

THE MONTHLY MAGAZINE FROM CASC



TAX

AUGUST 15
INDEPENDENCE DAY

GST

Latest Updates

GST UPDATES

The graphic features a central white circle with the text 'GST Latest Updates'. Surrounding it are various icons: a calendar, a calculator, a smartphone, a hand holding a notepad, a stack of coins, and a red alarm clock. The background is white with colorful geometric shapes.



IND-AS

A close-up photograph of a person's hand using a calculator on a desk. The desk is covered with financial documents, including a bar chart with green and blue bars, and a line graph. A pair of glasses is also visible on the desk.



RECENT JUDGMENTS

A close-up photograph of a hand holding a wooden gavel with a gold band, positioned over a wooden sound block. The background is dark and out of focus.



INDIAN ECONOMY ROUND UP

A photograph of a tablet displaying various financial charts, including a bar chart, a line graph, and a pie chart. The tablet is resting on a wooden surface.

76th INDEPENDENCE DAY 2023

Volume-2

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CASC BULLETIN

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10.08.2023 (Thursday)	Recent Judgements in Direct Taxes	Adv. Hema Muralikrishnan
26.08.2023 (Saturday)	AGM followed by Special Address	Mr. Arvind P. Datar, Senior Advocate
31.08.2023 (Thursday)	Get Ready for Peer Review! - From PU's Perspective	CA. R.S. Balaji

Kindly Note AGM followed by special address is only at Hindustan Chamber of Commerce

- The Meetings are preceded by Fellowship over High Tea from 6.00 p.m. onwards
- Annual General Meeting & Special Address followed by Dinner

***CASC Annual Members are requested to renew their
subscription for 2023 - 2024***

EDITORIAL

"Out of clutter, find simplicity. From discord, find harmony. In the middle of difficulty lies opportunity." - Albert Einstein

Dear Professional Colleagues,

Auditing - Not a mere Ticking Exercise

The Chairman of the Audit Regulating Body NFRA, Mr. Ajay Bhusan Prasad, during his address at a conference said that Auditors should follow the due process and Auditing should not be a mere ticking process, rather it should be a thinking process. We all need to agree with this statement, because Auditing is a crucial activity that involves the systematic examination and evaluation of an organization's financial records, processes, controls, and overall performance to ensure accuracy, compliance, and efficiency. It plays a significant role in maintaining transparency, trust, and accountability in business practices. Hence auditing should be a

thoughtful, robust, and value-adding process that goes beyond a mere ticking exercise. Ultimately this is going to create a more trust on the Financial figures reported. Definitely these regulating bodies are not a Villain to Auditors fraternity.

Forwarded Social Media Messages - Persons Forwarding are liable for its Contents

The Madras High Court has recently refused to quash batch of criminal proceedings initiated against an actor for his forwarding of as derogatory remarks against women journalists. The court added that we live in an era where social media has virtually taken over every individual's life where each message can reach the nook and corner of the world in no time. The court added that we are now suffering from "virtual diarrhoea" where we are bombarded with messages. Every person must exercise social responsibility while creating or forwarding a message. While holding individuals accountable for

forwarded social media contents, although this might seem reasonable in certain cases, it's a complex issue that needs careful consideration. Striking the right balance between accountability and the protection of fundamental rights is crucial. It also highlights the importance of media literacy, critical thinking, and responsible use of social media platforms to combat misinformation and harmful content. Ultimately, it is essential to have well-defined laws and guidelines that consider the nuances of social media communication and its potential impact on society.

1 Lakhs Notices by IT Department

Over 1 Lakhs Notices are being sent by the Income Tax Department to the assesses for the returns which were filed 4 to 6 years earlier. The reason to issue such notices are either for under reporting of income to what has been actually earned and for not filing it and information is there that they should have filed it. Their plan is to complete all these notices before 31st March, 2024. The officials confirmed

that notices are sent to people with Annual Income over Rs.50 Lakhs. All these are the impacts of having a good quantum of technology in our hand. But technology has both positive and negative effects on tax compliance and evasion. The positive extremities being Online Payments & filing, Data Integration and Analytics, and E-Audits. Whereas the negative extremities being use of crypto currencies, Offshore accounts and Tax Havens, and Data security challenges. The parliament disclosed a data a few days back that out of 74 million IT returns filed for the FY 2022-2023, only 22.4 million returns are Non-Zero Income Tax returns.

Geocoding & GST

Geocoding is a process of converting addresses (like street addresses) into geographic coordinates (like latitude and longitude), which can be used for various purposes such as mapping, location-based services, and spatial analysis. And Now GSTN has come up with such facility for the principal place of business address is now live for all States and Union territories.

This facility has been introduced to ensure the accuracy of address details in GSTN records and streamline the address location and verification process. But remember this is an One-time activity. The geocoding link will not be visible on the portal once the geocoding details are submitted. The functionality will not be visible to the taxpayers who have already geocoded their address through new registration or core amendment. But Will this feature aid for addresses that are ambiguous or imprecise, especially in rural or densely populated areas. Geocoding such addresses may lead to inaccurate results or difficulty in pinpointing the exact location.

Appeal

We, at Chartered Accountants Study Circle, request members to contribute articles for the bulletin and you may contact the editorial board regarding the same. We have been regularly conducting technical programmes every month. Members are requested to attend the programmes conducted

by CASC and are also requested to send their suggestions and / or value additions to the services provided by CASC including this Bulletin. The same can be sent as hard copy to the office of the CASC or emailed to admin@casconline.org or any of the members of the Management Committee of the CASC. Any member interested in using the CASC platform for addressing our members on technical topics may kindly feel free to contact us by way of email at admin@casconline.org.

Let me conclude with a statement that, for this 76th year of Independence, let's take a pride in our Diversity, Honor our Shared heritage, and Renew our commitment to build a stronger and more prosperous India.

Wishing all our members a Happy Independence Day! Jai Hind!

For and behalf of Editorial Board

Bhuvaneshwari.R.V.

CA. BHUVANESWARI.R.V.

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ANNOUNCEMENTS

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

READER'S ATTENTION

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

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RECENT JUDGMENTS IN VAT/CST/GST

Order Rectification: Respondent had passed an assessment order dated 29.06.2021. Immediately on receiving the said order, the petitioner has met the respondent in person and explained to him that while uploading and filling Form-1 (CST) return for the month of April, 2015, on 14.05.2015, the Petitioner's accountant, by an oversight, had reported transfer of goods otherwise than by way of sale as Rs.33,64,840/- instead of Rs.3,36,840/-. The petitioner, therefore, requested the respondent to rectify the defect by adopting the correct turnover and passing the revised order. However, there was no response to this and the petitioner had therefore, filed a representation on 21.04.2022 followed by yet another representation on 06.04.2023 under Section 84 of the TNVAT Act. The Ld Government Advocate, appearing for the respondent would submit that the respondent would dispose of the petitioner's representation. Considering the aforesaid submission made by the Ld Government Advocate, this Writ Petition is



CA. V.V. SAMPATHKUMAR

disposed of by the Hon'ble Court directing the respondent to consider the petitioner's representation dated 06.04.2023 and pass orders within a period of six weeks from the date of receipt of a copy of this order. **Tvl.G.P.Steel, Vs. The Assistant Commissioner (ST), Thirupparankundram Assessment Circle, Madurai. W.P.(MD) No.13047 of 2023 DATED : 07.06.2023**

Appeal filing time, Limitation : The limitation for filing of such appeals is 90 days from date of receipt of the order and a further period of 30 days is granted within which time, the assessee concerned can seek condonation of delay. In the present case, the appeals have, admittedly, been filed within 10 days after the

statutory period of 120 days. In such circumstances, there is nothing untoward in the return of the appeals from the office of the Deputy Commissioner (ST), GST-Appeal, Chennai -II citing delay beyond the condonable period. In the Affidavit the petitioner submits that they were not aware of the uploading of the impugned order dated 31.10.2022 in the GSTIN portal as the petitioner did not receive any mail or message in their mail id about the uploading of the impugned order dated 31.10.2022 in the GSTIN portal. But only when the first respondent insisted that the petitioner has to pay the penalty amount in the first week of March 2023, the petitioner came to understand that the impugned order dated 31.10.2022 was already uploaded in the GSTIN portal. The Hon'ble Court acceded to the request for condonation of delay of 10 days with a rider to the petitioner represent the appeal papers within a period of one (1) week from date of receipt of a copy of this order. If the appeal papers are so re-presented as aforesaid, the appellate authority shall entertain the same holding them

be maintainable, hear the appeals and dispose the same in accordance with law. **M/s. Sri Mutharamman Traders. Vs 1.The State Tax Officer, Madipakkam Assessment Circle, 2.The Deputy Commissioner (ST) GST, Appeal Chennai - II, Chennai - 600 006. W.P.Nos.17600 & 17604 of 2023 Dated: 14.06.2023**

Personal bond and Stay order :

Petitioner submits that the stay order direction to pay a sum of Rs.6,36,885/- has been complied and further submits that the petitioner is aggrieved against the condition imposed by the first respondent in regard to the furnishing of bank guarantee for the balance of the disputed tax and requests that the same be modified by directing the petitioner to furnish a personal bond instead of bank guarantee as directed by the first appellate authority. It is stated that identical requests made have been considered favourably and the conditional order modified by permitting the petitioner to furnish a personal bond in the place of bank guarantee as directed by the appellate authorities. The order of this Court,

dated 31.08.2018 in Writ Petition No.22427 of 2018 is one such. The Ld Additional Government Pleader appearing on behalf of the respondents fairly does not dispute the aforesaid position or contest the request made. In light of the aforesaid and taking into account the position that the petitioner has remitted 50% of the disputed tax, The Court ruled that the petitioner is permitted to furnish a personal bond in respect of the balance of tax, to the tune of Rs.12,73,884/- within a period of four (4) weeks from today. Subject to the furnishing of personal bond by the petitioner, there shall be an order of stay of balance of the disputed tax till the disposal of the appeal by the first appellate authority. It is made clear that impugned order dated 09.05.2023 stands modified to this limited extent alone. **Burnt Umber Fashion Pvt. Ltd Vs1. Deputy Commissioner (CT) (Appeal), Chennai - I, Chennai - 600006. 2. Assistant Commissioner (ST), Vanagaram Assessment Circle, Chennai - 600 123 W.P.No.17558 of 2023 Dated: 14.06.2023**

Not considered Objections: A rectification order dated 15.07.2016 refers to a notice dated 28.04.2016 issued to the petitioner and proceeds on the basis that the petitioner was non-responsive. Petitioner has, vide reply dated 10.05.2016, posted on 11.05.2016, set out its objections which have clearly escaped the attention of the assessing authority. Respondents states that objections dated 10.05.2016 have not been received. Petitioners submits that there is proof for having dispatched objections dated 10.05.2016 and hence in the interests of justice, rectification order dated 15.07.2016 which has not taken into account its explanation, this Hon'ble Court set aside the impugned order. **Fritzmeier Motherson Cabin Engineering Pvt Ltd Vs State Tax Officer, Sriperumbudur Assessment Circle, Varadharajapuram - 600 123 W.P.No.14894 of 2023 Dated: 01.06.2023**

Certificates of TDS : The impugned order denies credit of Tax Deducted at Source (TDS) on the ground that the

original of the TDS certificates were not produced. Only copies of the same were furnished, though sufficient opportunities have been afforded to the petitioner to produce the originals and hence the Assessing Authority cannot really be faulted on this score. Since the petitioner states that he is now in possession of the requisite TDS certificates in original, he is permitted to appear before the Assessing Authority on specified day. The Ld Additional Government Pleader for R1 would submit that after hearing the petitioner, the TDS certificates that were additionally produced have been taken note of by the Assessing Authority, who vide order dated 19.05.2023, has revised the earlier order, impugned in this Writ Petition. A copy of the said order is stated to have been served upon the petitioner as well. Stating so,, the demand raised in original order of assessment dated 09.09.2022, which is impugned in this Writ Petition, stands revised and this Writ Petition stands disposed.

