THE MONTHLY MAGAZINE FROM CASC

- 24th ARC ADHYAYANA AT PARVAT
- INTERNATIONAL WOMEN'S DAY
- ADVANCE TAX

GST UPDATES

INDIAN ECONOMY ROUND UP

VOLUME-3 ISSUE-3 MARCH 2024

CASC BULLETIN

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Date	Topic	Speaker
14.03.2024 (Thursday)	Sec 43B(h) of the Income Tax Act - An Analysis	CA. Yeswanth Kumar
21.03.2024 (Thursday)	Using Technology in Bank Audit	Will be intimated Separately

The meetings will be held at CASC at 6.30 p.m. and will be preceeded by fellowship over High Tea at 6.00 p.m.

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

EDITORIAL

Adhyayana at Parvat

The 24th ARC at munnar was a grand success with more than 100 participants enrolled and participated. Group photos of the Delegates and accompanied persons are carried in this bulletin. Feedbacks received from the First time participants of ARC are also carried separately. Every time the conference group discussions are focused with two major taxes, i.e. Direct & Indirect, this time we have received feedbacks from participants suggesting for the Company Laws also, which was a welcome measure, so that our professional colleagues get their updates in this area too. We are also looking forward for much more number of participants in the upcoming ARC's.

Mine Lease Holder liable to pay Service Tax

The Chennai Bench of the Customs, Excise and Service Tax Appellate Tribunal has held that a mine lease holder is liable to pay service tax on minerals auctioned and not the buyer. Thus it was a big relief to JSW Steel wherein they have made a lump purchase of Iron ore. JSW Steel had bought 16,000 tonnes of iron ore lumps from Sesa Sterlite in an e-auction conducted by a monitoring

committee set up by the SC for the sale of minerals in Karnataka's Bellary, Chitradurga and Tumkur districts. The revenue department and GST & Central excise commissioner had claimed that since JSW had received services from the monitoring committee, it was liable to pay service tax under the reverse charge mechanism. But the verdict delivered by the appellate tribunal was only the mine lease holder is liable to pay service tax on minerals auctioned and not the buyer.

SEZ & EOU under RoDTEP Scheme

The government has decided to extend export benefits under the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme for companies in the special economic zones (SEZs) and export oriented units (EOUs). Various central and state duties, taxes, and levies imposed on input products are refunded to exporters under the scheme. The current RoDTEP rates range from 0.3-4.3%. In this regard, an amended notification of a foreign trade policy may be issued soon by the DGFT. But this RoDTEP scheme does not include all exports. Products exported from SEZs, EOUs, EHTP, biotechnology parks and customs bonded warehouses are excluded.

Fake GST Summons:

The ministry of finance made on announcement on 10th February, 2024 cautioning the taxpayers

against receipt of fake and fraudulent GST summons. They even have a DIN. The DGGI has not only alerted the taxpayers but also initiated legal actions by filing complaints with law enforcement agencies against the perpetrators. Furthermore, the CBIC has reinforced the utility of tools like the 'VERIFY CBIC-DIN' window available on the CBIC's website and the DIN Utility Search on the Directorate of Data Management (DDM)'s online portal. These tools are instrumental in enabling taxpayers to ascertain the authenticity of any communication received from the department, thus guarding against potential fraud. Taxpayers are advices to utilize the verification mechanisms given by CBIC. If the summon issued is identified to be fake, immediate reporting to the concerned jurisdictional office has to be done.

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.

For and behalf of Editorial Board

Bhuvaneswari.R.V.

CA. BHUVANESWARI.R.V

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INAUGURATION OF THE 24th ARC "ADHYAYANA AT PARVAT" @ MUNNAR

CA.R.KRISHNAN MAKING HIS PRESENTATION ON "CASE STUDIES IN DIRECT TAXES"

GLIMPSES FROM THE 24th ARC @ MUNNAR

GLIMPSES FROM THE 24th ARC @ MUNNAR

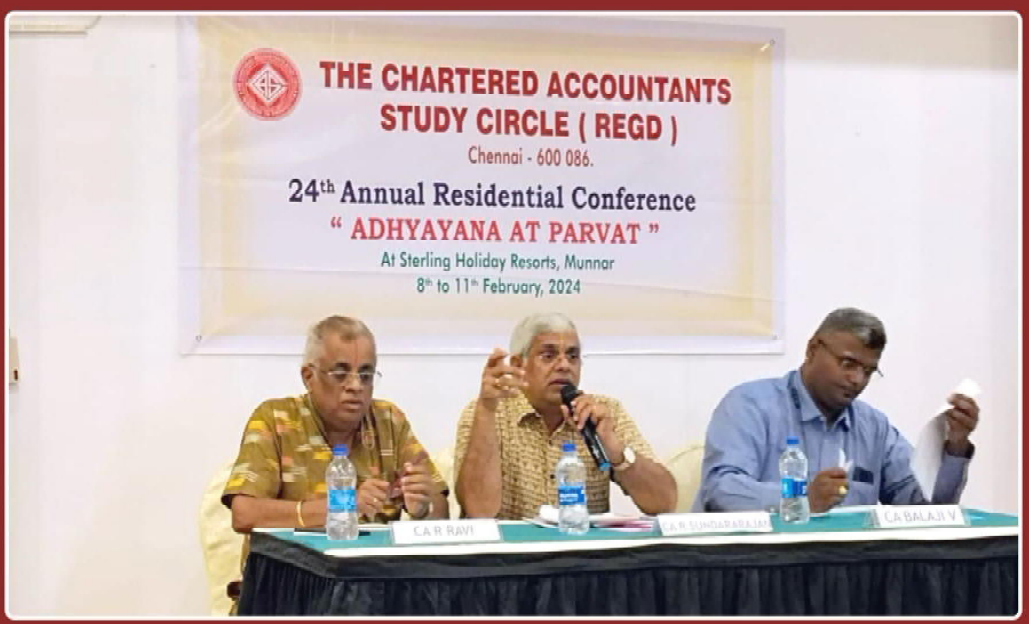
ADV.VAITHEESWARAN BEING FELICITATED AFTER HIS PRESENTATION ON "CASE STUDIES IN GST"

CA.JOMON K.GEORGE BEING FELICITATED AFTER HIS PRESENTATION ON "REPORTING REQUIREMENTS – RECENT DEVELOPMENTS"

CA.K.HARIHARAN BEING FELICITATED AFTER HIS PRESENTATION ON "MANAGEMENT OF STRESS"

FEED BACK SESSION

VALEDICTORY SESSION



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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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Petition for Rectification: The petitioner has filed an application dated 28.08.2020 seeking rectification of the mistake made by the assessing authority in the order dated 28.07.2020, without passing an order in the said rectification application, the respondent ought not to have issued the impugned notice dated 01.12.2023 for recovery of the dues. Ld Government Advocate (Taxes), on instructions would submit that the respondent would dispose of the rectification application within a period of four weeks from the date of receipt of a copy of this order, after affording an opportunity of personal hearing to the petitioner. Considering the rival submissions, the court directed that there shall be an order of stay of the impugned notice dated 01.12.2023 until the disposal of the rectification application dated 28.08.2020 filed by the petitioner. In the event, by virtue of the rectification

CA. V.V. SAMPATHKUMAR

order, the outstanding amount towards the Tax is set aside or modified, the impugned notice dated 01.12.2023 has to be modified to that extent. **M/s.Bharat Heavy Electricals Limited Vs The Assistant Commissioner (ST), Ranipet (SIPCOT) Assessment Circle, W.P.No.35100 of 2023 Dated: 18.12.2023**

Petition for Rectification: Without considering the submission of the petitioner as to the non-availability of documents for the filing the reply/ objections since many of their documents have been taken over by the Enforcement (East) Wing Officials

at the time of inspection the assessment order dated 03.09.2019 was passed by the respondent. The Petitioner further submit that subsequent to the said assessment order, the petitioner had traced out the old documents and thereafter, filed the rectification application on 06.02.2023 before the respondent to rectify the assessment order dated 03.09.2019.Respondent had simply rejected the rectification application filed by the petitioner without assigning any reasons vide impugned order dated 17.08.2023.Respondent had passed the impugned order dated 17.08.2023 only in the form of a notice. Further, the said impugned order appears to be a nonspeaking order since none of the rectification sought for by the petitioner has been dealt with by the respondent. The impugned order is set aside. While setting aside the impugned order, this Court remits the matter back to the respondent for reconsideration. Further, the respondent is directed to consider all the rectification sought for by the petitioner and pass a detailed speaking order after affording the opportunity of personal hearing to the petitioner. **M/s.Clean Switch India Pvt. Ltd., Vs. The State Tax Officer, Nandambakkam Assessment Circle, Chennai 35. W.P.No.35621 of 2023 Dated : 21.12.2023**

Opportunity: The notices dated 24.12.2021, 24.03.2023 and 15.05.2023 and the assessment order dated 25.05.2023 have been uploaded in the web portal in the "View Additional Notices and Orders" column and the same were not at all physically served to the petitioner, due to which, the petitioner was unaware about the said notice. Hence, the reasons provided by the petitioner for being unaware of the notice, which was uploaded in the web portal, are appears to be genuine. Further, this Court is of the view that no order can be passed without providing

sufficient opportunities to the petitioner. However, in the present case, no reply was filed by the petitioner and no opportunity of personal hearing was provided to the petitioner. Hence, the impugned order is liable to be set aside. **M/s. Jak Communications P Ltd, Vs.1.DCTO, Ayanavaram Zone IV, Chennai Central, TN 2. DSTO – I, Ayanavaram Assessment Circle, 3.AC(ST), Ayanavaram Assessment Circle, Chennai-102. 4.The Branch Manager, Axis Bank, Chennai, TN 600 102. W.P.No.35453 of 2023 Dated : 19.12.2023**

No Illegality, Alternative remedy: There is no illegality or irregularity in the order passed by the Assessing Officer, taking into consideration the decision-making process on his part in passing the impugned order. Court concluded that, if at all, the petitioner is aggrieved by such order, they can approach the Lower Appellate Authority seeking appropriate relief and this Court is not the proper forum to pass any orders, when the appeal is pending before the CESTAT and hence this Court has not inclined to entertain this writ petition. **M/s.M.M.A. Transport Pvt. Ltd.,Vs 1. The Commissioner (Appeals – II), Chennai – 40. 2.The Additional Commissioner, Chennai – 35.W.P No.35856 of 2023 DATED : 21.12.No Illeaglity 2023**

