities Transaction Tax - Due date for deposit of tax collected for the month of February, 2025	
	07th March 2025	Feb-25	Declaration under sub-section (1A) of section 206C of the Income-tax Act, 1961 to be made by a buyer for obtaining goods without collection of tax for declarations received in the month of February, 2025	
	07th March 2025	Feb-25	Collection and recovery of equalisation levy on specified services in the month of February, 2025	
	07th March 2025	Feb-25	Due date for deposit of Tax deducted/collected for the month of February 2025. However, all the sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income tax Challan	
	15th March 2025	Jan-25 to March-25	Fourth instalment of advance tax for the assessment year 2025-26, Due date for payment of whole amount of advance tax in respect of assessment year 2025-26 for assessee covered under presumptive scheme of section 44AD / 44ADA.	
	15th March 2025	Feb-25	Due date for furnishing Form 24G by an office of the Government where TDS/TCS for the month of February, 2025	
	15th March 2025	Feb-25	Due date for furnishing statement in Form No. 3BB by a stock exchange in respect of transactions in which client codes have been modified after registering in the system for the month of February, 2025	
	15th March 2025	Feb-25	Due date for furnishing statement in Form No. 3BC by a recognized association in respect of transactions in which client codes have been modified after registering in the system for the month of February, 2025	
	17th March 2025	Feb-25	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB and 194-S in the month of January 2025 in Form 16B, 16C and 16E respectively.	
	30th March 2025	Feb-25	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194M and 194S in the month of February, 2025	
	31st March 2025	Feb-25	Country-By-Country Report in Form No. 3CEAD for the previous year 2023-24 by a parent entity or the alternate reporting entity, resident in India, in respect of the international group of which it is a constituent of such group.	
	31st March 2025	Feb-25	Country-By-Country Report in Form No. 3CEAD for a reporting accounting year (assuming reporting accounting year is April 1, 2023 to March 31, 2024) by a constituent entity, resident in India, in respect of the international group of which it is a constituent if the parent entity is not obliged to file report under section 286(2) or the parent entity is resident of a country with which India does not have an agreement for exchange of the report etc.	
31st March 2025	Feb-25	Uploading of statement [Form 67], of foreign income offered to tax and tax deducted or paid on such income in previous year 2022-23, to claim foreign tax credit [if return of income has been furnished within the time specified under section 139(1) or section 139(4).		
31st March 2025	FY 2021-22	Furnishing of an updated return u/s 139(8A) of Income Tax Act, 1961 for the Assessment Year 2022-23.		
Statute	Due dates	Compliance Period	Return	Turnover/Complying Taxpayer
GST	10th March 2025	Feb-25	GSTR-7	Monthly Return by Tax Deductor for February 2025
	10th March 2025	Feb-25	GSTR-8	Monthly Return by E-Commerce Operators for February 2025
	10th March 2025	Feb-25	GSTR-1	1. Summary of Outward Supplies where turnover exceeds Rs. 5 Crore during preceding year or who have not chosen QRMP scheme 2. Registered person, with aggregate turnover of less than INR 5 Crore during preceding year, opted for monthly filing of return under QRMP.
	13th March 2025	Feb-25	GSTR-5	Summary of Outward taxable supplies and tax payable by a non-resident taxable person

	13th March 2025	Feb-25	GSTR-6	Details of ITC received and distributed by an ISD
	20th March 2025	Feb-25	GSTR-5A	Summary of outward taxable Supplies and tax payable by a Person supplying OIDAR services
	20th March 2025	Feb-25	GSTR-3B	Due Date for filling GSTR – 3B return for the month of February 2025 for the taxpayer with Aggregate turnover exceeding INR 5 crores during previous year
	20th March 2025	Feb-25	GSTR-3B	Due Date for filling GSTR – 3B return for the month of February 2025 for the taxpayer with Aggregate turnover less than INR 5 crores during previous year and not opted for QRMP Scheme.
Statute	Due dates	Compliance Period	Details	
Prof. Tax on Salaries	10th March 2025	Feb-25	Professional Tax (PT) on Salaries for February 2025	
ESI & PF	15th March 2025	Feb-25	Provident Fund (PF) & ESI Returns and Payment for February 2025	

Feedback and suggestions are Invited:

We are hopeful that you will like the approach and appreciate the efforts of the DTPA Journal Committee. A one liner feedback at dtpejournal@gmail.com from you will guide us to move further and motivate in touching new heights in professional excellence.

Speaking Opportunity at DTPA Platform

As a part of our commitment in the last AGM, DTPA will provide its members an opportunity to speak at the DTPA platform on any topics of professional interest. The opportunity may be through group discussions, webinars, workshops, Student Training Program and so on.

If you stay outside Kolkata, you may do it through webinars.

So, if you are looking for such an opportunity, then please keep in touch at the office of DTPA to help us find your interest area and take the things forward.

Regards,

CA Barkha Agrawal
President-DTPA

Request for Article in DTPA Journal

Dear Sir/Madam,

Direct Taxes Professionals' Association, popularly known as 'DTPA', established in the year 1982 is a Kolkata based Association consisting of Chartered Accountants, Advocates, Company Secretaries, Cost Accountants and Tax Practitioners.

We invite you to contribute articles **for the Journal on the given below topics which will be considered for publication in the upcoming edition of the E-Journal, subject to approval by the Editorial Board.**

Topics:

- | | |
|---------------------------|---|
| ● Direct Taxes | <input type="checkbox"/> International Taxation |
| ● GST & Indirect Taxes | <input type="checkbox"/> Accountancy and Audit |
| ● Corporate & Allied Laws | <input type="checkbox"/> Insolvency and Bankruptcy |
| ● Information Technology | <input type="checkbox"/> Emerging areas of Practice |

The articles sent for publication in the newsletter should confirm to the following parameters:

- The article should be original and contents are owned by Author himself.
- The article should help in development of the profession and highlight matters of current interests/ challenges to the professionals/ emerging professional areas of relevance.
- The length of the article should be 2000-2500 words and should preferably be accompanied with an executive summary of around 100 words.
- The tables and graphs should be properly numbered with headlines and referred with their numbers in the text.
- The authors must provide the list of references at the end of article.
- A brief profile of the author, e-mail ID, postal address and contact number along with his passport size photograph and declaration confirming the originality of the article as mentioned above should be enclosed along with the article.
- **The article can be sent by e-mail at dtpejournal@gmail.com**
- Please note that Journal Committee has the sole discretion to accept, reject, modify, amend and edit the article before publication in the Journal.

For further details, please contact us at: dtpejournal@gmail.com and at Mob: 9830255500 / 9831016678

Thanks and Regards,

CA. Barkha Agrawal

President-DTPA

Ph.9831184871

Email: barkhaagarwal@hotmail.com

Adv. (CA) Giridhar Dhelia

Chairman, DTPA-Journal Sub-Committee

Ph.9830255500

Email: gdhelia@gmail.com

CA. Mohan Lal Gupta

Co- Chairman, DTPA-Journal Sub-Committee

Ph.9836189880

Email: mohangupta.814@gmail.com



DTPA PRESENTS

ACCOUNTTECH 4.0
Embracing Accounting & Technology
Knowledge Partner:

17 SPEAKERS **15 SESSIONS** **1 PARALLEL HANDS ON SESSION**

SPECIAL ATTRACTION: AI QUIZ CHALLENGE

Scan to pay

1ST MARCH, 2025 10 AM - 5PM

PARK HOTEL
CHARGES: 1400+GST



DTPA PRESENTS

ACCOUNTTECH 4.0
Embracing Accounting & Technology
Knowledge Partner: Powered By: **lexlegis.ai**

SPEAKERS

 CA Anil Bhandari Topic - Multiple AI Tools for CA firms	 CA Venugopal G Topic - AI in GST	 CA Raj Lakhotia Panelist	 CA Anupam Agarwal Topic - Responsible Accounting	 CA Vikas Jalan Panelist	 CA Ramajayam Jayachandran Topic - AI in Tally	 Mr. Gautam Chakraborty Topic - AI and connected services in tally	 Mr. Seetharam Nayak Topic - Application of ERP in AI dominated world	 Mr. Tinku Matharani Shaping the Landscape of Legal Research & Document Interaction with Lexlegis.ai
 CA Vivek Agarwal Panelist	 CA Lokesh Agarwal Topic - AI in Excel: Creating our Own Functions	 Arun Agrawal Off Beat Uses of AI	 Mr. Ranjan Goenka Modernizing TDS / TCS Compliance: Role of Smart Technology	 CA Bharat D Sarawgee Panelist	 Mr. Vishap Kaushik Streamline Website Compliance (LODR) & Avoid Penalties	 Mr. Omkar Trivedi Cloud Computing Solution	 CA Abhishek Sonthalia The Rise of AI-Powered Accounting: Reducing Errors & Increasing Efficiency	 Mr. Raja Chosh Topic - Impact of AI in Surveillance Industry

1ST MARCH, 2025
Venue: Park Hotel



ज्ञानं एकर्यं च न्यायार्थम्
Estd. 1982

Direct Taxes Professionals' Association

Ph No :- 033 2242-0638/4003-5451

Email :- dtpakolkata@gmail.com

*Save the
Date*



DTPA Residential Conclave' 2025
Ayodhya & Lucknow
Date - 20th to 23rd March, 2025

DIRECT TAXES

1. STATUTORY UPDATES

- 1.1 Govt. notifies interest rates for small saving schemes for 4th quarter of FY 2024-25; no changes made - **OFFICE MEMORANDUM F. NO. 1/4/2019-NS, DATED 31-12-2024**

Editorial Note : The Govt. has notified the interest rate for the small saving schemes for the 4th quarter of the FY 2024-25. The interest rates for various Small Savings Schemes for the fourth quarter of FY 2024-25 (1st January 2025 to 31st March 2025) will remain the same as those notified for the 3rd quarter (1st October 2024 to 31st December 2024) of FY 2024-25.

- 1.2 No TDS u/s 194Q on goods purchased from IFSC if seller opts for sec. 80LA relief: CBDT - **NOTIFICATION NO. 3/2025, DATED 02-01-2025**

Editorial Note : The CBDT has specified that no tax deduction at source (TDS) u/s. 194Q of the Income Tax Act, 1961, will be required for purchases made from units of International Financial Services Centres (IFSC), provided both buyers and sellers meet specific conditions.

- 1.3 No TDS on payment received by 'NCGTC' & credit guarantee fund managed by 'NCGTC': CBDT - **NOTIFICATION F. NO. 1/2025 & NOTIFICATION F. NO. 2/2025, DATED 02-01-2025**

Editorial Note : The CG exempts income-tax deduction under Chapter XVII of the Income Tax Act on payments received by the National Credit Guarantee Trustee Company Limited and credit guarantee funds established and wholly financed by the Central Government, managed by the trustee company, as per Section 10(46B) of the Act.

- 1.4 'Unit' of IFSC shall not be considered as a buyer for Sec. 206C(1H) TCS: CBDT - **NOTIFICATION S.O. 99(E) [NO. 6/2025/F. NO. 275/108/2024-IT(B)], DATED 06-01-2025**

Editorial Note : The CG has notified that a Unit of the International Financial Services Centre (IFSC) shall not be considered as a buyer for the purpose of section 206C(1H) in respect of the purchase of goods from a seller.

- 1.5 CBDT notifies 'CPRI, Bengaluru' for the purpose of section 35 relief - **NOTIFICATION S.O. 244(E)[NO. 7/2025/F. NO. 203/20/2024/ITA-II], DATED 14-01-2025**

Editorial Note : The CBDT has notified 'Central Power Research Institute (CPRI), Bengaluru' as 'Research Association' for the purpose of section 35(1)(ii) of the Income-tax Act, 1961. The notification is applicable for AY 2025-26 to AY 2029-30.

- 1.6 Appeals filed post 22-07-2024 without condonation request will be eligible for Vivad se Vishwas: CBDT – **ORDER SO. 348(E) [NO. 8/2025/ F. NO. 370153/01/2025-TPL], DATED 20-01-2025**

Editorial Note : The CBDT has notified that under the Vivad se Vishwas Scheme, appeals filed after 22-07-2024 will be treated as pending if the order was passed on or before that date, the appeal period was available as of 22-07-2024, and the appeal was filed within the permitted time without a delay condonation application.

- 1.7 CBDT prescribes conditions for NRs engaged in business of operation of cruise ships for Sec. 44BBC - **NOTIFICATION G.S.R. 67(E) [NO. 9/2025/F.NO.370142/18/2024-TPL], DATED 21-01-2025**

Editorial Note : The Central Board of Direct Taxes (CBDT) has inserted new rule 6GB prescribing the conditions for non-residents to be engaged in the business of operation of cruise ships for section 44BBC.

- 1.8 Principal Purpose Test (PPT) under DTAA to be applied prospectively: CBDT - **CIRCULAR NO. 1/2025 [F. NO. 500/05/2020/FT&TR-II], DATED 21-01-2025**

Editorial Note : The Central Board of Direct Taxes (CBDT) has issued a circular to provide clarity and certainty on the application of the Principal Purpose Test (PPT) provision under India's DTAA's. The Board has clarified that the PPT provision is intended to be applied prospectively under the India's DTAA's

- 1.9 CBDT notifies Rules 2DAA & 21ACA prescribing conditions for VC Funds u/s 10(23FB) & IFSC Finance Cos. u/s 94B - **NOTIFICATION G.S.R. 76(E) [NO. 10/2025/ F. NO.370142/26/2024-TPL], DATED 27-01-2025**

Editorial Note : The Central Board of Direct Taxes (CBDT) has notified new Rules 2DAA & 21ACA to provide conditions for the Venture Capital Fund for the clause (23FB) of section 10 and conditions and activities for the Finance Company located in any International Financial Services Centre for section 94B.

- 1.10 CBDT approves 'Shri Chaitanya Health and Care Trust' for scientific research u/s 35(1)(ii) - **NOTIFICATION S.O. 471(E) [NO. 11/2025 F. NO. 203/24/2024/ITA-II], DATED 27-01-2025**

Editorial Note : The Central Board of Direct Taxes (CBDT) has approved "Shri Chaitanya Health and Care Trust" for its unit "Bhakti vedanta Hospital & Research Institute" for the purpose of section 35(1)(ii). The approval is granted for the purpose of scientific research under the category of "University, college or other institution".

- 1.11 Orders passed u/s 201 in pursuance of action u/s 133A are appealable before CIT(A) under e-Appeal Scheme: CBDT - **ORDER F. NO. 225/17/2025-ITA-II, DATED 28-01-2025**

Editorial Note : The CBDT has clarified that orders passed under section 201 shall not be considered as assessment orders covered under the exceptions provided in the Board's order dated 16.06.2023 vide F.No.370149/97/2023-TPL. Therefore, all the appeals against such orders passed under section 201 shall be decided by Joint Commissioner (Appeals) under the e-Appeals Scheme, 2023.

- 1.12 CBDT authorises Joint Secretary, DFPD to share info. of income-tax payers for identifying eligible PMGKAY beneficiaries - **NOTIFICATION NO. 12/2025, DATED 30-01-2025**

Editorial Note : The Central Government has specified 'Joint Secretary to Government of India, Department of Food and Public Distribution (DFPD), Ministry of Consumer Affairs, Food & Public Distribution' for the purposes of the section 138(1)(a)(ii) in connection with sharing of information regarding Income-tax payers' for identifying eligible beneficiaries under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

- 1.13 Economic Survey 2024-25 presented in Parliament; AI may impact 57% of jobs in emerging markets, including India

Editorial Note : The Finance Minister, Nirmala Sitharaman presented the Economic Survey 2024-25 in the Parliament on January 31, 2025. The Survey stated that India needs 8% growth for the next decade to meet its goals. India's GDP is projected to grow by 6.3%-6.8% in FY26, driven by strong capital expenditure and domestic demand. Inflation is at 4.9%, with food inflation still a concern. AI adoption could affect 57% of jobs in emerging markets, highlighting the need for upskilling.

2. SUPREME COURT

SECTION 2(47) OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - TRANSFER

- 2.1 Reduction in share capital of subsidiary company and subsequent proportionate reduction in shareholding of assessee would be squarely covered within ambit of expression 'sale, exchange or relinquishment of asset' used in section 2(47) - **Principal Commissioner of Income-tax v. Jupiter Capital (P.) Ltd. - [2025] 170 taxmann.com 305 (SC)**

SECTION 4 OF THE INCOME-TAX ACT, 1961 - INCOME - CHARGEABLE AS

- 2.2 SLP dismissed against order of High Court that where assessee had taken ECB loan for purpose of acquisition and renovation of hotel acquired by it and had temporarily parked said loan in FDRs, interest earned in

FDRs during construction period was to be capitalised and could not be treated as income from other sources - **Principal Commissioner of Income-tax v. Triumph Realty (P.) Ltd. - [2025] 170 taxmann.com 287 (SC)**

SECTION 9 OF THE INCOME-TAX ACT, 1961 - INCOME - DEEMED TO ACCRUE OR ARISE IN INDIA

- 2.3 Where High Court by relying on decisions of same High Court in other cases held that dividend received by a Netherland based company from Indian company will bear a lower withholding tax rate of 5 per cent instead of 10 per cent in view of MFN clause in DTAA between India and Netherland, since relied upon judgments were set aside by Supreme Court in Assessing Officer (International Taxation) v. Nestle SA [2023] 155 taxmann.com 384 (SC)/[2024] 296 Taxman 580 (SC)/[2023] 458 ITR 756 (SC), impugned order was to be set aside - **Income-tax Officer v. Deccan Holdings B.V. - [2025] 170 taxmann.com 663 (SC)**

- 2.4 Where revenue had filed SLP against impugned order of High Court that sale of shares of Flipkart Singapore by respondent, a Mauritius-based company, would be grandfathered by article 13(3A) of India-Mauritius DTAA and, therefore, tax exemption in respect capital gains arising from sale of shares acquired by them could not be denied, since issues raised in SLP required thorough consideration, operation of impugned ruling was to be stayed pending decision of SLP - **Authority for Advance Rulings (Income-tax) v. Tiger Global International II Holdings - [2025] 170 taxmann.com 706 (SC)**

SECTION 36(1)(viia) OF THE INCOME-TAX ACT, 1961 - BAD DEBTS, IN CASE OF BANKS

- 2.5 SLP dismissed against order of High Court that where Assessing Officer issued reopening notice on ground that deduction claimed under section 36(1)(viia) with respect to provision for bad and doubtful debts on non-rural advances was not in accordance with law, since during original assessment proceedings Assessing Officer raised a specific query in respect of rural branches and Assessing Officer was satisfied with assessee's explanation that it had claimed deduction under section 36(1)(viia) only for 7.5 per cent of total income and had not claimed any deduction for rural advances, reopening of assessment was merely based on change of opinion and was to be quashed - **Assistant Commissioner of Income-tax v. Yes Bank Ltd. - [2025] 170 taxmann.com 509 (SC)**

SECTION 37(1) OF THE INCOME-TAX ACT, 1961 - BUSINESS EXPENDITURE - ALLOWABILITY OF

- 2.6 SLP dismissed against order passed by High Court that broken period interest paid on purchase of securities which were held as stock-in-trade by assessee-bank was an allowable deduction - **Commissioner of Income-tax-III v. State Bank of Hyderabad - [2025] 170 taxmann.com 289 (SC)**

SECTION 45 OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - CHARGEABLE AS

2.7 SLP dismissed against order of High Court that where assessee sold immovable property for a sum of Rs. 6.5 crores and received a sum of Rs. 5.05 crores and balance amount of Rs. 1.45 crores was not received as cheques for said amount were dishonoured, since Assessing Officer did not examine details regarding dishonour of cheques, Principal Commissioner rightly held that assessment order was passed without making necessary inquiries and verification and thus, in terms of clause (a) of Explanation 2 to section 263, assessment order was erroneous - **M.R. Apparels (P.) Ltd. v. Principal Commissioner of Income-tax** - [2025] 170 taxmann.com 712 (SC)

SECTION 69A OF THE INCOME-TAX ACT, 1961 - UNEXPLAINED MONEYS

2.8 SLP dismissed as not pressed against order of High Court that where assessment was sought to be reopened in case of assessee by issue of notice under section 148A(b) on ground that large cash deposits were made in assessee's bank account which were suggestive of income escaping assessment, however, crucial information as to correct quantum of cash deposits in bank account and explanation for same were not available in assessee's response to impugned notice, Assessing Officer was justified in issuing reopening notice - **Dhan Prakash Gupta v. Income-tax Department** - [2025] 170 taxmann.com 666 (SC)

SECTION 119 OF THE INCOME-TAX ACT, 1961 - CENTRAL BOARD OF DIRECT TAXES - INSTRUCTIONS TO SUBORDINATE AUTHORITIES

2.9 SLP dismissed against order of High Court that where pursuant to order of NCLT, assessee's books of account were recasted and revised financial statements were filed with RoC under Companies Act, 2013, assessee's claim for condonation of delay in filing revised return of income based on recasted accounts was to be allowed - **Assistant Commissioner of Income-tax v. CG Power and Industrial Solutions Ltd.** - [2025] 170 taxmann.com 542 (SC)

SECTION 148 OF THE INCOME-TAX ACT, 1961 - INCOME ESCAPING ASSESSMENT - ISSUE OF NOTICE FOR

2.10 SLP dismissed against order of High Court that notice under section 148 issued by revenue to assessee-company after approval of resolution plan by NCLT for a period prior to closing date, was invalid and bad in law - **Pr. Commissioner of Income-tax Central 4 v. Patanjali Foods Ltd.** - [2025] 170 taxmann.com 752 (SC)

SECTION 148A OF THE INCOME-TAX ACT, 1961 - INCOME ESCAPING ASSESSMENT - CONDUCTING INQUIRY, PROVIDING OPPORTUNITY BEFORE ISSUE OF NOTICE UNDER SECTION 148

2.11 SLP dismissed against order of High Court that where on basis of survey conducted in case of Jammu & Kashmir Bank, wherein assessee transacted, Assessing

Officer observed that there was difference between remittance-sheet and account statement and Assessing Officer reopened assessment on ground that assessee's case was not selected for scrutiny, since on same material reopening notices for previous assessment years were set aside, impugned reopening notice couldnot be issued merely on ground that scope of reassessment was enlarged by amended provisions for reopening after 1-4-2021 - **Deputy Commissioner of Income-tax v. Gokul Agro Resources Ltd.** - [2025] 170 taxmann.com 669 (SC)

SECTION 153C OF THE INCOME-TAX ACT, 1961 - SEARCH AND SEIZURE - ASSESSMENT OF ANY OTHER PERSON

2.12 SLP dismissed against order of High Court that where satisfaction note pertained to non-searched entity, namely assessee, and material which was alluded to pertained to assessment year 2019-20 only, impugned action under section 153C, pertaining to assessment years 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2020-21 were liable to be quashed and set aside - **Pr. Commissioner of Income-tax v. Dev Technofab Ltd.** - [2025] 170 taxmann.com 664 (SC)

SECTION 263 OF THE INCOME-TAX ACT, 1961 - REVISION - OF ORDERS PREJUDICIAL TO INTEREST OF REVENUE

2.13 SLP dismissed against order of High Court that for purposes of exercising powers under section 263, period of limitation for passing order has to be reckoned from date of original assessment order and not from date of reassessment order - **Principal Commissioner of Income-tax (PCIT) v. Chambal Fertilisers and Chemicals Ltd.** - [2025] 170 taxmann.com 544 (SC)

SECTION 276B OF THE INCOME-TAX ACT, 1961 - OFFENCE AND PROSECUTION - FAILURE TO PAY TAX ON DISTRIBUTED PROFITS OF DOMESTIC COMPANIES/DEDUCTED AT SOURCE

2.14 SLP dismissed against order of High Court that where assessee-education institute deducted TDS but deposited same belatedly, since 90 per cent of students admitted by assessee were on fee reimbursement scheme and due to delay in grant of fee reimbursement by State Government, assessee failed to remit TDS within time, in view of fact that assessee established reasonable cause in view of section 278AA, criminal prosecution against assessee was not warranted - **Income-tax Officer (TDS) v. Aditya Institute of Technology and Management** - [2025] 170 taxmann.com 708 (SC)

3. HIGH COURT

SECTION 2(15) OF THE INCOME-TAX ACT, 1961 - CHARITABLE PURPOSE

3.1 Where main activities of assessee-society were to implement State Policy, to establish technology business incubators in State and to raise funds for start-ups from venture capitalists, financial institutions and angel investors, activities of assessee-society were for charitable purpose for public at

large and finding recorded by Commissioner that activities of assessee Society were in nature of trade, commerce or business and covered by proviso to section 2(15) was not correct finding, thus, Tribunal was justified in directing Commissioner to grant registration under section 12AA - **Commissioner of Income-tax (Exemption) v. AIC@36Ince** - [2025] 170 taxmann.com 496 (Chhattisgarh)

SECTION 2(47) OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - TRANSFER

- 3.2 Where assessee, a Non-Resident Indian, entered into a development agreement with a builder for constructing flats on a sharing basis, since possession was handed over solely for development, and no consideration was paid apart from a refundable performance guarantee, arrangement did not constitute "transfer" under Section 2(47). - **Smt. Shantha Vidyasagar Annam v. Income-tax Officer** - [2025] 170 taxmann.com 754 (TELANGANA)

SECTION 9 OF THE INCOME-TAX ACT, 1961 - INCOME - DEEMED TO ACCRUE OR ARISE IN INDIA

- 3.3 Where assessee, a South Korean company, had seconded employees in India who were not discharging functions or performing activities connected with global enterprise of assessee and their placement in India was with objective of facilitating activities of Indian subsidiary, collection of market information, collation of data for development of products, market trend studies or exchange of information would not meet qualifying benchmarks of a PE - **Pr. Commissioner of Income Tax v. Samsung Electronics Co. Ltd.** - [2025] 170 taxmann.com 417 (Delhi)
- 3.4 Where Assessing Officer initiated reassessment proceedings against assessee, a foreign company, on ground that assessee had fixed place and dependent agent PE in India and, thus, it was liable to pay tax in India, since reasons as recorded in support of formation of opinion that income had escaped assessment had not alluded to any facts specific to assessment years 2013-14 to 2017-18, impugned reassessment proceedings were to be quashed - **Grid Solutions OY (Ltd.) v. Assistant Commissioner of Income-tax International Taxation & Anr.** - [2025] 170 taxmann.com 498 (Delhi)

SECTION 10(1) OF THE INCOME-TAX ACT, 1961 - AGRICULTURAL INCOME

- 3.5 Where Income Tax Inspector deputed by Assessing Officer for spot enquiry reported that land was marked into plots and was not used for cultivation and assessee had failed to establish that land in question was under cultivation, claim of agricultural income was not tenable - **Patnala Srinivas v. Income-tax Officer** - [2025] 170 taxmann.com 714 (TELANGANA)

SECTION 17 OF THE INCOME-TAX ACT, 1961 - SALARIES - PERQUISITES

- 3.6 Impugned amendments made to section 17(2)(ii) by Finance Act, 2007 with limited retrospective effect from 1-4-2002, do not violate article 14 of Constitution or other constitutional provisions - **All India Central Bank Officers Federation v. Union of India** - [2025] 170 taxmann.com 627 (Bombay)

SECTION 17(2) OF THE INCOME-TAX ACT, 1961 - "SALARY", "PERQUISITE" AND "PROFITS IN LIEU OF SALARY" DEFINED

- 3.7 Amendments made to section 17(2)(ii) by Finance Act, 2007, whereby employees allotted bank-owned accommodation were deemed to have received a concession in matter of rent respecting such accommodation, were constitutional and valid and did not violate article 14 of Constitution - **All India Central Bank Officers Federation v. Union of India** - [2025] 170 taxmann.com 627 (Bombay)

SECTION 43B OF THE INCOME-TAX ACT, 1961 - BUSINESS DISALLOWANCE - CERTAIN DEDUCTIONS TO BE ALLOWED ONLY ON ACTUAL PAYMENT

- 3.8 Contribution made by assessee towards fund for payment of leave encashment to its employees qualifies to be deductible as expenses, subject, however, to conditions imposed under section 43B - **H.P. State Civil Supplies Corporation Ltd. v. Asstt. Commissioner of Income-tax** - [2025] 170 taxmann.com 500 (Himachal Pradesh)

SECTION 68 OF THE INCOME-TAX ACT, 1961 - CASH CREDIT

- 3.9 Where Assessing Officer issued a reopening notice on basis of information received from insight portal regarding coordinated and premeditated trading on BSE by engaging in reversal trade and illiquid stock options resulting in non-genuine business loss/gain to beneficiary assessee and assessee was a party to such manipulation, since reopening notice was issued on borrowed satisfaction as no independent opinion was formed and notice was issued merely on basis of information from insight portal, and further, amount of said non-genuine profit was already offered to tax in return of income during regular scrutiny assessment, impugned reopening notice was to be quashed and set aside - **Raajratna Stockholdings (P.) Ltd. v. Assistant Commissioner of Income-tax** - [2025] 170 taxmann.com 473 (Gujarat)

- 3.10 Where Assessing Officer issued reopening notice on ground that he received information in accordance with Risk Management Strategy formulated by CBDT that assessee had received undisclosed cash receipt and credit card transaction which were not examined during course of regular assessment proceedings, since both these issues were not examined during course of regular assessment proceedings as information from Assessing Officer was received after conclusion of original assessment proceedings, impugned reopening notice was justified - **Sanjay Ratra v. Assistant Commissioner of Income-tax** - [2025] 170 taxmann.com 243 (Bombay)

SECTION 69A OF THE INCOME-TAX ACT, 1961 - UNEXPLAINED MONEYS

- 3.11** Where Assessing Officer issued reopening notice on basis of information received from CGST authorities that assessee was beneficiary of bogus input tax credit (ITC) received from an entity engaged in providing fake/bogus invoices for passing of fraudulent ITC without supply of goods, since Assessing Officer had not verified nature of assessee's professional activities with said entity, and further, amounts were received by assessee from said entity only qua invoices issued by assessee to said entity and no other amounts were received, impugned reopening notice was to be set aside - **C. C. Dangli & Associates v. Assistant Commissioner of Income-tax** - [2025] 170 taxmann.com 541 (Bombay)