D.Udayakumar Vs 1. The Commercial Tax Officer, Cholavaram Assessment Circle,2. The Branch

Manager, State Bank of India, Edayanchavadi, - 600 013. W.P.No.12837 of 2023 Dated: 14.06.2023

Opportunity : It is an admitted position that the petitioner was given sufficient opportunities prior to finalisation of assessment to justify its claim of ITC. The respondent in the show cause notice has clearly set out the claim of ITC calling upon the petitioner to furnish the details of ITC category wise/tax type wise and to explain the variations that he has noticed. After the receipt of the impugned proceedings, the petitioner then filed an application under Section 161 of the Act seeking rectification of errors allegedly apparent on record. This application has come to be rejected by way of order dated 18.04.2023. The AO rejects the application under Section 161 for the reason that there was no material available on record that was supplied by the assessee that would point to any error. It is submitted by the Petitioner that the AO should have examined the particulars that accompanying the return that were

part of the file might have contained the details that he was looking for. An assessee who has not made even a solitary attempt to cooperate or assist in the assessment proceedings to lay the blame at the doorstep of the revenue for the verification of. Stating so, these Writ Petitions are dismissed. **M/s.Seoyon E-Hwa Summit Automotive India Pvt. Ltd. Vs The Deputy Commissioner (ST)-I Large Taxpayers Unit, Chennai-35 W.P.Nos.16535 & 16538 of 2023 DATED: 06.06.2023**

Delay condonation : The time for filing of statutory appeal has elapsed. However, since some explanation for delay has been set out in paragraph 10 of the affidavit accompanying the WP and since Ld Government Advocate, who accepts notice for the respondent does not very seriously contest the request of the petitioner for availment of statutory appeal, while dismissing the challenge to the impugned order, the petitioner is granted liberty to challenge the same by way of first appeal. Also directed that Appeal, if any, filed within a period of four (4) weeks from date of receipt of a copy

of this order, shall be entertained by the appellate authority without reference to limitation but ensuring compliance with all other statutory conditions. Stating so, this WP is dismissed with liberty. **M/s.Cauvery Extrusions Private Limited, Vs The Assistant Commissioner (ST), Saravanampatti West Circle, Coimbatore - 641 018. W.P.No.16600 of 2023 DATED: 06.06.2023**

Not heard: The impugned order under Section 84 does not communicate as to whether the petitioner has been heard. Though counter has not been filed, The Ld Government Advocate, who has the assistance of the Assessing Officer, who was present in Court, confirms the position that the petitioner was not heard prior to passing of the impugned order under Section 84 of the Tamil Nadu Value Added Tax Act, 2006. In such circumstances and seeing as the impugned order is thus rendered in violation of principles of natural justice, the same is set aside with the directions that the petitioner will appear before the respondent on 19.06.2023 at 10.30 a.m. along with

any/all documents in support of its contentions, without expecting any further notice in this regard. After hearing the petitioner and considering the written submissions and the materials, if any, submitted, orders shall be passed afresh and in accordance with law by the respondent within period of four (4) weeks from date of personal hearing, i.e., on or before 17.07.2023. **Speed Works Trading Pvt. Ltd., Vs The Assistant Commissioner (ST), Nungambakkam Assessment Circle W.P.No.13865 of 2023 Dated: 12.06.2023**

Hearing: Prior to passing of the impugned orders, the petitioners had filed replies dated 17.12.2020, where, in conclusion they request for a personal hearing prior to finalization of the proceedings. This request has been totally ignored by the assessing officer who has instead proceeded to pass the impugned order without hearing the petitioner. The impugned orders have been passed under the provisions of Section 74 of the Act and the officer is, in passing the orders, bound by the general provisions

relating to determination of tax as set out under Section 75 of the Act. Section 75(4) provides for an opportunity of hearing to be granted to an assessee where such request is received in writing from the person chargeable with tax or penalty or where any adverse decision is contemplated against the paid person. Seeing as the petitioners have specifically requested for an opportunity of personal hearing, it was incumbent upon the officer to have fix the matter for hearing, heard the petitioners and thereafter determined the tax payable. Stating so, the impugned orders of assessment are set aside with directions. **M/s.Sri Krishna Timbers, M/s.Maruthi Traders Vs 1. State Tax Officer (Collection and Arrear), Tirunelveli. 2. Superintendent of GST & Central Excise, Tenkasi Range, Tirunelveli Division, Madurai Commissionerate W.P.(MD) Nos.14407, 14408, 14409 & 14410 of 2021 Dated: 12.06.2023**

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

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CASE LAWS - SERVICE TAX AND GST

1. GST - ITC CHARGED BUT NOT DEPOSITED BY SUPPLIER - DENIED OF ITC OF PURCHASER - NOT UNJUSTIFIED - SUBSEQUENT PAYMENT BY SUPPLIERS RESULTED IN RESTORATION OF ITC TO PURCHASER

In Pinstar Automotive India Pvt. Ltd. v. AC.GST&CE, Chennai 2023 (73) GSTL 6/(2023)5 Centax 23 (Mad.), certain supplies had been made to the petitioner by third parties and the entirety of the amount including tax has been paid to the suppliers and that tax has not been to the department by certain suppliers who are delinquent insofar as their registrations have been cancelled despite the tax paid being by the petitioner to them for which the department confirmed the demand on the ITC availed from such delinquent parties. On a writ petition, the High Court observed as under:



CA. VIJAY ANAND

1. There is no dispute that section 16 are to be observed strictly so that there is no jeopardy to the interests of the revenue. CGST Act, 2017 ensures that the interests of the revenue are protected by providing for a mandate that the tax liability is defrayed/met either at the hands of the supplier or the purchaser, the petitioner in this case. Thus, no fault can be attributed to the revenue in this regard.
2. An additional factor is that where the tax liability has been met by way of reversal of ITC and similarly recovery is effected from the supplier as well, this would amount to a double benefit to the

revenue. While the Department may reverse credit in the hands of the purchaser, which is a protective move to be reversed when if the liability is made good by the supplier.

3. Thus, the substantive liability falls on the supplier and the protective liability upon the purchaser. A mechanism must be put in place to address this situation.
4. In the present case, the petitioner has chosen to seek rectification of Order-in-Original dated 29.7.2022 based upon the aforesaid decisions. The Court has no intention of intervening in the conclusion of the assessing authority on this aspect. However, the procedure followed by the authority is clearly contrary to the third proviso to Section 16 of the Act that necessitates that, where the authority proposes to take a view adverse to the applicant, due process must be followed.

In this case, there has been no opportunity granted to the petitioner prior to the passing of impugned order dated 20.1.2023 and this is a fatal flaw consequent to which the impugned order is set aside.

2. **CENVAT CREDIT - REFUND OF UNUTILISED CREDIT UNDER RULE 5 - PROVISION OF SERVICES TO OVERSEAS GROUP ENTITIES & PROVIDING AID IN SELLING ACTIVITIES OF VARIOUS SUCH GROUPS - ELIGIBLE**

In IDEX India P.Ltd. v. CCGST, Mumbai East 2023 (73) GSTL 82/ (2023)4 Centax 307 (Tri.-Mumbai), the appellants are into the business of providing taxable services in the categories of Business Support Service, Internet & Telecommunication Services, Information Technology Software and Legal Consultation Services to its overseas holding company, M/s. IDEX Corporation, USA and its subsidiaries such as IDEX, Japan etc whose main activity is to manufacture and sell precision

engineered products through its various business units worldwide falling under Fluid & Metering Technology, Health & Science Technology and Fire, Safety and diversified product categories. During the period April, 2015 to June, 2016, the appellants filed five refund claims under notification no. 27/2012-CE(NT) read with Rule 5 for unutilised accumulated Cenvat Credit which were rejected by the adjudicating authority and sustained by Commissioner (Appeals) on the ground that the services provided by the appellants to their clients cannot be treated as export of service as provided under Rule 6A of the Service Tax Rules and therefore they are not eligible for refund of the Cenvat Credit lying in balance under the provisions of Rule 5 rather they are covered under Rule 4(a) of Place of Provision of Service Rules, 2012 (POPS Rules) and the place of provision of service in the instant matter, is the location of the service provider

which is in India. On further appeal, the Tribunal observed as under:

1. A plain reading of the term 'intermediary', as defined under Rule 2(f) of POPS Rules, makes it clear that there should be two or more persons besides the service provider. In other words an "intermediary" is someone who arranges or facilitates the supplies of goods or services or securities between two or more persons. It is thus necessary that the arrangement requires a minimum of three parties, two of them transacting in the supply of goods or services or securities (main supply) and one arranging or facilitating the said main supply.
2. Therefore, an activity between only two parties cannot be considered as an intermediary service. An intermediary essentially arranges or facilitates the main supply between two or more persons and does not provide the main supply himself.

Intermediary does not include the person who supplies such goods or services or both on his own account.

3. In cases where the person supplies the main supply either fully or partly, on principal to principal basis, the said supply cannot come within the ambit of “intermediary”.
4. Sub-contracting for a service is also not an intermediary service. The supplier of main service may decide to outsource the supply of main service, either fully or partly, to one or more sub-contractors. Such sub-contractor provides the main supply, either fully or a part thereof and does not merely arrange or facilitate the main supply between the principal supplier and his customers and therefore clearly not an intermediary.
5. Who is an ‘intermediary’ and what is ‘intermediary service’ has been clarified by CBIC vide Guidance Note dated 20.6.2012 and under GST regime also a clarification has been issued by CBIC on 20.9.2021 both of which are in line with the discussions made hereinabove about ‘intermediary’.
6. In the instant case, the appellant aids in the selling activities of various business units of its holding company by rendering the services of marketing support, providing application engineering support service to the distributors/customers, representing the issue of these distributors/customers, following up on behalf of the business units to end customers in India etc.
7. The orders booked are updated in the financials books of the respective business units outside India and the sale out of those as and when fructify, also are covered in the P&L account of the respective business units outside India.

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8. The Appellant can in no way be construed as an agent, representative, servant of IDEX holding company nor they have any authority to commit or obligate their holding Company IDEX in any manner whatsoever and neither the holding Company is restricted to appoint any other service provider in India nor the appellants is restricted from providing services to any other third parties.
 9. Therefore there is no iota of doubt that the Appellant is an independent contractor and not an agent or representative or to be more precise an intermediary. They are providing the service of marketing and market research to the overseas recipient of service.
 10. The services are provided on principal to principal basis and consideration is also decided, the cost plus mark up.
 11. Consequently, the Appellant cannot be termed as an 'intermediary.'
 12. The undertaking the activities in relation to the accounting and management reporting services, the data in the incorporeal form is provided, which do not have any physical presence and hence not covered under Rule 4 of POPS and the same is covered under Rule 3 of POPS.
 13. The after sales support service or Engineering Support service are services which the appellant is doing in respect of providing technical parameters of the products, design and it in no way requires the goods to be made physically available to the appellant i.e. service provider, therefore, for these services also place of provision has to be determined in terms of Rule 3 of POPS and not under Rule 4 of POPS.

-
14. Similar is the position with regard to the Marketing & Promotion service.
 15. Arising out of the above, the services provided by the appellants to its overseas entities qualifies to be export and they are eligible for refund.

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

3. GST - AMENDMENT OF RULE 89(4C) CGST RULES, 2017 DUE TO POSSIBILITY OF TAKING UNDUE BENEFIT BY INFLATING VALUE OF ZERO-RATED SUPPLY OF GOODS - NOT SUSTAINABLE

In *Tonbo Imaging India P.Ltd. v. UOI*, 2023 (73) GSTL 200/(2023)4 Centax 443 (Kar.) the petitioner is engaged in designing, developing, building and deploying various types of advanced imaging and sensor systems to sense, understand and control complex environments. The petitioner is also engaged in

developing innovative designs in micro-optics, lower power electronics and real-time vision processing to design imaging systems for real world applications in fields of military applications, critical infrastructures for modern day battlefields, unmanned reconnaissance, transport vehicles driving in the dark etc., wherein the customized products provide effective visualization in different and challenging environments.

The assessee's claims of refund of unutilized ITC for the period from May 2018 to March 2019 were rejected under the amended 89(4)(C) of the CGST rules w.e.f 23.3.2020 and as well as the Explanation to rule 93 of the CGST Rules.