Delay Condonation: SCN was issued to the petitioner on 01.06.2023, and the petitioner has to file reply on or before 02.07.2023, however, the petitioner filed their reply on the very next day, i.e. on 02.06.2023 and the respondent passed the assessment order on the very same date itself, i.e. 02.06.2023. Since the reply was filed immediately, the petitioner was under an impression that the order would be passed after the time limit fixed for filing the reply, i.e. 02.07.2023. However, 1st the respondent passed the assessment

order on the very same day, on which, reply was filed by the petitioner i.e. 02.06.2023 and the petitioner came to know about the said impugned order only when the 1st respondent issued recovery notice dated 19.10.2023, which was received by the petitioner on 28.10.2023. Thereafter, the petitioner immediately took steps to file the appeal, however, with a delay. Taking into consideration of the rival submissions and on perusal of the materials on record, it appears that the reasons assigned by the petitioner for the delay in filing the Appeal are reasonable. Hence, this Court is inclined to condone the delay, as, the petitioner-s right to prefer appeal cannot be deprived of on account of the delay, which has occurred beyond their control.**M/s.GT India Private Limited vs.1. The State Tax Officer Purasawakkam Assessment Circle, Chennai – 102. 2.Deputy Commissioner (ST),(GST Appeals), Chennai I, Chennai – 6 W.P No.35847 of 2023 DATED: 21.12.2023**

Order on Dead person : Impugned assessment order came to be passed against the dead person, which is non-est in law and hence, it is liable to be set aside. Accordingly, the said impugned order dated 01.03.2023 is set aside. This Court is of the considered view that the petitioners shall consider the notice issued by the respondent dated 06.07.2022 as a notice issued to the legal heirs m as on date. Thus, the petitioners are directed to file a reply to the said notice within a period of 6 weeks from the date of receipt of copy of this order. Thereafter, the respondent is directed to pass appropriate orders after providing opportunities of personal hearing to the petitioner. **1.Rekha.S 2.Kavitha.S 3.Sudha.V 4.M.K.Nithish 5.M.K.Ganesh Vs. The Assistant Commissioner (ST),Thirumullaivoyal Assessment Circle, W.P.No.35411 of 2023 Dated 19.12.2023**

Assessment Notice: Petitioner would submit that the impugned notice dated 14.09.2023 has been issued overlapping the notice dated 29.08.2023 and the said impugned notice was not even signed by the respondent. Further, he would contend that earlier at the time of issuance of notice dated 29.08.2023, the summary notice was issued by one officer and the detailed notice was issued by another officer, whereas, while issuing the impugned notice dated 14.09.2023, the respondent had issued only the summary notice and no detailed notice has been issued to the petitioner. He had also raised the issue of jurisdiction with regard to the issuance of the said notice. Hence, the present writ petition. It is informed that the last date to pass the final order is on 31.12.2023, in such case, this Court is passed the following orders:(i) The respondent is directed to issue the detailed SCN to the petitioner by tomorrow (23.12.2023). (ii) Thereafter, the petitioner is directed to file the reply on or before 27.12.2023. (iii) After the filing of reply, the respondent is directed to fix the hearing date and pass orders in accordance with law on or before 29.12.2023. **HDFC Sales Private Limited, vs. The Assistant Commissioner (ST)(FAC), Vadapalani Assessment Circle, Chennai 6 W.P No.36163 of 2023 DATED: 22.12.2023**

Condonation of Delay: Court finds that since the order dated 30.03.2023 passed by the second respondent has provides 3 months' time for preferring appeal, the petitioner was under the wrong impression that they can file the appeal within 3 months plus 30 days in addition, (in the event of any delay) from the date of receipt of the order 30.03.2023. But, however, the Act only provides for 2 months, which is exclusive of one-month grace time for the delay, if any. Therefore, reasons assigned by the petitioner for preferring the Appeal with delay is

appears to be genuine and reasonable, inasmuch as, the petitioner got confused over the time limit prescribed under the Statute, (which is only two months) and the time limit prescribed by the second respondent/Authority (which is three month's, inclusive of one-month delay period. Statin so, this Hon'ble Court set aside the impugned order dated 27.09.2023 of the first appellate authority. **Lansun Logistics, Vs.1.Commissioner (Appeals-II), Chennai–40. Addl Commr, Chennai South Commissionerate, Chennai – 35. W.P.No.35694 of 2023 DATED: 22.12.2023**

Order of Remand : Petitioner would submit that the respondents had issued a notice dated 09.01.2023 by fixing the date of hearing on 11.01.2023 and due to the said short notice, the petitioner was unable to appear before the respondent on 11.01.2023. On the same day (11.01.2023), the impugned order came to be passed by the respondents. However, the petitioner was unaware of the said order passed by the respondent and the same was indicated to the petitioner only on 09.11.2023. In the meantime, another notice dated 22.06.2023 has also been issued by the respondent by fixing the date of hearing on 27.06.2023 for the same subject matter. Thus, he would contend that no doubt the respondents had committed illegality in passing the impugned order dated 11.01.2023 and prays this Court to set aside the same. After hearing the learned counsel for the petitioner and the respondent and after perusal of the connected records the Court set aside the impugned order dated 11.01.2023 and remitted the matter back to the 1st respondent for reconsideration. **M/ s.K.G.Foundations P Ltd, Vs 1.The Dy Commr (ST), GST~Appeal, Chennai II,Chennai 6. 2.The Assistant Commissioner (ST), Mylapore Assessment Circle,**

Nandanam, Chennai 35 W.P.No.36177 of 2023 Dated-22.12.2023

Detention of Goods : Petitioner submit that on 16.12.2023, the petitioner had generated E-way to transport is own machinery. However, the delivery challan was misplaced by the Conveyance driver. On 18.12.2023, at the time of interception by the respondent, the Conveyance driver of the petitioner had displayed the soft copy of the delivery challan and the same was not accepted by the respondent and the petitioner's vehicle was retained by the respondent. Thereafter, the said delivery challan was submitted before the respondent by the petitioner. However, without considering the same, the respondent had issued the impugned notice. Hence, this writ petition. Respondent would fairly submit that the aforesaid grievances of the petitioner shall be addressed before the concerned Authority and the same will be considered in accordance with law. Petitioner then submit that the respondent had fixed the date of hearing on 21.12.2023 (yesterday). The Court stated that the petitioner had approached this Court in a premature manner. However, highlighting the time aspect, this Court is passed the following orders: (i) The respondent is directed to fix a fresh hearing on 23.12.2023 (tomorrow)(ii) While deciding the matter, the respondent is directed to consider the production of E~way bill by the petitioner and thereafter, decide with regard to the release of vehicle. **M/s S.K.Transport, vs. The State Tax Officer (FAC), Roving Squad, Hosur Intelligence Division, Hosur– 635 109. W.P No.36231 of 2023 DATED: 22.12.2023**

(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 & GST

1. GST – PROHIBITION OF ONLINE GAMBLING AND REGULATION OF ONLINE GAMES ACT 2022 – SUSTAINABLE – NOT TO APPLY ONLINE FANTASY GAMES LIKE RUMMY & POKER

CA. VIJAY ANAND

In All India Gaming Federation v. State of TN 2023(80) GSTL 7/ (2023) 12 Centax 150 (Mad.), the petitioners assail the constitutional validity of the Tamil Nadu Prohibition of Online Gambling and Regulation of Online Games Act, 2022 "Act of 2022" or "the impugned Act" for short].

The impugned Act is solely based on the report submitted by the Committee under the Chairmanship of Justice K. Chandru (Retd.). The said report has categorised games of skill, i.e., online rummy and online poker, to be games chance and is directly in the teeth of the law settled by the Division Bench the case of Junglee Games India (P.) Ltd. v. State of Tamil Nadu 2021 SCC Online Mad 2762 and that of the Apex Court in a catena of judgments. The report fails to substantiate its own findings or the alleged impact of online games. The said report was not made available on the public domain, however, the same was filed by the State of Andhra

Pradesh before the Andhra Pradesh High Court in W.P.No.19659 of 2020. The said Committee did not have a single expert on online games or a representative from the industry as a Member of the Committee.

The terms of reference of the said Committee show that the whole intent was predetermined, that is to ban online games of rummy and poker, despite being a legally permissible business activity and protected under Article 19(1)(g) of the Constitution of India. A perusal of the title of the report, i.e., "Report of the Committee to recommend the desirability of a legislation to ban online card games including Rummy" shows that the Committee was formed to submit a report, which is pre-decided, on prohibiting online rummy by classifying the same as gambling/game of chance.

The high court has observed as under:

1. The petitioners are challenging the Act of 2022, namely the Tamil Nadu Prohibition of Online Gambling and Regulation of Online Games Act, 2022. The impugned Act is enacted in the backdrop of the Tamil Nadu Gaming and Police Laws (Amendment) Act, 2021 (hereinafter referred to as "the Amendment Act of 2021"), which had sought to ban online games such as "rummy" and "poker" played with stakes or money.

2. The said Amendment Act of 2021 was struck down in its entirety by this Court and was declared as ultra vires the Constitution of India under the detailed judgment dated 3-8-2021 in the case of Junglee Games India (P.) Ltd. v. State of Tamil Nadu 2021 SCC online Mad 2762

3. Thereafter, the State Government appointed a five Member Committee, headed by a retired Judge of the Madras High Court for advising the Government for enacting a fresh legislation on online games.

4. The State Government purportedly, on the basis of the recommendations made by the Committee, promulgated the Tamil Nadu Prohibition of Online Gambling and Regulation of Online Games Ordinance, 2022 on 1-10-2022.

5. The Ordinance was challenged before the Madras High Court but was withdrawn as there was no date notified for operation of the Ordinance.

6. The Ordinance was subsequently introduced as a Bill on 19-10-2022 and was passed by the Legislative Assembly on the same day. The Bill was returned by the Governor of Tamil Nadu over certain concerns regarding the similarity between the Bill and the Amendment Act of 2021, which was struck down by this Court.

7. The Bill was re-enacted by the Legislative Assembly without any changes on 23-3-2023, which was assented by the Governor of Tamil Nadu on 7-4-2023. The Tamil Nadu Prohibition of Online Gambling and Regulation of Online Games Act, 2022 was published in the Tamil Nadu Government Gazette Extraordinary and the notification, bringing the impugned Act into force, was issued on 21-4-2023.