SECTION 69C OF THE INCOME-TAX ACT, 1961 - UNEXPLAINED EXPENDITURE

- 3.12** Where reopening notice under section 148A(b) was issued on ground that assessee had made purchases from an individual who was a sole proprietor of a concern which was not a genuine entity and payments received in bank account of said person were withdrawn in cash, since assessee was provided seven days to respond to said notice and he did in fact file his reply within specified period, he could not make any grievance at this stage of not being provided sufficient time to respond to notice - **Abhishek Bansal v. Income-tax Officer** - [2025] 170 taxmann.com 296 (Delhi)

- 3.13** Where reopening notice under section 148A(b) was issued on ground that assessee had made purchases from an individual who was a sole proprietor of a concern which was not a genuine entity and payments received in bank account of said person were withdrawn in cash, since no information was provided by assessee to show movement of goods to establish that goods had in fact moved from said party to assessee, impugned reopening notice issued upon assessee was justified - **Abhishek Bansal v. Income-tax Officer** - [2025] 170 taxmann.com 296 (Delhi)

SECTION 87A OF THE INCOME-TAX ACT, 1961 - REBATE OF INCOME-TAX IN CASE OF CERTAIN INDIVIDUALS

- 3.14** Since issue whether rebate under section 87A could be granted only from tax computed under section 115BAC or also from tax computed under other provisions of Chapter XII was a highly debatable issue, revenue could not modify its utility to prevent assessee from claiming rebate under section 87A at threshold of uploading his return of income online - **Chamber of Tax Consultants v. Director General of Income Tax (systems)** - [2025] 170 taxmann.com 707 (Bombay)

SECTION 92C OF THE INCOME-TAX ACT, 1961 - TRANSFER PRICING - COMPUTATION OF ARM'S LENGTH PRICE

- 3.15** Where TPO made adjustment on account of ALP of power supplied by assessee's power plants to its other units on basis of rates of electricity quoted on Indian

Energy Exchange (IEX), since IEX was not a source for uninterrupted power and transactions of sale and purchase of power on IEX was not comparable to regular supply of power by State Electricity Board (SEB) or power distribution companies, rates at which electricity was supplied by SEBs to industrial consumers was to be accepted as being market value of said supplies by assessee, thus, impugned adjustment made by TPO was to be deleted - **Principal Commissioner of Income-tax v. DCM Shriram Ltd.** - [2025] 170 taxmann.com 631 (Delhi)

SECTION 127 OF THE INCOME-TAX ACT, 1961 - INCOME-TAX AUTHORITIES - POWER TO TRANSFER CASES

- 3.16** When assessee objects to jurisdiction of AO or transfer of case, it must be adjudicated only after providing opportunity of hearing and disclosing reasons for transfer. - **Deluxe Enterprises v. Income-tax Officer** - [2025] 170 taxmann.com 582 (Himachal Pradesh)

SECTION 132 OF THE INCOME-TAX ACT, 1961 - SEARCH AND SEIZURE - GENERAL

- 3.17** In absence of a valid order of assessment and demand for Income-tax, revenue would not be entitled to seek interim custody and appropriate remedy to revenue was to be make an application u/s. 226(4) - **R. Ravirajan v. State of Kerala** - [2023] 155 taxmann.com 670 (Kerala)

SECTION 143 OF THE INCOME-TAX ACT, 1961 - ASSESSMENT - GENERAL

- 3.18** Where assessee filed a writ petition challenging intimation passed u/s. 143(1) raising demand of approximately Rs.6600 crores contending that huge demand had been raised and, therefore, remedy of appeal would not be an efficacious remedy, and, therefore, HC should exercise its writ jurisdiction, since in section 246A there is no provision of mandatory pre-deposit for admitting and entertaining appeal, HC could not interfere with impugned intimation in writ proceedings - **Fiat India Automobiles Ltd. v. Dy Director of Income-tax** - [2025] 170 taxmann.com 789 (Bombay)

- 3.19** Where petitioner-legal heir of assessee filed writ challenging impugned order passed u/s. 143(3) on ground of violation of principles of natural justice, since notices had been duly served upon petitioner and he was well represented before AO, writ petition was to be dismissed with liberty to petitioner to avail alternative remedy of appeals - **Sneh Gupta v. Union of India** - [2025] 170 taxmann.com 508 (Jammu & Kashmir and Ladakh)

SECTION 144B OF THE INCOME-TAX ACT, 1961 - FACELESS ASSESSMENT

- 3.20** Where AO passed Asst. order without adhering to request of assessee for personal hearing through video conference, in view of breach of principles of natural justice, impugned assessment order was to be quashed and matter was to be remanded back to AO to pass a fresh de novo order after providing fresh opportunity of hearing through video conference to assessee - **Panchvati Ship Breakers v. NFAC** - [2025] 170 taxmann.com 551 (Gujarat)

**SECTION 144C OF THE INCOME-TAX ACT, 1961 -
TRANSFER PRICING- DISPUTE RESOLUTION
PANEL**

- 3.21** Where DRP directions were uploaded on 30-6-2022 on portal, DRP/originator had lost control over it on date and time said directions were uploaded on portal and hence, same must be treated to be a receipt by recipient i.e., Assessing Officer on same day i.e., 30-6-2022 and, therefore, assessment order dated 30-8-2022 was liable to be set aside as same was issued beyond permissible period of limitation - **Rapiscan Systems (P.) Ltd. v. Adit (Int.Tax)-2** - [2025] 170 taxmann.com 753 (TELANGANA)

**SECTION 148 OF THE INCOME-TAX ACT, 1961 -
INCOME ESCAPING ASSESSMENT - ISSUE OF
NOTICE FOR**

- 3.22** Where assessee-company was not in existence since 2011, Assessing Officer ought to have dropped reassessment proceedings and rectified assessment order passed in December 2019 in case of assessee company - **Chetan Chandrakant Kothari v. Income-tax Officer** - [2025] 170 taxmann.com 630 (Gujarat)
- 3.23** Where reassessment notice was issued by Assessing Officer instead of NFAC, same was to be quashed - **Gurjinder Singh v. Union of India** - [2025] 170 taxmann.com 747 (Punjab & Haryana)
- 3.24** A notice which was originally issued under section 148 by Jurisdictional Assessing Officer in terms of old regime and which had been deemed to be issued under section 148A(b) could be continued to be processed by same officer - **Patran Foods (P.) Ltd. v. Union of India** - [2025] 170 taxmann.com 470 (Punjab & Haryana)
- 3.25** Notice under section 148 issued against a deceased person is invalid in law; proceedings against deceased's legal representatives are permissible only if initiated in compliance with section 159(2)(b) - **Income-tax Officer v. Smt. Preethi V.** - [2025] 170 taxmann.com 673 (Karnataka)

**SECTION 148A OF THE INCOME-TAX ACT, 1961 -
INCOME ESCAPING ASSESSMENT - CONDUCTING
INQUIRY, PROVIDING OPPORTUNITY BEFORE
ISSUE OF NOTICE UNDER SECTION 148**

- 3.26** Where assessee, in reply to show cause notice, explicitly sought for a personal hearing, however, no personal hearing was granted to assessee, and such denial was not for valid reasons, case of complete failure of natural justice was made out and therefore, impugned assessment order was to be set aside and matter was to be remanded back to concerned Assessing Officer to dispose of show cause notice issued to assessee following law and after granting assessee a personal hearing - **Pico Capital (P.) Ltd. v. Deputy Commissioner of Income-tax Circle 8(2)(1)** - [2025] 170 taxmann.com 638 (Bombay)

**SECTION 149 OF THE INCOME-TAX ACT, 1961 - INCOME
ESCAPING ASSESSMENT - TIME LIMIT FOR ISSUANCE
OF NOTICE**

- 3.27** Where a reopening notice was issued upon assessee on 9-4-2021 for AY 2015-16, prior to 01 April 2021 as per unamended section 149, notice could have been issued within a maximum period of six years from end of relevant AY, thus, tested on that basis, it was apparent that terminal date for issuance of notice would be 31-3-2022, accordingly, impugned reassessment notice issued on 1-4-2021 was justified - **Rohit Kumar v. ITO** - [2025] 170 taxmann.com 506 (Delhi)
- 3.28** Where reassessment action was initiated against assessee on ground that income of Rs. 46.17 lakhs had escaped assessment, same was to be quashed being below threshold of Rs. 50 lakhs as per amended provisions - **Rohit Kumar v. Income-tax Officer** - [2025] 170 taxmann.com 506 (Delhi)

**SECTION 151 OF THE INCOME-TAX ACT, 1961 - INCOME
ESCAPING ASSESSMENT - SANCTION FOR ISSUE OF
NOTICE**

- 3.29** Post 1-4-2021, with amendment of section 151 by Finance Act, 2021, Joint Commissioner could not be considered to be competent authority for purposes of granting approval as contemplated under section 151 - **Rohit Kumar v. ITO** - [2025] 170 taxmann.com 506 (Delhi)

**SECTION 154 OF THE INCOME-TAX ACT, 1961 -
RECTIFICATION OF MISTAKE - APPARENT FROM
RECORDS**

- 3.30** Where full credit of challans deposited by assessee had not been given by AO due to wrong PAN number mentioned in challans by assessee, Deputy Commissioner was to be directed to carry out necessary correction in challan and release amount payable to assessee - **Kashmir Tubes v. Union of India** - [2025] 170 taxmann.com 463 (Jammu & Kashmir and Ladakh)

**SECTION 220 OF THE INCOME-TAX ACT, 1961 -
COLLECTION AND RECOVERY OF TAX - WHEN TAX
PAYABLE AND WHEN ASSESSEE DEEMED IN DEFAULT**

- 3.31** Where AO rejected stay application of assessee without reasoned and speaking order, and thereafter review application was also not decided on merits by Principal Commissioner and mere order was passed to pay 20 per cent tax liability, since impugned orders were non-speaking order, same were to be set aside and matter was to be remitted to consider stay application afresh - **Subodh Singhania v. Union of India** - [2025] 170 taxmann.com 755 (Chhattisgarh)
- 3.32** Where AO decided stay application and review application of assessee in cryptic manner and without appreciating detailed submissions made by assessee and without looking into financial stringency and balance of convenience and also without giving any opportunity of hearing, impugned orders being non-speaking orders were to be set aside and matter was to be remitted to AO to consider stay application afresh - **Harshit Singhania Buildcon v. Union of India** - [2025] 170 taxmann.com 547 (Chhattisgarh)

**SECTION 237 OF THE INCOME-TAX ACT, 1961 -
REFUND - GENERAL**

3.33 Where assessee was entitled to refunds for relevant assessment years, however refund was not being credited to assessee's bank account as certain procedural lacunae persisted, revenue authority was to be directed to process refunds and credit amount to assessee's account with all expediency - **GMO Emerging Markets Fund v. Dy. Commissioner of Income-tax (International Taxation)** - [2025] 170 taxmann.com 119 (Bombay)

3.34 Where assessee filed instant petition seeking refund of tax deducted at source (TDS) contending that since TDS certificate had been placed on record, revenue should at least verify position regarding deductions and grant a refund, revenue was to be directed to verify status of deductions and dispose of assessee's representation within three months - **Bizznet Online Systems Pvt Ltd. v. Dy. Commissioner of Income-tax** - [2025] 170 taxmann.com 581 (Bombay)

**SECTION 250 OF THE INCOME-TAX ACT, 1961 -
COMMISSIONER (APPEALS) - PROCEDURE OF**

3.35 Where assessee filed an appeal before Commissioner (Appeals) and appeal was dismissed for non-compliance with defects pointed out by Commissioner (Appeals), writ petition against said order was to be disposed of by setting aside impugned order and directing that if assessee cures defects pointed out by Appellate Authority within time specified, appeal shall stand restored to file and shall be disposed of on merits by Appellate Authority - **Arun Vijayan Pillai Vijai v. Income-tax Officer** - [2025] 170 taxmann.com 421 (Kerala)

**SECTION 263 OF THE INCOME-TAX ACT, 1961 -
REVISION - OF ORDERS PREJUDICIAL TO
INTEREST OF REVENUE**

3.36 Where audit-party recorded several major audit objections with respect to investment made by assessee in mutual funds/shares and there was no verification done by Assessing Officer during assessment proceedings relating to explanation to be forwarded by assessee, order passed by Commissioner under section 263 in facts and circumstances of case cannot be said to be such which was to be interfered with by Tribunal as record relating to any proceedings under Act available at time of examination by Commissioner would also include audit objections - **Principal Commissioner of Income-tax-2 v. Kirti Anand** - [2025] 170 taxmann.com 585 (Punjab & Haryana)

**SECTION 275 OF THE INCOME-TAX ACT, 1961 -
PENALTY - BAR OF LIMITATION FOR IMPOSITION**

3.37 Where Assessing Officer made reference to Additional Commissioner for imposition of penalty under section 271D, however, show cause notice was issued nearly a year later proposing levy of penalty and penalty order

was made subsequently, since reference made by Assessing Officer was to be treated as triggering point or initiation of penalty proceedings, impugned penalty order passed was barred by limitation - **Pr. Commissioner of Income-tax v. K Umesh Shetty** - [2025] 170 taxmann.com 748 (Karnataka)

**SECTION 281 OF THE INCOME-TAX ACT, 1961 - CERTAIN
TRANSFERS TO BE VOID**

3.38 Where assessee purchased property in court auction for adequate consideration and that too, without notice of pendency of proceedings initiated by Income-tax Department, proviso to section 281(1) would apply in respect of property purchased by assessee and, Income-tax Department could not have proceeded against bona fide purchaser of property - **Gopinatha Pillai v. Tax Recovery Officer** - [2025] 170 taxmann.com 670 (Kerala)

4. TRIBUNAL**SECTION 9 OF THE INCOME-TAX ACT, 1961 - INCOME -
DEEMED TO ACCRUE OR ARISE IN INDIA**

4.1 Where assessee, a Singaporean company, had entered into an agency agreement with an Indian company (DCIN) for sale of commercial airtime and distribution of channels in India, since competent authorities of India and Singapore arrived at resolution under MAP for taxation of income of assessee in terms of section 90 read with article 27 of India-Singapore DTAA for subsequent years, following principle of tax certainty and consistency, assessee's advertisement revenue and distribution revenue received from its Indian agent was to be taxed in India as business profits - **Discovery Networks Asia Pacific Pte Ltd. v. A.C.I.T** - [2025] 170 taxmann.com 545 (Delhi - Trib.)

4.2 Where assessee, a Singaporean company, received advertisement and distribution revenue from its Indian agent and had truly and fully disclosed all material facts of its receipts and assessee was merely contesting taxability of such receipts as royalty or business income, addition made on difference of opinion could not lead to levy of penalty u/s. 271(1)(c) - **Discovery Networks Asia Pacific Pte Ltd. v. A.C.I.T** - [2025] 170 taxmann.com 545 (Delhi - Trib.)

4.3 Where assessee, engaged in providing services of trademarks, patents and other intellectual property rights, had made payments to foreign entities for registration of its trademarks in foreign countries, since Assessing Officer had not examined respective DTAA's, plea of assessee that payments were non-taxable in India because of beneficial provisions of DTAA's with respective countries was to be examined - **Janet Christine Depenning v. Income-tax Officer** - [2025] 170 taxmann.com 549 (Chennai - Trib.)

4.4 Receipts from supply of drawings and designs by assessee, a German company, to Indian company would not fall under term of FTS and same was not liable to tax in India in terms of decision of Tribunal in case of sister concern of assessee - **DDIT v. SMS Siemag AG** - [2025] 170 taxmann.com 245 (Delhi - Trib.)

- 4.5** Where supervisory services were provided by assessee, a German company, to Indian company for a period less than six months and assessee followed method of accounting on basis of contract completion method and accordingly it had also offered same in year of completion, issue was to be remitted back to file of Assessing Officer to verify whether assessee had offered relevant revenue based on method followed by it - **DDIT v. SMS Siemag AG - [2025] 170 taxmann.com 245 (Delhi - Trib.)**
- 4.6** Where assessee, a UK company, received certain amount from Indian customers on account of 'Fees for provisions for other related services', since software itself was not taxable, 'Fees for provisions for other related services' will also not be taxable, hence, addition made by Assessing Officer, treating 'Fees for provisions for other related services' as taxable was to be deleted - **TSYS Card Tech Ltd. v. Deputy Commissioner of Income-tax, International Taxation - [2025] 170 taxmann.com 721 (Delhi - Trib.)**
- 4.7** Income earned by assessee, a USA based company, from assisting customers in India in registration of domain names could not be treated as 'royalty' under provisions of section 9(1)(vi) and article 12(3)(a) of India-USA DTAA - **GoDaddy.com, LLC v. ACIT - [2025] 170 taxmann.com 408 (Delhi - Trib.)**
- 4.8** Where assessee, a USA based company, earned income from providing web hosting, web designing, SSL certification services and sale of on-demand products to its Indian customers from outside India, income from provision of abovesaid non-domain services did not 'make available' any technical knowledge, experience, skill, know-how, or processes or result in transfer of any technical plan or technical design to users, accordingly, consideration received by assessee for rendering such services would fall outside ambit of FIS as per article 12(4)(b) of India-USA DTAA - **GoDaddy.com, LLC v. ACIT - [2025] 170 taxmann.com 408 (Delhi - Trib.)**
- 4.9** Where assessee, a Singaporean company, provided/sublicensed software to entities in financial service sector and also provided maintenance, support and training services and received fees towards same, since assessee did not have any PE in India and it had not made available technical knowledge, know-how, skill etc. to service recipient, fees received by assessee could not be taxed in India - **Murex Southeast Asia (P.) Ltd. v. Deputy Commissioner of Income-tax, International Tax - [2025] 170 taxmann.com 410 (Mumbai - Trib.)**
- 4.10** Where assessee, Singapore based company, provided additional services related to implementation and migration of software to its Indian customers, since said additional services were only to extent of migration of software from old version to new version and assessee had not transferred or made available any technical knowledge, know-how, skill etc. to its clients in India so

as to enable them to perform such services independently without requiring aid and assistance of assessee, receipts were not in nature of FTS under article 12(4) of India-Singapore Treaty and had to be treated as business receipts and in absence of PE in India, could not be made taxable - **Murex Southeast Asia (P.) Ltd. v. Deputy Commissioner of Income-tax, International Tax - [2025] 170 taxmann.com 410 (Mumbai - Trib.)**

- 4.11** Where assessee, a Limited Liability Company incorporated under laws of Luxembourg, claimed benefit under Article 11 of India-Luxembourg DTAA in respect of interest earned on bonds and pass through certificates, since assessee submitted valid TRC and proved its existence from date of its investment in source country, benefit under treaty could not be denied without there being any cogent material with revenue to establish that assessee was only a conduit - **SC Lowy P.I. (LUX) S.A.R.L. v. ACIT - [2025] 170 taxmann.com 475 (Delhi - Trib.)**
- 4.12** Where assessee, a non-resident, had incurred certain expenses in connection with services provided by it to its Indian subsidiary and such expenses were reimbursed by Indian subsidiary to assessee purely on cost-to-cost basis, without any mark-up/profit element, same could not be treated as FTS - **Dy. CIT v. Jefferies International Ltd. - [2025] 170 taxmann.com 584 (Mumbai - Trib.)**
- 4.13** Where assessee, a non-resident, provided administrative support services to its Indian subsidiary, since services provided by assessee were only to support function of administration and day to day management of subsidiary and subsidiary did not have any infrastructure to carry out any administration and day to day management, these services were outside ambit of FIS and FTS - **Dy. CIT v. Jefferies International Ltd. - [2025] 170 taxmann.com 584 (Mumbai - Trib.)**

SECTION 10(15)(iv) OF THE INCOME-TAX ACT, 1961 - INTEREST PAYABLE BY INDUSTRIAL UNDERTAKINGS, INDUSTRIAL FINANCE CORPORATION, ETC., ON MONIES BORROWED

- 4.14** Where assessee-company, engaged in life insurance business, had not claimed exemption under section 10(15)(iv)(h) in respect of interest income which accrued to it on account of its investments in redeemable non-convertible bonds/debentures issued by public sector companies before Assessing Officer and Commissioner (Appeals), in view of fact that relevant facts of investment in PSU Bonds/debentures were available in audited balance sheet and was before Assessing Officer, additional ground raised by assessee before Tribunal was to be admitted and matter was to be remanded back to Assessing Officer for examining claim of assessee - **Dy. CIT v. Max Life Insurance Co. Ltd. - [2025] 170 taxmann.com 466 (Delhi - Trib.)**

SECTION 10(23C) OF THE INCOME-TAX ACT, 1961 - INCOMES NOT INCLUDED IN TOTAL INCOME

- 4.15** Where assessee-trust, running an educational institution, had received a grant of certain amount and apart from said grants,

assessee had also received interest on term deposits made by assessee out of excess credits of unspent grant, since interest received on fixed deposits made out of unspent grants would be treated as a grant and if said interest amount was added to total grants received during year, it would exceed 50 per cent prescribed u/s. 10(23C)(iiia), assessee would be eligible for exemption u/s. 10(23C)(iiia) - **Assistant Commissioner of Income-tax (Exemptions) v. Karnataka Institute of Diabetology** - [2025] 170 taxmann.com 791 (Bangalore - Trib.)

SECTION 10A OF THE INCOME-TAX ACT, 1961 - FREE TRADE ZONE

- 4.16 Where report in Form 56F was not signed by an 'Accountant', as referred in sub-section (5) to section 10A, report in Form 56F was defective and assessee was not entitled for deduction u/s. 10A - **Assistant Commissioner of Income-tax v. Future Software (P.) Ltd.** - [2025] 170 taxmann.com 546 (Chennai - Trib.)

SECTION 11 OF THE INCOME-TAX ACT, 1961 - CHARITABLE OR RELIGIOUS TRUST - EXEMPTION OF INCOME FROM PROPERTY HELD UNDER

- 4.17 Where Pr. CIT initiated proceedings under section 263 by observing that Assessing Officer had not examined application of funds as claimed by assessee while allowing exemption under section 11 for all years but he himself was of opinion that assessment order may be erroneous but it was not prejudicial to interest of revenue, twin conditions of section 263 were not satisfied - **Paradip Port Authority v. DCIT** - [2025] 170 taxmann.com 713 (Cuttack - Trib.)
- 4.18 Requirement of filing audit report along with return of income is only a procedural requirement and, therefore, exemption would not be denied when said audit report was available with Assessing Officer before completion of assessment even if said audit report was filed belatedly by assessee - **Assistant Commissioner of Income-tax (Exemptions) v. Karnataka Institute of Diabetology** - [2025] 170 taxmann.com 791 (Bangalore - Trib.)

SECTION 12A OF THE INCOME-TAX ACT, 1961 - CHARITABLE OR RELIGIOUS TRUST - REGISTRATION OF

- 4.19 Where assessee-trust filed application for registration under section 12A(1)(ac) under clause (vi) and Commissioner (Exemption) rejected application that as assessee claimed exemption under section 11, thus, provisions of section 12A(1)(ac)(vi)(B) were not applicable, since Commissioner (Exemption) dismissed application merely on technical ground, said order was to be set-aside and he was to be directed to treat application already filed by assessee as under clause (iii) of section 12A(1)(ac) - **Torna Rajgad Parisar Samajonnati Nyas v. Commissioner of Income-tax (Exemptions)** - [2025] 170 taxmann.com 720 (Pune - Trib.)

SECTION 12AB OF THE INCOME-TAX ACT, 1961 - CHARITABLE OR RELIGIOUS TRUST - PROCEDURE FOR FRESH REGISTRATION

- 4.20 Where assessee-trust failed to file documentary evidences to enable Commissioner (Exemption) to satisfy about genuineness of activities of trust or institution and application filed in Form No. 10AB was rejected and provisional registration was cancelled, in interest of justice, one more opportunity should be given to assessee to file requisite documents and evidences - **Surat Diamond Cutting & Polishing Cluster SPV Trust v. CIT (Exemption)** - [2025] 170 taxmann.com 127 (Surat-Trib.)
- 4.21 Where assessee-trust was created for purpose of following and propagating Jainism, since objects of assessee were confined to benefit of particular religious community or caste ie. Jains which was a specific violation under clauses (c) and (d) to Explanation to section 12AB(4), read with section 13(1)(b), assessee-trust was not entitled for registration under section 12AB - **Soudharma Brihad Tapogachchiya Tristutik Jain Sangha Samarpanam v. CIT (Exemption)** - [2025] 170 taxmann.com 590 (Ahmedabad - Trib.)

- 4.22 Where assessee filed an application for registration of trust under section 12AB and for grant of approval under section 80G and both applications were rejected on ground that supporting documents were not provided, in view of request of assessee for grant of an opportunity to provide necessary documents and submissions before Commissioner (Exemption), issues in both appeals were to be remitted back to Commissioner (Exemption) to decide same afresh - **Dhananjay Sanjogta Foundation v. CIT (Exemption)** - [2025] 170 taxmann.com 461 (Delhi - Trib.)

SECTION 32 OF THE INCOME-TAX ACT, 1961 - DEPRECIATION - ALLOWANCE/RATE OF

- 4.23 Where assessee-company was engaged in business of infrastructure development and it had constructed a toll road on land owned by National Highways Authority of India (NHAI), since as per terms of concessional agreement, immovable asset belonged to NHAI and assessee was merely a licensee for limited purpose of claiming depreciation, assessee was not entitled to any depreciation within meaning of section 32 - **Patna Bakhtiyarpur Tollway Ltd. v. ACIT** - [2025] 170 taxmann.com 586 (Hyderabad - Trib.)

SECTION 37(1) OF THE INCOME-TAX ACT, 1961 - BUSINESS EXPENDITURE - ALLOWABILITY OF

- 4.24 CSR expenditure incurred by assessee-company towards activities such as construction of 'career development centre' for its employees, community and local area where it existed was to be allowed as business expenditure under section 37(1) for assessment year 2014-15 - **Hindustan Coca Cola Beverages (P.) Ltd. v. Additional Commissioner of Income-tax** - [2025] 170 taxmann.com 633 (Delhi - Trib.)
- 4.25 Where penalty or fine was imposed on seizure of assessee's truck with wrong way bill under VAT proceedings, issue as to whether imposition of penalty on declaration of wrong way bill, which was contravention of VAT law, was actually an offence

or prohibited by law or it was only compensating in nature or compounding, and whether it was allowable or not was pending before Commissioner of Commercial Taxes and had not reached finality, unless said amount paid by assessee was settled as compensation or compounding in nature, same could not be allowed to claim as expenditure - **Hindustan Coca Cola Beverages (P.) Ltd. v. Additional Commissioner of Income-tax** - [2025] 170 taxmann.com 633 (Delhi - Trib.)

SECTION 44AD OF THE INCOME-TAX ACT, 1961 - PRESUMPTIVE TAXATION

- 4.26** Where assessee, engaged in business of imitation jewellery, had furnished computation of income for receipt of Rs. 1.08 crores under section 44AD, however, could not furnish details for balance amount of Rs. 16.81 lakhs which remained unexplained, since assessee had not carried out any other business except imitation jewellery and no material was available on record by which it could be construed that assessee had earned any other income other than from admitted business, it would be appropriate to treat amount of Rs. 16.81 lakhs also as business receipts - **Imran Ibrahim Badshah v. Income-tax Officer** - [2025] 170 taxmann.com 166 (Mumbai - Trib.)

SECTION 48 OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - COMPUTATION OF

- 4.27** Where assessee sold land and claimed indexed cost of acquisition of original cost of land at Rs. 20.69 crores, since in very next year of acquisition, assessee revalued its assets, valuing land at Rs. 10.84 crores in its books, and therefore, said value reflected its Fair Market Value (FMV) at time of acquisition, cost of acquisition of land for capital gains computation could not be Rs.20.69 crores due to lack optimized prices, and accordingly, FMV of Rs.10.84 crores was to be considered as acquisition cost for capital gains calculation - **Hindustan Coca Cola Beverages (P.) Ltd. v. Additional Commissioner of Income-tax** - [2025] 170 taxmann.com 633 (Delhi - Trib.)

SECTION 54B OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - TRANSFER OF LAND USED FOR AGRICULTURAL PURPOSES

- 4.28** Where assessee sold agricultural land and claimed deduction under section 54B, however, was not able to demonstrate that land sold was used for agricultural purposes for two years immediately preceding date of transfer, section 54B would not be applicable - **Amartbhai Mandanbhai Desai v. Principal Commissioner of Income-tax** - [2025] 170 taxmann.com 614 (Ahmedabad - Trib.)

SECTION 54F OF THE INCOME-TAX ACT, 1961 - CAPITAL GAINS - EXEMPTION OF, IN CASE OF INVESTMENT IN RESIDENTIAL HOUSE

- 4.29** Where assessee sold developmental rights and lease rights and invested sale proceeds in purchase of residential house and claimed deduction u/s. 54F, since an amount of Rs. 10.60 crores had been transferred from account of assessee to KHC on date of MoU which found mention in sale deed executed subsequently, assessee could not be denied benefit of deduction under section 54F - **DCIT v. Kruti Lalitkumar Jain** - [2025] 170 taxmann.com 465 (Pune - Trib.)

SECTION 56 OF THE INCOME-TAX ACT, 1961 - INCOME FROM OTHER SOURCES - CHARGEABLE AS

- 4.30** Where assessee had fraudulently receive refunds from income tax department by producing forged challans and parked same in accounts operated by him, and utilized it for economic gains, including investments, such fraudulent income was taxable in hands of assessee as income from other sources during relevant year of accrual even if said amount was recovered fully, by Govt. of India in subsequent years - **Mukesh Rasiklal Shah v. ACIT** - [2025] 170 taxmann.com 122 (Ahmedabad - Trib.)
- 4.31** Section 56(2)(vii)(c) had no application in case of amalgamation as new shares allotted by amalgamated company would not give rise to a transfer of shares - **DCIT v. Rajoo Engineers Ltd.** - [2025] 170 taxmann.com 587 (Rajkot - Trib.)