On a writ petition, the High Court observed as under:

1. The entire supply chain in an export transaction would be tax free and exempt from GST.

-
2. There is no bar on availing/ utilizing credit of input taxes paid for making/providing the output supply in an export transaction.
 3. Section 16(1)(a) of the IGST Act says that “zero-rated supply” means export of goods and services. Further, Section 16(2) of the IGST Act says that “credit of input tax” may be availed for making zero-rated supplies, notwithstanding that such supply may be an exempt supply.
 4. Since GST would have been suffered at the input stage, either by actual payment thereof or through utilization of credit of input tax, Section 16(3) of the IGST Act says that a registered person making zero rated supply shall be eligible to claim refund such taxes paid in accordance with Section 54 of the CGST Act by exercising either of the following options, but subject to such conditions, safeguards and procedure as may be prescribed.
 - a. He may supply goods or services or both under bond or LUT without payment of IGST and claim refund of unutilized input tax credit; or
 - b. He may supply goods or services or both on payment of IGST and claim refund of such tax paid on goods or services or both so supplied.
 5. Section 54 of the CGST Act deals with refund of tax while section 54(3) provides that a registered person may claim refund of any unutilized input tax credit at the end of any tax period. Corresponding to Section 16(3) of the IGST Act, clause (i) of first Proviso to section 54(3) provides that refund of the said unutilized input tax credit would be available on making zero-rated supplies.
 6. Section 16 of the IGST Act contemplates that exports are “zero rated” and that therefore, refund can be claimed of input tax credit lying unutilized on account of such zero-rated supplies as also on the output tax.

Rule 89 of the CGST Rules contains the machinery provisions to operationalize section 54 of the CGST Act where exports are done without payment of output tax under bond or LUT.

7. The method of calculation of refund under rule 89 of the CGST Rules prior to its amendment dated 23-3-2020 provided that the refund of unutilized input tax credit is computed by identifying the proportionate input tax credit utilized for export of goods to total supplies, viz., refund value = (turnover of zero-rated supply of goods and/or services ÷ adjusted total turnover) X Net input tax credit for the period; in other words, refund will be in proportion of export turnover to the total turnover during the relevant period.
8. By the amendment to rule 89(4)(C), the phrase “turnover of zero-rated supply of goods” was defined wherein refund will be the lesser of: (a) value of zero-rated supply of goods; or (b) value which is 1.5 times the value of like goods domestically supplied by the same or, similarly placed, supplier, as declared by the supplier.
9. In effect, refund of unutilized input tax credit on account of making zero rated supply of goods would now be restricted to a maximum of 1.5 times the value of like goods domestically supplied by the same or, similarly placed supplier.
10. The amendment to rule 89(4)(C) of the CGST Rules is illegal, arbitrary, unreasonable, irrational, unfair, unjust and ultra vires section 16 of the IGST Act & section 54 of the CGST Act for the following reasons: –
 - a) Rule 89(4)(C) of the CGST Rules is ultra vires section 54 of the CGST Act rw section 16 of the IGST Act as the very intention of the zero-rating it to make entire

supply chain of “exports” tax free, i.e., to fully ‘zero rate’ the exports by exempting them from both input tax and output tax and section 16(3) of the IGST Act allows refund of input taxes paid in the course of making a zero-rated supply, i.e., supplies which covers exports as well as supplies to SEZs.

- b) The rule in whittling down such refund is ultra vires in view of the well settled principle of law that Rules cannot override the parent legislation.
- c) Rule 89(4)(C) of the CGST Rules is violative of articles 14 and 19(1)(g) of the Constitution of India when the quantum of refund of unutilized input tax credit is restricted only in cases falling under section 16(3)(a) of the IGST Act, i.e., in cases where export of goods is made without payment of duty under a Bond/ Letter of Undertaking(LUT) and no such restriction is imposed on cases falling under section

16(3)(b) of the IGST Act, i.e., in cases where export of goods is made after payment of duty consequent to which there is a hostile discrimination between two class of persons, viz., (i) the class of exporters who opt to obtain refund of unutilized input tax credit where export of goods are made without payment of duty under a bond/LUT in terms of section 16(3)(a) of the IGST Act read with rule 89(4) of the CGST Rules and (ii) the class of exporters who opt to obtain refund of tax after payment of duty in terms of section 16(3)(b) of the IGST Act read with rule 96A of the rules.

- d) The guarantee of equal protection of the laws must extend even to taxing statutes and if person or property of the same character has to be taxed, the taxation must be by the same standard, so that the burden of taxation may fall equally on all persons holding that kind and extent of property and if the same class of property

or persons similarly situated is subjected to an incidence of taxation, which results in inequality, the law may be struck down as creating an inequality amongst holders of the same kind of property or persons.

- e) Despite, article 14 of the Constitution forbidding class legislation, the same does not prohibit reasonable classification for the purpose of legislation provided it passes two tests, viz., that the classification must be founded on an intelligible differentia which distinguishes persons or things that are grouped together from others left out of the group; and that the differentia must have a rational relation with the object sought to be achieved by the statute.
- f) Rule 89(4)(C) of the CGST Rules is arbitrary and unreasonable in as much as it bears no rational nexus with the objective sought to be achieved by section 16 of the

IGST Act in that while section 16 of the IGST Act seeks to make exports tax free by “zero-rating” them, the impugned rule 89(4)(C) of the CGST Rules aims to do just exactly the opposite by restricting the quantum of refund of tax available to the expended in making such exports; consequently, including domestic turnover in the definition of zero rated supply which is meant to cover only exports is clearly arbitrary and unreasonable.

- g) In exports, availability of the rotation of funds is essential for the business to thrive and the entire concept of refund of unutilized input tax credit relating to zero-rated supply would be obliterated in case the respondents are permitted to put any limitation and condition that takes away petitioner’s right to claim refund of all the taxes paid on the domestic purchases used for the purpose of zero-rated supplies.

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- h) The incentive given to the exporters would lose its meaning and this would cause grave hardship to the exporters who are earning valuable foreign exchange for the country as the exporters would have factored in such incentives in the pricing mechanism when they quote and consequently, the restriction of the same by the impugned amended rule 89(4)(C) would be highly unreasonable.
- i) Rule 89(4)(C) of the CGST Rules also suffers from the vice of vagueness for the reason that the words “like goods” and “similarly placed supplier” in the impugned rule 89(4)(C) are completely open-ended and are not defined anywhere in the CGST Act/Rules or the IGST Act/Rules.
- j) The impugned Rule also fails to clarify, as to what would be the consequence if there are no goods supplied in the domestic market and value of like goods provided by other suppliers is not available or as to what would be the consequences in respect of a supplier who may have different pricing policy for different local customers nor what would be the consequences in respect of a supplier who would be pricing the local goods differently in different states for the same products being exported.
- k) When it is impossible for any exporter to show proof of value of “like goods” domestically supplied by the “same or, similarly placed, supplier”, the refund itself cannot be denied to such exporter and consequently, rule 89(4)(C) of the CGST Rules merely being a machinery provision cannot impose a rigorous condition to take away right to obtain refund which the petitioner is otherwise entitled to in terms of section 54 of CGST Act read with Section 16 of the IGST Act.

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- l) The amendment to the said rule does have the effect of restricting refunds in actuality without any adequate defining reason for so doing; in a case where the domestic turnover is nil for the particular period or very less, the quantum of refund becomes nil or negligible thereby clearly whittling down the principle of zero rating as is specified in Section 16 of the IGST Act, 2017 which would mean that the taxes on exports do not get refunded adequately; these aspects are contained in the clarifications issued by the respondents at Annexure K and L referred to supra.
- m) The object of zero rating would be lost if exports are made to suffer GST as the exporter would either pass it on to the foreign supplier or would absorb it himself which would result in the taxes being exported which is against the policy of zero rating supra and exports would be uncompetitive which is against the stated policy of the Government.
- n) Hence, the impugned amendment is unreasonable and arbitrary as adequate reasoning is not present as also that it bears no rational nexus with the objective sought to be achieved by section 16 of the IGST Act. While section 16 of the IGST Act seeks to make exports tax-free by “zero-rating” them, the impugned rule 89(4)(C) of the CGST Rules, as amended on 23-3-2020 aims to do just the opposite by restricting the quantum of refund of tax available in making such exports.
- o) Further, what is seen is that including domestic turnover in definition of zero rated supply which is meant to cover only exports is clearly arbitrary and unreasonable as that would defeat the provisions of law to grant refund on zero rated goods.
- p) Therefore, if there is no doubt about the value of the goods, the artificial restriction of refunds by taking the value of domestic supplies is irrational.

q) The impugned rule 89(4)(C) is arbitrary and unreasonable in as much as the possibility of taking undue benefit by inflating the value of the zero-rated supply of goods, cannot be a ground to amend the Rule, which deserves to be declared invalid on this ground too.

Hence, the impugned rule 89(4)(C) of the CGST Rules, 2017 as amended vide Para 8 of the Notification No. 16/2020-Central Tax dated 23-3-2020 was declared ultra vires and invalid and consequently quashed also.

4. ST - CONTRACT AWARDED TO PRINCIPAL CONTRACTOR AND SUB-CONTRACTED TO ANOTHER IN RELATION TO HANDLING AND TRANSPORTATION OF COAL ALONG WITH LABOURERS, SUB-CONTRACTOR HIRED JCBS, FRONT LOADERS AND TIPPER LORRIES -NOT TO BE CATEGORISED UNDER MANPOWER RECRUITMENT AND SUPPLY

In *S.Selvam v. CCE&ST, Tiruchirappalli 2023 (73) GSTL 363/(2023)5 Centax 212 (Tri.-Chennai)*, the appellant is a Lorry Transporting and Civil Contractor and was engaged by M/s. BHEL Complex Co-operative Labour Contract Society Ltd., Trichy ("Society" for short) for the purpose of unloading of coal from railway wagons and for its transportation to the coal yard. The adjudicating authority confirmed the demand on

A contract was entered by M/s.Bharat Heavy Electricals Ltd., Trichy with M/s.BHEL Complex Co-operative Labour Contract Society Ltd., Trichy (hereinafter referred to as the "Society") for unloading of coal from wagons, shifting and stacking at the coal yard. The appellant had hired JCBs, Front Loaders and Tipper Lorries for providing the above services, along with required labourers. The adjudicating authority

confirmed the demand of Service Tax under 'manpower recruitment or supply agency' service which was sustained by the Commissioner (Appeals). On further appeal, the Tribunal observed as under:

1. The main issue that has to be decided in this appeal is: whether the services rendered by the appellant are classifiable under manpower recruitment or supply agency service?
2. A perusal of the documents indicate that the appellant was paid for the services rendered for transportation of coal in JCBs, Front Loaders or Tipper Lorries from the railway wagons to the coal yard of the Gas Plant on per tonne basis by the Society which had sub-contracted the work to the appellant who is a lorry transporting contractor and civil contractor.
3. The Society has been paid for the services on the basis of the quantity of coal handled. The services provided are unloading of coal from the wagons, its transportation by using JCB front loaders and tipper lorries and its shifting to the specified place in the coal yard for stacking.
4. The above services are definitely not related to either recruitment or supply of labour. Though consignment note was not issued by the appellant for transportation of the coal to be classified as 'GTA service', the classification of the services provided by him are not under manpower recruitment or supply agency service.
5. The documents reveal that both the Society and the appellant were paid and consideration for the services rendered was received on the basis of quantity of coal handled. The decision in M/s.Ritesh Enterprises (2010 (18) STR 17 (Tri Bangalore)) is

squarely applicable to facts of the present case. The work that was given to the appellant was for unloading, transportation and stacking of coal from the railway wagons to the coal yard and the documents available in the appeal indicate that there is no agreement for supply of manpower to the recipient of service. The contract that was awarded to M/s.BHEL Complex Co-operative Labour Contract Society Ltd., which has been executed by the appellant, is relating to the handling and transportation of coal.

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

5. **GST - ALLEGED WRONGFUL AVAILMENT OF ITC AND PASSING THERETO - ISSUANCE OF SUMMARY OF SCN AND WRONG ISSUE OF SCN U/S 74(1) - DEMAND NOT SUSTAINABLE**

In Vishkarma Industries v. State of Jharkhand 2023 (73) GSTL 468/(2023)6 Centax 54 (Jhar.), the petitioner had applied for cancellation of registration on 15.6.2018. Thereafter, inspection was carried out on 28.8.2018 in his business premises a show cause notice was issued on 10.9.2018 asking him to show cause as to why he has wrongly claimed ITC in its GSTR-3B returns and has wrongly distributed the benefit of ITC to others by GSTR-I returns. On 24.10.2018 the summary of order in Form GST DRC-07 was issued imposing liability of tax, interest and penalty. Certified copy of the entire order sheets of Form GST DRC-07 shows that no proper show cause notice was issued nor any date of hearing was fixed nor any documents relied upon were provided. After the first date of issuance of DRC-01, no steps were taken by the petitioner. On a writ petition, the High Court observed as under:

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1. The nature of challenge now is confined to the proceedings initiated by the State Tax authorities against the petitioner for wrongful availment of ITC and passing the benefits of ITC to others. No proper show cause as contemplated under section 74(1) was issued upon the petitioner.
 2. A summary of a show cause notice cannot be a substitute of a proper show cause notice and would entail violation of principles of natural justice. In the absence of clear charges upon which the person so alleged is required to answer, proper opportunity to defend itself stands denied.
 3. no opportunity of hearing was granted to the petitioner before passing an order which is adverse to him and that the relied upon documents which forms the basis of passing of the impugned order have not been supplied to the petitioners.