8. The Online Gaming Authority is established under section 3 and the functions of the said Authority are detailed under section 4, whereunder, in Section 4(1)(c), one of the functions of the Authority is to identify online games of chance and recommend the same to the Government, for inclusion in the Schedule.

9. Section 5 of the Act of 2022 empowers the Authority, with the previous approval of the Government, to make regulations consistent with the provisions of the Act or the Rules.

10. Sub-Section (2) of Section 5 of the Act of 2022 states that regulation may provide for (a) time limit, monetary limit, age restriction or such other restrictions in regard to playing of online games; and (b) procedure to regulate its own functions.

11. Section 7 of the Act of 2022 prohibited Online gambling along with Playing of online games of chance specified in the Schedule with money or other stakes.

12. Sub-section (3) of section 7 of the Act of 2022 provides that no online games provider shall provide online gambling service or allow playing of any online game of chance, specified in the Schedule, with money or other stakes or playing of any other online game in contravention of the regulations in any form.

13. Section 10 of the Act of 2022 prohibits local online games provider from providing any service for the conduct of any online game, except in accordance with the certificate of registration duly obtained from the Authority.

14. Section 14 of the Act of 2022 prohibits non-local online games providers from providing any online gambling service so as to allow playing of any online game of chance specified in the Schedule with money or other stakes or allow playing of any other online game contrary to the regulations in this State.

15. Section 23 of the Act of 2022 provides that any online game specified in the Schedule shall be presumed to be an online game of chance. Sub-section (2) of section 23 of the Act of 2022 empowers the Government, by notification, to omit or add any online game in the Schedule, on the recommendation of the Authority and upon issuance of such notification, the Schedule shall be deemed to be amended accordingly.

16. On the day the impugned Act was enacted, (i) rummy and (ii) poker were included in the Schedule of the impugned Act as online games of chance. The same is the bone of contention in the present matter.

17. It is true that whenever there is a challenge to the constitutional validity of an Act enacted by the Legislature or provisions thereto, one has to keep in mind that presumption is in favour of constitutional validity of law enacted by the Legislature and the petitioners will have to demonstrate transgression of the constitutional provisions and the mandate. It is well settled that the legislative enactment can be challenged on two grounds:

(i) That the Legislature does not possess the competence to make the said law;

(ii) The same is arbitrary, irrational and that it takes away or abridges any of the Fundamental Rights enumerated in Part III of the Constitution of India or any other constitutional provisions. It is on the touchstone of the aforesaid principles, the matter will have to be decided.

18. The impugned Act is enacted under the premise that the issues of online gaming and gambling cannot be dealt with by the old binary of "game of chance" versus "game of skill" and a new conceptual framework is needed, which incorporates the understanding of how Information Technology operates at the basic level, the critical difference between physical and online in general and also the physical and online versions of the games.

19. Mere intention and bonafides of object of promulgating the impugned legislation would not be sufficient to uphold the legislation which has to withstand the test of legislative competence and should be free from manifest arbitrariness as also on the premise of the rights of the parties being trampled or otherwise.

20. The State is empowered to legislate in respect of the Entries in List II of the VII Schedule. Entry 34 of the State List includes "betting and gambling". The State certainly has the authority to legislate in respect of betting and gambling. This Entry 34 of the State List viz, "betting and gambling" was the subject matter of consideration before the Apex Court in catena of cases.

21. In State of Andhra Pradesh v. K.Satyanarayana AIR 1968 SC 825, the Supreme Court has conclusively held that "the game of rummy is not a game entirely of chance like the "three-card" game (which goes under different names such as "flush", "brag" etc.) which is a game of pure chance. Rummy on the other hand requires certain amount of skill because the fall of the cards has to be memorised and the building up of rummy requires considerable skill in holding and discarding cards.

22. It cannot be said that the game of rummy is a game of entire chance. It is mainly and preponderantly a game of skill".

23. The Supreme Court in the case of Dr.K.R.Lakshmanan v. State of Tamil Nadu (1996) 2SCC 226 held that gaming is an act or practice of gambling on a game of chance. It is the game of chance, where chance is the controlling factor. Gambling would mean wagering or betting on games of chance. It would not include games of skill. It further held that the games of skill, although the, element of chance necessarily cannot be entirely eliminated, is one in which success depends principally upon the superior knowledge, training, attention, experience and adroitness of the player. Golf, chess and even rummy are considered to be games of skill. It was held that charging 5% commission was not earning an income from the betting money and was legal.

24. The first legislation, the Public Gaming Act, 1867 is still being followed in the Act of 2022 wherein all forms of gambling and betting activities, except

horse racing, are illegal. However, this Act only deals with physical betting. The law is silent on online betting. This Act continues in existence after independence as it was enforced under Article 372 of the Constitution of India.

25. The Constitution of India gives power to the State to regulate gambling as it falls under List II Entry 34 of the VII Schedule of the Constitution of India. Gambling is generally prohibited in all States except Sikkim, Goa and Daman.

26. According to section 12 of the Public Gaming Act, 1867, any game in which skill is the dominant factor will not be considered gambling, while games of chance would be considered as gambling. The Apex Court and High Courts in various decisions have given interpretation of games of chance and games of skill.

27. The principal distinction between gaming and betting or wagering is that in gaming, the stake is laid by the players upon a game, the result of which may depend to some extent upon the skill of the players, but in a bet or wager, the winning or losing of stake depends solely upon the happening of an uncertain event, relying on the decision in Public Prosecutor v. Veraj Lal Sheth AIR 1945 Mad 164.

28. In a game of skill, although the element of chance necessarily cannot be entirely eliminated (specially the element of randomness in shuffling and dealing of cards), success

predominately depends on superior knowledge, training, attention and experience of the player.

29. The State, under the Act of 2022, does not ban physical games of rummy and poker. The question would be whether the games of rummy and poker, played physically and construed as games of skill, would not remain games of skill if played online.

30. The contention of the State that the petitioners may use bots would be without any basis. There is nothing on record to substantiate the contention of the State that the dealer (software) knows all the cards all the time, including which card is going to be dealt with, or that the dealer (software) knows all the cards in the hands of each player or that the dealer (software) can change the unopened cards. The said propositions, on behalf of the State, are merely on surmise.

31. The game is played online and the State could not gather authentic evidences about bots being used or that the software knows all the cards in the hands of each player, so also the unopened cards or the software could change the unopened cards. In the absence thereof, it will be too far fetched only on the basis of the assumptions by the State to conclude that the game of rummy, played online, partakes the character of game of chance and is distinctly different than the one played offline.

32. The games of rummy and poker, which are considered as games of skill are also now sought to be played online. In online games of rummy and poker also, the same

brain activity would be involved as required for offline games of rummy and poker. Online fantasy games are now held to be games of skill and not games of chance by the High Court of Punjab and Haryana as held in the case of Varun Gumber v. Union Territory of Chandigarh 2017 Cri LJ 3827.

33. The State, in the impugned Act, has already included the games of rummy and poker to be online games of chance merely on presumption. The same cannot be protected. The same would be contrary to the judgments of the Apex Court and of this Court.

34. In view of that, it will have to be held that the inclusion of the games, rummy and poker, in the Schedule of the Act is erroneous, does not stand to reason and the said Schedule deserves to be set aside.

35. The corruption or mischief in a game may not define the game. Of course, in an isolated case, if it is noticed by the State that the petitioners or any other online games servers, online games providers are using bots or have indulged in any illegal activity, it can take action against it.

36. However, to dub online games of rummy and poker as games of chance would be against the dictum of the Apex Court and the various High Courts.

37. Under rule 4A of the IT Amendment Rules, 2023, the Ministry may, by a notification in the Official Gazette, designate as many Online Gaming Self-regulatory Bodies as it may consider necessary for the purpose of verifying an online real money game as a permissible online real money game under the Rules.

38. The said Rule provides for an Online Gaming Intermediary Body comprising persons from varied fields, such as, an individual having practical experience in the Online Gaming Industry, an Educationist, an expert in the field of Psychology or Mental Health or such other relevant field, an individual having special knowledge of/or practical experience in the field of Information and Communications Technology, an individual who is or has been a Member or Officer of an Organisation dealing with the protection of Child Rights and so on.

39. Under rule 4A(8) of the IT Amendment Rules, 2023, the Online Gaming Self-regulatory Body shall prominently publish on its website, mobile based application or both, as the case may be, a framework for verifying an online real money game, which among other things, includes (a) the measures to ensure that such online real money game is not against the interests of sovereignty and integrity of India, security of the State, friendly relations with foreign States and public order; (b) the safeguards against user harm, including self-harm and psychological harm; (c) the measures to safeguard children, including measures for parental or access control and classifying online games through age-relating mechanism, based on the nature and type of content; and (d) the measures to safeguard users against the risk of gaming addiction, financial loss and financial fraud, including repeated warning messages at higher frequency beyond a reasonable duration for a gaming session and provision to enable a

user to exclude himself upon user-defined limits being reached for time or money spent.

40. The State has relied upon its power to legislate in view of Entry 1 and Entry 6 of the State List. Entry 1 of the State List deals with public order and Entry 6 of the State List deals with public health, sanitation, hospitals and dispensaries.

41. No doubt, the State would certainly be concerned with public health, which is one of the duties of the State. However, what has been done by the State and the Committee, submitting the report, is only interviewing school teachers.

42. Moreover, the school teachers would be supervising students below 18 years of age. Students below the age of 18 years are prohibited and not permitted to play online games in the instant case.

43. It is contended that before enacting the impugned legislation, a Committee was constituted under the Chairmanship of a retired High Court Judge and the Committee has given a report. The report emphasises about the survey conducted among more than two lakh teachers in the School Education Department to study the effects of online games on School students.

44. More than 74% of the teachers responded that the concentration of students is impacted, 67% of them responded that they noticed eye defects, more than 74% of the teachers stated that they noticed decrease in Intelligent Quotient, writing skills and creativity of

students, more than 77% said they noticed increase of anger in students and more than 72% said they have noticed indiscipline among students.

45. Online games, in the instant case, are not available for persons/ children below the age of 18 years. Online games can be played only by the persons who are 18 years and above i.e., major and not School children.