SECTION 57 OF THE INCOME-TAX ACT, 1961 - INCOME FROM OTHER SOURCES - DEDUCTIONS

- 4.32** Where assessee had fraudulently earned income and parked same in accounts operated by him and subsequently, said income was recovered by Govt. of India and assessee claimed deduction u/s. 57 for recovery of such income, recovery of such income did not constitute an expense incurred wholly and exclusively for purpose of earning income u/s. 57 and, therefore, deduction claimed was to be disallowed - **Mukesh Rasiklal Shah v. ACIT** - [2025] 170 taxmann.com 122 (Ahmedabad - Trib.)

SECTION 68 OF THE INCOME-TAX ACT, 1961 - CASH CREDIT

- 4.33** Where assessee had already declared cash sales in its books of account and lower authorities had accepted same as regular business transactions and cash were already recorded and explanation was already part of book results, there was no avenue for lower authorities to make addition u/s. 68 - **S. Balaji Mech-Tech (P.) Ltd. v. ITO** - [2025] 170 taxmann.com 639 (Delhi - Trib.)
- 4.34** Where assessee company received share capital from a company, since said shareholder entity had confirmed contribution of share capital and placed on record PAN details, financial statements and bank statement to substantiate contribution of share capital, and further, transaction of contribution of share capital was through proper banking channel, said share capital contribution received by assessee could not be said to be unexplained credit u/s. 68 - **Deputy Commissioner of Income-tax v. Mahavir Coal Resources (P.) Ltd.** - [2025] 170 taxmann.com 671 (Nagpur - Trib.)

- 4.35** Where assessee-company had shown loans as liability from its directors in its balance sheet which was not received directly by assessee but directors had paid same to various parties for purchase of land in name of assessee-company, since confirmation from said parties was received and directors had declared source of funds, additions u/s. 68 could not be made merely on ground that directors had taken unsecured loan for making said payments - **Canbara Infra (P.) Ltd. v. ACIT - [2025] 170 taxmann.com 373 (Mumbai - Trib.)**

SECTION 69A OF THE INCOME-TAX ACT, 1961 - UNEXPLAINED MONEYS

- 4.36** Where AO issued reopening notice for which prior approval was granted by Principal Commissioner, since process of reopening had been triggered beyond three years from end of relevant assessment year, clause (ii) of section 151(new regime) would apply and approval was to granted by Principal Chief Commissioner, thus, impugned notice was liable to be quashed - **Keshri Rice Industries v. Deputy Commissioner of Income-tax - [2025] 170 taxmann.com 425 (Raipur - Trib.)**

- 4.37** Where cash was found at residential premises of assessee during search and assessee declared a sum of Rs. 10 lakhs in company to cover up any irregularity in explanation of any unexplained item and this amount had been assessed in hands of company, and further assessee explained that source of cash was from past savings of family members and gift received from brothers, then, based on cumulative circumstances, it would be established that source of cash was available with assessee and, thus, impugned addition made on account of such cash was to be deleted - **Avinash Singla v. DCIT - [2025] 170 taxmann.com 710 (Chandigarh - Trib.)**

- 4.38** Where AO based on report received from Investigation wing, reopened assessment on ground that assessee had indulged in bogus transactions through commodity trading via client code modification, since report which was cornerstone of reopening of assessment did not in any manner establish or refer to any wrong doing or illegal activity of assessee and further, assessee was able to establish that its own funds were utilized to conduct transactions on NSEL platform, impugned reopening was unjustified - **DCIT v. Modern India Ltd. Mittal Chambers - [2025] 170 taxmann.com 750 (Mumbai - Trib.)**

SECTION 92C OF THE INCOME-TAX ACT, 1961 - TRANSFER PRICING - COMPUTATION OF ARM'S LENGTH PRICE

- 4.39** Transactions carried out with different Associated Enterprises (AEs) cannot be clubbed or aggregated because they cannot be termed as closely linked or continuous so as to influence price in aggregate or profit of parties arising from these transactions - **Zuari Cement Ltd. v. Deputy Commissioner of Income-tax - [2025] 170 taxmann.com 675 (Hyderabad - Trib.)**

- 4.40** Where assessee paid interest on masala bond at rate of 8.70 per cent per annum as per Advance Price Agreement (APA) for assessment years 2021-22 to 2025-26, TPO was not right in benchmarking same at 7.53 per cent per annum - **Zuari Cement Ltd. v. Deputy Commissioner of Income-tax - [2025] 170 taxmann.com 675 (Hyderabad - Trib.)**

- 4.41** Where TP adjustment was made in hands of assessee and Principal Commissioner initiated revision proceedings on ground that issues identified in show cause notice had not been verified and inquired by Assessing Officer, but he had not even undertaken any minimum enquiry and had not cited cogent reasons for reaching to conclusion that assessment order was erroneous, impugned revision order was bad in law - **Beam Global Spirits and Wine (India) (P.) Ltd. v. Principal Commissioner of Income-tax - [2025] 170 taxmann.com 407 (Delhi - Trib.)**

- 4.42** Interest of corporate guarantee was required to be computed at rate of 0.53 per cent while deterring ALP - **Cyient Ltd. v. DCIT - [2025] 170 taxmann.com 787 (Hyderabad - Trib.)**

- 4.43** Where letter of comfort or letter of support, is given as security, as per loan agreement then letter of comfort/letter of support would partake character of letter of security/guarantee and would amount to corporate guarantee - **Cyient Ltd. v. DCIT - [2025] 170 taxmann.com 787 (Hyderabad - Trib.)**

SECTION 144 OF THE INCOME-TAX ACT, 1961 - BEST JUDGMENT ASSESSMENT

- 4.44** Where case of assessee a registered stamp vendor was selected for scrutiny on account of cash deposit in her bank account during demonetization period and assessee did not submit bank statements and proper supporting documentary evidences with respect to cash deposits in her account and Assessing Officer completed assessment of assessee as 'Best Judgment Assessment' under section 144, despite non-cooperation by assessee and poor representation of matter before Assessing Officer, Commissioner (Appeals) exceeded his powers by setting aside matter back to Assessing Officer - **Jyoti Prakash Deshmukh v. ITO - [2025] 170 taxmann.com 711 (Mumbai - Trib.)**

SECTION 144C OF THE INCOME-TAX ACT, 1961 - TRANSFER PRICING- DISPUTE RESOLUTION PANEL

- 4.45** Where there was no TP variation in case of assessee and there was no separate TP order under section 92CA(3) for transactions specific to assessee, condition prescribed for assessee to be an 'eligible assessee' as per provisions of section 144C(15) were not met and, therefore, impugned order dated 12-5-2015 passed under section 143(3) read with section 144C was barred by limitation as it ought to have been passed on or before 31-3-2015 - **Novateur Electrical and Digital Systems (P.) Ltd. v. Assistant Commissioner of Income-tax - [2025] 170 taxmann.com 672 (Mumbai - Trib.)**

SECTION 145 OF THE INCOME-TAX ACT, 1961 - METHOD OF ACCOUNTING - SYSTEM OF ACCOUNTING

4.46 After rejection of books of account when impugned contract receipt had been included in total turnover/trading receipts for estimation of net profit then further addition of same amount was not permissible and allowable for making further addition - **Mohan Sukumaran v. Deputy Commissioner of Income-tax - [2025] 170 taxmann.com 503 (Raipur - Trib.)**

4.47 Where assessee accepted rejection of books of account and net profit rate declared by assessee in previous two assessment years of 1.42 per cent and 1.37 per cent and in subsequent two assessment years of 1.66 per cent and 1.90 per cent was accepted by Assessing Officer, Commissioner (Appeals) was not justified in taking 10 per cent net profit rate for making addition to assessee's income in relevant year and NP rate of 2.5 per cent of turnover would be just and proper - **Mohan Sukumaran v. Deputy Commissioner of Income-tax - [2025] 170 taxmann.com 503 (Raipur - Trib.)**

4.48 Where Assessing Officer rejected percentage completion method of accounting which was regularly followed by assessee and made addition on account of undisclosed sales with respect to difference in sales as per WIP stock account and as per profit and loss account, since profit out of sales were already substantially accounted for by assessee in earlier years and addition made in current year on basis of actual sales had led to double addition, Assessing Officer was not correct in rejecting method of accounting regularly followed by assessee and in working out income on basis of actual sales made during year - **Income-tax Officer v. Sainath Land Developers - [2025] 170 taxmann.com 431 (Ahmedabad - Trib.)**

SECTION 244A OF THE INCOME-TAX ACT, 1961 - REFUNDS - INTEREST ON

4.49 Assessee was entitled to interest on refund arising out of excess self-assessment tax from date of payment of self-assessment tax till date of grant of refund - **Indian Oil Corporation Ltd. v. DCIT - [2025] 170 taxmann.com 548 (Mumbai - Trib.)**

4.50 Where a specific provision to grant interest on delayed refunds was introduced by Finance Act, 2016 by inserting subsection (IA) in section 244 with effect from 1-6-2016, assessee would be entitled to additional interest on delayed refund from date of introduction of this provision i.e., 1-6-2016 till date of grant of refund - **Indian Oil Corporation Ltd. v. DCIT - [2025] 170 taxmann.com 548 (Mumbai - Trib.)**

SECTION 250 OF THE INCOME-TAX ACT, 1961 - COMMISSIONER (APPEALS) - PROCEDURE OF

4.51 Where Commissioner (Appeals) dismissed appeal of assessee ex parte on grounds that assessee had not filed any written submission nor gave any satisfactory evidence in support of grounds of appeal, since, there was no proof that notice sent on various dates were duly served or brought to notice of assessee, matter was to be remanded back to Commissioner (Appeals) - **Alps Construction v. Income-tax Officer - [2025] 170 taxmann.com 371 (Mumbai - Trib.)**

SECTION 271B OF THE INCOME-TAX ACT, 1961 - PENALTY - FOR FAILURE TO GET ACCOUNTS AUDITED

4.52 Where assessee failed to get his accounts audited on or before due date as prescribed under section 139(1) due to impounded documents during survey and lapse on part of chartered accountant, who stopped his practice, assessee was prevented by reasonable cause for not getting accounts audited in time, and, therefore, impugned penalty under section 271B levied upon assessee was to be deleted - **Dr. Murugesh Shantveerya Hiremath v. DCIT, Central Circle-1(5) - [2025] 170 taxmann.com 118 (Pune - Trib.)**

5. SAFEMA

SECTION 2(9) OF THE PROHIBITION OF BENAMI PROPERTY TRANSACTIONS ACT, 1988 - DEFINITIONS

5.1 Where property was provisionally attached on ground that it was benami property, however, property was neither transferred nor was held by alleged benamidar, applicability of section 2(9)(A) was doubtful and therefore, neither property was benami nor transaction which had occurred with respect to property was benami - **Rachakonda Srinivas Rao v. Initiating Officer, BPU, Hyderabad - [2025] 170 taxmann.com 718 (SAFEMA - New Delhi)**

GST & INDIRECT TAXES

1. STATUTORY UPDATES

- 1.1** Clarification regarding requirement of reversal of ITC by ECO's liable to pay tax u/s 9(5) of CGST Act: Circular - **CIRCULAR NO. 240/34/2024-GST [F. NO. CBIC-20001/14/2024-GST], DATED 31-12-2024**

Editorial Note : The CBIC has clarified that ECOs which are to liable to pay tax u/s 9(5) of CGST Act are not required to proportionately reverse ITC on inputs and input services, for supplies of restaurant & other services, covered u/s 9(5). However, the ECOs must pay tax liability under section 9(5) fully via cash ledger but they can use ITC for tax on services supplied on their own account.

- 1.2** Clarification on availability of ITC on goods delivered by supplier at his place of business under Ex-Works Contract: Circular - **CIRCULAR NO. 241/35/2024-GST [F. NO. CBIC-20001/14/2024-GST], DATED 31-12-2024**

Editorial Note : The CBIC has issued circular to clarify that input tax credit may be available to the registered person on receipt of goods by the said registered person from the supplier at his (supplier's) factory gate or business premises where the contract between the supplier and recipient is an Ex-Works contract.

- 1.3** Clarification on place of supply of online services supplied by the supplier of services to unregistered recipient: Circular - **CIRCULAR NO. 242/36/2024-GST [F. NO. CBIC-20001/14/2024-GST], DATED 31-12-2024**

Editorial Note : The CBIC has issued a circular to clarify that when the services are supplied to an unregistered person, the place of supply of the said services shall be the location of the recipient, if his address is available on record, and shall be the location of the supplier if the address is not available on record. In case of failure to record correct name of State of unregistered recipient of such supplies, he may be liable to penal action under the provisions of section 122(3)(e) of CGST Act.

- 1.4** CBIC issues clarification on various issues pertaining to GST treatment of vouchers - **CIRCULAR NO. 243/37/2024-GST [F. NO. CBIC-20001/14/2024-GST], DATED 31-12-2024**

Editorial Note : The CBIC has issued circular to clarify that transaction in vouchers would be treated neither as a "supply of goods" nor as a "supply of services. However, supply of underlying goods and/or services, for which vouchers are used as consideration or part consideration, may be taxable under GST. Also, the service fee/ service charge/ affiliate charge or other

amount for supply of such additional services to the voucher issuer as per the terms of contract/agreement, would be liable to GST.

- 1.5** CBIC extends due date of GSTR-1 for the tax period December, 2024 by 2 days - **NOTIFICATION NO. 1/2025 - CENTRAL TAX [G.S.R. 22(E)/F. NO. CBIC-20001/10/2024-GST], DATED 10-01-2025**

Editorial Note : The CBIC has issued notification to extend the due date of filing monthly GSTR-1 for the tax period December, 2024 till 13th January, 2025 and quarterly GSTR-1 for the tax period October to December, 2024, till 15th January, 2025.

- 1.6** Time limit for furnishing the return in FORM GSTR-3B extended by CBIC: Notification - **NOTIFICATION NO. 2/2025 - CENTRAL TAX [G.S.R. 23(E)/F. NO. CBIC-20001/10/2024-GST], DATED 10-01-2025**

Editorial Note : The CBIC has issued notification for extension of time limit for furnishing the return in FORM GSTR-3B for the taxpayers filing return monthly till 22nd January. The time limit of return filing of GSTR-3B under QRMP scheme for the quarter of October, 2024 to December, 2024 is also extended by 2 days.

- 1.7** CBIC extends time limit for furnishing FORM GSTR-5 for December, 2024 till 15th January, 2025 - **NOTIFICATION NO. 3/2025 - CENTRAL TAX [G.S.R. 24(E) /F. NO. CBIC-20021/2/2025-GST], DATED 10-01-2025**

Editorial Note : The CBIC has issued notification to extend the time limit for furnishing the return by a non-resident taxable person, in FORM GSTR-5 till 15th January, 2025.

- 1.8** Ground of arrest must be explained to arrested person under GST: Instruction - **INSTRUCTION NO. 01/2025-GST [GST/INV/INSTRUCTION/21-22], DATED 13-01-2025**

Editorial Note : The CBIC has issued instruction to amend the earlier guidelines regarding arrest and bail under GST and it is provided that grounds of arrest must be explained to the arrested person and also furnished to him in writing.

- 1.9** 5% GST on Fortified Rice Kernel: Notification - **NOTIFICATION NO. 1/2025- CENTRAL TAX (RATE) [G.S.R. 50(E)/F. NO. 190354/2/2025-TRU], DATED 16-01-2025**

Editorial Note : The CBIC has amended Notification No. 01/2017-Central Tax (Rate) to provide that 5% GST shall be levied on Fortified Rice Kernel (FRK) under HSN 1904. Also, the definition of 'pre-packaged and labelled' has been amended to cover all commodities that are intended for retail sale and containing not more than 25 kg or 25 litres, which are 'pre-packed' as defined under the Legal Metrology Act, or a label affixed thereto.

- 1.10** CBIC exempts "gene therapy" from levy of GST - **NOTIFICATION NO. 2/2025- CENTRAL TAX (RATE) [G.S.R. 53(E)/F. NO. 190354/2/2025-TRU], DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to provide that no GST shall be levied on gene therapy and it would be exempt with immediate effect.

- 1.11** 5% GST on food inputs of food preparations for free distribution to economically weaker sections: Notification - **NOTIFICATION NO. 3/2025- CENTRAL TAX (RATE) [G.S.R. 56(E)/F. NO. 190354/2/2025-TRU, DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to provide that 5% GST shall be levied on food inputs of food preparations under HSN 19 or 21 that are supplied for food preparations intended for free distribution to economically weaker sections under a government program subject to the existing conditions.

- 1.12** 18% GST shall be levied on margin of sale of all old and used vehicles: Notification - **NOTIFICATION NO. 4/2025-CENTRAL TAX (RATE) [G.S.R. 59(E)/F. NO. 190354/2/2025-TRU], DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to provide that 18% GST shall be levied on margin of sale of all old and used vehicles if the supplier of such goods has not availed input tax credit.

- 1.13** CBIC amends the definition of specified premises to link it with actual value of supply of hotels - **NOTIFICATION NO. 5/2025- CENTRAL TAX (RATE) [G.S.R. 38(E)/F. NO. 190354/2/2025-TO (TRU-II)], DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to amend the definition of specified premises (from the services rate and exemption notifications) to link it with actual value of supply of any unit of accommodation provided by the hotel and to make the rate of GST applicable on restaurant services in such hotels, for a given financial year, dependent upon the 'value of supply' of units of accommodation made in the preceding financial year.

- 1.14** Compensation Cess to be levied at 0.1% on supplies made to merchant exporters: Notification - **NOTIFICATION NO. 1/2025-COMPENSATION CESS (RATE) [G.S.R. 62(E)/F.NO. 190354/2/2025-TRU], DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to provide that the compensation cess shall be reduced to 0.1% on supplies made to merchant exporters, subject to fulfilment of certain conditions.

- 1.15** Sponsorship services provided by the body corporates would be under Forward Charge Mechanism: Notification - **NOTIFICATION NO. 7/2025-CENTRAL TAX (RATE) [G.S.R. 44(E)/F.NO. 190354/2/2025-TO (TRU-II)], DATED 16-01-2025**

Editorial Note : The CBIC has issued a notification to amend RCM Notification No. 13/2017-Central Tax (Rate) and now sponsorship services provided by the body corporates would be under Forward Charge Mechanism. Also, taxpayers registered under composition levy scheme are excluded to pay GST under RCM on renting of any commercial/immovable property (other than residential dwelling).

- 1.16** No GST on services provided by the Motor Vehicle Accident Fund against contributions made by insurers: Notification - **NOTIFICATION NO. 6/2025-CENTRAL TAX (RATE) [G.S.R. 41(E)/F.NO. 190354/2/2025-TO (TRU-II)], DATED 16-01-2025**

Editorial Note : The CBIC has issued notification to provide that no GST shall be levied on services of insurance provided by the Motor Vehicle Accident Fund against contributions made by insurers out of the premiums collected for third party insurance of motor vehicles.

- 1.17** Central Goods and Services Tax (Amendment) Rules, 2025 - **NOTIFICATION NO. 7/2025 - CENTRAL TAX [F. NO. CBIC-20001/15/2024-GST], DATED 23-01-2025**

Editorial Note : The CBIC has issued Central Goods and Services Tax (Amendment) Rules, 2025 to introduce FORM GST REG-12 for grant of temporary identification number to person who is not liable to registration but is required to make any payment under the provisions of the GST Act.

- 1.18** Waiver in late fees for pending GSTR-9C for FY 2017-18 to 2022-23 on filing on before 31st March, 2025: Notification - **NOTIFICATION NO. 08/2025 - CENTRAL TAX [S.O. 419(E)/F. NO. CBIC-20001/15/2024-GST], DATED 23-01-2025**

Editorial Note : The CBIC has issued notification to waive the amount of late fee for delayed filing of Form GSTR-9C, which is in excess of the amount of late fee payable till the date of filing of Form GSTR-9 for the financial years 2017-18 to 2022-23, provided the said Form GSTR-9C is filed on or before 31-03-2025. However, no refund of late fee already paid in respect of delayed furnishing of FORM GSTR-9C for the said financial years shall be available.

- 1.19** CBIC cautions against fraudsters issuing fake and fraudulent Summons for GST violations - **PRESS RELEASE, DATED 24-01-2025**

Editorial Note : The CBIC has issued a press release to caution taxpayers against fraudsters issuing fake and fraudulent Summons for GST violations. Now, the taxpayers can verify online any communication from DGGI or any office of CGST by using the 'VERIFY CBIC-DIN' window on CBIC website.

- 1.20** Payment of GST on co-insurance premium apportioned by lead insurer to co-insurer is regularized on 'as is where is' basis: Circular - **CIRCULAR NO. 244/01/2025-GST [F. NO. CBIC-190354/2/2025-TO(TRU-II)-CBEC], DATED 28-01-2025**

Editorial Note : The CBIC has issued circular to provide that payment of GST on co-insurance premium apportioned by lead insurer to co-insurer and on ceding /re-insurance commission deducted from the reinsurance premium paid by the insurer to the reinsurer is regularized for the period 01.07.2017 to 31.10.2024, on 'as is where is' basis.

- 1.21** CBIC issued clarifications regarding applicability of GST on certain services as recommended by GST Council - **CIRCULAR NO. 245/02/2025-GST [F. NO. CBIC-190354/2/2025-TO(TRU-II)-CBEC], DATED 28-01-2025**

Editorial Note : The CBIC has issued circular to clarify that no GST is payable on the penal charges levied by Regulated Entities; GST exemption is available to RBI regulated Payment Aggregators (PAs) up to two thousand rupees in a single transaction and payment of GST on services provided by Training Partners approved by NSDC is regularized for the period 10.10.2024 to 15.01.2025, on 'as is where is' basis.

- 1.22** Clarification on applicability of late fee for delay in furnishing of FORM GSTR-9C: Circular - **CIRCULAR NO. 246/03/2025-GST, DATED 30-01-2025**

Editorial Note : The CBIC has issued circular to clarify that late fee is not separately leviable for delayed furnishing of FORM GSTR-9 and delayed furnishing of FORM GSTR-9C. Also, it is clarified that no additional late fee shall be payable for delayed furnishing of FORM GSTR-9C which is in excess of the late fee payable under section 47 upto the date of furnishing FORM GSTR-9 for the said financial year.

- 1.23** GSTN enables filing of "Application for Rectification" as per Notification No. 22/2024-CT

Editorial Note : The GSTN has issued an update to inform that a functionality has been made available on the Portal for taxpayers to file an application for rectification as per Notification No. 22/2024 - CT dated 08.10.2024. A hyperlink has also been provided on the Portal to download the proforma in Annexure A in word format, required to be uploaded after entering details of the demand order of ITC wrongly availed.

- 1.24** Manual entry of HSN to be replaced by choosing correct HSN from given dropdown in table 12 of GSTR-1: GSTN Update

Editorial Note : The GSTN has issued an update to inform that now Phase-III regarding Table 12 of GSTR-1 & 1A is being implemented, from return period January 2025. In this phase manual entry of HSN has been replaced by choosing correct HSN from given Drop down. Also, Table-12 has been bifurcated into two tabs namely B2B and B2C, to report these supplies separately.

- 1.25** Forms GST SPL-01 and GST SPL-02 are available in the GST portal: GSTN Update

Editorial Note : The GSTN has issued an update to inform that both Forms GST SPL 01 and GST SPL 02 are available in the GST portal and the taxpayers are advised to file applications under waiver scheme. However, for the appeal applications (APL 01) filed before 21.03.2023, withdrawal option is not available in GST portal. For such cases, the taxpayers are advised to submit their request for withdrawal of appeal applications to the concerned Appellate Authority.

- 1.26** Draft GSTR-2B for the month of December 2024 will be generated on 16th January, 2025: GSTN

Editorial Note : The GSTN has issued an update to inform that he Draft GSTR-2B for the month of December 2024 (Quarter Oct-Dec 2024) will now be generated on 16th January 2025 in accordance with the rule 60 of CGST Rules, 2017.

- 1.27** Phase-3 of reporting of HSN codes in Table 12 of GSTR-1 & 1A to be implemented from February 2025: GSTN

Editorial Note : The GSTN has issued an update to inform that Phase-III regarding Table 12 of GSTR-1 & 1A is being implemented, from return period February 2025. In this phase manual entry of HSN has been replaced by choosing correct HSN from given Drop down. Also, Table-12 has been bifurcated into two tabs namely B2B and B2C, to report these supplies separately.

- 1.28** GSTN advisory on the introduction of E-Way Bill (EWB) for Gold in Kerala State

Editorial Note : The GSTN has issued an update to inform that a new option for generating E-Way Bills (EWB) for gold has been introduced in the EWB system, effective from January 20, 2025. This feature has been made available to facilitate taxpayers in Kerala State to generate EWB for goods classified under Chapter 71, excluding Imitation Jewellery, for intrastate movement, in compliance with the notification issued by the Government of Kerala.

- 1.29** Auto-populated liability in GSTR-3B will not be implemented from January tax period: GSTN

Editorial Note : The GSTN has issued an update to inform that various requests have been received from the trade seeking time for restricting the editing of auto-populated liability in GSTR-3B from the January 2025 tax period. Therefore, the decision of making non-editable of auto-populated liability in GSTR-3B is currently not being implemented from January tax period, on the GST Portal.