Hence, relying on NKAS Services (P.) Ltd. (supra), and Godavari Commodities Ltd. [2021] 131 taxmann.com 230 (Jharkhand) , the impugned summary of show cause issued in GST DRC- 01and summary of the order contained in GST DRC-07 and the adjudication order are quashed with the liberty granted to the competent authority/proper officer to initiate fresh proceeding by issuing a proper show cause notice upon the petitioners in accordance with law.

Contrary to the requirement of section 75(4) and (5) of the Act and the ratio rendered on the very subject by this Court in the case of Godavari Commodities Ltd., [2022] 137 taxmann.com 474/192 GST 41 (Jharkhand).

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IND AS - 16

Accounting for interest free or below market rate of interest loans received by entities under

Ind AS

India has become a global hub for manufacturing and is still on a path of growth. Many large and multi-national entities have been setting up business in India and will continue to do so.

As part of funding the operations in India, the parent or group entities of these multi-nationals provide interest free or below market rate of interest loans to their Indian subsidiaries.

Let's understand the accounting (in their stand-alone financial statements) of these interest free or below market rate of interest loans taken by an entity through a case study:

A. Facts of the case:

An Entity ABC Ltd, is a subsidiary of a parent in the United Kingdom. The parent has provided a loan of INR 5 Crores to the Indian subsidiary ABC Ltd, which is to be repaid after five



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years and carrying below market rate of interest. If ABC Ltd would have approached an un-related entity (an unrelated bank for example) it would have raised the same amount of money payable after 5 years for an interest rate of 15% per annum (this interest rate would be based on the risk profile of ABC Ltd. and its business)

B. Query:

How the below market rate loans received from the parent would be accounted in the books of ABC Ltd in the following cases:

- i. 5% interest per annum is charged by the parent.
- ii. The entire loan is interest free.

C. Analysis and Conclusions:

As per Ind AS 109: Financial Instruments, paragraph 5.1.1 a financial asset or a financial liability should initially be recognised at fair value. In the given scenario ABC Ltd has received a below market rate of interest loan (either interest free or at 5%).

This loan taken by ABC Ltd has to be fair valued at initial recognition. The fair value of loan would be the present value of the cash outflow as per the terms of the loan discounted at the market rate of interest i.e., 15% per annum in this case.

The difference between the actual amount received and the present value will be treated as "Equity

contribution from the Parent" in this scenario. If the below market rate of interest loan was given by another unrelated party (other than a government) then this difference would be taken to the Statement of Profit & Loss as gain on the day the loan was received. If a government provides a below market rate of interest loan, then this difference would be treated as a government grant received and this grant will subsequently be accounted using the provisions of Ind AS 20: Government Grants.

Post the initial recognition this loan will be classified as a financial liability carried at amortized cost and the effective interest rate would be the actual market rate of interest i.e., in this case 15% per annum.

Query B(i):

Facts of the case:

	Case I
Principal	50,000,000
Date of loan	1 April 2023
Interest Rate (end of each)	5% p.a
Market rate of Interest	15% p.a
Repayable after 5 years	

Computation of the FV of the loan:

Year	Cash outflow (Interest @ 5%)	DF* @15%	PV
1	2,500,000	0.87	2,173,913
2	2,500,000	0.76	1,890,359
3	2,500,000	0.66	1,643,791
4	2,500,000	0.57	1,429,383
5	52,500,000	0.50	26,101,779
			33,239,225

* Discount factor is computed using the formulae " $1/(1+r)^n$ ", where "r"=rate of interest in decimals and "n" refers to the period.

Accounting Entry on the receipt of the loan:

Particulars	Debit (INR)	Credit (INR)
Bank A/c Dr	50,000,000	
To Loan		33,239,225
To Equity contribution from Parent		16,760,775
(Being fair valuing a loan received from parent)		

Amortization table of the loan:

Year	OP Bal	Interest @ 15% p.a.**	Outflow	CI Bal (Op+ Interest - outflow)
1	33,239,225	4,985,884	2,500,000	35,725,108
2	35,725,108	5,358,766	2,500,000	38,583,874
3	38,583,874	5,787,581	2,500,000	41,871,456
4	41,871,456	6,280,718	2,500,000	45,652,174
5	45,652,174	6,847,826	52,500,000	-

** This the finance expenses which will be taken to the statement of Profit & Loss in each year.

Query B(ii):

Facts of the case:

	Case II
Principal	50,000,000
Date of loan	1 April 2023
Interest Rate (end of each)	0%
Market rate of Interest	15% p.a
Repayable after 5 years	

Computation of the FV of the loan:

Year	Cash outflow	DF* @15%	PV
1	-	0.87	-
2	-	0.76	-
3	-	0.66	-
4	-	0.57	-
5	50,000,000	0.50	24,858,837
			24,858,837

Accounting Entry on the receipt of the loan:

Particulars	Debit (INR)	Credit (INR)
Bank A/c Dr	50,000,000	
To Loan		24,858,837
To Equity contribution from Parent		25,141,163
(Being fair valuing a loan received from parent)		

Amortization table of the loan:

Year	OP Bal	Interest @ 15% p.a.**	Outflow	CI Bal (Op+ Interest - outflow)
1	24,858,837	3,728,826	-	28,587,662
2	28,587,662	4,288,149	-	32,875,812
3	32,875,812	4,931,372	-	37,807,183
4	37,807,183	5,671,078	-	43,478,261
5	43,478,261	6,521,739	50,000,000	-

** This the finance expenses which will be taken to the statement of Profit & Loss in each year.

Reference used for this case study:

- Ind AS 109 Para 5.1.1, 5.1.1A, B5.1.1, B5.1.2 & B5.1.2A,
- ITFG 18 (7 Feb'19) - Issue 3

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SUMMARY OF AAR/AAAR

1. Mutually agreed and settled amount, based on arbitral award, in the nature of compensation, and does not represent consideration and hence not taxable

In case of Re: M/s TPSC (India) Private Limited (“Applicant”) [Order No. TSAAR Order No.10/2023] – Telangana state Authority For Advance Ruling (‘AAR’ or ‘Authority’).

Facts of the Case:

- The Applicant is engaged in thermal projects in India.
- The Toshiba JSW Power Systems Pvt Ltd (‘Toshiba’) was awarded a project by NTPC in Karnataka, which involved erection and pre-commissioning works for a steam turbine generator and its auxiliaries. In turn, Toshiba awarded the erection works to the Applicant.
- The Applicant appointed a subcontractor M/s. Delta Global Allied Limited (DGAL) for piping



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and pre-fabrication but later reduced the quantum of work assigned to DGAL and assigned it to other suppliers due to DGAL’s inability to handle the increased workload.

- Due to descoping of work and not satisfied with the process & duration of contract, the sub-contractor has initiated an arbitration process for compensation. An award was passed in favor of DGAL, quantifying the damages payable along with interest. The Applicant appealed the award but later reached a settlement with DGAL, agreeing to pay a reduced amount.

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- The Applicant argues that the settlement amount, representing liquidated damages, should not be subjected to GST as it is not a consideration for refraining from any act but rather compliance with the arbitral award.

Question before AAR:

- The mutually agreed and settled amount, based on arbitral award, in the nature of compensation, payable for delay in completion of the contract and agreed to be payable by the Applicant to DGAL without any supply of goods or services, is liable to be taxed under GST?
- Whether DGAL is eligible to claim ITC on the GST amount if any levied on the mutually agreed arbitral award amount received from the Applicant?
- Whether there is any taxability under GST on Interest payable on the liquidated damages?

Observation of AAR and conclusion

- The entry at para-5(e) of Schedule-II of the CGST Act, 2017 makes the following activity a

supply which is exigible to tax under the said act: “Agreeing to the obligation to refrain from an act or to tolerate an act or a situation, or to do an act”.

- As per Circular No.178/10/2022-GST, dated August 03, 2022, Liquidated damages cannot be said to be a consideration received for tolerating the breach or non-performance of contract.
- Where the amount paid as liquidated damages is an amount paid only to compensate for injury, loss or damage suffered by the aggrieved party to breach of the contract, in such cases liquidated damages are mere flow of money from party who causes breach of contract to party who suffer loss or damage due to such breach.
- Such payments do not constitute consideration for a supply and are not taxable. Therefore, such considerations as stipulated in the said circular are not taxable as there is no supply of service under entry-5(e) of Schedule-II of the CGST Act, 2017.

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- As per the provisions of Section 15 of CGST/TNGST Act 2017, interest has to be assessed at the same rate as that of the principal supply.
 - Section 15 of CGST/TNGST Act 2017 states that the value of supply shall include ‘interest or late fee or penalty for delayed payment of any consideration for any supply.’
 - There is no GST on the interest of 13% p.a., awarded by Hon’ble Tribunal for Arbitration Award as the principal supply itself is not taxable.

Ruling of the Authority

- The AAR held that the mutually agreed and settled amount, based on arbitral award, in the nature of compensation, and does not represent consideration and hence not taxable
- On interest, the AAR held that since principal supply is not taxable, there is no question of taxability on interest

2. GST not leviable on goods supplied free of cost during warranty period

In case of M/s. Prag Industries (India) Pvt. Ltd. [AAR No. UP ADRG 15/2022] referred as ‘Applicant’) – Uttar Pradesh state Authority of Advance Ruling (‘AAR’ or ‘Authority’).

Facts of the Case:

- The Applicant is licensed & approved by Indian Railways for manufacturing of parts of Railways/locomotives as per design & drawings developed by them-the Indian Railways. This product is to be manufactured Strictly as per Railways and as per terms of contract of Indian Railways.
- As per terms & conditions of Railways Contract, and also as per conditions mentioned in Indian Railways Specification, Applicant has to comply with the Guarantee Clause, wherein it is mentioned that *“The Firm shall stand Guarantee for a period of 30*

Months from the date of supply regarding performance of Elastomeric Pads. In case of any pre-mature failure of pads, firm will be liable to make free replacement to the depot where failure has been reported within reasonable time"

Question before AAR

- Whether goods supplied as free replacement under guarantee period without any consideration is taxable under GST?

Applicant's Interpretation of Law

- The Applicant states that under guarantee and free replacement no consideration shall be chargeable from the buyer against the supply of replaceable goods, and as such no GST could be charged and payable to the Government.
- Further, the replaced items shall be of NIL value wherein as much as the consideration for replaced goods has already been included as and when the original supply was made for the first time to the Indian Railways.

- The Applicant substantiated that they can supply the parts only after accepting the condition as mentioned in the specification therefore the Applicant company include the cost of warranty in the price charged to the Indian Railways. Hence, at times of failure the applicant company has to give free replacement of the products to the Indian Railways without any consideration receivable from the Indian Railways.

Observation of AAR

- The AAR has observed that the Applicant does free replacements during the warranty period as the costs of such replacements are already included in the value of supply.
- The AAR therefore analysed the cases wherein the transaction shall be treated as supply even when made without a consideration.
- In this case, the replacement of parts under warranty period for

the customers of the Applicant does not fall under any of the cases as mentioned wherein transactions without a consideration shall be treated as a supply.

- Further, the AAR has placed reliance in the earlier Advance ruling held by Tamil Nadu AAR in case of South Indian Federation Of Fishermen Societies wherein the Tamil Nadu AAR held that as the parts are replaced without a consideration and that the original supply made includes the charges to be incurred during warranty period, the replacement being made under warranty period without any consideration shall not attract GST separately.

Ruling of the AAR

The AAR has held that GST is not leviable, if goods are supplied as free replacement under guarantee period without any consideration.

3. ITC on purchase is available in case of payment made by way of book adjustment entry

In case of Re: M/s. Paragon Polymer Products Private Limited [AR No. KER/03/2023 dated March 02, 2023] (referred as 'Applicant') - Kerala state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the case

- The Applicant is engaged in the business of manufacturing and trading of footwear.
- In the course of manufacturing of footwear, the Applicant outsources some activities to outside vendors wherein the applicant is planning to sell few raw materials required for the production to these vendors as a sale by raising invoice for taxable sales.
- The Vendors will manufacture the footwears/ its parts with those raw materials and the materials directly procured by the vendors as per the Applicant's requirement and return the finished products to the Applicant as a sale under a tax invoice.