46. Wrt the apprehension of the State of the absence of methodology to verify the age of the person playing cannot sustain as a person, before he enrols to play, is required to submit his Aadhaar Card, photograph, KYC and other precautionary measures are taken to confirm that the person playing is 18 years old or more.

47. The State has to take care of the public health of its citizens. Section 5 of the impugned Act authorises the authority, by notification and with the previous approval of the Government, to make regulations to carry out the provisions of the Act namely, time limit, monetary limit, age restriction or such other restrictions in regard to playing of online games.

48. The power to regulate games of skill lies with the State Legislature under Entry 26, List II of the Indian Constitution, viz., "Trade and Commerce". If that is the case, then the State certainly will have the right to regulate games, as is contemplated in Chapters IV and V of the impugned Act. Though the aspect of public welfare ought to be

considered while legislating a particular subject matter, it is necessary to carve out the pragmatic regulatory measures, rather than imposing blanket ban.

49. In the case of R.M.D. Chamarbaugwala, v. UOI AIR 1957 SC 628 the Supreme Court had observed that "while controlling and regulating would be requisite in the case of gambling, mere regulation would have been sufficient as regards competitions involving skill". The Preamble of the Act states that "the Act to prohibit online gambling and to regulate online games in the State of Tamil Nadu".

50. Certainly, online gambling can be prohibited by the State. The State has ample power to enact a legislation to prohibit online gambling and it has also the power to regulate online games of skill in the State of Tamil Nadu. Instead of resorting to regulating online games of skill, in this case, rummy and poker, the State has simply prohibited the said games. The same was in excess of its legislative competence.

51. In the present case, as observed supra, the respondent State could not even remotely demonstrate tampering of software or any such device that would take away the games of rummy or poker from the contour of games of skill. Moreover, the three Judges Bench of the Apex Court in the case of Dr.K.R.Lakshmanan v. State of Tamil Nadu (1996) 2SCC 226 held rummy to be a game of skill.

52. The Apex Court in the case of Ram Manohar Lohia v. State of Bihar (1966) 1 SCC 709 observed that "Every breach of the peace does not lead to public disorder. When two drunkards quarrel and fight there is disorder but not public disorder. They can be dealt with under the powers to maintain law and order but cannot be detained on the ground that they were disturbing public order. Suppose that the two fighters were of rival communities and one of them tried to raise communal passions. The problem is still one of law and order but it raises the apprehension of public disorder. Other examples can be imagined.

53. The contravention of law always affects order but before it can be said to affect public order, it must affect the community or the public at large. A mere disturbance of law and order leading to disorder is thus not necessarily sufficient for action under the Defence of India Act but disturbances which subvert the public order are. There is no evidence in the instant case that public order is disturbed.

54. In the light of the aforesaid discussion, the impugned Act, in its entirety, need not be held to be ultra vires and that the State is competent to legislate to the extent of prohibiting online gambling, i.e., games of chance, at the same time, it has got the authority to regulate online games of skill.

55. The definition of "online gambling" under section 2(i) of the impugned Act shall be read as restricted to "games of chance" and not games involving skill. Section 2(l)(iv) of the impugned

Act would not be entirely valid. The games of rummy and poker are games of card, but are games of skill. Section 2(l)(iv) is being read down, to mean, it excludes games of skill viz., rummy and poker.

56. It has been authoritatively held by the Supreme Court in a catena of judgments that the games of rummy and poker are games of skill. The State has miserably failed to demonstrate that online games of rummy and poker are different and distinct from offline games of rummy and poker. The apprehension expressed by the State that bots may be used or the dealer (software) would know the cards are without any substantive material. Consequently, the Schedule under section 23, incorporating rummy and poker as games of chance was set aside. The State may make regulations as contemplated under section 5 of the impugned Act, thereby providing reasonable regulations for the time limit, age restriction or such other restrictions in regard to playing of online games.

57. Section 10 of the impugned Act may not be declared as ultra vires as it will be necessary for the State to know about the online games providers operating within its State and that they are not indulging in any games of chance. If the State comes across the usage of bots or any dubious methods in the play of games of rummy and poker, it can take action and for that purpose also it will be necessary to uphold section 10 of the impugned Act. The State may frame regulations as contemplated under section 5 of the impugned Act.

Hence, the writ petitions were partly allowed and the prayer to declare the entire impugned Act of 2022 as ultra vires was negated. However, the Schedule of the impugned Act, including the games of rummy and poker, were set aside and sections 2(i) and 2(l)(iv) of the impugned Act shall be read as restricted to games of chance and not games involving skill, viz., rummy and poker.

2. ST- AMOUNT REFUND UNDER PROTEST DURING AUDIT – SUBSEQUENT FILING OF REFUND APPLICATION CONSEQUENT TO NON-ISSUANCE OF SCN – REJECTION – NOT SUSTAINABLE

In Hongkong and Shanghai Banking Corporation Ltd. v. UOI 2024(80) GSTL 134/(2023) 13 Centax 113 (Bom.), the audit of petitioner's books and records for the period from March 2007 to April 2012 was undertaken by the department. On 22 October, 2012, the audit group raised objections for non-payment of service tax on the interchange income, earned during the said period. As a fallout of the objections as raised by the audit group, although no demand was raised, the petitioner made a deposit of an amount of Rs. 56,19,84,075/-between the period 22 October, 2012 to 3 June, 2013. The Final Audit Report issued on 13 June, 2013 did not contain any reference in relation to appropriation of aforesaid amounts which was deposited by the petitioner under protest towards any tax demand.

Thereafter, the petitioner filed a claim for refund of the said amount on 29 May, 2018 which was rejected on 16 January, 2020

but was remanded back to the adjudicating authority on appeal on 30 March, 2021 who rejected the refund claim again on 19 June, 2023.

During the intervening period, there were proceedings pending before different benches of the Tribunal as also before the High Courts on the issue of taxability of the transactions in question, namely, service tax on interchange income which culminated in the Supreme Court in the proceedings of Commissioner of GST and Central Excise v. CITI BANK N.A. (2021) 133 taxmann.com 162 (S.C) wherein the Division Bench of the Supreme Court delivered split verdict

Thereafter, the assessee filed a petition under Article 226 of the Constitution brings before the high court challenging an amount of Rs. 56,19,84,075/- retained by the respondents as without any authority in law and not a tax as leviable or payable by the petitioner when the petitioner deposited the same to buy peace, in the event of any prospective demand towards service tax and interest on "interchange income" which observed as under:-

1. Although such amount was deposited under protest, no show cause notice in respect of an 'interchange income' was issued to the petitioner for the period from October, 2007 to June, 2012.

2. The amounts continued to be retained by the department who did not undertake any exercise of ascertaining such liability and/or raising a demand against the petitioner much less by issuance of a show cause notice. In fact, a show cause notice was never issued to the petitioner.

3. It is in these circumstances, the petitioner had moved an application dated 24 May, 2018 praying for refund of such amounts which was rejected by an order dated 30 March, 2021 passed on the petitioner's appeal, by the Appellate Authority remanding the proceedings.

4. It is on such remand, the impugned order dated 19 June, 2023 has been passed by the Assistant Commissioner (legacy refund), CGST rejecting the refund claim on the premise that the issue in regard to interchange tax fees was subject matter of adjudication before the tribunal in the case of Citibank N.A. v. Commissioner of GST & Central Excise Chennai North [ST/Misc/ .40776/2017 & ST/40923/2017, dated 16-11-2018] as also in the case of ABN Amro Bank v. Commissioner (Order dt.16.11.2018).

5. The Adjudicating Authority refers to the orders passed by the Supreme Court in the case of CITI BANK N.A. (2021) 133 taxmann.com 162 (S.C) to hold that such admissibility of the refund can only be determined after larger Bench of the Supreme Court decides the issue.

6. It is clearly seen that the petitioner asserted that the department had no authority to retain the said amount, which was voluntarily deposited under protest.

7. The department would need to demonstrate that it had authority in law to withhold/appropriate the amounts as deposited by the petitioner towards tax. This is certainly not the case, as the department is alleging that the amounts which are retained by the department are in fact tax levied or collected in accordance

with law. The stand taken by the department to retain the amount is only on the basis of a forfuitous circumstances, namely, the petitioner having voluntarily deposited the amount and the legitimacy of any such amounts as deposited is an issue relevant, in the adjudication of the proceedings in the case of CITI BANK N.A. (2021) 133 taxmann.com 162 (S.C).

8. The reasons as set out in the impugned order do not constitute valid grounds which would provide any legitimacy to the department to retain the amounts which were deposited under protest, and which is not an ascertained amount of tax much less levied and collected.

9. When clearly such amounts were deposited by the petitioner under protest and categorically not accepting any liability to pay service tax on such count, the department was not precluded from taking an appropriate position at the relevant time, and/or it was not advised to do so, to raise a demand against the petitioner in the manner known to law, in contesting the position taken by the petitioner by issuance of a show cause notice.

10. In the absence of such steps being taken, the legal character of the deposit of the said amounts, as made by the petitioner with the department, would continue to remain as amounts deposited under protest and retained by the department not as a tax or under an authority in law.

11. In these circumstances, such rejection of the refund application is squarely hit by the provisions of Article 265 of the Constitution, as the action of the department results in withholding/retaining

amounts, not levied in accordance with law or collected under authority of law.

12. It was, also, not unjustified for the petitioner to invoke the writ jurisdiction of when the petitioner contends violation of its rights under Article 265 read with provisions of Article 14 as raised before us. It is not the case that the petitioner had not knocked the doors of the authority by a lawful refund application. It is also not the case that the petitioner has directly invoked the jurisdiction of this Court under Article 226 of the Constitution.

13. The petitioner is a reputed bank having large scale operations in the country and is an entity of reputation. There is nothing on record to suggest that in the event any recovery is initiated against the petitioner, the department would not be in a position to recover any lawful dues.

14. Insofar as the department's contention on the basis of split decision in the case of CITI BANK N.A. (2021) 133 taxmann.com 162 (S.C) is concerned, it may be correct that the issue as involved in such case would now be resolved by the larger Bench, however, in the context of the present facts, adjudication of such issue may not be relevant when no show cause notice was issued by the department to the petitioner in the manner known to law.