2. SUPREME COURT

SECTION 2 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEFINITIONS

- 2.1 Batch of writ petitions filed against HC's holding that Online/ offline/ physical/ electronic/ digital Rummy games and also other games, played with or without stakes on assessee's Mobile App being substantially and preponderantly games of skill and not of chance, are not covered within expression 'betting and gambling' appearing in Entry 6 of Schedule III to CGST Act, 2017 and, hence, same are not taxable; since main matter had, by instant time, ripen for final hearing, same were to be tagged; further proceedings of all impugned SCNs would remain stayed till final disposal - **Directorate General of GST Intelligence (HQS) v. Gameskraft Technologies (P.) Ltd.** - [2025] 170 taxmann.com 478 (SC)

SECTION 16 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - INPUT TAX CREDIT - ELIGIBILITY AND CONDITIONS FOR TAKING CREDIT

- 2.2 Where HC held that ITC not carried forward from VAT to GST regime through TRAN-1 form can only be claimed as set-off against output tax within prescribed time limits, not as cash refund, SLP filed against same was to be dismissed - **Graphite India Ltd. v. State of Bihar** - [2025] 170 taxmann.com 646 (SC)

SECTION 29 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REGISTRATION - CANCELLATION OF

- 2.3 Where assessee's request for cancellation of registration was rejected and high court vide impugned order directed authorities to take steps for cancellation registration, which was sought to be challenged vide instant leave petition, since revenue sought to withdraw same with liberty to file review, leave petition was to be accordingly disposed of with liberty as prayed - **Pr. Comm. of GST v. Delhi Metal Company** - [2025] 170 taxmann.com 645 (SC)

SECTION 73 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEMANDS AND RECOVERY - TAX OR INPUT TAX CREDIT DUE NOT INVOLVING FRAUD, MISSTATEMENT, OR SUPPRESSION

- 2.4 Where HC set aside SCN u/s. 73, holding that such proceedings could only be initiated if petitioner's explanation was unsatisfactory, and since explanation had been accepted, instant court was not inclined to interfere in matter, thus instant SLP was to be dismissed - **Joint Commissioner v. Goverdhandham Estate (P.) Ltd.** - [2025] 170 taxmann.com 728 (SC)

3. HIGH COURT

SECTION 2 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEFINITIONS

- 3.1 Where demand was raised on activities of setting up of Solar Power Plants by assessee @18 percent holding that same amounted to 'works contract', since solar power generating system was not immovable property, transaction in question could not fall within meaning of 'works contract'; Supply of solar generating power station was a composite supply attracting 5 percent tax, therefore, impugned demand order was to be set aside - **Sterling and Wilson (P.) Ltd. v. Joint Commissioner** - [2025] 170 taxmann.com 539 (Andhra Pradesh)

SECTION 7 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - SUPPLY - SCOPE OF

- 3.2 Goods and Service Tax would not be leviable on assignment of leasehold rights of plot of land allotted on lease by State industrial development corporation-GIDC and building constructed thereon by lessee or its successor (assignor) to a third party (assignee) on payment of lump-sum because such an assignment by sale and transfer of leasehold rights of plot for a consideration would be assignment/sale/transfer of benefits arising out of 'immovable property' by lessee-assignor in favour of third party-assignee who would become lessee of GIDC in place of original allottee-lessee; such assignment would not be covered under scope of supply - **Gujarat Chamber of Commerce and Industry v. Union of India** - [2025] 170 taxmann.com 251 (Gujarat)

- 3.3 Where show cause notices were issued to petitioners e.g. Electricity regulatory commissions for levy of tax in respect of fee received in discharge of their regulatory functions, since an electricity regulatory commission acts as a 'tribunal' and regulation of tariff, inter-State transmission of electricity or issuance of license could not be construed as activities undertaken in furtherance of business, said show cause notices were to be quashed - **Central Electricity Regulatory Commission v. Additional Director Directorate General of GST Intelligence** - [2025] 170 taxmann.com 406 (Delhi)

- 3.4 Where in reply to show cause notice, assessee raised contention that transfer of land and building constructed thereon by lessee to third party would fall within Item 5 of Schedule III and not under Item 2 of Schedule II of CGST Act, 2017 but said contention was not dealt with at all in impugned order, matter was to be readjudicated - **Panacea Biotec Ltd. v. Union of India** - [2025] 170 taxmann.com 621 (Bombay)

SECTION 9 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - LEVY & COLLECTION OF TAX

- 3.5 Where petitioner, a contractor, had filed a representation based on internal communication, thereby an approval of deviation statement was made post GST for deviation in pre GST regime on work executed and amount payable to petitioner, respondent was to be directed to deal with such representation - **Satyabrata Jena v. State of Odisha** - [2025] 170 taxmann.com 354 (Orissa)

- 3.6 Where certain tax was levied upon petitioner holding company on providing corporate guarantee to its subsidiary company relying on Circular No. 204/16/2023-GST, Dated 27-10-2023, notice was to be issued to respondents and meanwhile operation of Circular (supra) was to be stayed till further orders - **Vedanta Ltd. v. Union of India** - [2025] 170 taxmann.com 416 (Bombay)

SECTION 11B OF THE CENTRAL EXCISE ACT, 1944 - CLAIM FOR REFUND OF DUTY AND INTEREST, IF ANY, PAID ON SUCH DUTY

- 3.7 Where revenue rejected petitioner's claims of service tax paid on export of services under rule 5 of Service Tax Rules, citing non-receipt of original documents and deficiencies in photocopies provided, loss of original documents was occurred due to revenue's inefficiency during transfer from Delhi to Ahmedabad and petitioner could not be penalized for department's procedural lapses and if petitioner was legally entitled to rebate claim, revenue could not deny same for want of documents, therefore order rejecting rebate claims was to be quashed and set aside - **Vodafone Idea Ltd. v. Union of India** - [2025] 170 taxmann.com 490 (Gujarat)

SECTION 14 OF THE LIMITATION ACT, 1963 - EXCLUSION OF TIME OF PROCEEDING BONA FIDE IN COURT WITHOUT JURISDICTION

- 3.8 Where assessee filed instant petition stating that authority had issued separate notices for separate assessment years, assessee having alternative and efficacious remedy of appeal under section 107, instant petition was to be dismissed - **Apoorva Construction Co. v. Commercial Tax Officer** - [2025] 170 taxmann.com 510 (Karnataka)

SECTION 16 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - INPUT TAX CREDIT - ELIGIBILITY AND CONDITIONS FOR TAKING CREDIT

- 3.9 Where department issued show cause notice raising demand of Rs. 10.60 crores however in impugned order demand was quantified at 247.32 crores, impugned order traversing beyond show cause notice could not be sustained - **Gillette India Ltd. v. Assistant Commissioner** - [2025] 170 taxmann.com 479 (Madras)
- 3.10 Section 16(2)(c) serves a legitimate purpose in ensuring effective functioning of the GST system and protecting government revenue and since division bench upheld validity of said section in view of judgement Nahasshukoor v. Assistant Commissioner II Circle, Alappuzha and Others [2024] 123 GSTR 44 KER, challenge to constitutionality of Section 16(2)(c) by appellant was to be rejected and instant writ petition was to be dismissed - **Muhammed Abdul Saini v. State Tax Officer** - [2025] 170 taxmann.com 252 (Kerala)

SECTION 16 OF THE INTEGRATED GOODS AND SERVICES TAX ACT, 2017 - SUPPLY - ZERO RATED SUPPLY - GENERAL

- 3.11 Where assessee challenged order in original on grounds that Rule 96(10), based upon which order in original was passed, had been struck down by Kerala HC, notice was to be issued to respondent authority and till further orders, recovery pursuant to order in original was to be stayed - **Saru Silver Alloys (P.) Ltd. v. Union of India** - [2025] 170 taxmann.com 353 (Allahabad)

SECTION 29 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REGISTRATION - CANCELLATION OF

- 3.12 GST registration cancellation order and appellate order affirming said cancellation order were to be quashed as site which was inspected and which was stated to be place from where business was being carried on was found to be in conformity with disclosures made in original registration certificate and it was found that firm was functioning at registered place of business with sufficient stock - **MS Enterprises v. Sales Tax Officer Class-II/ Avato** - [2025] 170 taxmann.com 391 (Delhi)
- 3.13 Suspension of assessee's GST registration due to pending inquiry, without considering their reply, was deemed too harsh, and thus, revenue was directed to revoke suspension of GST registration of assessee while allowing inquiry to proceed in accordance with law - **Haradiya Enterprises v. Superintendent of Central Tax** - [2025] 170 taxmann.com 316 (Karnataka)
- 3.14 Where assessee's GST registration was cancelled from retrospective date, respondents failed to indicate any intent to cancel registration from retrospective date in SCN, impugned order was to be set aside - **D J Enterprises v. Deputy Commissioner of CGST** - [2025] 170 taxmann.com 435 (Delhi)
- 3.15 Where assessee's registration was cancelled arbitrarily, assessee been deprived of a reasonable opportunity to respond, impugned order failed to record or assign any reason in support of allegations which stood levelled in SCN and which preceded passing of order, impugned order was to be set aside - **D J Enterprises v. Dy Comm. of CGST** - [2025] 170 taxmann.com 435 (Delhi)
- 3.16 Retrospective cancellation of GST registration requires specific reasons and cannot be mechanical; must be indicated in SCN - **Shakti Metal Industries v. Commissioner of Delhi GST** - [2025] 170 taxmann.com 398 (Delhi)
- 3.17 Where notice to assessee was given for cancellation of registration on ground that returns had not been filed continuously for six months; whereas, order of cancellation of registration had been passed on a different ground that comparison of return as per Rule 21-A(2-A) was not possible, for which petitioner was never put to any notice, thus, order of cancellation of registration was in gross violation of principles of natural justice which could not be sustained in eyes of law and therefore said order of cancellation was to be quashed - **Udai Associates v. State of U.P.** - [2025] 170 taxmann.com 569 (Allahabad)

SECTION 30 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REGISTRATION - REVOCATION OF CANCELLATION OF

- 3.18** Where registration of assessee was cancelled, on condition that assessee paid all taxes, interest and penalty, delay in assessee's invoking rule 23 for filing revocation application was to be condoned and revocation application of assessee was to be considered in accordance with law - **Mohanty Enterprises v. Commissioner, CT & GST, Odisha - [2025] 170 taxmann.com 64 (Orissa)**
- 3.19** Where pursuant to cancellation of registration of assessee, delay in assessee's invoking proviso to Rule 23 was to be condoned subject to assessee depositing all tax and penalties etc. and application of assessee for revocation of cancellation of registration was to be considered in accordance with law - **Ganapati Enterprises v. State Tax Officer - [2025] 170 taxmann.com 412 (Orissa)**
- 3.20** Where pursuant to cancellation of registration of assessee, delay in assessee's invoking proviso to Rule 23 was to be condoned subject to assessee depositing all tax and penalties etc. and application of assessee for revocation of cancellation of registration was to be considered in accordance with law - **Sonu Pattanayak v. Additional State Tax Officer - [2025] 170 taxmann.com 485 (Orissa)**
- 3.21** Where pursuant to cancellation of registration of assessee, delay in assessee's invoking proviso to Rule 23 was to be condoned subject to assessee depositing all tax and penalties etc. and application of assessee for revocation of cancellation of registration was to be considered in accordance with law - **Abhaya Kumar Sethi v. Commissioner of (C.T. & G.S.T.), Odisha - [2025] 170 taxmann.com 555 (Orissa)**
- 3.22** Where pursuant to cancellation of registration of assessee, delay in assessee's invoking proviso to Rule 23 was to be condoned subject to assessee depositing all tax and penalties etc. and application of assessee for revocation of cancellation of registration was to be considered in accordance with law - **Durga Cycle Store v. State Tax Officer, CT & GST Circle-II - [2025] 170 taxmann.com 559 (Orissa)**
- 3.23** Where pursuant to cancellation of registration of assessee, delay in assessee's invoking proviso to Rule 23 was to be condoned subject to assessee depositing all tax and penalties etc. and application of assessee for revocation of cancellation of registration was to be considered in accordance with law - **Subhrajit Behera v. Additional Commissioner GST (Appeals), Bhubaneswar - [2025] 170 taxmann.com 357 (Orissa)**
- 3.24** Where registration of assessee was cancelled for not filing returns for a continuous period of six months, cancellation was to be revoked and registration was to

be restored upon assessee making payment of all statutory dues - **Krishanu Borthakur v. Union of India - [2025] 170 taxmann.com 600 (Gauhati)**

SECTION 50 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - PAYMENT OF TAX - INTEREST ON DELAYED PAYMENT

- 3.25** Failure to respond to tax notice within stipulated time does not bar consideration of representation and response already on record while taking final decision, preserving right to challenge adverse order through appropriate remedy. - **Core Bore & lay Constructions (P.) Ltd. v. Union Territory of J & K - [2025] 170 taxmann.com 180 (Jammu & Kashmir and Ladakh)**

SECTION 51 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - TAX DEDUCTION AT SOURCE

- 3.26** Asst. order traversing beyond SCN and failing to consider objections violates Section 75(7) of CGST Act, warranting its treatment as fresh Show Cause Notice - **National Contracting Company Ltd. v. Asst. Commissioner (ST) - [2025] 170 taxmann.com 601 (Madras)**

SECTION 54 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REFUND - TAX, REFUND OF

- 3.27** Where petitioner, was a wholly owned subsidiary of InfoDesk Inc., USA, which provides software consultancy services, IT support, and other services exclusively for its parent company under a service agreement and agreement clearly indicated that petitioner provided services on its own account, rather than facilitating transactions between third parties, thus, petitioner's services were qualified as export of services u/s. 2(6) of IGST Act as petitioner received payment in foreign exchange, and place of supply was outside India, thus, revenue had committed an error in holding that petitioner was providing intermediary service to its parent company, and therefore revenue was directed to process refund claim - **Infodesk India (P.) Ltd. v. Union of India - [2025] 170 taxmann.com 413 (Gujarat)**

SECTION 56 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - REFUND - DELAYED REFUNDS, INTEREST ON

- 3.28** Where pursuant to rejection of refund claim of assessee, instant court had allowed issue in favour of assessee, however, respondent authority denied interest on refund on remand, such order was in contravention of directions issued by instant court, therefore, same was to be set aside and interest was to be computed as per section 56 - **J M Plastic Industries v. Dy. Commissioner of Central Tax GST - [2025] 170 taxmann.com 317 (Delhi)**

SECTION 61 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - ASSESSMENT - SCRUTINY OF RETURNS

- 3.29** Where activities of assessee were spread over 19 states and AO passed assessment order taking 40 percent of total turnover of assessee for state of Bihar without any statutory sanction in assessment order, same could not be sustained; matter was to be remanded to assessing officer - **Run Service Infocare (P.) Ltd. v. Union of India - [2025] 170 taxmann.com 396 (Patna)**

SECTION 64 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - ASSESSMENT - SUMMARY ASSESSMENT

- 3.30** Where adjudication order was passed based on audit against assessee on last date of extended time without application of mind, same could not be sustained and assessee was to be granted opportunity of hearing - **Alom Extrusions Ltd. v. CC of CT and GST, Odisha** - [2025] 170 taxmann.com 556 (Orissa)

SECTION 67 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - SEARCH, SEIZURE ETC. - POWER OF INSPECTION, SEARCH AND SEIZURE

- 3.31** Where pursuant to an inspection u/s. 67 at premises of assessee excess stock was found and impugned order was passed u/s. 130, since instant court on various occasions held that if excess stock is found, proceedings u/s. 73 or 74 will come into play rather than section 130, impugned order could not be sustained - **Dee Control And Electric (P.) Ltd. v. Additional Commissioner Grade-2** - [2025] 170 taxmann.com 726 (Allahabad)

SECTION 69 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - SEARCH, SEIZURE, ETC. - POWER TO ARREST

- 3.32** Section 69 of CGST Act empowers Commissioner to order arrest for specified offences u/s. 132; However, mere availability of such power does not justify arrest or detention; In absence of evidence suggesting assessee would abscond or ignore summons, continued detention was unwarranted, and assessee was to be released on bail. - **Dharmendra Agarwal v. Union of India** - [2025] 170 taxmann.com 558 (Gauhati)

SECTION 73 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEMANDS AND RECOVERY - TAX OR INPUT TAX CREDIT DUE NOT INVOLVING FRAUD, MISSTATEMENT, OR SUPPRESSION

- 3.33** Where impugned order u/s. 73 passed mentioning that reply filed was "not comprehensible, conceivable, not perspicuous and is ambiguous", approach of respondent authority exhibited an abject non-application of mind, impugned order being unreasoned order was to be set aside - **Xerox India Ltd. v. Assistant Commissioner** - [2025] 170 taxmann.com 189 (Delhi)
- 3.34** Order, issued u/s. 73 for alleged turnover mismatch in GST filings, was to be set aside and matter was to be remanded as revenue failed to consider petitioner's detailed reply explaining that said inconsistency arose due to inadvertent inclusion of Pan-India turnover, rather than Gujarat-specific turnover, in reconciliation forms - **Cosmos Business Machines Partnership Firm through Ashok Kisan Sawant v. Union of India** - [2025] 170 taxmann.com 214 (Gujarat)

- 3.35** Where proper officer in Telangana confirmed demand without determining tax awaiting orders of authorities of different state, such order was to be set aside and matter was to be remanded to pass fresh orders - **Procter and Gamble Home Products (P.) Ltd. v. Union of India** - [2025] 170 taxmann.com 394 (TELANGANA)

- 3.36** Rejection of adjournment requests without sufficient reasons and taking narrow view while refusing adjournment in proceedings under Section 73(9) of CGST Act warrants quashing of order and remand for fresh consideration with opportunity of hearing - **Indian Spinal Injuries Centre v. Assistant Commissioner (DGST)** - [2025] 170 taxmann.com 351 (Delhi)

- 3.37** Where impugned order under section 73 passed mentioning that reply filed was "not comprehensible, conceivable and not perspicuous", approach of respondent authority exhibited an abject non-application of mind, impugned order being unreasoned was to be set aside - **ICICI Lombard General Insurance Co. Ltd. v. Union of India** - [2025] 170 taxmann.com 678 (Delhi)

- 3.38** Directions of Supreme Court given during Covid period for excluding period between 15-3-2020 to 28-2-2022 for computing period of limitation was applicable to GST laws also as said directions issued by Supreme Court in suo motu jurisdiction using extraordinary power under Article 141/142 would be applicable to GST recovery proceedings also - **Brunda Infra (P.) Ltd. v. Additional Commissioner of Central Tax** - [2025] 170 taxmann.com 312 (Telangana)

- 3.39** Where petitioner was issued a Summary SCN (Form GST DRC-01) without a proper SCN or proper officer authentication under Rule 26(3A), and merely attaching a tax determination statement without stating reasons failed to meet legal requirements, impugned summary order was set aside for denying petitioner a requested personal hearing in Form GST DRC-06 - **Rohul Amin Akand v. State of Assam** - [2025] 170 taxmann.com 257 (Gauhati)

- 3.40** Where pursuant to inspection at premises of assessee show cause notice was uploaded on GST portal under 'additional notices and orders' tab, of which assessee being unaware could not file objections culminating into impugned order confirming demand, same was to be set aside and matter was to be remanded - **Tvl. Bhawar Life Style v. State Tax Officer/commercial Tax Officer** - [2025] 170 taxmann.com 512 (Madras)

- 3.41** Where in show cause notice amount was taken from balance sheet of assessee to arrive at ITC amount of Rs. 37 lakhs, however assessee submitted that said amount also included exempted supply e.g. diesel and only Rs. 30 lakh was taxable supply received, for need of clarification, impugned order was to be stayed till next date of hearing - **Coastal Construction v. Chief Commissioner of CT and GST** - [2025] 170 taxmann.com 725 (Orissa)

- 3.42** Where a notice was issued to assessee levying tax on amount taken from annual report, however on reply of assessee stating that assessee had sold a business for certain respondents admitted vide 2nd notice that tax on sale consideration of business was not exigible, however impugned order was passed thereafter confirming demand on entire amount from annual report, same being contrary to 2nd notice issued by department was to be set aside - **Frontline Wind Energy (P.) Ltd. v. Assistant Commissioner (ST) - [2025] 170 taxmann.com 676 (Madras)**
- 3.43** Where a show cause notice was issued to assessee in relation to availment of ITC for effecting taxable as well as exempted supply and subsequent thereto, another notice was issued in relation to mis-classifying product as exempted goods instead of taxable at rate of 5 percent, subject matter of both notices being totally different from each other and there being no bar in law in issuing two show cause notices for same period with a different/distinct subject matter, no interference to show cause notice was made out - **ALM Industries Ltd. v. Assistant Commissioner (AE) Central goods and services - [2025] 170 taxmann.com 643 (Allahabad)**
- 3.44** Where petitioner-assessee challenged assessment order passed by respondent-department, on ground that petitioner-assessee was not provided with opportunity of hearing to explain identified discrepancies, however, in Sree Manoj International Vs. Deputy State Tax Officer, matter was remanded back, subject to payment of 10% of disputed taxes by petitioner-assessee, therefore, relying upon aforesaid judgment, matter was to be remanded back to respondent-department, and impugned order was to be treated as show cause notice, upon compliance of condition to deposit 10% of disputed tax - **Tvl. S S Enterprises Electricals v. State Tax Officer 1 - [2025] 170 taxmann.com 734 (Madras)**
- 3.45** Where petitioner was issued a Summary SCN (Form GST DRC-01) without a proper SCN or proper officer authentication under Rule 26(3A), and merely attaching a tax determination statement without stating reasons failed to meet legal requirements, impugned summary order was set aside for denying petitioner a requested personal hearing in Form GST DRC-06 - **Shambhu Prasad v. State of Assam - [2025] 170 taxmann.com 607 (Gauhati)**
- 3.46** Summary of Show Cause Notice in GST DRC-01 is not a substitute to the Show Cause Notice to be issued in terms with Section 73 [1], irrespective of issuance of summary of show Cause Notice, Proper Officer had to issue a Show Cause Notice to put provision of Section 73 into motion, therefore order passed by revenue against assessee was to be set aside as same was passed without issuing SCN to assessee - **Print Sales Company v. State of Assam - [2025] 170 taxmann.com 602 (Gauhati)**

SECTION 73 OF THE FINANCE ACT, 1994 - RECOVERY OF SERVICE TAX NOT LEVIED OR PAID OR SHORT-LEVIED OR SHORT-PAID OR ERRONEOUSLY REFUNDED

- 3.47** Service tax cannot be recovered based on returns shown in income tax returns - **Amrish Rameshchandra Shah v. Union of India - [2025] 170 taxmann.com 476 (Bombay)**

SECTION 74 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DEMANDS AND RECOVERY - TAX OR INPUT TAX CREDIT INVOLVING FRAUD, MISSTATEMENT, OR SUPPRESSION

- 3.48** Where SCN was issued under section 73 to which assessee filed reply, Subsequently, notice under section 74 was issued, but no reply was filed by assessee, Since section 74 notice was issued 16 days after section 73 by same officer, reply to initial notice was already filed, officer could not proceed on basis of no reply - Impugned order was to be set aside and matter was remanded for fresh order. - **Arangath Parambil Mohammed Mohammed Shabeer v. State Tax Officer - [2024] 168 taxmann.com 294 (Kerala)**
- 3.49** Where assessee challenged order passed under section 74 on grounds that no opportunity of hearing was granted, however records revealed that an advocate appeared on behalf of assessee and explained, objection, writ petition of assessee was to be dismissed - **Malabar Trading Co. v. State Tax Officer - [2025] 170 taxmann.com 318 (Kerala)**
- 3.50** In case of circular trading involving six firms, assessment was to be done jointly for all firms involved in relevant years; matter could not be proceeded individually - **Rahul Steels v. Union of India - [2025] 170 taxmann.com 255 (Madhya Pradesh)**
- 3.51** Where reminder notices for personal hearing were only uploaded on GST portal without physical service, assessment order set aside with directions to verify payment claims and allow objections subject to deposit of balance 25% tax - **Tvl. Jayam Sai Concrete Works v. State Tax Officer Investigation Gr-I - [2025] 170 taxmann.com 563 (Madras)**
- 3.52** Where assessee challenged show cause notice on ground that common notice was issued for multiple assessment period, since a notice under section 74(1) can be issued for any period, provided said notice was given at least 6 month prior to time limit specified in section 74(10) for issuance of order and in instant case, admittedly, there was no issue of limitation, writ petition could not be entertained - **RioCare India (P.) Ltd. v. Assistant Commissioner CGST - [2025] 170 taxmann.com 605 (Bombay)**
- 3.53** Where proprietor of assessee-firm died on 25-12-2023 GST registration of firm was cancelled on 16-2-2024 with effect from 31-1-2024, notice issued on 12-2-2024 followed by reminders, ex parte assessment done under section 74 on 20-9-2024, assessment made against a dead person, impugned order was to be set aside - **Upmanyu Kattha Industries v. State of U.P. - [2025] 170 taxmann.com 690 (Allahabad)**

3.54 Where SCNs were only uploaded on GST portal without physical service, order demanding differential ITC between GSTR-2A and GSTR-3B set aside and matter remanded for fresh consideration subject to 25% tax deposit - **SRT Fuels v. Dy State Tax Officer - [2025] 170 taxmann.com 446 (Madras)**

3.55 Where SCN issued u/s. 74(1) was a mere replica of intimation given earlier and did not deal with contentions raised by assessee in their reply to intimation, authority should consider reply to intimation and deal with issues raised therein before issuing SCN - **Jyoti Tar Products (P.) Ltd. v. Dy Commissioner, State Tax - [2025] 170 taxmann.com 679 (Calcutta)**

3.56 Impugned proceedings are set aside when impugned order as well as DRC-07 notice for tax period 2017-18, 2018-19 and 2019-20, as well as SCN and DRC-01 notice dated issued by Assistant Commissioner and uploaded in GST common portal do not contain signature of officers concerned - **A V Bhanoji Row v. Asst. Commissioner (ST) - [2025] 170 taxmann.com 799 (Andhra Pradesh)**

SECTION 94 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - FIRM, AOP, HUF, LIABILITY TO PAY TAX

3.57 Where petitioner was secretary of a non-government employees welfare society and respondent had attached its property for realization of tax dues of society, since such society does not come under purview of 'association of persons' as set out in section 94, where tax could be recovered from members, order passed by respondents was to be set aside - **Gunnuru Satya Rama Murthy v. Asst. Commissioner stint - [2025] 170 taxmann.com 315 (Andhra Pradesh)**

SECTION 107 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - APPELLATE AUTHORITY - APPEALS TO

3.58 Where demand was created against assessee for availing excess ITC, and assessee filed petition seeking waiver of pre-deposit for maintainability of appeal u/s. 107, since issue as to whether any exemption, waiver or any reduction could be granted qua GST demand or not was yet to be adjudicated by instant court, question of law arising in instant petition was to be left open - **Aarn Iron and Steel (P.) Ltd. v. GST Officer Ward 64 New Delhi - [2025] 170 taxmann.com 175 (Delhi)**

3.59 Where assessee could not file appeal within time and sought login credentials for filing appeal within extended period under amnesty, however due to technical glitch same could not be filed and period extended under amnesty had expired, assessee was to be granted liberty to file appeal within 15 days - **Career Kashmir Consultancy v. Union Territory of J and K - [2025] 170 taxmann.com 513 (Jammu & Kashmir and Ladakh)**

3.60 Where petitioner-assessee filed a writ petition challenging adjudication order passed by respondent-department under Section 73 of CGST Act, 2017, read with Section 20 of IGST Act, 2017 on ground that respondent-department did not provide petitioner-assessee any opportunity of hearing, however, petitioner-assessee had an alternative statutory remedy of appeal against impugned adjudication order, therefore, writ petition was dismissed, granting liberty to petitioner-assessee to resort to statutory remedy - **Bekem Infra Projects (P.) Ltd. v. Deputy Commissioner of State Tax - [2025] 170 taxmann.com 387 (Bombay)**

3.61 Subject to deposit of 20% of disputed tax amount in addition to Section 107(6) deposit, statutory stay benefit under Section 112(9) available despite non-constitution of GST Appellate Tribunal, provided appeal is filed once Tribunal is constituted - **Sabita Singh v. Union of India - [2025] 170 taxmann.com 186 (Patna)**

3.62 Where petitioner-assessee filed a writ petition against order dated 23.08.2024 passed by respondent-department, by which Input Tax Credit (ITC) availed by petitioner-assessee was reversed, however, petitioner-assessee had an alternative remedy of appeal against aforesaid order, therefore, writ petition was disposed of, granting petitioner-assessee liberty to approach appropriate appellate authority - **Ramco Cements Ltd. v. Deputy Commissioner (ST) I - [2025] 170 taxmann.com 319 (Madras)**

3.63 Where petitioner-assessee filed a writ petition challenging order passed under Section 73 by respondent-department, however, petitioner-assessee had a statutory alternative remedy of appeal against impugned order, therefore, writ petition was to be dismissed, subject to rights of petitioner-assessee being reserved to pursue statutory alternative remedy - **Classic Decorators v. Sales Tax Officer Class II - [2025] 170 taxmann.com 350 (Delhi)**

3.64 Where appellant-assessee challenged common order of Writ Court, wherein, Writ Court refused to entertain writ petitions questioning respondent-tax officer's authority to issue order under Section 74, in view of availability of alternative remedy of appeal under Section 107, however, in instant writ appeal, it was held that appellant-assessee should pursue alternative remedy of appeal, even if process to file appeal involved condition of deposit of tax, additionally, appellate authority also had jurisdiction to decide respondent-tax officer's authority to issue order under Section 74, therefore, writ appeals were dismissed and impugned order of writ court was upheld. - **Abhinaya Constructions v. State of Tamil Nadu - [2025] 170 taxmann.com 595 (Madras)**

SECTION 112 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - APPELLATE TRIBUNAL - APPEALS TO

3.65 Where assessee aggrieved by order passed by first appellate authority wanted to file appeal before Tribunal, however same had not yet been constituted, appellate order was to be stayed subject to assessee depositing 10 percent of disputed tax amount over and above 10 percent for filing appeal - **Deco Fame v. Chief Comnr. of CT and GST - [2025] 170 taxmann.com 515 (Orissa)**

3.66 Where assessee aggrieved by order passed by first appellate authority wanted to file appeal before Tribunal, however same had not yet been constituted, appellate order was to be stayed subject to deposit of 10 percent of disputed tax amount over and above 10 percent amount for filing appeal by assessee - **Dillip Kumar Martha v. Additional CT & GST Officer - [2025] 170 taxmann.com 436 (Orissa)**

3.67 Where assessee aggrieved by order passed by first appellate authority wanted to file appeal before Tribunal, however same had not yet been constituted, appellate order was to be stayed subject to deposit of 10 percent of disputed tax amount - **ATC Telecom Infrastructure (P.) Ltd. v. State of Odisha - [2025] 170 taxmann.com 557 (Orissa)**

3.68 Where assessee aggrieved by order passed by first appellate authority wanted to file appeal before Tribunal, however same had not yet been constituted, appellate order was to be stayed subject to deposit of 10 percent of disputed tax amount - **Rajesh Swain v. Joint Commissioner of State Tax (Appeal) CT and GST - [2025] 170 taxmann.com 762 (Orissa)**

3.69 Where assessee aggrieved by order passed by first appellate authority wanted to file appeal before Tribunal, however same had not yet been constituted, appellate order was to be stayed subject to assessee depositing 10 percent of disputed tax amount over and above 10 percent filing appeal - **Gobinda Chandra Behera v. Commissioner of CT and GST - [2025] 170 taxmann.com 480 (Orissa)**

SECTION 129 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - DETENTION, SEIZURE AND RELEASE OF GOODS AND CONVEYANCES IN TRANSIT

3.70 Where petitioner-assessee challenged penalty imposed by respondent-department vide order dated 09.11.2024 under Section 129, on ground that, while filing reply, before respondent-department, to justify unloading of intercepted goods at an undeclared location, personal hearing requested by petitioner-assessee was not granted by respondent-department before passing impugned order, however, during hearing of present writ petition, respondent-department agreed to provide a personal hearing to petitioner-assessee, further, respondent-department also agreed to pass a fresh order, therefore, in view of above, writ petition was disposed of - **Inland World Logistics (P.) Ltd. v. Deputy State Tax Officer - [2025] 170 taxmann.com 562 (Madras)**

3.71 Where failure to register additional place of business was procedural irregularity with no variance between quantity in invoice/E-way bill and actual goods seized, penalty under Section 129 of CGST Act was not sustainable - **Creamline Dairy Products Ltd. v. State Tax Officer - [2025] 170 taxmann.com 313 (Madras)**

3.72 Where goods of assessee along with vehicle was intercepted and detained by authorities and assessee filed instant writ petition against same, since alternative remedy of appeal was available to assessee writ petition was to be disposed with direction to assessee to file appeal under section 107 - **Vipinkumar Kevalchand Shrishimal v. State of Gujarat - [2025] 170 taxmann.com 769 (Gujarat)**

3.73 Penalty order imposing GST penalty without show cause notice or hearing, and without justification in Physical Verification Report for detention under Section 129(1), is liable to be quashed with direction to adjust penalty amount against tax liability - **Rnyn Steel v. Assistant Commissioner (ST) - [2025] 170 taxmann.com 733 (Madras)**

3.74 Where goods of assessee were intercepted and detained and impugned order was passed under section 129, however no samples were drawn or any test report were obtained for taking a view on difference of goods and authorities also failed to record any finding with regard to intention of assessee to evade tax, impugned order could not be sustained - **Shivaji Udhog v. Additional Commissioner Grade-2 Appeal-II - [2025] 170 taxmann.com 686 (Allahabad)**

3.75 Section 129 is not merely a provision that seeks to levy a statutory penalty; it is principally concerned with release of goods and conveyances which may have been detained or seized; section 129 penalties could not be levied where goods were transported under an incomplete e-way bill with missing Part-B, but tax leviable had been duly paid showing absent of mens rea to avoid tax payment - **Kamal Envirotech (P.) Ltd. v. Commissioner of GST - [2025] 170 taxmann.com 598 (Delhi)**

SECTION 130 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - CONFISCATION OF GOODS OR CONVEYANCES AND LEVY OF PENALTY