-
- The applicant intends to settle these mutual debts through book adjustments and settle only the net dues through bank transfer.

Question before AAR

In case of sale and buy back transactions, whether the input tax credit is admissible in respect of goods purchased from outsourced vendors, when payment is settled through book adjustment, against the debt created on outward supplies to these vendors.

Applicants Interpretation of the Law:

- The Applicant referred to the second proviso to Section 16(2) wherein it has mentioned that where a recipient fails to make payment to the supplier within 180 days the amount equal to the input tax credit of the transaction to be added back to the liability of the recipient.
- However, the proviso does not prescribe or restrict the mode in which the payment has to be made.

- Further, the Applicant substantiated that the term consideration defined under the Law covers a wide scope as it states that *“payment made or to be made, whether in money or otherwise...”*.

- Hence, if the payee owes the payer a debt, and accepts a reduction in such a debt liability as a valid form of payment, that should also be regarded as a valid ‘consideration’ for a supply.

- The Applicant has also referred to the Indian Accounting Standards wherein it provides that a financial asset and a financial liability shall be offset and the net amount presented in the balance sheet when, and only when, an entity:

- currently has a legally enforceable right to set off the recognized amounts; and

- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Observation of AAAR

- The AAAR has analysed the relevant provisions and definitions in the Law and has stated that the term 'consideration' is defined in a manner to include any form of payment. Therefore, if the payee owes the payer a debt, and accepts a reduction in such a debt liability as a valid form of payment, that should also be regarded as a valid 'consideration' for a supply.
- Further, the time of supply provides that "*where it is not possible to determine the time of supply under clause (a) or clause (b), the time of supply shall be the date of entry in the books of account of the recipient of supply*" therefore considering the book entry as a mode of payment under the GST Law.
- Therefore, the AAR has stated that settlement of the mutual debts through book adjustment by the applicant is a valid mode

of payment of consideration for the receipt of goods and / or services and it satisfies the requirement of the second proviso to sub-section (2) of Section 16 of the CGST Act, 2017 for availment of input tax credit.

Decision of AAR

The AAR has held that the input tax credit is admissible when consideration is paid through book adjustment subject to the other conditions and restrictions prescribed in Sections 16, 17 and 18 of the CGST Act, 2017 and the rules made there under.

4. Supply of services by treatment of patients suffering from SUD as out-patient is not a health care service

In case of Re: M/s. M/S Sanjeevani Psychiatric Clinic [RAJ/AAR/2023-24/01] (referred as 'Applicant') – Rajasthan State Authority of Advance Ruling ('AAR' or 'Authority').

Fact of the case

- The Applicant is a partnership firm registered as a Clinical Establishment for providing medical services as a Single Speciality under Allopathy system of medicine.
- The Applicant is specifically involved in treatment of patients suffering from Substance Use Disorder (SUD) which is a mental disorder leading to patient's inability to control their use of substances such as legal or illegal drugs, alcohol. Medicine etc.
- Further, the Applicant provides only outpatient facility for treating SUD patients.
- Registration of patients
- Counselling, Examination, and prescription of medicine by Psychiatrist
- Dispensing of Medicine by psychiatrist
- Collection of Fees
- SUD patients have no choice or freedom to take the prescribed medicines from any other De-Addiction centres. The drugs provided are strictly government-controlled drugs and are not available for sale on general medical stores.
- The medicine provided by the Applicant to patient is an integral to treatment unlike other outpatient treatment where the patient has the choice to buy from the hospital outpatient pharmacy or any other pharmacy.

Issue before AAR

- Whether the treatment of SUD patients as outpatient qualifies for exemption under health care services?

Applicant's Interpretation of Law

- The Applicant carries on the treatment as follows:
 - The fee is collected only after all the other procedures including dispensing of medicine is

completed and that prescription of medicine does not absolve the Applicant from its responsibility.

- Hence, supply of medicine by the applicant to SUD outpatients is a part of treatment and cannot be detached or taken up independently from the examination of the patient in addition to registration and counselling services.
- Therefore, the treatment being provided to SUD patients as outpatient is a single supply including the supply of medicines, hence shall not be taxable as a different Supply.

Discussion and Findings of the AAR

- The AAR stated that the claim of the Applicant that the medicine is a composite supply as the same is not available separately and is part of the counseling service has not been substantiated by any supporting and hence it is not a composite supply.

- Further, the AAR has held that the services for the prevention and treatment of substance misuse and substance use disorders have traditionally been delivered separately from other mental health and general health care services, because substance misuse has traditionally been seen as a social or criminal problem, prevention services that are not typically considered a responsibility of health care systems.

Ruling of AAR

The AAR has concluded that the substance use disorder does not qualify as healthcare services and hence the supply of services by way of treatment to such SUD patients does not qualify for exemption under healthcare services.

(The authors are Chennai based Chartered Accountants. They can be reached at aman.goyal@pwc.com)

INDIAN ECONOMY ROUND UP

India has to wait for a longer period for interest rates to cool down

Eight core industries together recorded 4.3% growth in production in May 2023, as in April 2023, but some improvement from 3.6% growth recorded in March 2023, over the same period of the previous year.

Coal, Crude Oil, Natural Gas, Petroleum Refinery Products, Fertilizers, Steel, Cement and electricity are the eight core industries, whose production is tracked in the previous para. The double digit growth in cement production can either portend buoyancy in the construction sector, or pre-ponement of production before monsoon season.

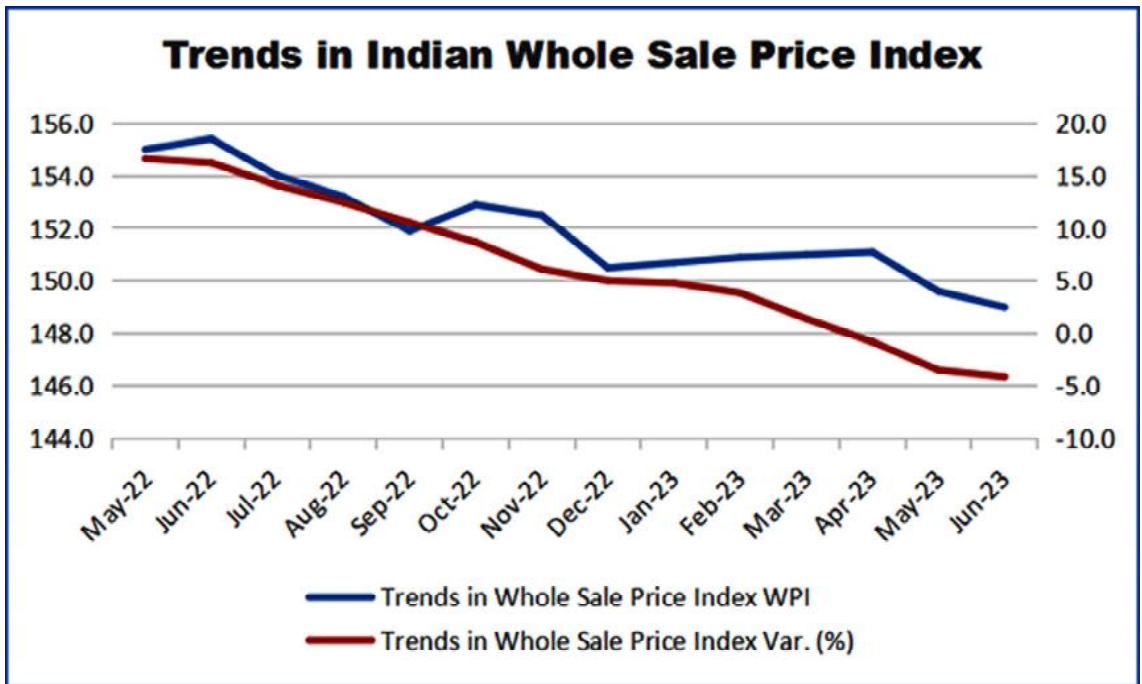
Indian Cement production recorded 15.5% increase in May 2023, over



CA. KANDASWAMY

and above the 26.2% increase in cement production in May 2023. Viewed differently, the cement industry recorded 0.6% fall in cement production in March 2023, which gave way for 12.0% increase in April 2023, which further gave way for relatively impressive 15.5% growth in cement production in May 2023.

Whole Sale Price based inflation peaked at 16.6% in May 2022, and entered the deflation zone with 0.8% fall in April 2023, which further accentuated to 3.5% fall in May 2023, and scaled down further to 4.1% fall in June 2023.



The recent surge in tomato and various other vegetable prices is seasonal, perhaps due to unseasonal rains. As a result, we can expect the fall in WPI to be not steeper from current levels. In the process, there are expectations that RBI may not rush to cut the repo rates any time soon.

India started off FY 2023-24 on a sluggish note with 4.5% increase in Index of Industrial production in April 2023. We have seen some momentum there from to 5.2% increase in Index of Industrial Production in May 2023.

Some 2 digit level classification of industries that recorded double digit growth in production in May 2023 were (a) manufacture of Pharmaceuticals, medicinal chemical and botanical products (20.9% in May 2023 and 22.6% in April-May 2023), manufacture of other non-metallic mineral products (10.2% in May 2023 and 8.5% in April - May 2023), manufacture of machinery and equipment (10.0% in May 2023 and 9.4% in April - May 2023), manufacture of motor vehicles, trailers and semi-trailers (13.4% in May 2023 and 8.5% in April - May 2023), manufacture of other transport

equipment (10.9% in May 2023 and 11.3% in April-May 2023).

On the flip side, select 2 digit industries that recorded 20% or more fall in production include manufacture of wearing apparel fell by 20.9% in May 2023 (-24.8% in April-May 2023), manufacture of wood and products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials fell by 12.7% in May 2023 (14.1% in April-May 2023), manufacture of furniture fell by 20.5% in May 2023 (24.9% fall in April-May 2023).

From a use based classification, we find that Capital Goods as well as infrastructure / construction goods together have powered the growth in IIP. Capital Goods recorded 4.6% increase in production in April 2023, which accelerated to 8.2% growth in May 2023. Similarly, infrastructure / Construction goods recorded 15.0% growth in April 2023 and nearly 14.0% growth in May 2023.

India's merchandise exports fell by 22% to US\$ 32.97 billion in June 2023, while imports fell by 17.5% to US\$ 53.10 billion. As a result, the merchandise trade deficit shrank by 8.8% to US\$ 20.13 billion in May 2023 from US\$ 22.07 in May 2023. But the service exports merely inched up by 0.7% to US\$ 27.12 billion, and service imports also recorded mere 0.7% increase to US\$ 15.88 billion in May 2023. Overall, our total exports (merchandise exports plus service exports) fell by 13.2% to US\$ 60.09 billion, which total imports fell by 13.9% to US\$ 68.98 billion. Overall, our total trade deficit fell by 18.5% to US\$ 8.89 billion in June 2023 from US\$ 10.92 billion in June 2022.

With Chinese demand remaining sluggish, and their exports to advanced markets under greater scrutiny with slew of non tariff barriers, there is an attempt by some players from China to dump various products in developing countries

like India. This is one area of concern, and India has to be vigilant to ensure that the country does not become a dumping ground for China, affecting the domestic players.

Contrary to some apprehensions, El Nino is yet to have an impact, and instead many parts of the country are actually flooded, including NCR region. Hopefully, agricultural income will increase, and have cascading positive effect with excellent backward and forward integration benefits.

Food Security Update from World Bank has projected slow growth in demand for biofuel feedstock over the next 10 years, on an overall basis. The report indicated that most additional biofuel use is projected to be in India and Indonesia, driven by increasing transport fuel use and blending requirements, with an expected decline in demand for first-

generation biofuel feedstocks in the European Union and other markets.

Similarly, India is stepping up the share of new and renewable energy in the total power capacity and generation. The green energy costs are relatively lower, and have the potential to improve India's global competitiveness. Green energy to Green Hydrogen is another focus area that can significantly reduce our ecological impact on the one hand, and sustainably improve our global competitiveness on the other.

The massive industrial capex and towards infrastructure together have powered India's growth in the past couple of years. The trend continues, as evident from strong growth in production of capital goods as well as infrastructure / construction goods.

(The author is a Chennai based Chartered Accountant in Practice. He can be reached at ca_kandaswamy@yahoo.com)

EXCEL TIPS

DATEDIF Function

This DATEDIF function is a hidden function in Excel and is a useful tool for calculating the difference between two dates in various units, such as days, months, or years.



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Syntax of DATEDIF function is important as Excel will not provide any help on this function.