15. The deposit in question as made by the petitioner under protest, would have any lien of the department under law, that too merely because an issue on the interchange income is pending adjudication in the case of CITI BANK N.A. (2021) 133 taxmann.com 162 (S.C)

16. In the present case the amounts in question were deposited by the petitioner under protest and without admitting any liability of being taxed under the head "Interchange Income". The sound of the 'alarm bells' that the deposit of the amounts in question was under protest and without admitting of any liability of levy, was quite loud so as to activate the respondents to initiate the process to recover service tax on such count.

17. Even assuming that the amounts were to be paid under mistake of law, a party would be entitled to recover the same and the party receiving the same is bound to repay or return the amounts.

18. It is well settled that no distinction can be made in respect of tax liability and/or of any other liability even considering the provisions of Section 72 of the Contract Act.

19. The appellant had paid sales tax on forward transaction which were held to be ultra vires by the High Court and it was in such context refund of the amounts was claimed by the appellant therein, and the same was not granted, hence the appellant had approached the High Court invoking Article 226 of the Constitution of India praying for refund of the amounts. The appellant succeeded before the High Court which issued a writ of mandamus directing that the appellant be refunded the amounts as paid to the respondents. An appeal filed by the department was dismissed. The Constitution Bench of the Supreme Court dismissed the department's appeal holding that the respondent had made the payments voluntarily under a mistake of law which would disentitle the respondent from

receiving the amounts in question. It was held to be a settled principles of law that once it was established that the payments, even though it be of a tax, has been made by the party labouring under a mistake of law, the party is entitled to recover the same and the party receiving the same was bound to repay or return it. In such a situation, it was held that there was no question of any estoppel being applicable against the party demanding such payment (in the present case the petitioner).

20. The aforesaid principles of law are squarely applicable in the facts of the present case, inasmuch as, it was certainly on the basis of the audit objection and on a forfituous circumstance, that the petitioner may face a levy on the interchange income, the petitioner had deposited the amount in question under protest. However, this would not mean that any deposit of the amount under protest would partake the character of a lawful levy, so as to bring about a legal consequence of the appropriation of amounts, so deposited as a levy.

21. Even assuming that the deposit of the said amount is under a mistake of law, even in that the department would not have any authority to withhold the said amounts.

22. The petitioner time and again had made its position clear pointing out to the department, that the said amounts were deposited/ paid under protest and had pursued its claim and that too by making a proper refund application. It is not the case that the petitioner had abandoned its

claim. The department had clearly failed in setting into motion the provisions of law to raise any levy to collect service tax on the transaction in question.

23. Thus, the department has no authority to retain such amount. In fact, retaining such amount would amount to an unjust enrichment.

24. It is well settled that once such amounts were deposited by the petitioner and were retained by the department without the authority in law, the claim of the petitioner for refund could not have been denied.

25. In such circumstances, it was appropriate for the petitioner to invoke the jurisdiction of this Court under Article 226 of the Constitution praying for writ for directing refund of money illegally retained/withheld, relying on the decision in Grasim Industries Ltd. v. Asst. CIT [2023] 164/295 Taxman 297 (Bom.) wherein the Division Bench has held that refusal of the department to return the amount and retaining the same was unauthorised and amounted to unjust enrichment at the hands of the department. It was also observed that the fees received were not taxable in India and consequently, no tax would be deducted out of source by the petitioner to a foreign entity concerned in the said proceedings.

Hence, the high court held that the department has retained the amounts in question without authority in law and directed that the such amounts are required to be refunded to be petitioner along with interest.

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SUMMARY OF AAR/AAAR

CA. AMAN GOYAL &
CA. PRIYANKA PRABAGHAR

1. Ruling obtained is declared as void since DGGI investigation was initiated before filing the application

In case of M/s. Itech Plast India Pvt Ltd [TS-63-AARGUJ-2024-GST] - Gujarat AAR

Question

The issue involved in this case was whether the advance ruling obtained by the applicant, on the classification and rate of GST applicable on the supply of plastic toys and the eligibility to claim input tax credit was void ab initio under section 104 of the CGST Act, 2017, on the ground that the applicant had suppressed the material fact of an investigation pending against them by the DGGI, Pune Zonal Unit, for misclassifying the product and paying lower GST.

Appellant Submission

The applicant submitted that no proceedings were pending or decided on the question raised in the application at the time of filing, admission, and disposal of the advance ruling, and that an inquiry by the DGGI was not equivalent to proceedings under the Act. The applicant also relied

on various judicial precedents to support their contention that the term proceedings in the proviso to section 98(2) of the Act did not cover any and all steps or actions taken by the Department, but only those that resulted in the nature of show cause notice or order.

Department Comment

The tax officer, commented that the applicant had received a letter from the DGGI on 15.9.2020, calling for relevant documents and records for the period from 1.7.2017 to 31.3.2020, and had submitted their reply on 14.10.2020, accepting the short payment of tax and paying the differential GST along with interest for the supplies made in the FY 2019-20. The tax officer also stated that the applicant had not revealed these facts while filing the advance ruling application on 30.11.2020, and hence, they had suppressed the material facts of an investigation pending against them by the DGGI.

AAR observation and Ruling

1. The advance ruling authority, the GAAR, after considering the submissions of the parties and the relevant provisions of the Act and the rules, found that the proceedings were pending against the applicant and that these facts were not disclosed to the GAAR.

2. The GAAR also referred to the decision of the Hon'ble Andhra Pradesh High Court in the case of Master Minds, where it was held that when an investigation had

already commenced prior to the filing of the application, the advance ruling authority shall not admit the application as per the proviso to section 98(2) of the Act.

3. The GAAR ruled that the advance ruling obtained by the applicant on 20.1.2021 was obtained by the applicant by suppression of material facts and misrepresentation of facts and was therefore void ab initio under section 104 of the CGST Act, 2017.

2. Taxability of certain services provided by clinical establishment:

In case of M/S Spandana Pharma (KAR ADRG 05/2024 dated January 29, 2024) (referred as 'Applicant')– Karnataka state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the Case:

- The applicant is engaged in the activity of providing health care services. The applicant also runs a hospital in the name of Spandana Pharma.

- The applicant provides treatment for a range of psychiatric disorders, substance use disorders, and other neurological conditions to both inpatients and outpatients.

- The Applicant focuses on assisting individuals with mental disorders affecting behavior and substance abuse issues, offering services such as counseling sessions with qualified psychiatrists.

- The treatment aims to cure illnesses, rehabilitate patients, and maintain their overall health, with a focus on addressing addiction through assessment and motivational interventions.

- The applicant conducts routine check-ups for patients, including examination of blood pressure and pulse rate, and suggests further tests if needed.

- Further, the patients are assessed by a psychiatrist to determine illness severity, drug dependence, and withdrawal ability and the medications are prescribed accordingly.

- In this process, the Applicant documents patient details, including substance used. The applicant maintains various facilities and records, including consent forms, billing cards, progress reports, drug charts, and discharge summaries.

- In this regard, the Applicant wished to understand the applicability of exemption for certain activities carried out by the Applicant.

Question before AAR:

- Whether the supply of medicines, drugs and consumables used in the course of providing health care services to in-patients during the course of diagnosis and treatment during the patients admission in hospital would be considered as "Composite Supply" qualifying for exemption under the category of "health care services" as per

Services Exempt Notification No. 12/2017-Central Tax (Rate) dated: 28-06-2017 read with Section 8(a) of the CGST Act, 2017 / KGST Act, 2017?

- Whether the supply of food to in-patients would be considered as "Composite Supply" of health care services under CGST Act, 2017 & KGST Act, 2017 and consequently, can exemption under Services Exempt Notification No. 12/2017-Central Tax (Rate) dated: 28-06-2017 read with Section 8(a) of GST be claimed?

- Whether GST is applicable on money retained by the applicant?

- Whether GST is exempt on Fees collected from nurses and psychologists for imparting practical training?

Interpretation of Law by the Applicant:

- The Applicant states that the primary purpose of the hospital is to provide treatment to the patients approaching them and the basic Intention of the patients visiting the hospital is to get treatment for their ailment which is specifically mental disorder.

- Further, the hospital provides comprehensive treatment to patients, including diagnosis, medicines, surgical procedures, consumables, and proper diet, with the aim of restoring health quickly.

- Hence, the Applicant states that all components, including room, medicines, consumables, and food, are integral to the healthcare service provided.

- The Applicant argues that these items are naturally bundled together in the ordinary course of business, with healthcare service being the principal supply wherein other components such as room, medicines, consumables, and food are considered incidental or ancillary to the main healthcare service.

Observation of AAR

- The AAR observed that, the Applicant being a hospital providing treatment to in-patients suffering from psychic disorder, substance use disorder, Neurology etc., the same shall be covered under the definition of "Clinical Establishment" and the treatments and diagnosis as provided by the hospital, qualifies to be "health care" services.

- The AAR has stated that the patients are being admitted to the hospital for the purpose of getting treated for which the medicines, surgical procedures, along with proper diet are integral part of the health care services.

- Moreover, as per the Circular 32/06/2018-GST dated February 12, 2018, food supplied to in-patients in the due course of their treatment shall be considered as a composite supply to the healthcare services.

- Therefore, assuming that the room rent is within the limit of INR 5,000 the AAR has stated that the room charges, medicines, consumables and food supplied in the course of providing treatment to the patients admitted

in the hospital (in-patient) are naturally bundled in the ordinary course of business with health care service as the principal supply.

- Further, the part of the consultation charges retained by the Applicant in order to pay the doctors shall be exempted as clarified in the Circular No. 32/06/2018-GST dated February 12, 2018 as the entire amount charged is for providing health care services including the amount retained by the Applicant.

- Further, on the final question, the AAR has stated that the training provided by the Applicant is not covered under the definition of the term "health care services" as per the GST Act as there is no diagnosis or treatment departed by the Applicant and thereby shall not be eligible for exemption.

Ruling of the AAR

- The supply of medicines, drugs and consumables and food to the patients in the due course of treatment shall be considered as a composite supply to the principal supply of exempted healthcare service.

- Further, the retention money from the charges collected by the Applicant from its patients shall be exempted considering that the entire amount collected is for providing healthcare services.

- However, the fees collected for imparting practical training shall not be exempted under health care services.