3.76 Where sample ornaments sent by assessee for exhibition to dealers in different state were seized by authorities and even after assessee depositing bond for value of goods and challan evidencing payment of amount equivalent to penalty quantified in SCN, respondent authority passed impugned order denying release of goods, same was to be set aside with direction to release goods to assessee as no prejudice could have been caused to department - **Shish Jewels (P.) Ltd. v. Intelligence Officer - [2025] 170 taxmann.com 608 (Kerala)**

SECTION 132 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - OFFENCES - PUNISHMENTS FOR CERTAIN OFFENCES

3.77 Where in a complaint registered against applicant for conducting business with a fake firm, applicant was sought to be arrested, in view of fact that co-accused had already been granted anticipatory bail and applicant had reversed ITC during investigation, applicant was to be granted anticipatory bail - **Deepak Kumar v. State of Haryana - [2025] 170 taxmann.com 597 (Punjab & Haryana)**

3.78 Where proceedings initiated against assessee under section 132(1)(c) of CGST Act and arrested for evasion of GST by falsely claiming ITC, determination of liability not been arrived at by respondent authorities, no finding that detention of assessee was necessary to prevent tampering of evidence or he was likely to cause any interference with investigations carried on, he was to be released on interim bail - **Dharmendra Agarwal v. Union of India** - [2025] 170 taxmann.com 558 (Gauhati)

3.79 Where tax practitioner was accused of facilitating registration of a proprietary firm on basis of fake and vague documents for evading GST, anticipatory bail was to be granted to petitioner tax practitioner who was still an advocate by profession and established tax practitioner, subject to conditions of depositing cash security and furnishing bail bond with sureties - **Satya Prakash Singh v. State of Jharkhand** - [2025] 170 taxmann.com 684 (Jharkhand)

SECTION 140 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - TRANSITIONAL PROVISIONS - INPUT TAX CREDIT - TRANSITIONAL ARRANGEMENT FOR

3.80 Assessee could take recredit of amount of tax paid as recipient of royalty service from Government on reverse charge basis belatedly on 30-12-2017 as input tax credit in its electronic credit ledger - **SRC Projects (P.) Ltd. v. Assistant Commissioner of GST and Central Excise** - [2025] 170 taxmann.com 145 (Madras)

SECTION 160 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - ASSESSMENT - NOT TO BE INVALID ON CERTAIN GROUNDS

3.81 Where assessee impugned assessment order on ground that it did not contain signature of assessing officer, in absence of signature of assessing officer on assessment order assessment order was invalid and was to be set aside - **Sandhya Constructions v. State of Andhra Pradesh** - [2025] 170 taxmann.com 606 (Andhra Pradesh)

SECTION 161 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - RECORDS - RECTIFICATION OF MISTAKES

3.82 Where assessee had challenged order passed by appellate authority vide instant petition, however meanwhile revenue had already carried out rectification as sought by assessee, no order was to be made and writ petition was to be disposed of - **Subash Chandra Mund v. Commissioner of CT & GST** - [2025] 170 taxmann.com 486 (Orissa)

SECTION 168A OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - POWER OF GOVERNMENT TO EXTEND TIME LIMIT IN SPECIAL CIRCUMSTANCES

3.83 Notification No. 56/2023-CE, dated 28-12-2023, extending time limit under Section 73(9) for financial years 2018-19 and 2019-20, was declared ultra vires to CGST Act in original judgment and same was quashed for lacking a GST Council recommendation, and since subsequent ratification by GST council cannot substitute a prior recommendation, instant review petition was to be dismissed - **Central Board of Indirect Taxes and Customs v. Barkataki Print and Media Services** - [2025] 170 taxmann.com 349 (Gauhati)

3.84 Where assessee challenged vires of section 168A whereunder Notification No. 56/2023- Central Tax, dated 28-12-2023 had been issued extending time limit to conclude proceedings under section 73, since ground taken by assessee was only that no corresponding notification had been issued by state government, and assessee had remedy of appeal under section 107, writ petition being devoid of merits was to be dismissed - **Abhiram Marketing Services Ltd. v. Union of India** - [2025] 170 taxmann.com 642 (Chhattisgarh)

SECTION 169 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - NOTICE, SERVICE IN CERTAIN CASES

3.85 Where show cause notice issued to assessee was uploaded on GST portal under 'additional notices and orders' tab and service was not effected through any other means e.g. registered email ID, order passed based on such notice was to be set aside and matter was to be remanded - **Anant Wire Industries v. Sales Tax Officer** - [2025] 170 taxmann.com 177 (Delhi)

3.86 Where impugned assessment orders were passed and same were communicated to assessee, however, said orders did not contain signature of assessing officer or DIN number, same could not be sustained and were to be set aside with liberty to respondent to pass fresh assessment order - **Sd Exports v. State of Andhra Pradesh** - [2025] 170 taxmann.com 355 (Andhra Pradesh)

3.87 Where notices issued u/s. 73 were uploaded in 'view additional notices and orders' tab of GST portal and assessee being unaware, could neither appear before authority nor question validity of subsequent order, benefit of doubt was to be granted in favour of assessee and order passed u/s. 73 was to be set aside - **National Gas Services v. State of U.P.** - [2025] 170 taxmann.com 392 (Allahabad)

3.88 Where impugned order was passed u/s. 73 without service of mandatory notice u/s. 73 to assessee, following principle that nobody should be condemned unheard, impugned order could not be sustained - **Om Traders v. Deputy Commissioner State Tax** - [2025] 170 taxmann.com 393 (Allahabad)

3.89 Since section 169 mandates a notice in person or by registered post or to registered e-mail ID alternatively and on a failure or impracticability of adopting any of aforesaid modes, then State can, in addition, make a publication of such notices/summons/orders in portal/newspaper through concerned officials, Ass.t orders uploaded in GST web portal only were to be set aside - **Udumalpet Sarvodaya Sangham v. Authority** - [2025] 170 taxmann.com 655 (Madras)

3.90 Where impugned order was passed after issuance of notice alleging discrepancies in comparison of taxable suppliers reported by assessee through GSTR 3B to compare with Form 26AS, since such notice was uploaded under 'view additional notice and order, impugned order could not be sustained - **Tvl. R. Jayaramakrishnan v. Deputy State Tax Officer - 1** - [2025] 170 taxmann.com 395 (Madras)

3.91 Where notices issued under section 73 were uploaded in 'view additional notices and orders' tab of GST portal and assessee being unaware, could neither appear before authority nor question validity of subsequent order, benefit of doubt was to be granted in favour of assessee and order passed under section 73 was to be set aside - **National Gas Service v. State of U.P.** - [2025] 170 taxmann.com 482 (Allahabad)

SECTION 171 OF THE CENTRAL GOODS AND SERVICES TAX ACT, 2017 - ANTI-PROFITEERING MEASURE

3.92 Methodology adopted by NAA and DGAP, to arrive at profiteering amount of real estate industry, based on difference between ratio of Input Tax Credit to turnover, was flawed, no direct correlation possible between turn-over and Input Tax Credit availed for a particular period, case to be remanded back to CCI for decision in accordance with decision in **Reckitt Benckiser India Pvt. Ltd. v. Union of India**, [2024] 158 taxmann.com 675 (Delhi) - **Savaliya Procon v. Union of India** - [2025] 170 taxmann.com 442 (Gujarat)

COMPANY AND SEBI LAWS UPDATES

1. STATUTORY UPDATES

- 1.1** Govt. extends permission for IT/ITES employees to work outside SEZs; deadline revised from 31.12.2024 to 31.12.2027 - **NOTIFICATION NO. G.S.R. 786(E) [F.NO. K-43013(12)/1/2021-SEZ], DATED 26-12-2024**

Editorial Note : The Ministry of Commerce and Industry has notified an amendment to sub-rule (3) of Rule 43A of the SEZ Rules, 2006. This amendment extends the validity of permission for employees of IT/ITES units and other specified categories to work from outside SEZs as per their requirements. The deadline for this permission has been revised from 31.12.2024, to 31.12.2027.

- 1.2** MCA amends Companies (Accounts) Rules, 2014 to extend the deadline for filing Form CSR-2 for FY 2023-2024 to 31.03.2025 - **NOTIFICATION G.S.R. 794(E) [F. NO. 1/19/2013-CL-V PART IV-PART(1)], DATED 31-12-2024**

Editorial Note : Ministry of Corporate Affairs has notified amendment in Rule 12(1B) of the Companies (Accounts) Rules, 2014. As per the amended norms, the deadline for filing Form CSR-2 for Financial Year 2023-2024 is extended from 31st December, 2024, to 31st March, 2025.

- 1.3** SEBI clarifies w.r.t the applicability of the Cybersecurity and Cyber Resilience Framework (CSCRF); extends implementation date - **CIRCULAR NO. SEBI/HO/ ITD-1/ITD_CSC_EXT/P/CIR/2024/184, DATED 31-12-2024**

Editorial Note: Earlier, the SEBI issued Cybersecurity and Cyber Resilience Framework (CSCRF) for the Regulated Entities (REs). To address the concerns of the REs, SEBI has issued a clarificatory circular. SEBI clarifies that the date of implementation of the circular on the KYC Registration Agencies (KRAs) is extended from Jan 01, 2025 to April 01, 2025. Further, Depository Participants (DPs) Compliance timeline is extended from Jan 01, 2025 to April 01, 2025.

- 1.4** SEBI introduces Integrated Filing under LODR to facilitate ease of doing business - **CIRCULAR NO. SEBI/HO/CFD/CFD-POD-2/CIR/P/2024/185, DATED 31-12-2024**

Editorial Note : SEBI has decided to introduce Integrated Filing for the Governance and Financial periodic filings required under the LODR. This integrated filing shall be applicable for the filings to be done for the quarter ending 31st Dec 2024 and thereafter. As per the updated filing framework governance filing shall be done within 30 days from

the quarter end. Whereas the financial filing shall be done within 45 days from the quarter end except last quarter.

- 1.5** SEBI issues updated comprehensive FAQs to provide guidance on the SEBI (PIT) Regulations, 2015 - **PRESS RELEASE, DATED 31-12-2024**

Editorial Note : As SEBI (PIT) Regulations, 2015 have been amended from time to time. Therefore, SEBI, with an objective to provide greater clarity on several concepts, has issued revised and updated FAQs with regard to trading plans. These FAQs are categorized subject-wise under various headings, namely, trading, structured digital database, disclosures, pledge, trading plan, pre-clearance, trading window closure, contra-trade etc.

- 1.6** SEBI introduces 'MF Lite framework' for passive Mutual Fund schemes to reduce entry barriers and compliance costs - **CIRCULAR NO. SEBI/HO/IMD/POD2/P/CIR/2024/183, DATED 31-12-2024**

Editorial Note : SEBI has introduced the MF Lite framework for passively managed Mutual Fund schemes to ease entry, reduce compliance costs, and foster innovation. The MF Lite framework applies to passive schemes such as Gold ETFs, Silver ETFs, and FoFs investing solely in Gold or Silver ETFs. It also covers Overseas ETFs and FoFs based on a single underlying overseas passive fund, as well as passive funds tracking domestic equity indices with a collective AUM of INR 5,000 Cr or more.

- 1.7** SEBI mandates NISM Level 1, Level 2, and Renewal certifications for investment advisers & associated persons - **NOTIFICATION NO. SEBI/LAD-NRO/GN/2025/223, DATED 02-01-2025**

Editorial Note : SEBI has notified amendment in SEBI (Certification of Associated Persons in the Securities Markets) Regulations, 2007. As per the amended norms, individual investment advisers, principal officers of non-individual advisers, associated persons, and partners in advisory firms engaged in providing investment advice shall obtain certification(s) from the NISM by passing the NISM-Series-XA: Investment Adviser (Level 1) and NISM-Series-X-B: Investment Adviser (Level 2) Certification Examination.

- 1.8** SEBI withdraws recognition of Indian Commodity Exchange Ltd. following its voluntary surrender and exit approval - **PR NO. 02/2025, DATED 02-01-2025**

Editorial Note : SEBI has withdrawn recognition of the Indian Commodity Exchange Ltd. (ICEX) under Section 5(1) of the SCRA, 1956. This follows ICEX's request for voluntary surrender and SEBI's December 10, 2024 order permitting ICEX's exit as a stock exchange.

- 1.9** SEBI's website & 'Saarthi' app offer free tools like calculators, scam alerts, & learning modules for investor awareness - **PR NO. 01/2025, DATED 02-01-2025**

Editorial Note : SEBI offers a comprehensive suite of tools on its investor website and 'Saarthi' app to enhance investor awareness and education. A few of these tools and resources, curated by different stakeholders, include video learning repository, spot a scam, check your financial health, and financial calculators. Additionally, the SEBI investor website hosts various other resources, including Investor Charters, study material for NISM certifications, & details of investor awareness programs nationwide.

- 1.10** SEBI revises norms for inactive accounts; funds to be settled on monthly running account settlement cycle dates - **CIRCULAR NO. SEBI/HO/MIRSD/MIRSD-POD1/P/CIR/2025/1, DATED 06-01-2025**

Editorial Note : SEBI has revised norms for settling funds of clients inactive for over 30 days. Previously, Trading Members (TMs) were required to settle such accounts within three working days, causing daily procedural inefficiencies. Based on recommendations, SEBI now mandates that these funds be settled on the upcoming settlement dates of the monthly running account settlement cycle, as notified by stock exchanges.

- 1.11** SEBI revises timelines to be followed by CRAs for review of ratings and publication of press releases - **CIRCULAR NO. SEBI/HO/DDHS/DDHS-POD-3/P/CIR/2025/002, DATED 07-01-2025**

Editorial Note : SEBI has revised the timelines for CRAs to review ratings and publish press releases. This is done to promote ease of doing business and bring about uniformity in dealing with rating reviews and press releases by CRAs. Accordingly, CRAs must now publish a press release on their website regarding the rating action, if warranted, immediately but not later than 7 working days of occurrence of the said event. The circular shall be applicable with immediate effect.

- 1.12** SEBI mandates IAs and RAs to disclose use of 'AI tools' in providing investment advice & research services to clients - **CIRCULAR NO. SEBI/HO/MIRSD/ MIRSD-POD-1/P/CIR/2025/003, DATED 08-01-2025**

Editorial Note : SEBI has issued guidelines for Research Analysts (RAs) and Investment Advisers (IAs). The guidelines cover qualification and certification requirements, fees chargeable to clients and deposit requirements. Under the guidelines, RAs and IAs must maintain a deposit based on their client base, ranging from Rs 1 lakh for up to 150 clients to Rs 10 lakh for over 1000 clients. Also, SEBI mandates RAs and IAs to disclose use of AI tools in providing investment advice & research services to clients.

- 1.13** SEBI prescribes the procedure for waiver/reduction of interest in recovery proceedings due to non-payment of penalties - **CIRCULAR NO. SEBI/HO/RRD_POD_TPD/P/CIR/2025/05, DATED 10-01-2025**

Editorial Note : SEBI has notified the procedure for seeking waiver or reduction of interest in recovery proceedings for non-payment of penalties. Powers to waive or reduce interest are delegated to specific panels based on the amount. Applications must meet conditions u/s 220(2A) of the Income-tax Act, including proving hardship, uncontrollable circumstances, & cooperation. Further, order on an application shall be passed within 12 months from the month of receiving the complete application.

- 1.14** SEBI revamps norms for existing nomination facilities in the Indian Securities Market - **CIRCULAR NO. SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/01650, DATED 10-01-2025**

Editorial Note : SEBI has revised and revamped norms for existing nomination facilities in the Indian Securities Market. The circular covers various aspects of nomination, grouped under two sections—Section A and B—to be complied with by entities collectively referred to as Regulated entities. Section A deals with norms relating to reiteration of existing norms to ensure a uniform approach across the Securities Market, and Section B deals with revamped norms. The circular shall be effective from 01.03.2025.

- 1.15** SEBI & NISM hosted 'Samvad' on "Capital for Growth," fostering discussions on securities market evolution & economic growth - **PRESS RELEASE NO. 03/2025, DATED 11-01-2025**

Editorial Note : SEBI and NISM, in collaboration with NSE, BSE, NSDL, and CDSL, hosted Samvad - A Symposium on Securities Market on 10.01.2025, in Mumbai. The event was graced by Shri Suman Bery, Vice Chairman of NITI Aayog, as the Chief Guest with Shri Challa Sreenivasulu Setty, Chairperson of SBI, delivering the keynote address. Ms. Madhabi Puri Buch, Chairperson of SEBI, addressed the gathering, sharing her vision on the way forward for India's capital markets.

- 1.16** SEBI & NISM launch free eLearning course on Municipal Bonds to empower 'Urban Local Bodies' with funding - **PRESS RELEASE NO. 4/2025, DATED 15-01-2025**

Editorial Note : SEBI and NISM has introduced an eLearning course on Municipal Bonds to empower Urban Local Bodies with knowledge and skills for leveraging bonds as an alternative funding mechanism. It is a self-paced 10-hour (approx.) course which includes expert-led video lectures, interactive quizzes, and real-world case studies. The course is available for free till March 31, 2025, and thereafter at a nominal fee.

- 1.17** SEBI Chairperson highlights technology's key role in transforming India's securities market at the SMART 2025 symposium - **PRESS RELEASE NO. 5/2025, DATED 16-01-2025**

Editorial Note : SEBI's Chairperson has highlighted technology's key role in transforming India's securities market at the SMART 2025 symposium. India has been the pioneer in the world introducing T+1/T+0 settlement cycle. The use of Technology has helped in implementing many key initiatives. Other initiatives include reducing timelines to raise capital through IPOs from T+6 to T+3 etc. Also, SEBI's endeavour is to use technology in making the Indian securities market more efficient and transparent

- 1.18** SEBI mandates disclosure of Risk-adjusted Return Information Ratio for Mutual Fund Schemes - **CIRCULAR NO. SEBI/HO/IMD/IMD-POD-2/P/CIR/2025/6, DATED 17-01-2025**

Editorial Note : SEBI has mandated the disclosure of the Risk-adjusted Return Information Ratio (IR) for Mutual Fund Schemes. The IR is an established financial ratio used to measure the Risk-Adjusted Return (RAR) of any scheme portfolio. Mutual Funds/AMCs are directed to disclose the IR of a scheme portfolio on their website, along with performance disclosure on a daily basis. Further, IR disclosure must be applicable only for equity-oriented schemes.

- 1.19** SEBI relaxes on timeline for review of ESG rating on BRSR publication - **CIRCULAR NO. SEBI/HO/DDHS/DDHS-POD-3/P/CIR/2025/007, DATED 17-01-2025**

Editorial Note : Under the extant norms ESG Rating Providers (ERPs) will carry out a review of the ESG ratings upon the occurrence of or announcement/news of such material developments immediately, but not later than 10 days of occurrence of the said event. Considering the challenges faced in ESG ratings for a large pool of listed companies, SEBI has specified that review of ESG rating pursuant to publication of BRSR shall be carried out immediately, but not later than 45 days of the publication of the BRSR.

- 1.20** SEBI launches 'Dharohar', a digital repository documenting 150 years of India's securities market evolution - **PRESS RELEASE NO.6/2025, DATED 26-01-2025**

Editorial Note : SEBI has introduced 'Dharohar', a dynamic digital knowledge repository celebrating 150 years of India's securities market history. Dharohar has been designed to document and showcase this rich heritage and evolution of the Indian securities market. The repository features a website, that also includes an interactive timeline of significant events and 3D galleries. On this occasion, SEBI has extended its gratitude to the individuals and institutions that contributed to this initiative.

- 1.21** SEBI updates Debenture Trustee's due diligence certificate format for unsecured debt securities - **CIRCULAR NO. SEBI/HO/DDHS/DDHS-POD-3/P/CIR/2025/009, DATED 28-01-2025**

Editorial Note : SEBI has revised the due diligence certificate format for Debenture Trustees (DTs) in unsecured debt securities under Non-Convertible Securities Regulations. Issuers must submit a due diligence certificate obtained from the Debenture Trustee during draft offer document filing and listing application, in the revised format. This circular shall be applicable with immediate effect.

- 1.22** SEBI launches 'iSPOT', a web-based portal for market Infrastructure Institutions to report technical glitches - **SEBI CIRCULAR NO. SEBI/HO/MRD/TPD/CIR/P/2025/08, DATED 28-01-2025**

Editorial Note : SEBI has introduced 'iSPOT', an Integrated SEBI Portal for Technical Glitches, to streamline reporting by Market Infrastructure Institutions (MIIs). The portal enables submission of preliminary and final Root Cause Analysis (RCA) reports, improving data quality, historical traceability, and compliance monitoring. Now, the report of technical glitch shall be shared by the MII with SEBI through a dedicated web based portal of SEBI viz. iSPOT. This circular shall come into force from 03.02.2025.

- 1.23** SEBI proposes updated 'Investor Charter for Stock Brokers' - **SEBI'S DRAFT CIRCULAR, DATED 28-01-2025**

Editorial Note : SEBI has notified a draft circular seeking public comments on the revised 'Investor Charter for stock brokers'. The update aims enhance financial consumer protection alongside enhanced financial inclusion and financial literacy and in view of the recent developments in the securities market including introduction of Online Dispute Resolution (ODR) platform and SCORES 2.0. Also, stock brokers must disclose complaint data and resolutions on their websites by the 7th of each succeeding month.

- 1.24** SEBI clarifies on provisions w.r.t association of MIIs and their agents with individuals involved in prohibited activities - **CIRCULAR NO. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2025/11, DATED 29-01-2025**

Editorial Note : SEBI has issued a circular, addressing provisions related to the association of persons regulated by the Board, Market Infrastructure Institutions (MIIs), and their agents with individuals engaged in prohibited activities. The circular explains which regulations govern such associations, defines who qualifies as a 'person regulated by the Board,' and identifies who constitutes an agent of these persons.

- 1.25** SEBI issues guidelines for external evaluation of Performance of Statutory Committees of MIIs - **CIRCULAR NO. SEBI/HO/MRD/POD-III/CIR/P/2025/12, DATED 30-01-2025**

Editorial Note : SEBI has issued guidelines for evaluation of the performance of statutory committees of market infrastructure institutions (MIIIs). This is done in order to bring consistency and uniformity with respect to evaluations by the external agency. Under the guidelines, MIIIs must appoint an independent external agency to evaluate their performance and the functioning of their statutory committees. The evaluation will cover areas like roles and responsibilities of committees, and governance aspects.

- 1.26** SEBI extends suspension of commodity derivatives trading in selected contracts until March 31, 2025 - **PR NO.07/2025, DATED 31-01-2025**

Editorial Note : The SEBI has further extended the suspension of trading in commodity derivative contracts for certain commodities until March 31, 2025. It includes non-basmati paddy, wheat, chana, mustard seeds and derivatives, soya bean and derivatives, crude palm oil, and moong. The initial suspension was announced on December 19, 2021, with subsequent extensions through December 2024.

- 1.27** SEBI releases framework for online monitoring and supervision of System Audits of Stock Brokers - **CIRCULAR NO. SEBI/HO/MIRSD/TPD/CIR/2025/10, DATED 31-01-2025**

Editorial Note : SEBI has released framework for online monitoring and supervision of System Audit of Stock Brokers. As per the framework, stock exchanges must develop web portal/web based platform and create technology based mechanisms to monitor and supervise the entire system audit lifecycle of a stock broker. Stock Exchanges must monitor process of carrying out of system audit of stock brokers via online monitoring mechanism. Also, the supervision framework must be accessed by auditor during the audit.

- 1.28** SEBI proposes mandatory dematerialization of securities for corporate actions, aiming to eliminate risks

Editorial Note : SEBI has introduced a consultation paper proposing amendments to the SEBI (LODR) Regulations, 2015, aimed at promoting dematerialization of securities and streamlining processes in response to the current regulatory landscape. The proposed amendments aim to mandate issuance of securities in dematerialized form for actions like consolidation, split, or schemes of arrangement. This aims to eliminate risks of loss, fraud, or damage associated with physical certificates.

- 1.29** SEBI releases Frequently Asked Questions on 'ESG Rating Providers (ERPs)'

Editorial Note : SEBI has issued frequently asked questions (FAQs) on 'ESG Rating Providers'. Some of the FAQs cover (a) What parameters will make a security/issuer fall in the category of 'proposed to be listed' on stock exchanges?, (b) How are 'Indian' and 'Global' asset classes defined in the context of ESG ratings?, (c) What restrictions apply to shareholding in an ERP, and (d) Can ERPs provide internationally-aligned ratings alongside Indian specific ratings?

- 1.30** SEBI proposes a review of the framework for 'Social Stock Exchange'

Editorial Note : SEBI has proposed a review of the framework for the Social Stock Exchange (SSE). The objective is to seek public comments on various proposals of the Social Stock Exchange Advisory Committee to review the framework for SSE. SEBI has proposed expanding the list of legal structures permissible to be recognised as NPOs under ICDR norms to include trusts registered under Indian Registration Act, 1908, charitable societies, and companies registered under section 25 of Companies Act, 2013.

- 1.31** SEBI proposes a change in cut-off timings to determine NAV w.r.t repurchase/redemption of units in overnight MF schemes

Editorial Note : SEBI has proposed changing the cut-off timings to determine applicable NAV regarding the repurchase/redemption of units in overnight schemes of mutual funds from the existing 3:00 PM to 7:00 PM. The change is proposed to allow Stock Brokers/Clearing Members time to un-pledge units of Mutual Fund Overnight Schemes (MFOS) and place redemption requests with Mutual Funds after the close of market hours. Comments may be submitted by February 10, 2025.

- 1.32** SEBI releases FAQs for grant of registration as AIFs & taking on record the private placement memorandum of the scheme

Editorial Note : SEBI has released the FAQ document outlining the guidelines for registering an Alternative Investment Fund (AIF) and submitting the Private Placement Memorandum (PPM) of the AIF scheme. It includes details on the application process, necessary documents, registration fees for different AIF categories, and other compliance requirements. The checklist is subject to periodic updates, and applicants are advised to refer to the SIPortal for submission.

- 1.33** SEBI proposes 'small-sized mutual fund investments' to promote financial inclusion

Editorial Note : SEBI has released a consultation paper on promoting financial inclusion through sachetisation of investment in mutual fund schemes. The initiative aims to encourage systematic saving habits and enable small-scale investments, particularly for new investors entering the mutual fund space. To achieve this, SEBI, in collaboration with the mutual fund industry, proposed a small-sized mutual fund product featuring a small-ticket SIP of Rs. 250.

2. SUPREME COURT

SECTION 34 OF THE ARBITRATION AND CONCILIATION ACT, 1996 - APPLICATION FOR SETTING ASIDE ARBITRAL AWARD

- 2.1 30-day condonable period under section 34(3) expiring during Court holidays, will not survive and neither section 4 nor any other provision of Limitation Act, will inure to benefit of party to enable filing of application under section 34 of Arbitration and Conciliation Act immediately after reopening and, therefore, application preferred by appellant under section 34 stood dismissed as it was filed beyond condonable period of 30 days - **My Preferred Transformation & Hospitality (P.) Ltd. v. Faridabad Implements (P.) Ltd.** - [2025] 170 taxmann.com 453 (SC)

SECTION 63 OF THE INDIAN SUCCESSION ACT, 1925 - EXECUTION OF UNPRIVILEGED WILLS

- 2.2 Where propounder of will i.e. appellant had failed to establish that testator of will, i.e. her husband at relevant time was in a sound disposing state of mind and had executed unregistered Will after understanding its contents and without any instigation from appellant, thus, will was not valid and after demise of testator of will, property of testator could not be bequeathed to appellant as per Will - **Leela v. Muruganantham** - [2025] 170 taxmann.com 494 (SC)

SECTION 129 OF THE COMPANIES ACT, 2013 - FINANCIAL STATEMENT

- 2.3 SLP dismissed against impugned order of High Court quashing criminal proceedings against respondents-directors on ground that prosecution was launched by petitioner-Registrar of Companies after three years from alleged violations and, therefore, very lodging of complaints by petitioner beyond period of limitation could not be sustained in eye of law - **Deputy Registrar of Companies v. Philip Mani Modayil** - [2025] 170 taxmann.com 148 (SC)

3. HIGH COURT

SECTION 20 OF THE REAL ESTATE (REGULATION AND DEVELOPMENT) ACT, 2016 - ESTABLISHMENT AND INCORPORATION OF REAL ESTATE REGULATORY AUTHORITY

- 3.1 Real Estate Regulatory Authority constituted under section 20 of Real Estate (Regulation and Development) Act, 2016 and Real Estate Appellate Tribunal constituted under section 43 has jurisdiction to examine aspect that transaction, which is subject matter of complaint is fraudulent - **T. Bhimjyani Realty (P.) Ltd. v. Vineet Sachdeva** - [2025] 170 taxmann.com 528 (Bombay)

SECTION 24A OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 - 5[COMPOSITION OF CERTAIN OFFENCES]

- 3.2 While considering application for compounding offence it would be necessary for Court to understand factors that have to be taken into account for compounding the offence and, therefore, SEBI was directed to produce all documents before Court as sought by petitioner - **Sanjay Kumar v. Securities and Exchange Board of India** - [2025] 170 taxmann.com 572 (Delhi)

SECTION 77 OF THE COMPANIES ACT, 2013 - CHARGES - REGISTRATION OF

- 3.3 Requirement for digital signatures from company, while filing form CHG-1 under section 78, should not be insisted upon - **Union of India v. Alliage Engineering India (P.) Ltd.** - [2025] 170 taxmann.com 570 (Delhi)

SECTION 212 OF THE COMPANIES ACT, 2013 - SERIOUS FRAUD INVESTIGATION OFFICE - INVESTIGATION BY

- 3.4 Where LOC against petitioner was stemmed from financial defaults of company for which petitioner served as director and despite passage of more than five years, no interim or final report had been filed, thus, in absence of conclusive findings, prolonged restrictions on petitioner's right to travel could not be justified - **Atul Punj v. Union of India** - [2025] 170 taxmann.com 658 (Delhi)

SECTION 241 OF THE COMPANIES ACT, 2013 - OPPRESSION AND MISMANAGEMENT - APPLICATION TO TRIBUNAL FOR RELIEF

- 3.5 Where CLB evolved an exit formula for foreign investors to quit petitioner company, pursuant to which title of land of petitioner company was to be transferred to foreign investors, in view of fact that RBI had permitted sale of petitioner company's land to foreign investors, petitioner company could not have any objection on sale of land by foreign investors - **Cheran Enterprises (P.) Ltd. v. Union of India** - [2025] 170 taxmann.com 691 (Madras)

SECTION 329 OF THE COMPANIES ACT, 2013 - WINDING UP - TRANSFERS NOT IN GOOD FAITH TO BE VOID

- 3.6 Where transfer of equity shares in company in liquidation were purchased by applicants from open market through RBI-approved stock brokers, there could be no embargo on transferring the shares in name of applicants/transferees when no creditor of company (in liquidation) had come forward to challenge sale of shares in question to applicants - **CRB Capital Markets Ltd. v. Anoop Jain** - [2025] 170 taxmann.com 772 (Delhi)

4. NCLAT

SECTION 241 OF THE COMPANIES ACT, 2013 - OPPRESSION AND MISMANAGEMENT - APPLICATION TO TRIBUNAL FOR RELIEF

- 4.1 Where respondents claimed to be legal representatives of deceased member, T, of appellant company under consent terms settled by High Court in testamentary suit and no orders have been passed qua not to give effect to such consent terms, more so, no appeal admittedly was filed either by company or by any of its shareholder and/or by any legal heir of 'T' challenging consent terms etc petition filed by them, NCLT had rightly admitted said section 241 petition - **Devkaran & Co. (P.) Ltd. v. Shashi Tanna** - [2025] 170 taxmann.com 227 (NCLAT- New Delhi)

5. NCLT

SECTION 59 OF THE COMPANIES ACT, 2013 - REGISTER OF MEMBERS - RECTIFICATION OF

- 5.1 Where petitioner who was joint holder shares of respondent company with his mother filed a petition under section 59 and had given an undertaking that he would withdraw civil suit filed by him on admission of instant petition, however, petitioner had not chosen to comply with undertaking given by him, question of maintaining parallel proceedings could not be justified and, hence, instant petition was to be dismissed - **Tajinder Singh Bhathal v. MRF Ltd.** - [2025] 170 taxmann.com 573 (NCLT- Chennai)

SECTION 241 OF THE COMPANIES ACT, 2013 - OPPRESSION AND MISMANAGEMENT - APPLICATION TO TRIBUNAL FOR RELIEF

- 5.2 Where petitioners claimed to be legal representatives of deceased member of respondent company, since petitioners derived their authority from consent terms executed before High Court in a testamentary suit

filed by petitioners along with other family members, said petition was maintainable even if petitioners were not members on register of shareholder of company - **Shashi Tanna v. Devkaran and Co. (P.) Ltd.** - [2025] 170 taxmann.com 191 (NCLT - Mum.)