Syntax

=DATEDIF(BeginDate, EndDate, "Interval")

Begin Date : initial date or the earlier of the two dates

EndDate : final date or the later of the two dates

"Interval" : represents the unit of time for the difference calculation. Intervals parameters are as follows. The same should be given within double quotes.

"y"	Returns the difference in years.
"m"	Returns the difference in months.
"d"	Returns the difference in days
"yd"	Days between the dates, as if the dates were in the same year.
"ym"	Returns the number of complete months, as if the dates were in the same year.
"md"	Returns the number of days remaining after calculating the complete years and months, as if the dates were in the same month and year.

Example 1 :

	A	B		
1	Begin date	15-Aug-47		
2	End date	01-Aug-23		
3				
4			Formula used	Results in
5	Years	75	=DATEDIF(B1,B2,"y")	Years between the two dates.
6	Months	911	=DATEDIF(B1,B2,"m")	Months between the two dates.
7	Days	27745	=DATEDIF(B1,B2,"d")	Days between the two dates.
8	Year days	352	=DATEDIF(B1,B2,"yd")	Days between the dates, as if the dates were in the same year.
9	Year months	11	=DATEDIF(B1,B2,"ym")	Months between the dates, as if the dates were in the same year.
10	Month days	17	=DATEDIF(B1,B2,"md")	Days between the two dates, as if the dates were in the same month and year.

Alternatively, the formula without links can also be given. The same is as follows

=DATEDIF("15-Aug-1947","01-Aug-2023","y")

Combined formula can be used as follows :

Years	75	=DATEDIF(B1,B2,"y")
Months	11	=DATEDIF(B1,B2,"ym")
Days	17	=DATEDIF(B1,B2,"md")

=DATEDIF(B1,B2,"y")&" Years, "&DATEDIF(B1,B2,"ym")&" months, "&DATEDIF(B1,B2,"md")&" days."

Results in 75 Years, 11 months, 17 days.

Example 2 :

	A	B	C
1	15-Aug-47	Result	Formula used
2			
3	Years	75	=DATEDIF(A1,TODAY(),"y")
4	Months	11	=DATEDIF(A1,TODAY(),"ym")
5	Days	17	=DATEDIF(A1,TODAY(),"md")
6			
7		Age is 75 Years, 11 Months and 17 Days	= "Age is "&DATEDIF(A1,TODAY(),"y")&" Years, "& DATEDIF(A1,TODAY(),"ym")&" Months and "& DATEDIF(A1,TODAY(),"md")&" Days"
8			
9			
10			
11			

Other points relating to DATEDIF Function:

- DATEDIF throws a #NUM error if 'BeginDate' is greater than 'EndDate'
- It throws a #Value error if anyone of the date arguments is invalid.
- It also throws a #NUM error if the 'Unit' is invalid.
- The DATEDIF function does not consider the year in the calculation for the "m" unit. So, if the end date is earlier than the start date, the result will be negative.
- The function may give unexpected results for certain date ranges, such as fractional months. It's essential to be cautious while using this function and consider its limitations.

Note : The DATEDIF function has been known to have some quirks and inconsistencies, especially when calculating differences involving months and years. It might not always produce the expected results, leading to inaccuracies in certain scenarios. To avoid confusion and encourage users to adopt more reliable alternatives, Microsoft might have chosen not to promote or officially support this function as it is bug prone. But still it is an useful and handy function in MS=Excel.

(The author is a Madurai based Chartered Accountant in Practice. He can be reached at dungarchand@hotmail.com)

RECENT CASE LAWS IN INSOLVENCY AND BANKRUPTSY CODE

NCLAT

1. **NCLAT condones 142 days delay occurred in filing Appeal from the date of the order but the appeal within period on the basis of the date of knowledge – *Alok Kumar Goel Vs. Union of India - NCLAT New Delhi***

The appellant, in this case, came to know about the order only when he received the e-mail from NSDL. The Appellant submits that even in reply also the Respondent has not disputed the date of knowledge and the appeal, which is evident from the record, was presented before this tribunal and as such he submits as per his knowledge of the impugned order the appeal was filed within time.



CA. B. RAMANA KUMAR, M. Com., FCA, LLB, IP
Advocate & Insolvency Professional
Assisted by
RAMYA A & GAJENDRAN RAVI, Advocates

NCLAT held that according to him though the appeal was filed belatedly from date of order but on the basis of the date of knowledge he has filed the appeal within time. Considering the facts and circumstances particularly the fact that on earlier occasion against the same impugned order appeals were preferred by other parties and this court has not interfered, the tribunal condoned the delay

2. Application filed at the instance of Resolution Professional and Successful Resolution Applicant on the basis of avoidance transactions under IBC is maintainable even after the approval of the Resolution Plan -- *Madhavi Edible Bran Oils Pvt. Ltd. Vs. Immaneni Eswara Rao & 5 Ors.* NCLAT Chennai

NCLAT held that once the decision of the learned Single Judge, on the basis of which the impugned order has been passed, has been reversed by the Division Bench of Hon'ble Delhi High Court in the case *Tata Steel BSL Ltd. Vs. Venus Recruiter Pvt. Ltd. & Ors.* followed by a decision of NCLAT in *Kapil Wadhawan Vs. Piramal Capital & Housing Finance Ltd. & Ors.*, the question involved in this is no more res integra and decided as such and it is held that the

application filed at the instance of the Resolution Professional and Successful Resolution Applicant on the basis of avoidance is maintainable even after the approval of the Resolution Plan.

NCLT

3. No direction can be issued to Corporate Debtor/Erstwhile RP to admit claim, after Resolution Plan has been approved & fully implemented leaving no balance of undisbursed resolution money, even under contingency fund provided in the plan - *New Empire Textile Processor Pvt. Ltd. Vs. Sangeeta Tex Dyes Pvt. Ltd.* - NCLT Mumbai Bench

The Adjudicating Authority referred the judgment of the Hon'ble Supreme Court in the matter of *Committee of Creditors of Essar Steel India Ltd. Vs. Satish*

Kumar Gupta & Ors. [2019] ibclaw.in 07 SC and held that no direction can be issued to the Corporate Debtor or the Erstwhile Resolution Professional to admit the claim, after the Resolution Plan, in the matter of the Corporate Debtor, has been approved and fully implemented leaving no balance of undisbursed resolution money, even under contingency fund provided in the plan.

4. **The delay in filing Appeal u/s 42 of IBC can be condoned even in the absence of the application u/s 5 of Limitation Act, 1963 but there shall at least be an oral prayer for condonation of delay, the delay cannot be condoned Suo-Moto - *Southern Power Distribution Company of Telangana Ltd. Vs. Priyadarsini Ltd. Rep by Liquidator, Mr. Krishna Mohan Gollamudi - NCLT Hyderabad Bench***

Although, it is the general practice to make a formal application under Section 5 of the Limitation Act, 1963, in order to enable the Court or Tribunal to weigh the sufficiency of the cause for the inability of the appellant/applicant to approach the Court/Tribunal within the time prescribed by limitation, there is no bar to exercise by the Court/Tribunal of its discretion to condone delay, in the absence of a formal application it is not always necessary to file an application for condonation of delay before the Court or Tribunal, and delay can be condoned even in the absence of the Application under Section 5 of Limitation Act. Therefore, there shall at least be an oral prayer for condonation of delay, stating the reasons for not filing the Appeal within 14 days. Thus, when the Application itself is being bared by limitation and for

condonation of delay not even a single ground is pleaded, the delay cannot be condoned 'Suo-Moto'. Hence the question of giving a direction to the liquidator to consider the claim of the Applicant does not arise. Therefore, the Application is dismissed as not maintainable.

5. Principles for the period of limitation under IBC - *M/s Shristi Construction Vs. Nadia Constructions Pvt. Ltd. - NCLT Kolkata Bench*

The principles for the period of limitation under IBC would be the following: -

- (i) The provisions of the Limitation Act have been made applicable to the proceedings under the Code.
- (ii) Section 238-A predicates that the provisions of the Limitation Act apply to the proceedings before the adjudicating authority.

(iii) Article 137 of the Limitation Act prescribes period of limitation as three years which equally applies to application under Section 7 and 9 of the Code.

(iv) However, Limitation for filing application under Section 7 or 9 of the Code would not be limited to Article 137 of the Limitation Act.

(v) Section 18 of the Limitation Act, which extends the period of limitation depending upon an acknowledgment of debt made in writing and signed by the corporate debtor, it also applicable under Section 238-A.

6. The attachment as per Section 226(3) of the Income Tax Act during the Liquidation process is not in consonance with the provisions of the IBC, 2016 - *Mr. Vikas Garg, Liquidator Vs. Income Tax Department - NCLT Chandigarh Bench*

The Adjudicating Authority held that the attachment carried out as per Section 226(3) of the Income Tax Act during the Liquidation process is not in consonance with the provisions of the Code which lays down that the claims of financial and operational creditors should be dealt with as per the waterfall mechanism under Section 53 of the code. It is trite law that the provisions of the Code will override other laws as laid down in Section 238 of the Code.

7. Whether promoter of MSME Corporate Debtor is exempted from the other eligibility criteria of RFRP under section 240A of IBC in submission of Resolution Plan - *Mr. Haridas Krishna Kumar Vs. Mr. G.Kalpna, RP of M/s Feno Plast Ltd. - NCLT Hyderabad Bench*

The objective in permitting the MSMEs to participate without furnishing the Resolution Plan Certificate is very well explained in the following judgements namely *Swiss Ribbons Pvt. Ltd. and Another Vs. Union of India and Others*, *K. Satheesh Babu Rajesh Vs. Mr. George Varkey, Saravana Global Holdings Ltd. & Anr. Vs. Bafna Pharmaceuticals Ltd. & Ors* and following the ratios laid down in the said judgments, the bench deemed fit to allow this application. In the result, the application is allowed and held as under:

- i) Direct Respondent , RP to accept the Expression of Interest of the Applicant as Prospective Resolution Applicant under section 240A of IBC since Corporate Debtor is a deemed MSME,
- ii) Direct Respondents the RP and Committee of Creditors to relax the eligibility criteria

requirement of the minimum tangible net worth of Rs. 75 Crores for the applicant/promoter of Corporate Debtor, and

- iii) Declare that since the applicant is contesting the non-inclusion of their name in the provisional list to issue RFRP and IM to this applicant too, and the Resolution Plan submitted by them shall be accepted and dealt with in accordance with law.

8. **Whether a Home Buyer individually oppose to Resolution Plan when the Home Buyers as a class has voted by a majority in favour of the Plan - *Jyotsna Kailash Veera Vs. Mr. Manish Motilal Jaju - NCLT Mumbai Bench***

It becomes abundantly clear that Home Buyers can vote for or against the Plan only as a class and if there are some Home Buyers pitted against the

Resolution Plan, who are otherwise in minority, absolutely no locus to oppose the Plan in the capacity of dissatisfied Home Buyers. It is also abundantly clear that such dissenting minority segment within the class of Home Buyers cannot arrogate themselves to be dissenting Financial Creditors. That being the legal position, which is explained in unequivocal terms by the Hon'ble Supreme Court in *Jaypee Kensingtons case*, in our considered view, any objection raised by the so-called minority Home Buyers raising objection against the Plan, which have been approved by them as a class, cannot be entertained and are liable to be rejected at the very threshold without going through the merit of such objections. Therefore, the objections raised in the IA are liable to be dismissed as the Applicant has no locus to maintain any such objections against the Resolution Plan.

9. The service of the Demand Notice u/s 8 of the Code is a sine qua non of an application u/s 9 of the IBC - *Shri Karvir Nivasini Mahalaxmi Ispat Pvt. Ltd. Vs. Vistacore Infracore Pvt. Ltd. - NCLT Mumbai Bench*

The Adjudicating Authority observed from the records that the demand notice sent by the Operational Creditors is undated. Also, the Demand Notice is required to be delivered to the Corporate Debtor at the registered office either by hand or through registered post with acknowledgement or electronic mail service. However, it is seen from the record, that the Operational Creditor has not furnished any evidence to prove that the Demand Notice was duly served to the Corporate Debtor at its registered address of the Corporate Debtor. The

Operational Creditor has not attached any proof of delivery receipt nor any acknowledgement of the demand notice. Since the service of a proper Demand notice is not shown to have been served by the Applicant, the Application deserves to be dismissed.