3. Taxability of disposal and Treatment of Bio Medical Waste obtained from clinical establishments.

In case of M/s. Instromedix Waste Management Private Limited (RAJ/AAR/2023-24/16 dated January 31, 2024 referred as 'Applicant')– Rajasthan state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the case

- The Applicant is engaged in the disposal and treatment of Bio medical Wastes.
- The Applicant collects bio medical wastes from the clinical establishments at the facility allotted by State Governments and disposes of or treats the same at its facility and charges the fixed contracted amount as per the state guidelines.
- The services of Applicant falls under the Heading 999433 of the SAC codes as defined under GST Laws and was exempted till July 17, 2022.
- Vide Notification No.03/2022-CE(Rate) dated July 13, 2022 (made effective from July 18, 2022), the disposal or treatment of bio medical waste was brought into the purview of GST taxed at 12% rate.
- In this regard, the Applicant wished to seek clarification from the AAR on applicability of the above said notification for the services of the Applicant that fall under the SAC 999432 – "Non-hazardous waste treatment and disposal services".

Question before AAR

- Whether the services of disposal and treatment of Bio-Medical Waste obtained from clinical establishments is liable to tax under Notification No.03/2022-Central Tax (Rate) dated July 13, 2022.

- If yes, from which date, the registered dealer is liable to pay GST on the above services?

- If yes, what is the rate of GST, which the registered dealer is required to pay on the services mentioned in Point 1 above?

Observation of AAR:

- The AAR observed that, the services of disposal or treatment of bio medical waste covered under the head 9994 was exempted vide entry number 75 of the exemption Notification No. 12/2017 dated June 28, 2017.

- However, the said entry was removed from the exemption notification and in this regard, entry number 32 of the services rate Notification no. 11/2017 dated June 28, 2017 was amended vide Rate Notification No. 03/2022 dated July 13, 2022.

- The entry was amended to tax the Services by way of treatment or disposal of biomedical waste or the processes incidental thereto by a common bio-medical waste treatment facility to a clinical establishment.

- Thereby the said services covered under the Head 9994 was taxed at the rate of 12% with effect from July 18, 2022, as per the said rate notification.

- Hence, the AAR has held that the services of the Applicant by way of disposal and treatment of bio medical wastes obtained from clinical establishments are duly covered under the Head 9994 and thereby leviable to tax at the rate of 12% from July 18, 2022.

Ruling of AAR:

- The services of disposal or treatment of bio medical waste obtained from clinical establishment shall be taxable at the rate of 12% from July 18, 2022.

4. No tax liable on amount recovered from permanent employees and ITC is allowed to be availed on the cost borne by the applicant on providing canteen services to its permanent employees

- In case of M/s. Suzuki Motor Gujarat Pvt Ltd (GUJ/GAAR/R/2024/06 dated February 03, 2024 referred as 'Applicant')- Telangana state Authority of Advance Ruling ('AAR' or 'Authority').

Facts of the case

- The applicant, operating under the Factories Act, 1948, in Gujarat and manufacturing passenger cars and parts, is mandated to provide a subsidized canteen within their factory premises due to employing over 250 workers, as per Section 46 of the Act.

- The applicant has engaged M/s. Shashi Catering Service Private Ltd to supply meals, while providing kitchen equipment themselves. Canteen facilities

extend to employees, deputed Suzuki Motors Corporation employees, Maruti Suzuki India Limited employees on business travel, and temporary workers, with cost-sharing arrangements.

- The applicant faces a 5% GST on catering service invoices and applies the same rate to nominal amounts for meals provided.

- The applicant argued against GST liability, citing that canteen facilities aren't a 'supply' under Section 7 of the CGST Act, and assert eligibility for input tax credit (ITC) on GST paid, given its obligation under the Factories Act and business necessity. Further, the Applicant sought for clarification on the ITC availability on the amount paid to the canteen service provider and the ITC availability on kitchen utensils and equipments purchased for providing canteen facility.

Question before AAR

- Whether GST is liable to be discharged on the portion of the amount recovered by the applicant from its employees towards the canteen facilities provided to them?

- Whether the applicant is eligible to avail input tax credit in respect of the GST charged by the canteen service provider for the canteen facilities provided to its employees?

- Whether the applicant is eligible to avail input tax credit in respect

of the GST charged by the canteen service provider for the canteen facilities provided to employees on deputation and on business travel and temporary workers?

- Whether applicant is eligible to avail input tax credit in respect of the inputs i.e. equipment and kitchen utensils utilized for providing canteen facilities to its employees?

Interpretation of the Applicant:

Tax liability on canteen services provided by the Applicant:

- The Applicant states that legal intention between parties is necessary for a transaction to qualify as supply under Section 7 of the CGST Act and supply must involve quid pro quo, meaning something is exchanged in return. Further, the supply must be made in the course or furtherance of business.

- In the present scenario, the applicant acts as a mediator between employees and the catering service provider (CSP) without retaining any profit margin and the nominal amount recovered from employees for meals covers only expenditure.

- In this regard the Applicant states that the canteen service provided by them to employees is considered a perquisite of employment and not liable for GST, as clarified by CBIC.

ITC availability on input services of canteen service provider:

- With regard to the second issue the Applicant argued that the canteen services obtained from the CSP are categorized as 'input services' under Section 2(60) of the CGST Act, 2017, as they are procured for business purposes. According to Section 46 of the Factories Act, the applicant is mandated to offer canteen facilities to workers within the factory premises.

- Therefore, the Applicant stated that it is entitled to claim Input Tax Credit (ITC) for GST paid to the CSP, as per the provisions of Section 17(5)(b) and Section 16(1) of the CGST Act.

Admissibility of ITC in respect of canteen facility provided to employees on deputation and business travel and temporary workers:

- The applicant is required to provide canteen facilities to workers as per Section 46 of the Factories Act, 1948. Section 2(1) of the Factories Act defines a 'worker' broadly, encompassing individuals engaged in manufacturing processes, cleaning machinery, or performing related tasks within factory premises, whether directly employed or through agencies. Employees on deputation, business travel, and temporary workers engaged in manufacturing activities at the factory fall within this definition.

- Consequently, the applicant asserts eligibility for Input Tax

Credit (ITC) on GST paid for supplies used to provide canteen facilities to these employees, as the services contribute to the applicant's business operations.

Admissibility of ITC on the kitchen utensils and equipment's purchased for providing canteen facility to the employees:

- The applicant is contractually obligated to provide kitchen utensils and equipment to the catering service provider (CSP), including items like water coolers, dishwashers, plates, worktables, and tables. Upon termination, the CSP must vacate the premises and return all kitchen utensils and equipment to the applicant, with ownership always retained by the applicant.
- The Applicant contended that the acquisition of kitchen utensils and equipment constitutes an inward supply for business purposes, and therefore is eligible to avail Input Tax Credit (ITC) on these items.

Observation and conclusion of AAR:

- The AAR has stated that as per the Circular No. 172/04/2022-GST perquisites provided by the 'employer' to the 'employee' in terms of contractual agreement entered into between the employer and the employee, will not be subjected to GST when the same is provided in terms of the contract between the employer and employee.

- Therefore the AAR has held that GST is not liable to be discharged on the portion of the amount recovered by the applicant from its permanent employees towards the canteen facilities provided to them.

- Further, the employees under deputation, under business travel and under temporary employment, are not employees of the applicant but they are working in the company on account of either deputation or through a contract.

- Such employees' scope of work does not extend beyond the work of that establishment and are considered to be contract labour and there is no contract between employees on deputation, employees of others/sister concern on business travel with the applicant.

- Hence, for the supply of canteen services to employees on deputation, business travel or temporary contracts the cost, which is recovered from the workers, as deferred payment is 'consideration' for the supply and GST is liable to be paid on such consideration

- Further, the applicant is eligible to avail input tax credit in respect of the GST charged by the canteen service provider for the canteen facilities provided to its permanent employees in view of the provisions of Section 17 (5)(b)

as amended effective from 1.2.2019 and clarification issued by CBIC vide circular No. 172/04/2022- GST dated 6.7.2022 read with provisions of section 46 of the factories Act. 1948 and read with provisions of Gujarat factory Rules. 1963.

- ITC on the above is however restricted to the extent of the cost borne by the applicant for providing canteen services to its employees but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees.

- However, the applicant is not eligible to avail ITC in respect of the GST charged by the canteen service provider for the canteen facilities provided to employees of SMC on deputation, employees of MSII on business travel and temporary workers (including team lease employees who are on third party roll working within the factory premises) as ITC is restricted in respect of supply of food and beverages.

- The applicant is also not eligible to avail ITC in respect of the inputs i.e. equipment and kitchen utensils utilized for providing canteen facilities as the section 17(5)(b)(i) and notification No. 13/2018-CT (Rate) dated 26.7.2018 devises the tax rate provided input tax credit is restricted on supply of food or any other article for human consumption or any drink at a canteen, mess etc.,

Ruling of AAR:

- GST is not liable to be paid on canteen services provided to permanent employees but is liable to be paid on such services when provided to employees on business travel, deputation or under temporary contracts.

- Further, the Applicant is eligible to avail credits on the GST charged by the canteen service provider for the canteen facilities provided to its permanent employees to the extent of the cost borne by the applicant for providing canteen services to its employees, but disallowing proportionate credit to the extent embedded in the cost of goods recovered from such employees.

- The applicant is not eligible to avail ITC in respect of the GST charged by the canteen service provider for the canteen facilities provided to employees of SMC on deputation, employees of MSIL on business travel and temporary workers[including team lease employees who are on third party roll working within the factory premises]

- The applicant is not eligible to avail ITC in respect of the inputs i.e. equipment and kitchen utensils utilized for providing canteen facilities

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ALLOCATION OF GOODWILL TO CGU'S AS PER IND AS 36 & IAS 36: IMPAIRMENT OF ASSETS

CA. VINAY NAHAR

Many entities are growing their business and market share through acquisition of other entities. They acquire entities in the same industry they are in, to increase their market share and the portfolio of products. They also acquire entities from different industries to enter into new sector of business and diversify their business portfolio.

In accounting for most of these acquisitions' goodwill comes in to the picture as per the provisions of Ind AS 103 & IFRS 3: Business Combinations.

Goodwill recognised in a business combination is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised.

Goodwill does not generate cash flows independently of other assets or groups of assets, it contributes to the cash flows of multiple Cash Generating Unit's ("CGU").