- 5.3 Where petitioner and his sister were shareholders/directors of company 'M' and petitioner was coerced by respondent directors into signing resignation letter as well as share transfer form on his behalf and on behalf of his sister, so as to take control of company, all go to show that there was oppression and thus, petitioner was entitled to relief under Section 241 read with Section 242 - **Mohit Jaiswal v. M.J. Infrahousing (P.) Ltd.** - [2025] 170 taxmann.com 402 (NCLT - Allahabad)

- 5.4 Where company 'R' was a technology driven company requiring financial impetus on a constant basis to meet timeline as also strategic requirements, thus, company should enjoy full liberty in terms of taking commercial decisions in raising funds and embargo imposed on company towards raising of equity based borrowings and resultant dilution of shareholdings would not be in broader interests of company, and thus, ad-interim order passed by NCLT in a section 241 petition directing parties to maintain status quo was to be vacated - **Vikash Kumar Mishra v. Karyan Global LLP** - [2025] 170 taxmann.com 613 (NCLT - Allahabad)

SECTION 425 OF THE COMPANIES ACT, 2013 - TRIBUNAL AND APPELLATE TRIBUNAL - POWER TO PUNISH FOR CONTEMPT

- 5.5 Act of withdrawal of money from accounts when restraint order had been passed might constitute a fraudulent act to keep assets away from scope of said order but in absence of an order in existence of knowledge of affected persons i.e., respondents on that day, it could not be said that respondents had wilfully disobeyed said order - **Asha Kiran Bawa v. Ramesh C. Bawa** - [2025] 170 taxmann.com 611 (NCLT - Mum.)

COMPETITION LAW

1. NCLAT

SECTION 4 OF THE COMPETITION ACT, 2002 - ABUSE OF DOMINANT POSITION

- 1.1 Where Supreme Court had not granted interim order staying WhatsApp's Terms of Service and Privacy Policy, 2021 and Digital Personal Data Protection Act, 2023 had also been passed and was likely to be enforced which would cover all issues pertaining to data protection and data sharing, ban of five years imposed by CCI on WhatsApp in 2021 update was to be stayed, however, directions issued by CCI with regard to share of initial data 'for advertising purposes' and 'for purposes other than advertising' need not be stayed and they need to be complied with - **Whatsapp LLC v. Competition Commission of India** - [2025] 170 taxmann.com 741 (NCLAT-New Delhi)

SECTION 42A OF THE COMPETITION ACT, 2002 - COMPENSATION IN CASE OF CONTRAVENTION OF ORDERS OF COMMISSION

- 1.2** Where allottees were to be allotted flats in housing scheme announced by respondent authority, however respondent demanded enhanced cost and

possession of flats was delayed, consequently, CCI passed an order imposing penalty on respondent authority, since appellants gave their consent for enhancing cost and there was no violation by respondent of CCI's order, question of claiming compensation under section 42A was premature - **Sateyendra Singh v. Ghaziabad Development Authority** - [2025] 170 taxmann.com 150 (NCLAT- New Delhi)

2. CCI

SECTION 4 OF THE COMPETITION ACT, 2002 - ABUSE OF DOMINANT POSITION

- 2.1** Where OP engaged in business of distribution and marketing of natural gas was governed by PNGRB Act and regulations framed thereunder, OP could not enter into tri-partite agreement wherein informant would purchase natural gas from a third party and would use pipelines of OP for supply of same to its plant and, therefore, conduct of OP for not agreeing to a tri-partite agreement could not be considered as anti-competitive under provisions of Act - ***AGI Greenpac Ltd. v. Bhagyanagar Gas Ltd. - [2025] 170 taxmann.com 400 (CCI)***

FEMA BANKING AND INSURANCE LAWS

1. STATUTORY UPDATES

- 1.1 Government clarifies that Foreign-contribution related TDS refund received in Non-FCRA A/c must be transferred to FCRA A/c - **PUBLIC NOTICE NO. II/21022/23 (12)/2020-FCRA-II, DATED 31-12-2024**

Editorial Note : Ministry of Home Affairs has clarified that if a consolidated Income Tax refund, including TDS for Foreign Contributions, is received in a non-FCRA bank account, the FC portion should be transferred to the FCRA account. This transfer will not violate the Foreign Contribution (Regulation) Act, 2010. TDS deductions should be treated as FC utilization, and any refund in the FCRA account will be reported as "other income" in the FC-4 form, simplifying compliance for associations.

- 1.2 RBI issues guidelines for Regulated Entities on Debt Relief Schemes to ensure financial discipline - **CIRCULAR NO. DOR.STR.REC.54/21.04.048/2024-25, DATED 31-12-2024**

Editorial Note : RBI issues Debt Relief Schemes (DRS) to ensure that Regulated Entities maintain financial discipline while addressing prudential concerns, moral hazards, delays, and claim mismatches in government-backed relief programs. DRS should be a last resort, with full funding provided upfront. These guidelines are issued in consultation with the State Level Bankers' Committee and District Consultative Committee, ensuring effective and well-designed government relief programs.

- 1.3 Govt. amends Foreign Contribution Rules, 2011, allowing unspent administrative expenses to be carried forward - **NOTIFICATION G.S.R. 790(E) [F. NO. II/21022/23(12)/2020-FCRA-III], DATED 31-12-2024**

Editorial Note : Ministry of Home Affairs has notified amendment to introduce third proviso to rule 5 of Foreign Contribution (Regulation) Rules, 2011. The new proviso allows associations to carry forward the unspent portion of allowable administrative expenses from one financial year to the next, with reasons to be specified in Form FC-4. The amendment shall be effective from 01.01.2025.

- 1.4 IRDAI amends IRDA (Meetings) Regulations; Secretary to record minutes at meeting of Authority or committee meeting - **NOTIFICATION F. NO. IRDAI/REG/1/208/2025, DATED 01-01-2025**

Editorial Note : IRDAI has notified IRDAI (Meetings) (Amendment) Regulations, 2025. The objective is to enhance the clarity and efficiency of the meetings of

the Authority. As per the amended norms, the secretary must at the earliest record the minutes of the proceedings at the meeting of the Authority or committee meeting of the Authority and, after obtaining approval of the chairperson or the presiding member, as the case may be, enter the minutes in books kept for that purpose.

- 1.5 IRDAI amends IRDAI (Insurance Advisory Committee) Regulations; insert norms w.r.t 'Resignation and Removal of Members' - **NOTIFICATION F. NO. IRDAI/REG/2/209/2025, DATED 01-01-2025**

Editorial Note : IRDAI has notified the IRDAI (Insurance Advisory Committee) (Amendment) Regulations, 2025. A new regulation 5A w.r.t 'resignation and removal of member from office' has been inserted. It states that any member of the Insurance Advisory Committee may offer resignation by giving a notice in writing addressed to the Chairperson of the Authority, and such resignation must take effect from the date on which it is accepted. Also, the Authority may remove any member who is adjudged as an insolvent.

- 1.6 IRDA introduces amendment to Re-insurance Advisory Committee Regulations; notifies new norms for removal of members - **NOTIFICATION F.NO. IRDAI/REG/3/210/2025, DATED 01-01-2025**

Editorial Note : IRDA has notified amendment in IRDAI (Re-insurance Advisory Committee) Regulations, 2019, to address resignation, removal, and casual vacancies. Regulation 5 now allows the Authority to remove members for reasons such as insolvency, physically or mentally incapable of acting as a member, convicted of any offence involving moral turpitude, conflict of interest, abuse of position, not fit to remain as a member or non-attendance without cause.

- 1.7 IRDA notifies regulations on 'maintenance of information by regulated entities and sharing of information by the authority' - **NOTIFICATION F. NO. IRDAI/REG/4/211/2025, DATED 01-01-2025**

Editorial Note : IRDA has notified 'Maintenance of Information by the Regulated Entities and Sharing of Information by the Authority, Regulations 2025'. The objective of these regulations is to enable insurers to maintain data as required for its operations in electronic form; to ensure security and compliance with applicable laws; and to adopt an established data governance framework. This regulation also enable authority to share information judiciously while upholding confidentiality.

- 1.8 IRDAI notifies IRDAI (Regulatory Sandbox) Regulations, 2025 to promote innovation in insurance sector - **NOTIFICATION F. NO. IRDAI/REG/5/212/2025, DATED 01-01-2025**

Editorial Note : IRDAI has notified the IRDAI (Regulatory Sandbox) Regulations, 2025. The objective is to promote innovation in the insurance sector and facilitate the creation of regulatory sandbox environment. A "Regulatory Sandbox" means an environment used in the financial services sector, that provides testing ground for new business models, processes and applications that may not necessarily be covered fully by or are not fully compliant with existing regulations.

- 1.9** RBI consolidates credit information reporting guidelines into Master Direction 2025 - **MASTER DIRECTION NO. DoR.FIN.REC.No.55/20.16.056/2024-25, DATED 06-01-2025**

Editorial Note : The RBI has issued the Master Direction - Reserve Bank of India (Credit Information Reporting) Directions, 2025, consolidating existing guidelines for regulated entities (REs) on credit information reporting. These Directions have been issued under Section 11 of the Credit Information Companies (Regulation) Act, 2005.

- 1.10** RBI issues Master Direction consolidating FEMA regulations and directions on non-resident investment in debt instruments - **MASTER DIRECTION NO. FMRD.FMD.No.10/14.01.006/2024-25, DATED 07-01-2025**

Editorial Note : The Reserve Bank of India has issued the Master Direction on Non-resident Investment in Debt Instruments, 2025, consolidating Foreign Exchange Management (Permissible Capital Accounts Transactions) Regulations, 2000, Foreign Exchange Management (Borrowing and Lending) Regulations, 2018, Foreign Exchange Management (Debt Instruments) Regulations, 2019, and directions.

- 1.11** RBI allows the Indian exporter to maintain Foreign Currency account with bank outside India - **NOTIFICATION NO. FEMA 10(R)(5)/2025-RB, DATED 14-01-2025**

Editorial Note : RBI has notified the FEM (Foreign Currency Accounts by a person resident in India) 5th Amendment Reg, 2025. As per the amended norms, a resident exporter may open, hold and maintain a Foreign Currency A/c with a bank outside India. This account can be opened for export realisation and for advance remittance received by exporter. Further, funds lying in this a/c may be utilised for paying for the imports or repatriated into India maximum by the end of the next month from the receipt of funds.

- 1.12** RBI permits PROIs with business interests in India to open SNRR accounts through an authorized dealer branch abroad - **NOTIFICATION NO. FEMA 5(R)(5)/2025-RB, DATED 14-01-2025**

Editorial Note : RBI has notified the FEM (Deposit) 5th amendment Regulations, 2025. A new regl 9 has been added. As per the newly notified norms the transfer of funds, for all bona fide transactions, between repatriable Rupee accounts is permitted. Further, the RBI allows opening a Special Non-Resident Rupee Account (SNRR account) by PROI having business interest in India with an authorised dealer in India or its branch outside India for permissible transactions. Earlier, only the opening in India was allowed.

- 1.13** RBI updates mode of payment for equity deals by PROIs, allowing inward remittance via repatriable currency/Rupee a/c - **NOTIFICATION NO. FEMA 395(3)/2025-RB, DATED 14-01-2025**

Editorial Note : RBI has notified amendment in FEM (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019. As per the amended norms, consideration for the purchase or sale of equity instruments of an Indian company by a person resident outside India must be paid as an inward remittance through banking channels or from funds held in repatriable foreign currency or Rupee accounts, replacing the earlier provision allowing NRE, FCNR(B), or Escrow accounts.

- 1.14** RBI announces steps to encourage the use of Indian Rupee and local currencies for settlement of cross-border transactions - **PRESS RELEASE NO. 2024-25/1940, DATED 16-01-2025**

Editorial Note : RBI has announced liberalised norms to encourage the use of Indian Rupee and local/national currencies to settle cross-border transactions. Under the norms, persons resident outside India (PROI) will be able to settle bona fide transactions with other non-residents using the balances in their repatriable INR accounts, such as Special Non-resident Rupee accounts. Also, PROI will be able to use their balances held in repatriable INR accounts for foreign investment in non-debt instruments.

- 1.15** RBI updates Master Directions on Foreign Investment, Export of Goods & Services, and Deposits under FEMA regulations - **MASTER DIRECTION NO. FED Master Direction No. 14/2015-16, DATED 16-01-2025**

Editorial Note : Earlier, RBI, via Notifications FEMA 10(R)(5)/2025-RB, FEMA 5(R)(5)/2025-RB, and FEMA 395(3)/2025-RB dated January 15, 2025, amended the FEM (Foreign Currency Accounts by a Person Resident in India), FEM (Deposit), and FEM (Mode of Payment and Reporting of Non-Debt Instruments) Regulations. Incorporating these amendments, RBI has now issued updated Master Directions on Deposits and Accounts, Export of Goods and Services, and Foreign Investment in India.

- 1.16** RBI releases a list of Upper Layer NBFCs for the year 2024-25 - **PRESS RELEASE NO. 2024-25/1939, DATED 16-01-2025**

Editorial Note : RBI has released a list of NBFCs in the Upper Layer under Scale Based Regulation for NBFCs for year 2024-25. Accordingly, the list of NBFC-UL includes LIC Housing Finance Limited, Bajaj Finance Limited, Tata Sons Private Limited, Tata Capital Limited, Bajaj Housing Finance Limited, PNB Housing Finance Limited etc. Further, the inclusion of Tata Sons Private Limited in the list of NBFC-UL is without prejudice to the outcome of its application for de-registration, which is under examination.

- 1.17 RBI directs banks to use only '1600xx' phone numbering series for transactional purposes to prevent financial fraud - **CIRCULAR NO. CEPD.CO.OBD.NO.S1270/50-01-001/2024-25, DATED 17-01-2025**

Editorial Note : The RBI has directed banks to use only the '1600xx' phone numbering series to call customers for transactional purposes to prevent financial fraud. RBI further directed that for promotional purposes, banks and other regulated entities (REs) must use only the '140xx' numbering series to prevent financial fraud perpetrated using voice calls and SMS. Also, banks and other REs have been asked to monitor and clean their customer database.

- 1.18 RBI directs banks to ensure nominations for accounts and lockers - **CIRCULAR NO. DOS.CO.PPG/SEC.13/11.01.005/2024-25, DATED 17-01-2025**

Editorial Note : RBI has noticed that in a large number of deposit accounts, nomination is not available. RBI, with an objective to avoid inconvenience and undue hardship to survivors/family members of deceased depositors, reiterates the need to obtain nomination in case of all customers having deposit accounts, safe custody articles and safety lockers. Further, apart from directly notifying the customers, banks are advised to publicise the benefits of using the nomination facility through various media.

- 1.19 ARCs must establish a Board-approved policy covering settlement eligibility, sacrifice limits, & security valuation methods - **CIRCULAR NO. DOR.SIG.FIN.REC.56/26.03.001/2024-25, DATED 20-01-2025**

Editorial Note : The RBI has notified an amendment to Para 15 of the Master Direction on Asset Reconstruction Companies, which pertains to the 'Guidelines on Settlement of Dues of Borrowers by ARCs. Now, every ARC shall frame a Board-approved policy for settlement of dues payable by the borrowers. This policy shall cover aspects such as cut-off date for One-Time Settlement eligibility, permissible sacrifice for various categories of exposures, methodology for arriving at the realisable value of the security.

- 1.20 Govt. warns NGOs with cancelled or expired FCRA certificates against transactions in FCRA accounts - **PUBIC NOTICE NO. II/21022/58(93)/2024-FCRA(MU), DATED 21-01-2025**

Editorial Note : The Ministry of Home Affairs (MHA) noted the credit or debit of FC into the accounts of NGOs/associations who have not been granted registration or prior permission or renewal under the FCRA or whose registration has ceased on expiry of validity period. Now, the Ministry has clarified that any transaction in FCRA accounts/FCRA utilisation accounts of NGOs/associations whose FCRA certificate has been cancelled, ceased, or expired would amount to violation of FCRA & is liable for penal action.

- 1.21 RBI aligns 'Housing Finance Companies' private placement norms for NCDs (Maturity>1 year) with NBFC guidelines - **CIRCULAR NO. DOR.FIN.REC.NO.58/03.10.136/2024-25, DATED 29-01-2025**

Editorial Note : RBI has decided that the guidelines on Private Placement of NCDs (with maturity more than one year) by NBFCs, as per the Master Direction - RBI (NBFC - Scale Based Regulation) Directions, 2023 shall be applicable, mutatis-mutandis, to Housing Finance Company (HFCs). Accordingly, the existing guidelines under Master Direction - NBFC - HFC (Reserve Bank) Directions, 2021 stand repealed. The revised guidelines shall apply from the date of this circular.

- 1.22 RBI files application for initiation of CIRP against 'Aviom India Housing Finance Pvt. Ltd' under IBC on Jan 30, 2025 - **PRESS RELEASE: 2024-2025/2038, DATED 30-01-2025**

Editorial Note : RBI has filed an application for initiation of CIRP against 'Aviom India Housing Finance Pvt. Ltd' under IBC read with Financial Service Providers Insolvency Rules, 2019 at the New Delhi Bench of the Hon'ble National Company Law Tribunal. As per the rules, an interim moratorium must commence on and from the date of filing of the application till its admission or rejection. The RBI took this action due to governance issues and payment defaults.

- 1.23 RBI updates framework for monetary penalties & offence compounding under the Payment & Settlement Systems Act - **CIRCULAR NO. RBI/2024-25/108 EFD.CO.NO.1/02.08.001/2024-25, DATED 30-01-2025**

Editorial Note : The RBI has notified revised framework for imposing monetary penalty and compounding of offences under the Payment and Settlement Systems Act, 2007. Further, the bank is empowered to impose a penalty not exceeding Rs 10 lakh or twice the amount involved in such contravention or default where such amount is quantifiable, whichever is more, in case of contraventions/defaults. An illustrative list of violations subject to enforcement actions has also been notified.

2. SUPREME COURT

SECTION 13 OF THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 - ENFORCEMENT OF SECURITY INTEREST

- 2.1 Where auction sale of mortgaged property was in due compliance with statutory requirements and constituted a valid sale, impugned order of High Court setting aside order of Appellate Tribunal and directing bank to refund amount deposited by auction purchaser with interest was to be set aside - **Sanjay Sharma v. Kotak Mahindra Bank Ltd.** - [2025] 170 taxmann.com 364 (SC)

SECTION 54 OF THE TRANSFER OF PROPERTY ACT, 1882 - "SALE" DEFINED

- 2.2 Where ownership of secured asset was transferred by unregistered documents, such document failed to meet requirement of valid sale under section 54 of Transfer of Property Act, 1882 - **Sanjay Sharma v. Kotak Mahindra Bank Ltd.** - [2025] 170 taxmann.com 364 (SC)

3. HIGH COURT

SECTION 3 OF THE PREVENTION OF MONEY LAUNDERING ACT, 2002 - OFFENCE OF MONEY-LAUNDERING

- 3.1 Where petitioner was convicted for offence under PC Act, 1988 since he was unable to satisfactorily account of pecuniary resources of property disproportionate to his income and ED had filed prosecution complaint against petitioner for commission of offence under PMLA, trial court proceedings could not be stayed on ground that there was no 'proceed of crime', which could be said to be derived from criminal activity - **Anand Kumar Kapur v. Union of India** - [2025] 170 taxmann.com 610 (Delhi)
- 3.2 Where Trial Court convicted petitioner - Army official for amassing disproportionate assets through corruption and ED proceeded under PMLA against petitioner, since commission of predicate offence stood established as petitioner was already convicted after a trial by Trial Court, proceedings before Special Court in case filed under PMLA could not be stayed as - **Anand Kumar Kapur v. Union of India** - [2025] 170 taxmann.com 610 (Delhi)
- 3.3 Where petitioner was arrested in a money laundering case alleging that crypto currencies had been fraudulently transferred from the virtual currency addresses of the victim's Ledger Hardware Wallet in US to an account associated with the India-based cryptocurrency exchange, in view of fact that trial was yet to commence, and moreover, there were no evidence to establish a live link between petitioner

and main accused, petitioner was to be released on bail subject to furnishing a personal bond in sum of Rs.50 thousand with one surety of like amount to satisfaction of concerned Court - **Adnan Nisar v. Directorate of Enforcement** - [2025] 170 taxmann.com 525 (Delhi)

SECTION 8 OF THE PREVENTION OF MONEY LAUNDERING ACT, 2002 - ADJUDICATION

- 3.4 Offence of money laundering is a continuing offence, irrespective of date and time of commission of scheduled offence; provisions of PMLA would be applicable even in cases where scheduled offence was committed prior to amendment in schedule of PMLA to include offences under PC Act - **Anand Kumar Kapur v. Union of India** - [2025] 170 taxmann.com 610 (Delhi)

SECTION 35A OF THE BANKING REGULATION ACT, 1949 - POWER OF THE RESERVE BANK TO GIVE DIRECTIONS

- 3.5 In terms of RBI's Master Circular on Rupee/Foreign Currency Export Credit & Customer Service to Exporters, a mere delay in submission of export documents despite exports actually having been affected within 450 days, will not result in credit ceasing to be 'export credit' - **Jindal Cocoa LLP v. Reserve Bank of India** - [2025] 170 taxmann.com 571 (Bombay)
- 3.6 Where petitioner had availed export credit from Bank and in respect of four export orders, and though petitioner effected exports within maximum permissible period under RBI's Master Circular on Rupee/Foreign Currency Export Credit & Customer Service to Exporters, i.e. 450 days of advance, delivery of export documents to Bank was delayed by a few days, petitioner was eligible for benefit of concessional interest due to a subvention provided by Government of India - **Jindal Cocoa LLP v. Reserve Bank of India** - [2025] 170 taxmann.com 571 (Bombay)

SECTION 45 OF THE PREVENTION OF MONEY LAUNDERING ACT, 2002 - OFFENCES TO BE COGNIZABLE AND NON-BAILABLE

- 3.7 Where petitioner was arrested on allegations that he had projected and concealed property which was proceed of crime in relation to a scheduled offence and was a beneficiary thereof, however, petitioner's role was miniscule as compared to other accused persons and he had joined investigation and at no point of time tried to evade summons or to influence witnesses, petitioner was to be released on bail - **Amit Katyal v. Directorate of Enforcement Government of India** - [2025] 170 taxmann.com 450 (Delhi)
- 3.8 Where applicant filed bail application on his arrest in money laundering case but applicant being well-established businessman had deep roots in society, there was no possibility of him fleeing away from country and not being available for facing trial and, therefore, applicant was to be granted bail subject to certain conditions - **Amit Arora v. Directorate of Enforcement** - [2025] 170 taxmann.com 491 (Delhi)

SECTION 138 OF THE NEGOTIABLE INSTRUMENTS ACT, 1881 - DISHONOUR OF CHEQUE FOR INSUFFICIENCY, ETC., OF FUNDS IN THE ACCOUNT

- 3.9** Where respondent had filed a complaint under section 138 against petitioner but in said complaint respondent had deliberately not disclosed about lawyer-client relationship between him and petitioner, thus, very basis of filing of complaint was dislodged as fact of legally enforceable debt could not be proved unless real relationship was disclosed, due to which alleged cheque was given by petitioner, thus, complaint under sections 138 was not maintainable - **Ram Sharan Singh v. State of U.P.** - [2025] 170 taxmann.com 149 (Allahabad)
- 3.10** Where Trial Court acquitted accused of offence under section 138 merely based on statement of denials made by accused under section 313 CrPC, however, accused, in his statement under section 313 of CrPC admitted that signature on cheques were his own signatures, said admission would trigger presumption under section 139, thus, impugned order of acquittal was to be set aside - **Amit Jain v. Sanjeev Kumar Singh** - [2025] 170 taxmann.com 326 (Delhi)
- 3.11** Bar under section 195(1)(a)(i) of Cr.P.C. would apply to offences under section 174A of IPC, 1860 and, therefore, cognizance of offence under section 174A

could only be taken on a complaint in writing by public servant concerned - **Amandeep Gill v. State Govt. of NCT of Delhi** - [2025] 170 taxmann.com 657 (Delhi)

- 3.12** Where petitioner was director of company and was responsible for day-to-day discharge of functions of company and had knowledge of issuance of cheque in question to complainant, petitioner could not be absolved from liability of commission of offence under section 138 of Negotiable Instruments Act on dishonour of said cheque as long as requisites under sections 138 and 141 were met - **Jyoti Siwach v. State** - [2025] 170 taxmann.com 773 (Delhi)

SECTION 147 OF THE NEGOTIABLE INSTRUMENTS ACT, 1881 - OFFENCES TO BE COMPOUNDABLE

- 3.13** In Revision Applications under Section 397 of Code of Criminal Procedure, 1973 wherein challenge is maintained to judgment of conviction for offence under Section 138 of Negotiable Instruments Act, 1881 passed by Trial Court and/or upheld by Sessions Court in Appeal, High Court can accept Consent Terms filed by parties to put an end to lis between parties and grant relief of compounding of offence - **AFX+Q Engineers v. Nikita Udyog** - [2025] 170 taxmann.com 147 (Bombay)

INSOLVENCY AND BANKRUPTCY CODE

1. STATUTORY UPDATES

- 1.1** IBBI extends the due date for filing liquidation and voluntary liquidation forms till 31.03.2025 - **CIRCULAR NO. IBBI/LIQ/80/2024, DATED 09-01-2025**

Editorial Note : After considering representations from liquidators and Insolvency Professional Agencies citing technical difficulties in submission of forms, the IBBI has extended the deadline for filing liquidation and voluntary liquidation forms till 31.03.2025, previously set at 31.12.2024. Further, IPs must ensure the information submitted in the forms is accurate, truthful and consistent with the supporting documents attached.

- 1.2** IBBI mandates exclusive use of 'eBKray auction platform' to conduct actions for sale of assets during liquidation process - **CIRCULAR NO IBBI/LIQ/81/2025, DATED 10-01-2025**

Editorial Note : IBBI has directed all IPs handling liquidation processes to exclusively use the eBKray auction platform to conduct auctions for sale of assets during the liquidation process starting April 1, 2025. Further, IBBI has directed that the listing of unsold assets in all ongoing liquidation cases must be completed by March 31, 2025. The eBKray is a property listing and e-auction platform designed for banks and lending institutions, addressing recovery of NPA loans via efficient property auctions.

- 1.3** IBBI extends application window for renewal of authorization for assignment from 45 to 90 days before expiry - **NOTIFICATION F. NO. IBBI/2024-25/GN/REG117, DATED 28-01-2025**

Editorial Note : The IBBI has notified amendment in the Model Bye-Laws for IP Agencies. Now, the application window for renewal of authorization for assignment has been extended from 45 to 90 days before expiry. Additionally, it will be deemed approved if the Agency does not issue, renew, or reject the authorization within 90 days (earlier 15 days) of receiving the application.

- 1.4** Disciplinary Committee members must not be involved in any stage of investigation or inspection: IBBI clarifies - **NOTIFICATION F. NO. IBBI/2024-25/GN/REG118, DATED 28-01-2025**

Editorial Note : The IBBI has notified amendment in Inspection and Investigation Regulations, 2017, to clarify the role of Disciplinary Committee members. Board explicitly defines 'associated' as involvement in the conduct of investigation or inspection or consideration of the investigation or inspection report or issuance of SCN.