10. CIRP application u/s 9 of IBC cannot be admitted in case of dispute between the promoters and dispute raised by the other shareholders in relation to affairs and management of the Corporate Debtor u/s 241 & 242 of the Companies Act, 2013 - *Ashu Dutt Vs. Celadon Real Estate Advisors Pvt. Ltd. - NCLT Mumbai Bench*

The Adjudicating Authority held that there are a number of Petitions filed u/s 241 & 242 of the companies Act, 2013, including one petition pertaining to Corporate Debtor

that are pending since year 2015 and these petitions pertain to allegation of operation mismanagement made by wife of the Applicant against him. Even, if it is considered that the amount claimed is an operational debt, as claimed by the Applicant, there exist a prior dispute raised by the other shareholders in relation to affairs and management of the corporate debtor by the Applicant himself. In view of this also, this Application u/s 9 of the Code deserves to be dismissed as not maintainable on the ground that this Application is motivated from the dispute between the promoters and does not seek resolution of the Corporate Debtor.

11. Requirement of fresh Demand Notice u/s 8 of IBC in case of part payments made by Corporate Debtor, after issuing the first Demand Notice -

Entertainment Network India Ltd. Vs. Praise Communications Pvt. Ltd. - NCLT New Delhi Bench Court-IV

The Adjudicating Authority observed that it transpires that Section 8(1) notice was issued in June, 2018 and after issuing of Section 8(1) notice, in the month of August, 2018 and October, 2018, certain payments have been received from the Corporate Debtor. The Section 9 Application has been filed in the year 2020, on the basis of June 2018 Section 8(1) notice ignoring the sanctity of the payments made by the Corporate Debtor. The explanation to sub-section 2 of Section 8 clearly says that for the purpose of this Section, a demand notice means, a notice served by Operational Creditor to the Corporate Debtor demanding payment of operational debt in respect of which default has occurred.

Since the part payments have not been taken into account and no fresh Section 8(1) notice was issued before filing Section 9 Application for the amount which got reduced by virtue of the payments made by the Corporate Debtor, the amount shown in Section 8(1) notice is not in consonance with Section 9 Application filed by the Operational Creditor.

12. NCLT/Adjudicating Authority has the power to condone the delay in submitting claim to Liquidator before the distribution of Assets - *Total Tools & Equipments (P) Ltd. Vs. Mr. CA Sandeep D. Maheshwari - NCLT Mumbai Bench*

Section 42 of the Code which gives power to this Adjudicating Authority to allow the submission of claim to Liquidator and condone the delay if there is a sufficient cause in filing the delayed

claim before the Liquidator. Further, the Applicant placed its reliance upon Rule 177 of Companies (Court) Rules, 1959 which provides that, if any creditor fails to file proof of his debt with the liquidator within the time specified in the advertisement referred to in Rule 148, such creditor may apply to the court for relief and the court may adjudicate upon the debt and direct the liquidator to do so.

13. Can Operational Creditors file CIRP application u/s 9 of IBC jointly to meet the threshold limit u/s 4 of IBC - *Mr. Shailesh S Shenoy Vs. Gammon Engineers and Contractors Pvt. Ltd. - NCLT Mumbai Bench*

This Bench held that the claims of the Operational Creditor if considered individually in the above Company Petition do not meet the threshold limit and the Company Petition, and thus dismissed the same.

14. Initiation of CIRP u/s 9 of IBC on based of copy of GST returns and TCS returns proving the supply of goods to the Corporate Debtor - *Mr. Ramdeo R. Agarwal Vs. Harkar Developers Pvt. Ltd. - NCLT Mumbai Bench*

The Adjudicating Authority held that the Operational Creditor has placed on record the copy of GST returns and TCS returns to prove the supply of goods to the Corporate Debtor. In the absence of any response from the Corporate Debtor, the matter placed on record shows that there exists debt and default in payment thereof. The petition filed is also within limitation. Thus, the present Company Petition satisfies all the necessary requirement for admission. This Tribunal has jurisdiction to adjudicate the Company Petition filed by the Operational Creditor. Since, the debt and default exist and no pre-existing

dispute has been brought to our notice, it is a fit case for admission u/9 of IBC,2016

15. The attachment of bank accounts of Corporate Debtor during the moratorium is prohibited under the IBC - *Mr. Sapan Mohan Garg RP Jassum Propcon Projects Pvt. Ltd. Vs. Central Bureau of Investigation (CBI) - NCLT New Delhi Bench Court-VI*

The attachment of bank accounts of the Corporate Debtor during the moratorium is prohibited under the Code. Further, the moratorium u/s 33(5) of the IBC, 2016 also bars institution of any suit or proceedings against the Corporate Debtor. To take over the properties of Corporate Debtor, and manage the same, and keep Corporate Debtor a going concern are acts which fall within purview of IBC. IRP/RP/Liquidator under IBC have duty and right to take

over and manage assets of Corporate Debtor as long as the assets are property of the Corporate Debtor, so that the other duties conferred on them by the statute are performed.

Thus, in light of the above, the present application is allowed. Further, the bench directed the bank and RBL Bank to de-freeze the Accounts of the Corporate Debtor and allow the operations of the Accounts by the Liquidator of the Corporate Debtor.

High court:

16. GST Input Tax Credit (ITC) available to the earlier management will not be available to the current management - M/s ESL Steel Ltd. Vs. Principal Commissioner, Central Goods & Services Tax & Central Excise - Jharkhand High Court

In this landmark decision, Hon'ble Division Bench of the

High Court of Jharkhand held that on the one hand; the Additional Commissioner has illegally and arbitrarily confirmed the demand u/s 74(9) of the Central Goods and Service Tax Act, 2017 and imposed interest and penalty, on the ground of irregular availment of transitional credit during the period 2017-18, which includes the transitional credit claimed by the Corporate Debtor for the period prior to April 2018 and the balance amount has been claimed by the Corporate Debtor as Transitional credit by filing new TRAN-1; but at the same time the Corporate Debtor can also not take advantage of the ITC of the earlier period i.e., any dues prior to the date on which the NCLT has approved the resolution plan of the Corporate Debtor.

(The Author is a Chennai based Advocate in practice. He can be reached at ramanakumar@ovopaxlegal.com)

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (Regd)

Prince Arcade, 2L, Rear Block, Second Floor, 22A, Cathedral Road, Chennai - 600 086

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **FORTY FIFTH ANNUAL GENERAL MEETING** of The Chartered Accountants Study Circle will be held on Saturday, 26th August 2023 at 6.30 P.M. at Hindustan Chamber of Commerce, "Greems Dugar", South Wing, V Floor, 149, Greems Road, Chennai - 600 006 to transact the following

business:

1. To adopt the minutes of the 44rd Annual General Meeting held on 25th August 2022
2. To adopt the audited financial statements for the year ended 31st March, 2023, along with the report of the Auditors thereon and the annual report for the said year.
3. a. To elect two members to the committee of Management, in place of CA R. Ravi & CA Satyanarayana who retire by rotation from the Committee at the end of the ensuing Annual General Meeting
4. To appoint Auditors for the financial year 2023- 24
5. To distribute out of Endowment Funds created :
 - a. Scholarships for deserving students pursuing Chartered Accountancy Course
 - b. Prizes for meritorious students successful in Chartered Accountancy Examinations
 - c. Prize for Best Emerging Speaker for the year 2022-23
 - d. Prize for the Best Article contributor for the CASC Bulletin for the year 2022-23
6. Any other matter that may be taken up with the permission of the Chair.

For The Chartered Accountants Study Circle

Sd/-

CA.V. THULASIDHARAN

Committee Member

Place : Chennai
Date : 27.07.2023

Explanatory Notes to the notice:

1. The regular meeting of CASC will follow the Annual General Meeting by 6.30 p.m.
2. Nomination for election of Committee Members should reach the Office of the Study Circle, in the enclosed format, before **17.00 hrs. (5 p.m.) on 19th August 2023**

A member entitled to attend the Annual General Meeting shall be the member as defined in bye-laws of the Association and as on record in the Registrar of Members as on the date of issue of this notice

INDEPENDENT AUDITORS' REPORT

To
The Members,
The Chartered Accountant Study Circle
Chennai - 600 006

Opinion

We have audited the accompanying financial statements of The Chartered Accountants Study Circle ("Study Circle"), which comprise the Balance Sheet as at 31st March, 2023, the Income and Expenditure Account for the year ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Study Circle as at March 31, 2023, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Study Circle in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Study Circle's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Study Circle or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Study Circle's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Study Circle's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

-
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Study Circle's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Study Circle to cease to continue as a going concern.

Report on Other Regulatory Requirements

Further, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account have been kept by the Study Circle so far as appears from our examination of those books.
- c) The Study Circle's Balance Sheet, Statement of Income and Expenditure dealt with by this Report are in agreement with the books of account.

For D. SANTHOSH & CO
Chartered Accountants

sd/-
D. Santhosh
Partner, M.No.237796
Firm Reg No.017344S
UDIN : 23237796BGXWVI3497

Place : Chennai
Date : 27.07.2023

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI 600 086

BALANCE SHEET AS AT

<u>LIABILITIES</u>	Sch. No.	<u>31-Mar-23</u>	<u>31-Mar-22</u>
CAPITAL FUND	1	40,77,243	42,81,498
LIFE MEMBERSHIP FUND	2	19,65,400	19,12,900
ENDOWMENTS & FUNDS	3	7,91,000	6,01,000
		68,33,643	67,95,398
<u>ASSETS</u>			
FIXED ASSETS	4	2,54,152	2,65,945
DEPOSITS	5	63,67,094	63,99,332
LOANS AND ADVANCES	6	98,750	95,996
CASH & BANK BALANCES	7	1,13,646	34,125
		68,33,643	67,95,398

NOTES ON ACCOUNTS 12

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For D. SANTHOSH & CO.,
CHARTERED ACCOUNTANTS
Firm No. 017344S

FOR THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)

Sd/-
D. SANTHOSH
Partner
M.No. 237796
UDIN: 23237796BGXWVI3497
Place: Chennai
Date: 27/07/2023

Sd/-
V.Thulasidharan
Committee Member

Sd/-
R.Ravi
Committee Member

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI. 600 086

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED

INCOME	Sch. No.	31 March 2023	31 March 2022
ANNUAL MEMBERSHIP		12,000	1,500
CONFERENCE/SPONSORSHIP RECEIPTS	8	3,21,800	-
OTHER RECEIPTS	9	64,810	60,063
INTEREST RECEIPTS		3,94,596	4,15,019
EXCESS OF EXPENDITURE OVER INCOME		2,04,256	1,22,970
		9,97,462	5,99,552
EXPENDITURE			
CONFERENCE/SEMINAR/COURSE EXPENSES	10	2,50,779	53,446
DESIGNING PRINTING EXPENSES	11	80,922	31,986
SALARY & BONUS		1,66,700	1,56,100
ELECTRICITY CHARGES		9,176	6,984
BANK CHARGES		502	14,070
OFFICE MAINTENANCE		35,202	40,031
BUDGET BOOKS		31,500	16,800
TELEPHONE / WEB CHARGES		24,499	29,115
PRINTING & STATIONERY		1,165	955
MUNICIPAL TAXES		54,431	16,284
LOCAL CONVEYANCE		26,720	22,529
SCHOLARSHIPS TO STUDENTS		15,000	15,000
SOCIETY REGISTRATION CHARGES		1,200	1,36,600
MISCELLANEOUS EXPENSES		14,695	8,977
AUDIT FEES		11,800	11,800
EXPENSES ARC, MYSORE		2,61,378	25,000
DEPRECIATION	4	11,793	13,875
		9,97,462	5,99,552

The accompanying notes form an integral part of the financial statements.