For the purpose of impairment testing, goodwill acquired in a business combination is to be allocated to the acquirers CGU's (or a group of CGUs).

Goodwill will be allocated to those CGU's which benefit from the synergy of the particular business combination, whether net assets acquired are being allocated to the CGU or not.

As per Ind AS 36 & IAS 36, each CGU or group of CGUs to which the goodwill is so allocated shall:

a. represent the lowest level within the entity at which the goodwill is monitored for internal management purposes; and

b. not be larger than an operating segment as defined by Ind AS 108 & IFRS 8: Operating Segments before aggregation.

The initial allocation of goodwill acquired in a business combination is to be completed before the end of the annual period in which the business combination is affected. If not, initial allocation shall be completed before the end of the first annual period beginning after the acquisition date.

As per the provisions of Ind AS 36 & IAS 36, a CGU to which goodwill is allocated, should be tested for impairment at least annually. This impairment test is to be done whether there are indicators for impairment or not.

A case study:

- ABC Limited manufactures and sells chewing gums for human consumption. ABC Ltd has been in business for the last fifteen years and has an extensive and effective supply chain. Through its robust supply chain, it could

ensure that its products reach all the retails outlets all-round the country, even the remote areas. It also reduced the transport cost, both during dispatching its products and purchase of raw materials.

- PQR Limited manufactures and sells an array of other "FMCG" products. The products are pens, pencils, books, processed chocolates and bakery products. PQR Limited is in existence for the last 5 years and is looking to increase its market share by making sure that its products "visibility" increases and are placed in all the retail stores in the country.

- At this juncture PQR Limited decided to acquire ABC Limited. The rationale is to not only increase one more product i.e. chewing gums in its portfolio, but also leverage the robust supply chain to increase its existing products "visibility". This will increase the revenue of each of existing products materially. Thus, the synergy of this business combination would be received by the existing CGU's of PQR Limited as well.

- As per the provision of Ind AS 103 & IFRS 3: Business Combinations, a goodwill of INR 50 million was recorded in the books of PQR Ltd.

- Post-acquisition the CGU's identified in PQR Limited, for the purpose of impairment testing, are:

- Assets used to manufacture books
- Assets used to manufacture pens
- Assets used to manufacture pencils
- Assets used to manufacture processed Chocolates
- Assets used to manufacture bakery products
- Assets used to manufacture chewing gums

This is because the entity has only one set of process and assets for each of the products. So, these are the smallest group of assets which can generate cashflows independently from other assets in the entity.

- The assets which are acquired from ABC Limited are allocated to the "Chewing Gums" CGU and no other CGU.
- The synergy of this acquisition is enjoyed by all the CGU's, through an increased revenue and reduction in transport cost. Based on the proportion of benefits received by each of the CGU's the goodwill will be allocated to each of these CGU's.

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SLUGGISH RURAL DEMAND & RISING CHINESE IMPORTS ARE NEAR TERM CHALLENGES

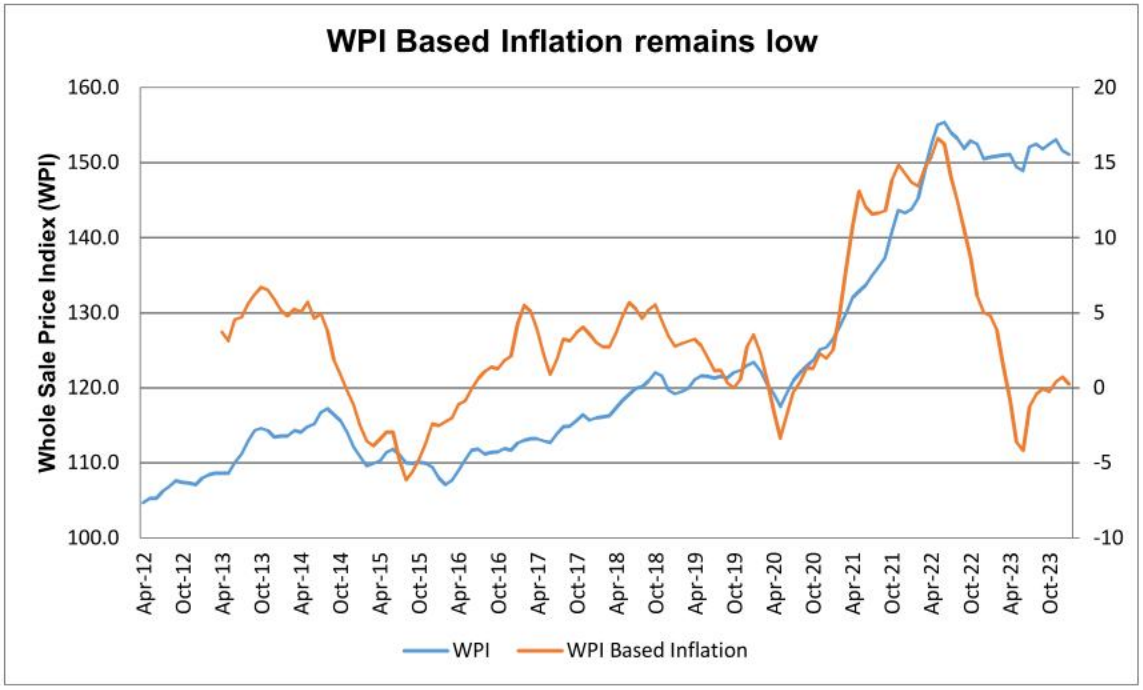
CA. KANDASWAMY

RBI estimates India's GDP growth for FY 2023-24 at 7.3%, with forecasts for GDP growth in FY 2024-25 at 7.0%. This will mark 4 years of consistent growth in GDP at 7% or above for FY 2024-25. On the flipside, fFrom FMCG to real estate to paints, most of the listed players have indicated that the demand growth in the rural area remains sluggish. This is also evident from the fact that as per the First advance estimates of National Income for FY 2023-24, Ministry of Statistics & Programme Implementation, Government of India, the country is estimating a drastic fall in the pace of GDP of Agriculture, Livestock, Forestry and Fishing from 4.0% in FY 2022-23 to mere 1.8% in FY 2023-24.

On the positive side, the share of Gross Fixed Capital Formation in the total GDP has been racing ahead from 28.9% in FY 2021-22 to 29.2% in FY 2022-23, which is estimated to increase further to 29.8% in FY 2023-24. The strong capex, especially from government and PSUs is adding cream to the pace of growth in India's GDP.

Year 2024 started with mere 0.3% increase in Whole Sale Price Index on y-o-y basis. Still, RBI prefers to wait and watch, before they could cut the interest rates. Possibly, a significant

Rs 5 to 10 cut in diesel and petrol prices could be a big push towards rate cut. But the recent firming up of Crude oil prices have only made it difficult for such drastic steps in the immediate term.



China is aggressively exporting, amidst sluggishness in the domestic demand. Unless appropriate measures are taken by the rest of the countries in general and India in particular, the chances of surge in imports from China affecting the pace of growth in domestic production in India are not ruled out. After being a net exporter for the past 3 years, India has become a net importer of steel sofar in FY 2023-24, thanks to sharp rise in steel imports from China.

The surging steel imports has moderated the pace of growth in finished steel production from robust 21.3% in June 2023 to 14.8% growth in September 2023, which gave way for moderation in the pace of growth to

10.7%, 9.4% and mere 5.9% in October 2023, November 2023 and December 2023, over the same month of the previous year.

Still, as of now India appears resilient, with the net imports (excess of imports over exports) expected to fall from 3.6% in FY 2022-23 to 2.0% in FY 2023-24, largely due to steeper moderation in imports (from 26.4% of GDP in FY 2022-23 to estimated 23.7% of GDP in FY 2023-24) than the fall in exports (from 22.8% in FY 2022-23 to 21.7% of GDP in FY 2023-24).

India's crude oil production is sluggish with 1.3% growth in October 2023 giving way for 0.4% fall in November 2023, and to 1.0% fall in December 2023. Natural gas is no different, recording strong deceleration in the pace of growth from 9.9% in October 2023 to 7.6% growth in November 2023, leaving way for 6.6% growth in December 2023. In this background, there is positive news that Oil and Natural Gas Corporation (ONGC) has begun production of crude oil from its deep-sea project in the Krishna-Godavari (KG) basin block KG-DWN-98/2 in January 2024. The production through this project is likely to add 45,000 barrels per day of crude oil and over 10 million cubic metres of gas per day of Natural gas, equivalent to about 7% of India's crude oil and natural gas production.

India will invite private sector firms like Reliance Industries, Tata Power, Adani Power, Vedanta Limited etc to invest around Rs 44,000 crores each in Indian nuclear energy sector. This proposal will help India to achieve its target of having 50% of its installed electric generation capacity uses new and renewable energy by 2030, up

from 42% at present. India's power generation growth has decelerated sharply from 20.3% in October 2023 to mere 5.7% in November 2023, which gave way for just 0.6% growth in power generation in December 2023.

India's trade deficit fell by 37.11% to US$ 70.43 billion in the 10 months ended January 2024, from deficit of USD 111.99 Billion during the corresponding previous period. During this period, the merchandise trade deficit fell by 9.66% to US$ 207.20 Billion from US$ 229.37 Billion in the corresponding previous period.

IMF has indicated that the Global GDP growth was 3.1% in 2023, and will be the same 3.1% in 2024, before inching up to 3.2% in 2025. Advanced economies are expected to improve their GDP growth from 1.5% in 2024 to 1.8% in 2025 while IMF expects very sharp moderation in GDP growth of China from 5.2% in 2023 to 4.6% in 2024 and to 4.1% in 2025.

The sharp moderation in the GDP growth of China has very adverse effect for India, as we are already witnessing acceleration in the pace of imports from China. Unless India embraces cutting edge technologies including Big Data, Internet of Things, Artificial Intelligence, Machine Learning, Block chain etc in agriculture, manufacturing and services sector, and significantly and sustainably improve its global competitiveness, Perhaps, India has to take initiatives to remove farm distress on the one hand, and effectively improve global competitiveness and step up net exports on the other.

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EXCEL TIPS

DROP FUNCTION

CA. Dungar Chand U Jain

DROP function in Microsoft Excel is a dynamic array function introduced in Excel 2021 for Microsoft 365 subscribers. It allows users to remove specified elements from an array or range and return the remaining elements as a new array. This function simplifies the process of filtering data without the need for complex formulas or manual operations.