- 1.5** IBBI extends the time for filing grievances or complaints to 30 days after closure of related legal proceedings - **NOTIFICATION F. NO. IBBI/2024-25/GN/REG119, DATED 28-01-2025**

Editorial Note : The IBBI has notified amendments in the Grievance and Complaint Handling Procedure Regulations, 2017. In the revised regulation, the timeframe for filing grievances or complaints after the occurrence of the cause of action has been extended. The grievance or complaint may now be filed within thirty days from the closure of all related proceedings before the Adjudicating Authority, Appellate Authority, High Court, or Supreme Court.

- 1.6** IBBI amends liquidation Regulations; prescribes norms w.r.t 'filing of forms' on electronic platform of Board within time - **NOTIFICATION NO. F. NO. IBBI/2024-25/GN/REG120, DATED 28-01-2025**

Editorial Note : IBBI has notified IBBI (Voluntary Liquidation Process) (Amendment) Regulations, 2025 and IBBI (Liquidation **Process**) (Amendment) Regulations, 2025. New regulations relating to the 'filing of forms' have been inserted. It states that the liquidator must file the forms along with enclosures, on an electronic platform of the Board, as per the specified timelines. Further, the liquidator must ensure that the forms and its enclosures filed are accurate and complete.

- 1.7** IBBI amends guidelines for technical standards on core and other services under Information Utilities Regulations

Editorial Note : IBBI has notified amendment to the guidelines for technical standards for the performance of core services and other services under the IBBI (information utilities) regulations, 2017. The amendments include the use of Permanent Account Number (PAN) or other OVDs for user identity verification during registration. Additionally, IUs are required to use UIDAI's demographic authentication facility for verifying user identities.

2. SUPREME COURT

SECTION 31 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - RESOLUTION PLAN- APPROVAL OF

- 2.1** Where there was delay in approaching High Court seeking quashing of minutes of meeting of CoC approving appellant's resolution plan and direction to CoC for acceptance of respondent's proposal particularly when respondent himself had initiated proceedings under Code by filing interlocutory applications seeking similar relief, High Court committed an error in entertaining writ petition - **Mohammed Enterprises (Tanzania) Ltd. v. Farooq Ali Khan - [2025] 170 taxmann.com 193 (SC)**

3. HIGH COURT

SECTION 32A OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - LIABILITY FOR PRIOR OFFENCES, ETC

- 3.1 Where approval of resolution plan resulted in a new management taking over control of petitioner-corporate debtor, thus, petitioner could not be prosecuted for alleged offences committed by erstwhile management and directors of petitioner prior to approval of resolution plan and petitioner would be entitled to immunity from prosecution - **Gangakhed Sugar and Energy Ltd. v. Central Bureau of Investigation** - [2025] 170 taxmann.com 526 (Delhi)

4. NCLAT

SECTION 31 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - RESOLUTION PLAN- APPROVAL OF

- 4.1 Where there was no patent irregularity found in conduct of CIRP proceedings by RP, nor any facts and circumstances placed on record that substantiated that appellant-suspended management of corporate debtor was prevented by RP/CoC from effectively participating in CoC deliberations, decision of NCLT approving resolution plan of SRA was not to be interfered with - **Yashdeep Sharma v. Tara Chand Meenia, Resolution Professional for Maha Associated Hotels (P.) Ltd.** - [2025] 170 taxmann.com 151 (NCLAT- New Delhi)
- 4.2 Adjudicating Authority is not empowered to modify resolution plan approved by Committee of Creditors and in event of Adjudicating Authority finding that approved resolution plan requires certain modifications, it can only make suggestions regarding modification of plan to CoC but cannot unilaterally modify plan - **Calyx Chemicals and Pharmaceuticals (P.) Ltd. v. Ravindra N. Athavale** - [2025] 170 taxmann.com 452 (NCLAT- New Delhi)

SECTION 60 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE PERSON'S ADJUDICATING AUTHORITIES - ADJUDICATING AUTHORITY

- 4.3 Where appellant-suspended director of corporate debtor filed an appeal against NCLT's order, seeking direction for respondent-operational creditor to withdraw proceedings under section 9, since master of proceedings in CIRP petition was respondent, it was solely up to him whether to continue pursuing relief sought or to withdraw it under changed circumstances and thus, appeal filed by appellant was to be dismissed - **Kalyan Muppaneni v. K. Computers** - [2025] 170 taxmann.com 660 (NCLAT - Chennai)

SECTION 61 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE PERSON'S ADJUDICATING AUTHORITIES - APPEALS AND APPELLATE AUTHORITY

- 4.4 Where application u/s. 7 to initiate CIRP was filed by financial creditor and NCLT had considered submission of both parties elaborately and by impugned order had returned a categorical finding that there was sufficient material on record that proves existence of financial debt and default, therefore, there was no error in order of NCLT admitting said section 7 application - **Santosh Kumar v. ASK Trusteeship Services (P.) Ltd.** - [2025] 170 taxmann.com 451 (NCLAT- New Delhi)
- 4.5 Where appellants-operational creditors challenged approved resolution plan on ground that there had been discrimination amongst operational creditors in as much while claims of Government of Telangana (GoT) had been paid in full, nil payment was provided to other operational creditors, in view of fact that GoT was lessor of land on which hotel of corporate debtor was situated, otherwise GoT was also treated as Operational Creditors, thus, there was no illegality in approving said resolution plan - **NCC Ltd. v. Golden Jubilee Hotels (P.) Ltd.** - [2025] 170 taxmann.com 106 (NCLAT- New Delhi)

SECTION 238A OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - LIMITATION PERIOD

- 4.6 Section 14 of Limitation Act cannot be applied to intra-court applications preferred by parties to principal proceedings and therefore, section 14 of Limitation Act cannot be applied to dilute implication of limitation contained under section 61 of IBC. - **Kalyan Muppaneni v. K. Computers** - [2025] 170 taxmann.com 660 (NCLAT - Chennai)

SECTION 240A OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - MICRO, SMALL AND MEDIUM ENTERPRISES - APPLICATION OF CODE TO

- 4.7 Provisions of IBC have an overriding effect over MSMED Act, 2006; any amount receivable by corporate debtor, being an asset of company, would continue to remain with corporate debtor upon implementation of resolution plan - **NCC Ltd. v. Golden Jubilee Hotels (P.) Ltd.** - [2025] 170 taxmann.com 106 (NCLAT- New Delhi)

5. NCLT

SECTION 5(6) OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - DISPUTE

- 5.1 Where corporate debtor acknowledged debt in a reply notice, wherein corporate debtor also agreed to release payments, since corporate debtor owed a debt to operational creditor and had defaulted in discharging operational debt, application filed under section 9 against corporate debtor was to be admitted - **K. Computers v. PI Data Centers (P.) Ltd.** - [2025] 170 taxmann.com 527 (NCLT - Amaravati)

- 5.2 Where operational creditor who supplied electrical transformers to corporate debtor filed petition under section 9 but there was pre-existing dispute between parties as regards quality of goods supplied, petition filed under section 9 by operational creditor was not maintainable and was to be rejected - **Shree Ganpati Powers and Transformers v. Vijeta Projects & Infrastructures Ltd.** - [2025] 170 taxmann.com 740 (NCLT - Kolkata)

SECTION 5(21) OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - OPERATIONAL DEBT

- 5.3 Where corporate debtor alleged that operational creditor was merely an agent of Principal Service Provider i.e., HPe, and lacked authority to file CIRP application, however, operational creditor was a channel partner of HPe with an independent agreement with corporate debtor further, Statement of Work, signed by both operational creditor and corporate debtor, confirmed operational creditor's authority to provide services, thus, operational creditor was not an agent. - **K. Computers v. PI Data Centers (P.) Ltd.** - [2025] 170 taxmann.com 527 (NCLT - Amaravati)
- 5.4 Where corporate debtor alleged that person who filed application under section 9 was not competent to file CIRP application, since there was evidence confirming operational creditor as a partnership firm where said person was one of partners and authorization had been given by Managing Partner of operational creditor, question of special authorization did not arise - **K. Computers v. PI Data Centers (P.) Ltd.** - [2025] 170 taxmann.com 527 (NCLT - Amaravati)

SECTION 7 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - INITIATION BY FINANCIAL CREDITOR

- 5.5 Where corporate guarantee deed was executed by guarantor/corporate debtor on 10.08.2016 which was invoked by financial creditor vide notice dated 16.10.2017, whereby corporate debtor was called upon to pay outstanding amounts on or before 20.10.2017 and corporate debtor failed to make payment before due date, accordingly, date of default was 20.10.2017, and thus, instant section 7 petition having been filed on 11.10.2020 against corporate debtor, was clearly within period of limitation - **ICICI Bank Ltd. v. Ushdev Engitech Ltd.** - [2025] 170 taxmann.com 692 (NCLT - Mum.)

SECTION 29A OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - RESOLUTION APPLICANT- PERSONS NOT ELIGIBLE TO BE

- 5.6 Where applicant - prospective resolution applicant alleged that resolution plan submitted by SRA was riddled with material irregularities and SRA was ineligible in terms of section 29A, since corporate debtor was an MSME, as per section 240A, provisions of section 29A(c) and (h) would not apply in case of corporate debtor - **Astral Agro Ventures v. Vakati Balasubramanyam Reddy** - [2025] 170 taxmann.com 771 (NCLT - Mum.)

SECTION 30 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - RESOLUTION PLAN- SUBMISSION OF

- 5.7 Where applicant - prospective resolution applicant for corporate debtor, who did not submit a resolution plan or evidence of EMD payment, sought to challenge approved resolution plan, however, applicant was a third party with no nexus to CIRP of corporate debtor and, thus, had no basis or locus for filing an application challenging approved resolution plan - **Astral Agro Ventures v. Vakati Balasubramanyam Reddy** - [2025] 170 taxmann.com 771 (NCLT - Mum.)

SECTION 31 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE INSOLVENCY RESOLUTION PROCESS - RESOLUTION PLAN- APPROVAL OF

- 5.8 Where RP never issued a provisional list of eligible prospective resolution applicants within 10 days of last date of submission of expression of interest and all prospective resolution applicants were kept in dark about entry of new resolution applicant, entire CIRP process was vitiated by material irregularity and violation of Regulation 36A(10) of CIRP Regulations and as such resolution plan of new resolution applicant was contrary to law as laid down under section 30(2) - **Tikmani Steel Trading Company v. Imperial Tubes (P.) Ltd.** - [2025] 170 taxmann.com 403 (NCLT - Kolkata)

- 5.9 Reviving a corporate debtor under a resolution plan is distinct from selling it as a going concern in liquidation - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)

- 5.10 Approval of a resolution plan does not ipso facto discharge a personal guarantor (of a corporate debtor) of her or his liabilities under contract of guarantee - **ICICI Bank Ltd. v. Ushdev Engitech Ltd.** - [2025] 170 taxmann.com 692 (NCLT - Mum.)

SECTION 33 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE LIQUIDATION PROCESS - INITIATION OF

- 5.11 Where despite providing sufficient opportunity to successful bidder, bidder failed to comply directions of Tribunal issued from time to time for payment of balance bid amount, there were no bona fides in plea of bidder for further extension of time and same was to be dismissed, and liquidator was to be directed to forfeit EMD of bidder and to start bidding process afresh - **Nimmagadda Surya Pradeep Bio-Tech (P.) Ltd. v. Kamineni Steel and Power (P.) Ltd.** - [2025] 170 taxmann.com 612 (NCLT - Hyd.)

SECTION 53 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE LIQUIDATION PROCESS - ASSETS, DISTRIBUTION OF

- 5.12** Liabilities for employee salaries and wages could be addressed through waterfall mechanism u/s. 53, however, statutory dues like provident fund, gratuity, and ESIC were excluded from liquidation estate by section 36(4)(a)(iii) and, said dues could not be distributed u/s. 53 - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)
- 5.13** Where corporate debtor was admitted into liquidation process, rights of applicants, erstwhile promoter/directors of corporate debtor, arising u/s. 4(1) of Payment of Gratuity Act, 1972, in their capacity as an employee of corporate debtor were independent of rights of Financial Creditors, if any, arising out of personal guarantee contract extended by them and would not deter their rights to claim gratuity dues - **Mrs. Abirami Premkumar v. K. Sivalingam** - [2025] 170 taxmann.com 817 (NCLT - Chennai)

SECTION 60 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - CORPORATE PERSON'S ADJUDICATING AUTHORITIES - ADJUDICATING AUTHORITY

- 5.14** NCLT does not have jurisdiction to direct Maharashtra Pollution Control Board (MPCB) to grant or renew consents, approvals, or permits, said responsibilities would lie with applicant to approach MPCB for these environmental clearances - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)
- 5.15** Restructuring corporate debtor's business without necessary approvals could not be allowed and, Statutory compliances could not be waived just because corporate debtor was sold as a going concern - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)
- 5.16** Successful bidders in a corporate debtor sale must acquire entire existing share capital, which may require capital restructuring, however, adhering to Companies Act, 2013, which requires shareholders consent for reducing and cancelling share capital could slow process if shareholders do not cooperate, therefore, to ensure sale of corporate debtor as a going concern, waivers and exemptions should be granted as requested by successful bidder - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)
- 5.17** Where applicant was a successful bidder in auction sale conducted by liquidator in course of liquidation process of corporate debtor, applicant was well within its rights to replace existing board with directors nominated by it - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)

- 5.18** Where in an auction sale conducted by liquidator in course of liquidation process of corporate debtor, applicant was declared as successful bidder, waiver of property tax and lease rent sought by applicant could not be granted as waiver of property tax and lease rent had nothing to do with operationalizing business of corporate debtor and such waiver had no direct nexus with insolvency resolution or liquidation of corporate debtor - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)

- 5.19** Where in an auction sale conducted during liquidation, applicant acquired properties of corporate debtor with all existing and future encumbrances/claims/dues/demands, whether known or unknown to liquidator, applicant could not be allowed to retract from terms and conditions of e-auction after acquiring properties of corporate debtor - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)

SECTION 79 OF THE INCOME-TAX ACT, 1961 - LOSSES - CARRY FORWARD AND SET OFF OF, IN CASE OF CERTAIN COMPANIES

- 5.20** Relief to carry forward and set off prior year losses against future profits could not be granted u/s. 79(2)(c) without an approved resolution plan under IBC code - **Bhola Ram Steels (P.) Ltd. v. Sunil Kumar Agarwal** - [2025] 170 taxmann.com 492 (NCLT - Mum.)

SECTION 95 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016 - INDIVIDUAL/FIRM'S INSOLVENCY RESOLUTION PROCESS - APPLICATION BY CREDITOR

- 5.21** Where no application seeking initiation of CIRP against corporate debtor - principal borrower was filed and a petition was filed seeking to initiate IRP against its personal guarantor, since NCLT had no jurisdiction to adjudicate matters unrelated to insolvency or liquidation proceedings of corporate debtor or corporate person, such petition was not maintainable - **Indian Bank v. Methil Sashi Kumar Nair** - [2025] 170 taxmann.com 329 (NCLT - Kolkata)
- 5.22** An application under section 95(1) to initiate Insolvency Resolution Process against a Personal Guarantor to a corporate debtor would not be maintainable before NCLT if there was no ongoing or concluded CIRP against principal debtor and appropriate proceedings would lie only before Debt Recovery Tribunal (DRT) having territorial jurisdiction - **UCO Bank v. Rahul Gupta** - [2025] 170 taxmann.com 693 (NCLT - Kolkata)
- 5.23** In absence of an 'initiated' or 'pending' or 'concluded' CIRP against a Principal Borrower, an application under section 95(1) to initiate Insolvency Resolution Process against a Personal Guarantor to a Corporate Debtor will not be maintainable before NCLT and appropriate proceedings will lie only before Debt Recovery Tribunal (DRT) having territorial jurisdiction - **Indian Bank v. Dharmesh Kumar Baid** - [2025] 170 taxmann.com 659 (NCLT - Kolkata)

Discussion Paper on Streamlining the Voluntary Liquidation Process



CA (Dr) Tulsi Ram Tibrewala IP
Mobile no.9830080444
Email id: taxcoach1@hotmail.com



Ms. Aslesha Shau FCS, Pursuing IP Course
Mobile 8093085900
Email ca.aslesha@gmail.com

The Code and IBBI (Voluntary Liquidation Process) Regulations, 2017 ('Voluntary Liquidation Regulations') ISSUED ON 05.10.2023 provide for completely market-driven approach in voluntary liquidation process in order to ensure faster outcomes at least possible cost.

Disclosures by Corporate Person

Keeping into consideration the principle of preservation of time value enshrined in the BLRC report, the Voluntary Liquidation Regulations provide that the liquidator shall endeavour to complete the liquidation process of the corporate person within 90 or 270 days from the liquidation commencement date. As on 31st August, 2023, around 55% of the ongoing cases are continuing for more than one year. On perusal of such cases, it has been observed that the delay is generally on account of **delay in making foreign remittances, pending appeal regarding demand/ penalty imposed and refund from statutory departments and other litigations.**

Proposal 1: The directors of the corporate person while making declaration for initiation of the process, shall also make:

- ***Disclosure about pending proceedings or assessments before statutory authorities, and pending litigation, in respect of the corporate person.***
- ***Sufficient provision has been made to meet the obligations arising, if any, on account of these pending matters.***

Our Comments:

This is welcome provision and will expedite the process.

Status Report

Before the Voluntary Liquidation Regulation was amended on **05th April 2022**, Regulation 37(1) provided that the liquidator shall endeavour to complete the liquidation process of the corporate person within the twelve months (12 months) from the liquidation commencement date. In the amended regulation 37(1), timelines in which liquidator shall endeavour to complete the liquidation process of the corporate person and submit the Final Report under regulation 38 have been provided as under:

- a) **two hundred and seventy days** from the liquidation commencement date where the creditors have approved the resolution under clause (c) of sub section (3) of section 59 or clause (c) of sub-regulation (1) of regulation 3, and
- b) **ninety days** from the liquidation commencement date in all other cases.

As on 31st August 2023, out of 408 cases in which voluntary liquidation process has commenced, final report has been filed in 175 cases. These 175 cases took an average 155 days for submission of final report. Further, out of these 175 cases, the final report has been submitted within 90 days in 64 cases.

Sub regulation (2) of the aforesaid regulation provides that in the event of the liquidation process continuing for more than twelve months, the liquidator shall-

- a) *hold a meeting of the contributories of the corporate person **within fifteen days from the end of the twelve months from the liquidation commencement date** and at the end every succeeding twelve months till dissolution of the corporate person: and*
- b) *Shall present and **Annual Status Report(s)** indicating progress in liquidator.....*

Thus, the timelines provided in sub-regulation (2) are not in consonance with the timelines of 90 days or 270 days in the regulations amended on 5th April 2022. **Therefore, there is a need to amend the sub-regulation (2) to carry out consequential changes required to bring them in line with the timelines provided in sub-regulation (1). Further, there is no mechanism in place for reporting the reason for delay where liquidator fails to liquidate the corporate person within the stipulated period of 90 days or 270 days, to the Board.**

Proposal 2: *If the liquidator fails to liquidate the corporate person within stipulated period of 90 days or 270 days as the case may be, he shall hold a meeting of contributories of the corporate person and file within fifteen days after the end of the quarter in which the stipulated period for completion of liquidation has expired, a Status Report to the Board explaining why the liquidation has not been completed and specify, along with reasons, the additional time that shall be required for completing the process.*

Our Comments:

This is also welcome move and will be meaningful o expedite the process.

Voluntary Liquidation of Financial Service Providers (FSP)

Section 3(7) of the Code provides that the “corporate person” means a company as defined in clause (20) of section 2 of the Companies Act, 2013 (18 of 2013), a limited liability partnership, as defined in clause (n) of sub-section (1) of section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009), or any other person incorporated with limited liability under any law for the time being in force but shall not include any financial service provider. Further, Section 227 provides that the Central Government may, in consultation with the appropriate financial sector regulators, notify FSPs or categories of FSPs for insolvency resolution. Vide notification dated 18.11.2019, the central government notified “Non-banking finance companies (which include housing finance companies) with asset size of Rs.500

crore or more, as per last audited balance sheet.” for which the insolvency resolution and liquidation proceedings shall be undertaken in accordance with the provisions of the Code.

However, there have been instances of initiation of voluntary liquidation process of corporate persons which come under the ambit of FSP but which have not been notified. In this regard, it is proposed that in case the corporate person falls under the category of FSP which has been notified by the central government under section 227 of the Code, the declaration by corporate person shall also provide that corporate person has obtained prior permission of appropriate regulator for initiating voluntary liquidation proceedings.

Proposal 3: If the corporate person falls under the category of financial service provider, it shall declare that:

- a) the category of financial service provider has been notified by the central government under section 227 of the Code**
- b) the declaration by corporate person shall also provide that the corporate person has obtained prior permission of appropriate regulator for initiating voluntary liquidation proceedings.**

Our Comments:

Notification by FSP by CG under section 227 of the Code is welcome move and will expedite the process.

Withdrawal from Corporate Voluntary Liquidation Account

Regulation 39 of Voluntary Liquidation Regulation provides a framework for the management of unclaimed deposits and undistributed proceeds during the liquidation process. As per the regulation, liquidators are mandated to deposit unclaimed/ undistributed amounts into the Corporate Voluntary Liquidation Account along with details of stakeholders entitled to such deposited amount with the Board. This mechanism has been established to ensure a swift and efficient closure of the liquidation process. Post the transfer of funds, stakeholders or any other person who claims to be entitled to any amount deposited into the Corporate Voluntary Liquidation Account, may apply to the Board for withdrawal of the amount.

There is now a substantial increase in the requests for withdrawals in cases where final report has been submitted but dissolution order has not been passed as the time gap between order of dissolution and submission of application for dissolution of the process is widening. As per data available with the Board, the average time taken for dissolution of voluntary liquidation process from the date of submission of final report is 280 days. This causes delays in distribution and inconvenience to the claimants as the claimants are anxious about their claims. However, the present mechanism does not provide for a situation wherein distribution can be made after final report but before order of dissolution. Therefore, there is a need to provide for distribution to these claimants as the same will help them get their dues and will reduce the correspondence being made to the Board.

The Liquidator, while submitting dissolution application to the AA, provides the details of the unclaimed/ undistributed amount, if any, deposited into the Corporate Voluntary Liquidation Account in the final report as well as in the compliance certificate. Section 35(1)(j) of the Code mandates the liquidator to invite and settle the claims of creditors and claimants and distribute proceeds in accordance with the provisions of the code. The liquidator gets discharged from his duties only on dissolution order or closure of the liquidation process. Therefore, till the dissolution order, it is the duty of the liquidator to distribute proceeds to the claimant which were deposited with the Board.

Proposal 4: *Where a request for withdrawal is received from the claimant, the Board shall direct the liquidator in all such cases where dissolution order has not been passed, for verification of the claim. This includes checking the legitimacy of the claim, the amount involved, and any other relevant details. Post verification, the liquidator shall submit their findings and opinion to the IBBI to enable it to permit withdrawal even before dissolution.*

Our comments:

Good proposal.

The Evolving Landscape of IBC: Challenges, Successes, and the Road Ahead



CA Brinda Bidasaria (Dalmia)

The Insolvency and Bankruptcy Code, 2016 (IBC) has been a game-changer in India's financial and corporate landscape. It was enacted to streamline the insolvency resolution process, improve creditor rights, and reduce the complexities involved in resolving distressed assets. Over the years, IBC has undergone several amendments and policy refinements to address emerging challenges and enhance its effectiveness. This article explores the journey of IBC, its successes, challenges, recent amendments, and the way forward, highlighting the role of professionals in its implementation.

Before IBC, India lacked a structured mechanism to handle insolvency cases efficiently. The introduction of the Code marked a paradigm shift by:

- Providing a time-bound resolution process (180-270 days, extendable up to 330 days in exceptional cases)
- Empowering financial and operational creditors
- Reducing non-performing assets (NPAs)
- Enhancing ease of doing business

1. Success Stories and Impact

IBC has played a crucial role in resolving distressed assets. Several landmark cases, including Essar Steel, Bhushan Power & Steel, and Jet Airways, have demonstrated its effectiveness. The recovery rates under IBC have improved significantly compared to previous frameworks, strengthening investor confidence in the system. Some key achievements include:

- **Reduction in Non-Performing Assets (NPAs):** IBC has provided banks and financial institutions with a structured mechanism to recover bad debts, leading to a decline in NPAs.
- **Enhanced Credit Discipline:** Strict timelines and accountability measures have made corporate borrowers more conscious of maintaining financial discipline.
- **Faster Resolution of Stressed Assets:** Unlike earlier recovery mechanisms such as the SARFAESI Act and Debt Recovery Tribunals (DRTs), IBC provides a time-bound resolution framework. Several large corporate debtors like Essar Steel, Bhushan Power & Steel, and Jet Airways have successfully undergone resolution, benefiting creditors, employees, and other stakeholders.
- **Increased Investor Confidence:** A clear and transparent insolvency process has attracted both domestic and international investors looking to acquire distressed assets.

2. Key Challenges in the IBC Process

Despite its success, IBC faces multiple challenges, including:

- **Delays in Resolution Timelines:** While IBC prescribes a 330-day resolution timeline, many cases stretch beyond this limit due to litigation and procedural inefficiencies.
- **Legal Complexities:** Different interpretations of the Code sometimes create inconsistencies in implementation, leading to delays due to frequent appeals and protracted legal battles.
- **Challenges for Insolvency Professionals (IPs):** The growing complexity of cases increases the burden on IPs, who must manage multiple stakeholders while ensuring compliance with regulations under IBBI, IIPICAI, and ICAI.
- **Low Recovery in Liquidation Cases:** Cases that reach the liquidation stage often have low recoveries for creditors.

3. Opportunities for other Professionals in IBC

Chartered Accountants, Company Secretaries, and Lawyers play a pivotal role in IBC by offering services such as:

- Insolvency resolution and liquidation process support services
- Valuation and forensic audit services
- Financial advisory in distressed assets
- Assisting in compliance and due diligence under the Code

With evolving legal requirements, professionals must continuously update their skills and knowledge to navigate the dynamic IBC landscape effectively.

4. The Road Ahead: Strengthening IBC for the Future

While IBC has made remarkable progress, further reforms are necessary:

- **Strengthening Pre-Pack Insolvency Resolutions:** Expanding its applicability to large corporations for faster resolutions.
- **Digitization of Processes:** Implementing a technology-driven resolution framework to enhance transparency.
- **Encouraging Alternative Dispute Resolution (ADR) Mechanisms:** Promoting mediation and negotiation to settle insolvency disputes without prolonged litigation.
- **Strengthening NCLT and NCLAT:** Increasing the number of judges and resources to handle rising insolvency cases efficiently.
- **Adopting International Best Practices:** Learning from global insolvency laws to refine the framework further.

Conclusion

IBC has significantly transformed India's insolvency framework, offering a structured and effective resolution mechanism. While challenges persist, continuous amendments and judicial clarifications are making the process more efficient. Professionals in the insolvency domain have vast opportunities to contribute and grow as the landscape evolves. Going forward, a proactive approach towards timely reforms and capacity-building will ensure that IBC continues to be a cornerstone of India's economic resilience and business revival.

ACCOUNT AND AUDIT UPDATES

- 1.1** ASB of ICAI invites comments on exposure draft of Ind AS 118, Presentation and Disclosure in Financial Statements

Editorial Note : The ASB of ICAI invites comments on the exposure draft of Ind AS 118, aligning with IFRS 18, which outlines new presentation and disclosure requirements in financial statements. The draft introduces a framework for classifying income and expenses, including operating, investing, financing, and other categories, and introduces new profit or loss subtotals. Public comments are open until April 6, 2025, with the standard expected to be effective from April 1, 2027.

- 1.2** ICAI issues Exposure Draft of Guidance Note on Audit of Banks (2025 Edition)

Editorial Note : The Institute of Chartered Accountants of India (ICAI) has issued an Exposure Draft for the 2025 edition of the Guidance Note on Audit of Banks. This comprehensive guide is designed to assist auditors in conducting statutory audits of banks and their branches, with sections dedicated to Statutory Central Audit and Bank Branch Audit.. Stakeholders are invited to share their comments on the draft by 5th February 2025.

- 1.3** ICAI defers Peer Review Requirement for Practice Unit covered under Phase III and Phase IV of Peer Review Mandate

Editorial Note : ICAI has deferred the mandatory Peer Review requirement for Practice Units, with Phase III now effective from July 1, 2025, and Phase IV from January 1, 2026. This adjustment aims to enhance service quality and broaden the scope of the peer review process. A valid Peer Review Certificate will be required by the auditors for audits under these phases.

- 1.4** ICAI releases Volume 3 of "Guidance on Non-Compliances Observed by QRB" to enhance audit quality

Editorial Note : ICAI has released Volume 3 of "Guidance on Non-Compliances Observed by Quality Review Board During Quality Reviews," covering 46 common non-compliances in auditing. It includes actionable insights on Standards on Auditing, Internal Financial Controls, and other key areas. This comprehensive guide aims to strengthen compliance and elevate audit quality across the profession.

- 1.5** ICAI introduces aggregation of LLPs Guidelines 2024

Editorial Note : This framework by the Institute of Chartered Accountants of India (ICAI) enables Chartered Accountant (CA) LLPs to collaborate through structured partnerships while ensuring compliance with regulatory requirements. It covers key aspects such as eligibility criteria, governance mechanisms, audit restrictions, reconstitution procedures, and digital document management.

- 1.6** ICAI has released the Draft Bank Branch Auditors' Panel (MEF) for 2024-25

Editorial Note : The Institute of Chartered Accountants of India (ICAI) has released the Draft Bank Branch Auditors' Panel (MEF) for 2024-25, prepared in line with RBI's norms. Applicants can review their details, including MEF Number, Firm Registration Number, and category, on the official website. Any observations or complaints can be submitted until February 5, 2025, after which the final panel will be forwarded to RBI.