As per our report of even date
For D. SANTHOSH & CO.,
CHARTERED ACCOUNTANTS
Firm No. 017344S

FOR THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)

Sd/-
D. SANTHOSH
Partner
M.No. 237796
UDIN: 23237796BGXWVI3497
Place: Chennai
Date: 27/07/2023

Sd/-
V.Thulasidharan
Committee Member

Sd/-
R.Ravi
Committee Member

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI 600 086

	31-Mar-23	31-Mar-22
<u>SCHEDULE 1 - CAPITAL FUND</u>		
OPENING BALANCE	42,81,498	44,04,468
ADD: DEFICIT FOR THE YEAR	-2,04,256	-1,22,970
	40,77,243	42,81,498
<u>SCHEDULE 2 - LIFE MEMBERSHIP FUND</u>		
OPENING BALANCE	19,12,900	18,45,400.00
ADD: RECEIVED DURING THE YEAR	52,500	67,500
	19,65,400	19,12,900
<u>SCHEDULE 3 - ENDOWMENTS & FUNDS</u>		
Ashok Kumbhat Fund	5,000	5,000
B.B. Naidu Memorial Charitable Trust Fund	40,000	40,000
C.A.T.V.Jayaraman Endowment Fund	50,000	50,000
Development & Communication Skill Fund	11,000	11,000
D Rangasamy Endowment Fund	1,00,000	75,000
G. Balasubramaniam	25,000	25,000
ITTA Parathasarathy Fund	5,000	5,000
K. Srinivasan Endowment Fund	1,45,000	35,000
Nisar & Kumar Endowment Fund	1,00,000	1,00,000
P.Ramakrishnan Endowment Fund	20,000	20,000
Raman Endowment Fund	25,000	25,000
R.Ramakrishnan Endowment Fund	25,000	25,000
S. Rajagopalan Endowment Fund	60,000	25,000
Sukumar & Associates Endowment Fund	50,000	50,000
T.R. Parthasarathy Endowment Fund	10,000	10,000
Yanmantram Educational Trust	1,20,000	1,00,000
	7,91,000	6,01,000
<u>SCHEDULE 5 - DEPOSITS</u>		
CANARA BANK	21,00,236	21,64,754
CITY UNION BANK LTD	16,60,863	16,28,583
DBS BANK LTD	13,50,000	13,50,000
TN POWER FINANCE CORPORATION LTD	7,15,000	7,15,000
TN TRANSPORT DEV. CORPORATION LTD	5,40,995	5,40,995
	63,67,094	63,99,332
<u>SCHEDULE 6 - LOANS AND ADVANCES</u>		
TAX DEDUCTED AT SOURCE	60,823	54,215
INTEREST ACCRUED ON FD	28,352	32,206
ELECTRICITY DEPOSIT	9,575	9,575
	98,750	95,996
<u>SCHEDULE 7 - CASH & BANK BALANCES</u>		
CASH ON HAND	2,169	3,190
CASH AT BANK	1,11,477	30,935
	1,13,646	34,125

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI 600 086

	31-Mar-23	31-Mar-22
<u>SCHEDULE 8 - CONFERENCE/SPONSORSHIP RECEIPTS</u>		
Advertisement for Mysore Conference	2,18,000	-
Student Bank Audit Seminar	57,000	-
Direct tax Refershner course - BCAJ	46,800	-
	3,21,800	-
<u>SCHEDULE 9 - OTHER RECEIPTS</u>		
HALL MAINTENANCE CHARGES RECOVERY	63,500	28,000
LCD Projector Rent	800	-
SHARE OF RECEIPT OF JOINT MEETING	-	11,483
MISCELLENEOUS INCOME	60	2,580
SALE OF CASC PUBLICATIONS	450	18,000
	64,810	60,063
<u>SCHEDULE 10 - DESIGNING PRINTING EXPENSES</u>		
SEMINAR/REFRESHER COURSE/AGM/REGULAR	2,50,779	53,446
	2,50,779	53,446
<u>SCHEDULE 11 - NEWSLETTER PRINTING EXPENSES</u>		
PRINTING CHARGES	72,640	24,440
POSTAGE & COURIER EXPENSES	8,282	7,546
	80,922	31,986

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI 600 086

SCHEDULE 4 - FIXED ASSETS

PARTICULARS	W.D.V. As on 1-Apr-22	ADDITIONS		DELETIONS	TOTAL	DEPRECIATION		W.D.V. As on 31-Mar-23
		MORE THAN 180 DAYS	LESS THAN 180 DAYS			RATE %	AMOUNT Rs.	
LAND	1,73,600	-	-	-	1,73,600	-	.	1,73,600
BUILDINGS	19,328	-	-	-	19,328	5	966	18,362
PLANT & MACHINERY	65,210	-	-	-	65,210	15	9,782	55,428
FURNITURE & FIXTURES	6,926	-	-	-	6,926	10	693	6,233
COMPUTER	881	-	-	-	881	40	352	529
CURRENT YEAR	2,65,945	-	-	-	2,65,945		11,793	2,54,152
PREVIOUS YEAR	2,96,253	-	-	-	2,96,253		13,875	2,79,820

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)
PRINCE ARCADE, 2 L, REAR BLOCK, II FLOOR,
22A, CATHEDRAL ROAD, CHENNAI 600 086

SCHEDULE 12 - NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

The accounts are prepared on cash basis.

INCOME RECOGNITION

Membership Fees and Bulletin Subscription

The membership fees and bulletin subscription are recognized as and when received.

Interest

Interest on fixed deposits and bonds are recognized on accrual basis based on 26AS

INVESTMENTS

Investments comprise of fixed deposits and bonds and are shown at cost as increased by interest credited by the respective institutions

FIXED ASSETS AND DEPRECIATION

Fixed assets are accounted at cost less depreciation.

GENERAL INFORMATION

Figures of the previous year have been regrouped / classified wherever necessary.

As per our report of even date
For D. SANTHOSH & CO.,
CHARTERED ACCOUNTANTS
Firm No. 017344S

FOR THE CHARTERED ACCOUNTANTS STUDY CIRCLE (REGD)

Sd/-
D. SANTHOSH
Partner
M.No. 237796
UDIN: 23237796BGXWVI3497
Place: Chennai
Date: 27/07/2023

Sd/-
V.Thulasidharan
Committee Member

Sd/-
R.Ravi
Committee Member

45th ANNUAL REPORT FOR THE YEAR 2022-23

The Committee of Management of The Chartered Accountants Study Circle have great pleasure in presenting the 45th Annual Report for the year 2022 – 23

THE ACTIVITY REPORT OF YOUR STUDY CIRCLE FOR THE YEAR ENDED 31.03.2023

Date	Subject	Name of the Speaker
15.04.2022	GST Reverse charge compliances & complications	CAV Sankara Narayanan
28.04.2022	Startup India	CA Gopal Krishan Raju
13.05.2022	metaverse- A New reality	CA Vittal Raj
26.05.2022	Recent Developments in International taxation	ADV Vignesh Krishanaswamy
09.06.2022	GST Registration- law, practice and issues	CA Shaik Ahmed
23.06.2022	faceless appeals	CA Suraj Nahar
07.07.2022	ITR-1-4 Charges, analysis & documentation	CA Jainder P
14.07.2022	New TDS Provisions- Impact analysis	CA Abhinaya M A
11.08.2022	GST-Recent Developments	CA Srinivasan
26.08.2022	Tax audit -recent issues	CA Ramnath V
08.09.2022	Compliances in reporting in tax audit	CA Girish Sundar
15.09.2022	relevance of IT General controls in IFC review	CA Mike Richards
08.10.2022	Recent developments in GST	CA Ganesh Prabhu
20.10.2022	Direct tax- Recent judicial pronouncements	CA Ramakrishnan B
10.11.2022	Google extensions and tools - relevant to professionals	CA D Ungarchand Jain
24.11.2022	GSTR 9/9c filing- An in depth analysis	CA Mrs. Renuka
08.12.2022	FEMA Updates	CA Venkateshan
22.12.2022	Recent Judicial Pronouncement Under GST laws	ADV Vaitheeswaran
12.01.2023	Financial literacy	CA S Srinivasaraghavan
25.01.2023	Company law-Recent Developments Safe guarding CAs in corp. legal issues (subject to change)	ADV Ananth Merathia
09.02.2023	SA on Audit documentation & NFRA review - some insights	CA Vatsalya and CA R G Rajan
23.02.2023	intricacies of Beneficial ownership under tax treaty	CA Prasanna K
09.03.2023	JDA- GST Issues in Real estate sector	CA Bharath
23.03.2023	Bank Audit – Refresher	CA K R suresh

Joint meeting with other organization

During the year, our society has conducted the following Joint meeting with other Professiona organization

05.12.2022	Financial Reporting and Regulatory Process in Australia	CA. Ramasubramanian Adv. K Vaitheeswaran
03.02.2022	Budget Meeting	CA. V. Shankaranarayanan Dr. CA. M.R.Venkatesh

RESIDENTIAL SEMINAR

During the year 2022-23, 23rd Annual Residential Conference was held at Hotel Heritage Shelter Resort, Mysuru from 5th - 8th January 2023. There were total registration of 109 Nos and out of which 60 were delegates. The conference went on well with active deliberation from members

NEWS LETTER

Your Study Circle's bulletin which was started in the year 2000 continues to be popular in the Professional circle but the same is done in electronic form and uploaded in the Website of CASC.

The bulletin has become regular again after the pandemic and is circulated month on month for the whole year.

The Editorial Board members are as follows:

1. CA Uttamchand Jain P - Chairman
2. CA Ramesh Babu C S
3. CA Sricharan R
4. CA Bhuvanewari R V

The bulletin with enriched contents and articles has attracted nationwide readership and received appreciative letters from readers for its quality and content.

The Committee is fully appreciative of the Committee on reviving the Bulletin on regular manner after a substantial break.

MEMBERSHIP

The Study Circle added a steady growth of Life Members during the year 2022-23. The details of membership are as follows:

Total Members as at the beginning of the year	468 Nos.
New Members enrolled during the year	07 Nos.
Resignation or Removal (Demise) of members during the year	00 Nos.
Total Members on Roll as at the end of the year	475 Nos.

The Committee of Management hopes to improve the number of Life Members in the coming years.

COMMITTEE MEETINGS

The Management Committee met physically on a periodical manner on need basis. The meetings were well attended by all the MC members.

Total No. of Meetings – 7

Name of the Committee Member	Number of Meetings attended
CA. Akshun Daga	1
CA. Manikandan S	5
CA. Thulasidharan	5
CA. Bhuvaneshwari R	5
CA. Ravi R	7
CA. Sathiyarayanan K R	6
CA. Sricharan R	6
CA. Uttamchand Jain P	7
CA. Vijayaraghavan K	7
CA. Murali J	2
CA. Ramesh Babu S	2

The Management Committee were ably assisted by Special invitees, Mr. Sundararajan & Mr Ramesh Babu by providing valuable inputs.

ENDOWMENT SCHOLARSHIPS & PRIZES:

As in the past, the Study Circle has continued supporting meritorious students from Chennai pursuing foundation, Intermediate and Final Examinations conducted by ICAI.

The Study Circle continued to support poor and deserving students pursuing Chartered Accountancy course by offering scholarships.

But the emerging speakers & best articles in CASC Bulletin prizes were deferred due to the fact that not many meetings were held with young speakers and also bulletin was not regular in the earlier year.

But during the current year there were articles and also speakers, which will revive the practice of honouring the best articles and emerging speakers.

KNOWLEDGE SHARING

As part of Knowledge Sharing, the members of Study Circle have been provided with a copy of Budget Highlights prepared by ACA. CASC Bulletin to the extent published during the pandemic year have been uploaded in Website and have been circulated to the members also on mail.

ACKNOWLEDGEMENTS

The management committee places on record their sincere thanks appreciation for the whole-hearted support extended by Members, Speakers, other professional organizations, Bankers, Sponsors, Advertisers, Endowment Donors, and Staff of the Study Circle.

For The Chartered Accountants Study Circle

Place: Chennai
Date : 27.07.23

Sd/-
CA. V.Thulasidharan
Committee member

THE CHARTERED ACCOUNTANTS STUDY CIRCLE (Regd)

Prince Arcade, 2L, Rear Block, Second Floor, 22A, Cathedral Road
Chennai - 600 086. Phone : 044-28114283

NOMINATION FORM

To
Returning Officer
The Chartered Accountants Study Circle (Regd.),
Prince Arcade, 2-L Rear Block, Second Floor,
22-A Cathedral Road, Chennai - 600 086.

We, the undersigned, members of The Chartered Accountants Study Circle, nominate the under mentioned person as a candidate for election as a Member of the Committee of Management at the Annual General Meeting to be held on 26th August 2023.

Name of the Candidate :

Father's / Husband's Name :

Address :

Membership Details : Life / Annual

Signature of the Proposer

Signature of the Seconder

Name & Address with
Membership details :

Name & Address with
Membership details :

Signature of candidate consenting to the nomination:

"Intentionally left Blank"



ABOUT OURSELVES

The Chartered Accountants Study Circle (Regd.)

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

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

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

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

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

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

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

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

Published by :

THE CHARTERED ACCOUNTANTS STUDY CIRCLE

2-L, Prince Arcade, 22-A, Cathedral Road, Chennai - 600086

☎ : 044 2811 4283 📞 : 90031 03420 ✉ : admin@casconline.org

Book

Designed by

T. Babu (GB Designs)