Syntax :

=DROP(array, rows,[columns])

The DROP function syntax has the following arguments:

array The array from which to drop rows or columns.

rows The number of rows to drop. A negative value drops from the end of the array.

columns The number of columns to exclude. A negative value drops from the end of the array.

How Drop function works :

The 5 simple facts below will help you better understand the how DROP function works :

DROP is a dynamic array function. You enter the formula in the upper left cell of the destination range, and it automatically spills the results into as many columns and rows as needed.

The array argument can be a range of cells, an array constant, or an array of values returned by another function.

The rows and columns arguments can be positive or negative integers. Positive numbers drop rows/columns from the start of the array; negative numbers - from the end.

The rows and columns arguments are optional, but at least one of them should be set in a formula. The omitted argument defaults to zero.

If the absolute value of rows or columns is greater than or equal to the total number of rows and columns in the array, a #CALC! error is returned. In other words, Excel returns a #CALC! error to indicate an empty array when rows or columns is 0.

Excel returns a #NUM when array is too large.

Examples :

Consider the following table containing sales data for different products:

	A	B
1	**Product**	**Sales (INR)**
2	Product A	₹100
3	Product B	₹150
4	Product C	₹200
5	Product D	₹120
6	Product E	₹180
7		

Example 1 :

=Drop (A2:A6, 2) returns

Product C
Product D
Product E

Example 2 :

To drop 1st two products along with price, the formula to be used in A9 is =Drop(A2:B6,2)

Likewise, to drop last two products along with price, the formula to be used in A13 is =Drop(A2:B6,-2)

8	**=DROP(A2:B6,2)**	
9	Product C	₹200
10	Product D	₹120
11	Product E	₹180
12		
13	**=DROP(A2:B6,-2)**	
14	Product A	₹100
15	Product B	₹150
16	Product C	₹200
17		

Example 3:

To drop 2 rows and 2 column, the formula is =Drop(A2:B6,2,1)

18	**=DROP(A2:B6,2,1)**
19	₹200
20	₹120
21	₹180
22	

Example 4 :

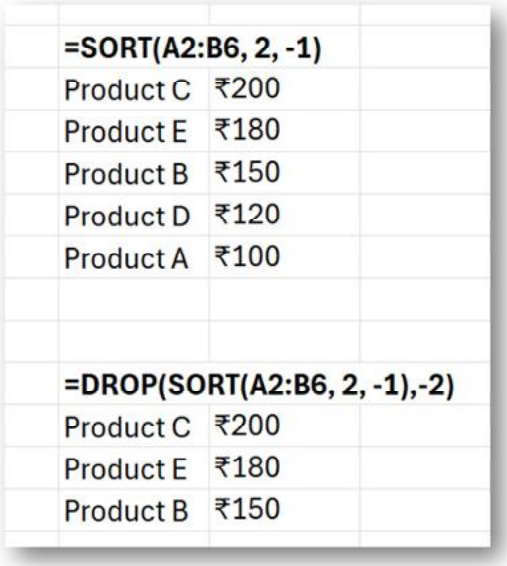
Sort and drop : In situation when you want to re-arrange the values in the source array before dropping some columns or rows, leverage the SORT function that can sort the array by any column you want in ascending or descending order.

For example, you can sort the below range by the 2nd column (named Price) from highest to lowest using this formula:

=SORT(A2:B6, 2, -1)

And then serve the sorted array to the DROP function instructing it to omit the 2 lowest results:

=DROP(SORT(A2:B6, 2, -1),-2)



=SORT(A2:B6, 2, -1)	
Product C	₹200
Product E	₹180
Product B	₹150
Product D	₹120
Product A	₹100

=DROP(SORT(A2:B6, 2, -1),-2)	
Product C	₹200
Product E	₹180
Product B	₹150

Note : In case there are not enough empty cells below or/and to the right of the formula, a #SPILL error occurs. To fix it, the spill range has to be cleared.

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24th ANNUAL RESIDENTIAL CONFERENCE MUNNAR - A SNAP SHOT

Adv. B RAMANA KUMAR

Yet another annual residential conference of The Chartered Accountants Study Circle, began on 7th and was on till the 11th of February.

This time the venue was Munnar, Kerala and the place where we stayed was the Sterling resorts there.

As usual the well-oiled machine set rolling. The tickets booked well in advance and invite letters sent to each delegate and their families a week ahead with the berth numbers mentioned for each.

On the appointed day … oops night, the train was to set rolling at 10.30 pm. As usual the Dhaga family greeted all with the usual goodies comprising from nuts to digestive golies. The two warriors of CASC Ravi R and Chetan Sharma went a day before to over see the already set arrangements to ensure that there is no hiccup.

The night passed with all introducing each other well, almost. As the passengers were locked in two bogies of III AC, it was easier to meet all and greet. This is a welcome change for CASC as the evolution to III AC from the sleeper class till some time back was due to the reason that the delegates were already pampered

with flight travel to Jaipur and Srilanka earlier.

The morning as the train reached Madurai, CA Ganesh Prakash coordinated and provided all with piping hot coffee and breakfast. A good breakfast packed neatly was given to all the delegates and the families, which was consumed by the time the train reached Bodi.

Packed in pre numbered 6 vans of 14-seater each, the numbers of which were informed along with the luggage tags in the morning, the caravan set sail to the venue. In the usual CASC style, the stop after an hour for a break and refreshments was made after which the group reached the resort.

Alls well that ends well .... Well almost. One of the vans had some mechanical problem which was addressed, and they reached a bit late.

After the checkin and refreshing, lunch was served and the inauguration with the customary photo session was held. The group was divided into three groups who then participated in the group discussion of the direct and indirect tax papers in quick succession.

The group discussion which is the hallmark of the CASC ARCs was spearheaded by the young Turks of the delegation. It was heartening to see that all the group leaders were youngsters, and they performed their jobs commendably, gathering the admiration of all the delegates and the speakers.

The day ended with a sumptuous dinner and a stroll in the property.

The next day was full of activity. First of all, all got up at 4am to view the sunrise after a Indiana Jones type travel in the jeep. After the travel, with a trek for about 500 feet, nature played her daily show. The sun rise was tons of photos and loads of prayers.

The day happened to be the new moon day or the Ammavasya. The coordinators had made arrangements that food was served in the resorts with religious fervour, without onion or garlic added to any of the items of the menu. For more religious inclined persons, a special meal was organised in a nearby temple.

The efforts of the pilot team and the coordinates to identify this and organise with the people there was overwhelming. This precision with dedication and empathy will give any top tourist agency a run for their money. Kudos to the team !

Earlier in the day, the paper presentation was made by Shri Rangamani Krishnan on direct taxes. It was music to hear him deal with all the issues raised by him. Next was by Advocate Vaitheeswaran, which again was engrossing like Ashwin reaching his 500th test wicket. Both the speakers held the audience together so much so that each one was in rapt attention.

The third day was fully for fun, frolic and get together. Visiting the various spots of Munnar including the

mandatory boat ride, herbal garden, tea factory etc, the group enjoyed the day. The lunch was at a local Saravana Bhavan, again very thoughtful and well organised.

The evenings were spent with inhouse games organised by the organisers themselves. CA Bhuvaneswari did a splendid job in get the team in one hall and all participated.

The final day was on a Sunday. Two sessions one by CA Jamon George from Kochi, on the reporting requirements under the new laws for CAs. Upon a specific request, Adv Ramana Kumar B addressed the delegates on the disciplinary aspects of the reporting requirements. Earlier in the day was a programme for all members which was on Stress Management by our own CA Hariharan.

The programme ended with the usual feed back session aptly handled by CA Sundararajan and CA Ravi R.

The return to the station was with the usual stop over for tea and bio break and a visit to the famour Kuchanur Suyambu Saniswarar Temple.

The train journey was again with surprises. Home made dinner sponsored by a local cardamom merchant added flavour to the food along with a surprise Famous Jigir tanda at the Madurai Station at 10.30 pm.

Yet again CASC pulled off a near perfect programme with meticulous planning and precision clockwork. The success of any programme is the delegates, and the 120 odd delegates were full of praise for the programme and looking forward to the next one.

FIRST TIME DELEGATES EXPERIENCES

On day 1 of this ARC, when myself and my family members joined for the trip, we felt that the entire group is very new and how are we going to get mingled with each and every one. But right after the moment of joining I really felt it was like a get to gather of an already known family members. This residential conference can easily bridge the generation gap and I was able to witness it happening. Many youngsters are looking forward for this kind of gatherings in future.

- CA.T.R. Srinivasan

My association with CASC ARC started from Srilanka. Each and every year I could see the improvising plans and arrangements made by the organisers. This kind of ARC programme can reduce the stress within us and keeps us rejuvenated.

- CS. Muralidharan

CASC has now added one more feather to its cap with this Munnar trip. This is not an easy job to drag around 110 participants to this distance. It can never happen without a meticulous planning and execution. Right from the time of departure at Chennai and arriving back to central, the food arrangements was planned in an excellent way which also includes the special ammavasai menu.

- Mrs. Gowri Krishnan

I would really make it mandatory to register to this kind of programmes organized by CASC henceforth, so that myself and my family members can never miss this kind of entertainments and group of people. My elder daughter has made more friends than me. Thanks to all the organisers for their efforts taken to give us all unforgettable time spent together and cherishing memories.

- CA. Chaitanya

When I enrolled myself for this programme, being an advocate in practice, the very first though that came to my mind was how are we going to mingle with these professionals belonging to a different fraternity. My opposite counsel with whome i had appeared for my first case was already In the group. But within a short span of time I felt that I could easily mingle with all these professionals and their family members. It was a great time and pleasure having participated this arc at munnar.

- Adv. Sharron

Even though myself and my partners are life members of this CASC, every time when arc is organized by CASC I never had any wish to join and only witness my partners enroll themselves without missing any trips. But this time I felt of joining for arc and enrolled myself. Now at this juncture of this valedictory I really felt that I had missed all those previous years arc's. Perfect arrangements made by the organisers and thanks to all their efforts.

- CA. Arumugaraj

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 - Demysified", "User Guide to TNVAT", "Corporate Audit Check List", "Anti Dumping Measures in the WTO frame work" 'A Handy Booklet on Bank Branch Audit', and "Guide to Tax Audit".

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