Ind AS: Transforming Financial Reporting in India



Shreyans Begwani
FCA, B.Com (H), Cert. in IFRS & FAFD
E-mail: s.begwani1@gmail.com

In today's interconnected business world, financial transparency and comparability are more critical than ever. The introduction of Indian Accounting Standards (Ind AS) marks a major shift in how Indian companies report their financials, aligning them with global best practices. But why does it matter? Let's explore how Ind AS is transforming financial reporting in India.

The Evolution of Ind AS: A Timeline of India's IFRS Convergence

India's journey towards **Ind AS adoption** was a **structured and phased transition** aimed at aligning financial reporting with **International Financial Reporting Standards (IFRS)**. Here's a look at the key milestones:

- **Pre-2009:** India followed traditional **Accounting Standards (AS)**, which were rule-based and lacked global comparability.
- **2009:** The **Ministry of Corporate Affairs (MCA)** initiated the process of **IFRS convergence**, recognizing the need for transparency and international compatibility. A committee was formed to develop Indian Accounting Standards in line with IFRS.
- **2011:** The first set of **Ind AS was drafted**, but implementation was deferred due to industry concerns and tax-related complexities.
- **2015:** The MCA **officially notified the Ind AS roadmap**, laying out a **phased implementation plan** to ensure smooth adoption.
- **2016-17:** Ind AS became **mandatory** for:
 - **Companies with a net worth of ₹500 crore or more** (Phase 1 – 2016-17)
 - **Listed companies and unlisted companies with a net worth of ₹250 crore or more** (Phase 2 – 2017-18)
- **2018-19:** Applicability extended to **NBFCs and insurance companies**, further expanding the Ind AS ecosystem.
- **Ongoing:** Continuous refinements and amendments are made to **align Ind AS with evolving IFRS standards**, ensuring relevance in a dynamic financial environment.

Who Needs to Adopt Ind AS?

Ind AS is **mandatory** for:

- **Listed companies**
- **Unlisted companies with a net worth of ₹250 crore or more**
- **Banks, NBFCs, and insurance companies** as per their regulatory timelines

It is **optional** for other companies that wish to adopt Ind AS early for strategic advantages.

The Real-World Impact of Ind AS

Ind AS is more than just a compliance requirement—it's a **transformational shift** that reshapes how businesses **report, analyze, and strategize**. By aligning financial reporting with **global standards**, Ind AS enhances **transparency, comparability, and investor trust**, creating new growth opportunities. Here's how Ind AS is making a real difference:

1. Enhancing Global Credibility

Ind AS **brings Indian financial reporting in line with IFRS**, making it easier for businesses to **expand globally**. Investors, lenders, and stakeholders can **trust and compare financial statements across countries**, improving business prospects. A company using Ind AS is **seen as reliable and transparent**, which helps attract **foreign investors and multinational partnerships**.

2. Attracting Investors

Standardized financial reporting means **clearer financial disclosures**, reducing uncertainty for investors. When financial statements follow global norms, **investors can better understand the company's performance and risks**. This **boosts investor confidence**, leading to **higher chances of securing funding** from domestic and international markets.

3. Better Access to Capital

Ind AS introduces **fair value accounting**, where assets and liabilities are **valued at their real market worth** rather than historical cost. This improves **financial ratios, credit ratings, and borrowing capacity**, enabling companies to **raise capital at better terms** from international lenders and institutions.

4. Strategic Business Insights

Ind AS provides a **true and fair view of a company's financial position**, allowing management to make **more informed and data-driven decisions**. With **detailed disclosures, better valuation techniques, and standardized financial metrics**, businesses can **identify risks and opportunities faster**, leading to **smarter investments and strategic growth**.

5. Strengthening Governance

Good governance is **essential for long-term success**. Ind AS **strengthens corporate governance** by requiring **detailed disclosures on related party transactions, fair value adjustments, and financial risks**. Stricter compliance and transparency help **build trust among stakeholders, shareholders, and regulatory bodies**, reducing the risk of fraud and misrepresentation.

6. Risk Management & Financial Stability

One of the key improvements under Ind AS is the **Expected Credit Loss (ECL) model**, which **requires businesses to anticipate potential credit risks in advance** rather than waiting for defaults to happen. This **proactive approach** ensures companies are **better prepared for financial shocks**, minimizing the impact of bad debts and economic downturns.

7. Competitive Edge

Early adopters of Ind AS gain a **competitive advantage** as they appear **more transparent, investor-friendly, and globally aligned**. Companies that transition smoothly to Ind AS **demonstrate forward-thinking leadership**, making them more attractive for **mergers, acquisitions, and cross-border collaborations**.

8. Simplified Consolidation of Financial Statements

For businesses with **multiple subsidiaries, joint ventures, or international operations**, Ind AS makes consolidation **easier and more accurate**. Since **all entities follow the same accounting principles**, financial statements can be **seamlessly integrated**, improving **efficiency and reliability** in group reporting.

9. Future-Readiness for Global Regulations

With **continuous regulatory updates and global economic changes**, businesses must be **prepared for the future**. Ind AS ensures that companies are **in sync with evolving global accounting norms**, making them **ready for international expansion, regulatory changes, mergers, acquisitions, and global investor scrutiny**.

10. Improved Transparency in Financial Reporting

Ind AS enhances **transparency in cash flow reporting and revenue recognition**, providing a **clearer picture of a company's true financial health**. With better classification of financial transactions and strict revenue recognition guidelines, **management, investors, and auditors can trust the accuracy of financial statements**, reducing uncertainty and improving decision-making.

Challenges and Overcoming Them

While Ind AS brings numerous advantages, the transition process presents several hurdles. However, businesses that plan ahead and leverage expert support can navigate these challenges effectively and turn them into opportunities.

Key Challenges:

- **Complex Financial Adjustments** – Fair value accounting and new recognition principles require significant changes.
- **Skill Gap** – Many finance teams require specialized training to interpret and apply complex Ind AS concepts correctly. Upskilling professionals is key to a smooth transition.
- **Increased Compliance Requirements** – Detailed disclosures and continuous amendments increase the reporting burden.
- **IT System Integration** – Legacy accounting systems may need upgrades to support Ind AS requirements.
- **Business & Tax Implications** – Changes in revenue recognition and fair value impact financial metrics and taxation.

How to Overcome Them:

- Engage **Ind AS experts** or provide **training** to finance teams.
- Use **automation tools** and **upgrade ERP systems** for seamless reporting.

- Plan a **phased transition** and conduct **impact assessments** early.
- Stay updated with **Ind AS amendments** and regulatory changes.
- Evaluate **tax implications** and align business strategies accordingly.

With **expert guidance and proper planning**, businesses can **successfully implement Ind AS**, ensuring transparency, compliance, and long-term growth

Conclusion: A Step Towards Global Excellence

Ind AS is **not just a regulatory requirement—it's an opportunity**. By adopting Ind AS, businesses position themselves as **globally competitive, transparent, and investment-friendly**. Companies that proactively transition will **stay ahead of the curve, gain investor confidence, and strengthen governance**.

Are You Ready to Elevate Your Financial Reporting?

With expert support, the transition to Ind AS can be smooth and rewarding. Whether it's understanding fair value measurements, automating reporting, or ensuring compliance, professional assistance can make all the difference.

Ind AS is the future—embrace it today for a stronger tomorrow!

Changing Landscape of Consolidated Reporting and Group Auditing: Role of Indian AS and NFRA in Curbing Financial Fraud



CA Santosh Dutta
Deputy Manager (Finance), Coal India Limited
PhD Research Scholar, IIM, Ranchi
Mobile: 9903453292
Email id: santoshdutta.ca@gmail.com

1. Introduction

The increasing complexity of corporate structures and corporate group reporting has raised significant concerns regarding financial frauds and audit lapses. The introduction of converged IFRS and the enhanced role of regulatory authorities like the National Financial Reporting Authority (NFRA) aim to curb fraudulent activities within corporate entities. However, while NFRA's stricter oversight and global auditing standards provide a framework for fraud detection, it is equally important to ensure that these measures do not undermine the professional autonomy of auditors and the regulatory role of the Institute of Chartered Accountants of India (ICAI).

This article examines real financial fraud cases, the loopholes exploited, and the evolving regulatory landscape in group reporting and group auditing. It also subtly highlights the role of ICAI in maintaining audit integrity while discussing the challenges posed by NFRA's approach.

2. Recent Financial Frauds: A Wake-Up Call

Several high-profile financial frauds in India have underscored the need for robust conglomerate accounting and group auditing frameworks. Some notable cases include:

- **Reliance Commercial Finance Ltd (RCFL), Reliance Capital Ltd, and Reliance Home Finance Ltd:** alleged fraud where funds were borrowed and subsequently routed to other group entities.
- **Coffee Day Global Ltd:** allegedly diverted fund to its other promoter entities.
- **IL&FS:** The financial conglomerate collapsed under crores of debt due to poor governance and opaque financial dealings across its nearly 250 subsidiaries.

- **DHFL:** Alleged fraud where auditors failed to identify the non-inclusion of subsidiaries and verify affiliated entity transactions.

3. How Funds Are Siphoned Off through group structure

Financial frauds typically involve the following mechanisms:

- Promoter-Controlled Subsidiaries:** Promoters use shell subsidiaries to divert funds, taking advantage of gaps in Indian AS 110 rules.
- Exclusion of Key Subsidiaries from Group Reporting:** Omitting material subsidiaries from group reporting conceals financial obligations and misrepresents financial health.
- Failure to Verify affiliated entity transactions:** Auditors may fail to scrutinize inter- company dealings, allowing undisclosed financial manipulations.
- Lack of Adequate Audit Procedures:** Inadequate risk assessments lead to oversight of material misstatements and fraudulent transactions.
- Complexities in conglomerate Accounting and Audit**

A review of the top 100 large-cap and mid-cap listed business in India reveals significant complexities in conglomerate accounting:

- **23 companies** have **more than 50 subsidiaries**.
- **76 companies** have **overseas components**.
- **20 companies** derive **more than 50% of their net assets from component entities**.
- **18 companies** generate **more than 50% of their total revenue from component entities**.

The rapid growth of conglomerates necessitates robust auditing and group reporting standards to ensure clarity and prevent financial misstatements.

4. Evolving Regulatory Landscape

4.1 Changes in Consolidated Indian AS

The adoption of international standards has significantly altered corporate group reporting frameworks. The below group of Indian AS strengthens corporate reporting and reduces the scope for financial fraud by enhancing clarity, accountability, and consistency in group financial reports.

- **Indian AS 110:** Defines control, ensuring that parent groups consolidate all entities they control.
- **Indian AS 111:** Focuses on joint arrangements and their appropriate accounting treatment.
- **Indian AS 112:** Enhances disclosure requirements regarding interests in various components of conglomerates.

By addressing loopholes and improving financial clarity, these standards serve as strong deterrents against financial fraud and manipulation.

4.2 Changes in Group Auditing Standards

- **SA 600 to SA 600 (Revised):** Strengthens group audit requirements, enhancing the role of the principal auditor in ensuring group-wide audit robustness.

5. NFRA's Position on Financial Fraud Prevention

The NFRA Chairman has emphasized key concerns throughout the year 2024 some of which are as follows:

- *"Some big corporate failures have been due to affiliated entity transactions and subsidiaries siphoning off funds."*
- *"Indian audit SA 600 must match global standards to prevent frauds."*
- *"We must take corrective action, including changes in SA 600, to detect frauds early."*

While NFRA's intent to enhance financial clarity is commendable, it is crucial to assess whether its regulatory approach is balanced and considers the practical challenges faced by auditors.

6. The Role of SA 600 in Group Auditing

SA 600 governs the use of work performed by subsidiary auditors in a group audit. Some key provisions include:

- The principal auditor remains responsible for forming an independent opinion on financial information.
- The principal auditor may rely on other auditors' work but must exercise due diligence.
- The principal auditor is not responsible for the work entrusted to subsidiary auditors unless there is a reason to suspect its reliability.
- The competence of subsidiary auditors must be assessed, especially if they are not ICAI members.

- **Key Concern:** SA 600 allows significant discretion to the principal auditor. The revised version aims to align with global standards, ensuring that the principal auditor remains fully accountable for the audit opinion on group reporting.

7. NFRA vs. ICAI

The NFRA and ICAI share a common objective—enhancing financial clarity. However, certain concerns emerge:

- 1) The ongoing discussion between ICAI and NFRA on the convergence of SA 600 with ISA 600 highlights key considerations unique to India's regulatory and professional environment. While NFRA advocates for complete alignment with international standards, ICAI emphasizes the need for modifications that reflect India's well-established auditing framework. The core issue revolves around the extent of oversight the group auditor should have over subsidiary auditors, particularly access to their working papers—a practice permitted under ISA 600 but contested in the Indian context.
- 2) Another important consideration is the legal framework governing corporate group reporting in India. Unlike in some international jurisdictions, responsibility for the preparation and accuracy of these statements does not rest solely with the holding company's board and management. Instead, the boards of subsidiary firms also bear accountability for their respective corporate group reporting. In light of this, placing disproportionate liability on the group auditor without adequately considering the role of subsidiary managements may not align with the practical realities of Indian corporate governance.
- 3) Additionally, the structure of the Indian audit industry differs significantly from its global counterparts. A vast number of small and medium-sized CA firms play a crucial role in conducting subsidiary audits. Concerns have been raised that the proposed revision of SA 600 might lead to the concentration of audit work among larger firms, as group auditors could use their oversight authority to influence management decisions regarding auditor appointments. Such a shift could disrupt the existing balance and impact the operational sustainability of smaller firms, which form an integral part of India's auditing landscape.
- 4) Internationally, ISA 600 mandates that the group auditor assesses the professional competence of subsidiary auditors, as different jurisdictions have varied qualifications and legal requirements for audits. However, India follows a uniform auditing standard under the Companies Act, 2013, which mandates that all companies be audited by chartered accountants who are members of ICAI. This ensures a consistent level of professional competence across the board.

8. Conclusion

While global best practices serve as valuable references, any modifications to SA 600 should be tailored to India's unique regulatory architecture. The objective should be to enhance audit robustness without disrupting the current professional ecosystem, ensuring that changes align with the existing legal, structural, and operational landscape of the Indian audit industry.

Ensuring financial integrity requires a collaborative approach where regulatory bodies, auditors, and corporate entities work together, fostering an environment of clarity and accountability without compromising professional decision. The evolution of SA 600 and conglomerate Indian AS marks a step forward, but their implementation must be carefully calibrated to maintain the fine balance between regulatory oversight and professional autonomy.

References

Proposed revision in SA 600 for public comments SA 600 (Revised), Special consideration- Audit of group financial statements (including the work of component auditors) (September 2024)

CA Institute asks NFRA to pause revision of SA 600 (The Hindu Business line, September 20, 2024) (<https://www.thehindubusinessline.com/economy/regulatory-clash-ca-institute-asks-nfra-to-pause-revision-of-sa-600/article68664704.ece>)

SA 600: NFRA says can reconsider remedial measures if ICAI provides strong evidence of concentration risks (ET CFO, November 26, 2024) (<https://cfo.economictimes.indiatimes.com/news/tax-legal-accounting/sa-600-nfra-says-can-reconsider-remedial-measures-if-icai-provides-strong-evidence-of-concentration-risks/115691519>)

Direct Taxes Professionals' Association

(Registered under Societies Registration Act, 1961. Registration No. S/60583 of 1988-89)

Secretariat : 3, GOVT. PLACE (WEST), INCOME TAX BUILDING, KOLKATA - 700 001

Ph. +91 33 2242-0638, 4003-5451 • E-mail : dtpakolkata@gmail.com • Website : www.dtpa.org**APPLICATION FOR MEMBERSHIP**2 Pcs.
Pass Port
Colour
Photographs

To
The Hony' Secretary,
DIRECT TAXES PROFESSIONALS' ASSOCIATION
3, Govt. Place, Income Tax Building, Kolkata-700001

Dear Sir,

I hereby apply for **LIFE / GENERAL MEMBER** of the Association.

I agree to abide by the Memorandum and Rules & Regulations of the Association as may be in force from time to time.

1. Name in Full (Mr. / Mrs. / Miss) : _____
(BLOCK LETTERS)
2. Father's Name : _____
3. Date of Birth : _____
4. Academic and/or Professional Qualifications : _____
5. Professional Status (Pls. specify) : ☐ In Practice ☐ In Service ☐ In Business ☐ Others
6. Organisation : _____
8. Mem. No. of CA/CS/ICWAI/Bar Council : _____
9. Blood Group : _____ (Self) _____ (Spouse)
10. Name of Spouse : _____
11. Office Address : _____

12. Residence Address : _____

13. Telephone (Nos.) : (Off.) : _____ (Resi.) : _____ Fax : _____
Mobile : _____ E-mail : _____
14. Address where Circular etc. should be sent : ☐ Office ☐ Residence
Enclosed herewith Rs. _____ (Rupees _____)
by Cash/Cheque No. _____ Dated _____ Drawn on _____
towards ☐ Life Membership ☐ General Membership.

Place : _____

Date : _____

Signature of the Applicant

Would you like to contribute to the following activities of DTPA ? (Pls. specify)

☐ Contributing articles for Journal ☐ Being part of the Core group which runs the functioning of DTPA☐ Being faculty / Speaker at Conferences / Seminars / Workshops ☐ OthersArea of Professional Interest (Pls. specify) : ☐ Indian Income Tax ☐ International Tax☐ FEMA ☐ Company Law ☐ Auditing ☐ Corporate Finance ☐ Indirect Tax ☐ General Management☐ Information Technology ☐ Human Resource ☐ Banking & Financial Services ☐ Investment Consultancy ☐ OthersI would like to receive News Letter / Notices / Circulars by ☐ E-mail ☐ Courier ☐ Both

Proposed By : Name : _____

DTPA Membership No. : _____

Signature : _____

Seconded By : Name : _____

DTPA Membership No. : _____

Signature : _____

FOR OFFICE USE ONLY

Date of Receipt _____ Membership Approved on _____ Membership No. Allotted _____

Chairman, Membership Sub-Committee

President

General Secretary

NOTES : 1. Fee for Life Membership (a) Individual Rs. 7,500/- (G.S.T. Extra @ 18%), (b) If application is made within a period of 5 years of attaining first professional qualification Rs. 5,000/- (G.S.T. Extra @ 18%), (c) Corporate Bodies Rs. 7,500/- (G.S.T. Extra @ 18%).

2. Cheques should be drawn in favour of "Direct Taxes Professionals' Association".

OFFICE BEARERS 2024-2025

President



CA. Barkha Agarwal
9831184871
barkhaagarwal@hotmail.com

I.P.P.



CA. Rajesh Kr. Agrawal
9007217679
thinkvisor18@gmail.com

Sr. Vice-President



CA. Manju Lata Shukla
9831491002
ml_shukla@rediffmail.com

Vice-President



CA. Mahendra Kr. Agarwal
9830096405
mahendrasubhashandco@gmail.com

General Secretary



CA. Shyam Agarwal
9903040775
Shyam_ag12@yahoo.co.in

Joint Secretary



Adv. (CA) Giridhar Dhelia
9830255500
gdhelia@gmail.com

Treasurer



CA. Sujit Sultania
9831016678
sultaniasujit@gmail.com

EXECUTIVE COMMITTEE MEMBERS 2024-2025



CA. Ajit Kr. Tulsian
9831131100
aaakdt@gmail.com



CA. Akkal Dudhwewala
9748090242
akkal.dudh@gmail.com



Adv. Ankit Kanodia
9831543580
ankitkanodia@gmail.com



CA. Arup Dasgupta
9831503290
orup.dasgupta@gmail.com



CA. Ashish Rustagi
9339768131
rustagico@rediffmail.com



CA. Bharat D. Sarawgee
9830022057
bharatsarawgee@gmail.com



CA. Kedar Nath Gupta
9830648056
guptakn123@yahoo.co.in



CA. Neena Maheshwari
9830281121
neenamaheshwari@gmail.com



Adv. Rites Goel
9831029805
replyrites@gmail.com



CA. Ritesh Vimal
9830574278
vimalrites@gmail.com



CA. Sahib Singh Choudhary
9339328137
sahibschoudhary@gmail.com



CA. Sanjay Satnalika
9830041626
satnalika2096@gmail.com



CA. Sanjay Poddar
9830047033
poddar.sanjay@gmail.com



CA. Mohan Lal Gupta
9836189880
mohangupta.814@gmail.com

PAST PRESIDENTS



CA. K. C. JAIN
9830073387
kcjain34@yahoo.co.in



Adv. N. P. Jain
9830951252
npjainadv@gmail.com



Adv. J. R. Bhadani
9830135150
jrvtaxation@yahoo.com



Adv. V. K. Singhania
9831003609
vitrum@vsnl.net



CA. Indu Chatrath
9831048516
ichatrath@yahoo.com



Adv. R. D. Kakra
9831052151
rdkakra@gmail.com



CA. Pawan Agarwal
9830038817/9830262464
pawan@asac.co.in



CA. Raja Ram Chowdhary
9830088796
rrchowdhary@hotmail.com



CA. D. N. Agrawal
9830339556
dn.agrawal@dbcca.co.in



CA. P. K. Agarwalla
9831220797
pkaco_ca@yahoo.co.in



Adv. S. D. Verma
9830026177
kdsanju@hotmail.com



CA. M. C. Jagwayan
9831021650
nitjags81@rediffmail.com



Adv. B. L. Kheria
9831696921
bl_kheria@yahoo.com



CA. R. N. Rustagi
9830030845
rustagico@rediffmail.com



CA. A. K. Tibrewal
9831070922
anand@nkpco.in



CA. Santosh Kulthia
9748731590
kkscaindia@gmail.com



CA. Nilima Joshi
9830039990
canilimajoshi@gmail.com



CA. P. R. Kothari
9830021198
pk.ramram@gmail.com



Adv. Arvind Agrawal
9831026660
gpakol.office@gmail.com



CA. Sajjan Kr. Sultania
9830037498
sundeepsultania@gmail.com



CA. Sanjay Bajoria
9831845005
sbacal2019@gmail.com



Adv. Subash Agarwal
9830052141
subash_sushma@yahoo.in



CA. Aghor Kr. Dudhwewala
9831039440
aghorassociates@yahoo.co.in



CA. Bishnu Kr. Loharuka
9830260400
bkloharuka2003@yahoo.com



CA. P. K. Himmatsinghka
9331024755
pkhkol@gmail.com



Adv. Paras Kochar
9831024563
paraskochar@hotmail.com



CA. K. P. Khandelwal
9830030216
ca.kpkhandelwal@gmail.com



CA. Sunil Surana
9831005533
thanmalji@hotmail.com



CA. Kamal Bagrodia
9830043311
kamalbagrodia@gmail.com



CA. Ramesh Kr. Chokhani
9748747044
rkchokhani@yahoo.com



CA. Vikash Parakh
9830969234
vikashparakh.ca@gmail.com



CA. N. K. Goyal
9831046053
ngc.narendra@hotmail.com



Adv. Kamal Kr. Jain
9830708341
kamalkrjain@yahoo.com



CA. D.S. Agarwala
9433097972
agards@gmail.com

SUB COMMITTEES 2024-2025

Sub-committee	Chairman/Chairperson	Co-chairman/Chairperson	Advisor
DIRECT TAXES & DIRECT TAXES CO-ORDINATION	Mr. Paras Kochar	Ms. Manjulata Shukla Mr. Rites Goel	Mr. S.K. Sultania Mr. M.C. Jagwayan
DIRECT TAXES-RESEARCH & PUBLICATION	Mr. P.R. Kothari	Mr. Ajit Tulsyan Mr. Vinit Jalan	Mr. A.K. Tibrewal
ITAT CO-ORDINATION	Mr. Sunil Surana	Mr. Akkal Dudhwewala	Mr. Arvind Agrawal
FELLOWSHIP / EXCURSION	Mr. Rajesh Kumar Agrawal	Mr. Mahendra Kr. Agarwal Mr. Sujit Sultania	Mr. Aghor Dudhwewala
AUDIT & ASSURANCE	Mr. N.K. Goyal	Mrs. Neena Maheshwari	Mrs. Nilima Joshi
COMPANY & ALLIED LAW MATTERS	Mr. Ashish Rustagi	Mr. Rahul Parasrampur	Mr. K.P. Khandelwal
RESIDENTIAL CONFERENCE	Mr. Vikash Parakh	Mr. Ritesh Vimal	Mr. N.K. Goyal
PUBLIC RELATIONS & MEDIA	Mr. N.P. Jain	Mr. K.N. Gupta	Mr. R.D. Kakra
GST & INDIRECT TAXES	Mr. D.S. Agarwala	Mr. Arup Dasgupta	Mr. Vikash Parakh
GST & INDIRECT TAXES-RESEARCH & PUBLICATION	Mr. Ankit Kanodia	Mr. Sahib Singh Choudhary	Mr. D.S. Agarwala
JOURNAL	Mr. Giridhar Dhelia	Mr. Mohan Lal Gupta	Mr. Subhas Agarwal
INFORMATION TECHNOLOGY & EMERGING OPPORTUNITIES	Mr. Amit Singhania	Mr. Harsh Duggar	Mr. Bharat D. Sarawgee
CAPITAL MARKET COMMITTEE	Mr. Sanjay Satnalika	Mr. Bharat D. Sarawgee Mr. Vivek Jain	Mr. Sanjay Bajoria
Note : President and Secretary are Ex-Officio members of all Sub-Committees.			

SPECIAL INVITEES 2024-2025

Mr. Prasanta Dutta
9830162034
p_dutta_advocate@yahoo.co.in



Mr. Rahul Parasrampur
9831042317
parasrampurarahul@gmail.com



Mr. Harsh Duggar
9748787888
harshdugar@icai.org



Mr. Vivek Jain
9874746182
vivekjain4u@yahoo.com



Mr. Vinit Jalan
9830516369
vinitjalan@gmail.com



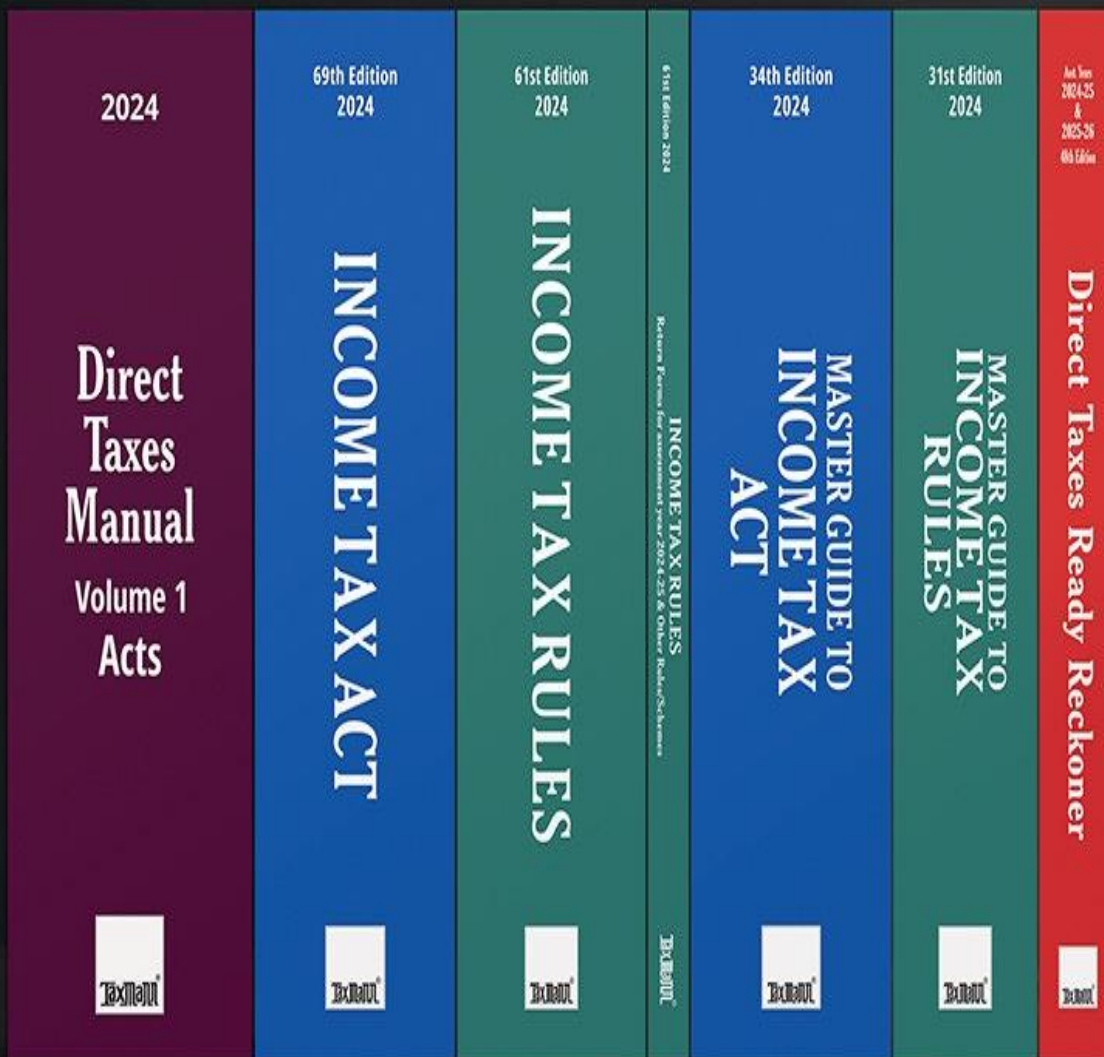
Mr. Amit Singhania
9836356488
amitsinghania86@yahoo.co.in



Mr. Amit Agarwal
9804118873
amit25385@gmail.com

Keeping India's Trust with Direct Tax Laws

Since 1961



Trusted by:
3 Million+
Tax Professionals