VISION 360

DEC 2023

EDITION 38

A TREASURY OF KEY TAX & REGULATORY DEVELOPMENTS!

TCA TAXCRAFT ADVISORS

GLS

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tiol ONE-STOP DESTINATION FOR TAXMAN AND TAXPAYER

EDITORIAL

Vision 360: Ending the year on a high note!!

The Indian economy has expanded 7.8% in the first quarter of the current fiscal (Q1FY24), up from 6.1% in the previous quarter on higher government spending, coupled with increased private capital expenditure and strong services growth. A robust domestic demand, and manufacturing and services activity aided growth during the quarter.

With the economy, the scientific and research aspirations of the India is also moving upwards. Following the historic success of Chandrayaan-3, the ISRO has now set its target on the sun by launching Aditya L-1, a spacecraft designed to study the solar atmosphere. Such strides in solar explorations are testimonial to the strong hold of the economy in education and research.

Apart from the above-mentioned strides, there have been umpteen developments on the tax side as well. Given the nascent stage of GST, the CBIC has introduced an amnesty scheme for filing of Appeals before the Appellate authority, upon payment of prescribed pre-deposit. In addition to the amnesty scheme, the CBIC has regularly issued circulars and advisories on various issues such as ITC reversal on non-payment of tax by vendors, differences in ITC availed in GSTR-3B vis-à-vis ITC available in GSTR-2B, etc. Such moves by the Board affirm the trust of the taxpayer on the Revenue.

There have also been various judicial developments in the month of November 2023. Notably, the Delhi HC has interpreted Section 32(1) wide enough holding that passive use of telecom towers is eligible for depreciation. In another important ruling, the Madras HC has quashed reassessment proceedings initiated over entitlement on interest under Section 80P(2)(d) of the IT Act from a co-operative bank.

On the Regulatory front, SEBI has streamlined the access to unclaimed funds in REITs, InvITs, debt securities. Similarly, the SEBI has also extended the timeline for implementation of provisions on redressal of investor grievances through the SCORES Platform and linking it to the ODR platform.

On the International front, Brazil has readied 15% Minimum Tax on Multinational Profits ahead Of G20 Presidency. Further, Saudi Arabia, Slovakia have signed an agreement to avoid double taxation.

Compiling all such developments, we at TIOL, in association with Taxcraft Advisors LLP, GLS Corporate Advisors LLP and VMGG & Associates, are glad to publish the 38th edition of its exclusive monthly magazine 'VISION 360'. We hope that, as always, you will find it an informative and interesting read. We look forward to receiving your inputs, thoughts and feedback, in order to help us improve and serve you better!

Happy Reading!

P.S.: This document is designed to begin with couple of articles peeking into recent tax/regulatory issues, followed by stimulating perspective of leading industry professionals. It then goes on to bring to you latest key developments, judicial and legislative, from Direct tax, Indirect tax and Regulatory space. Don't forget to check out our international desk and sparkle zone for some global and local trivia.

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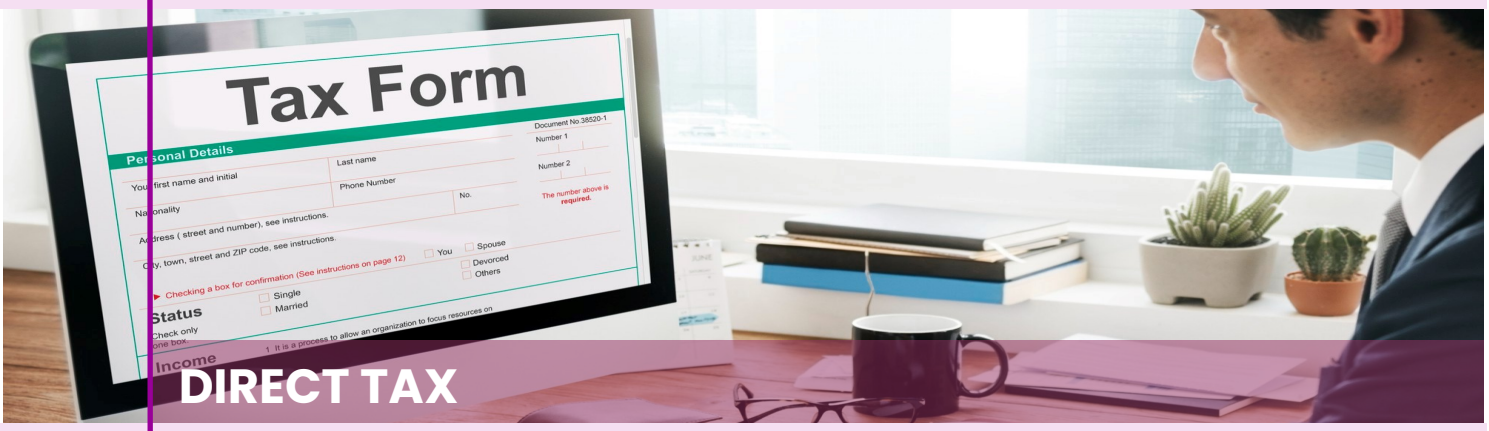

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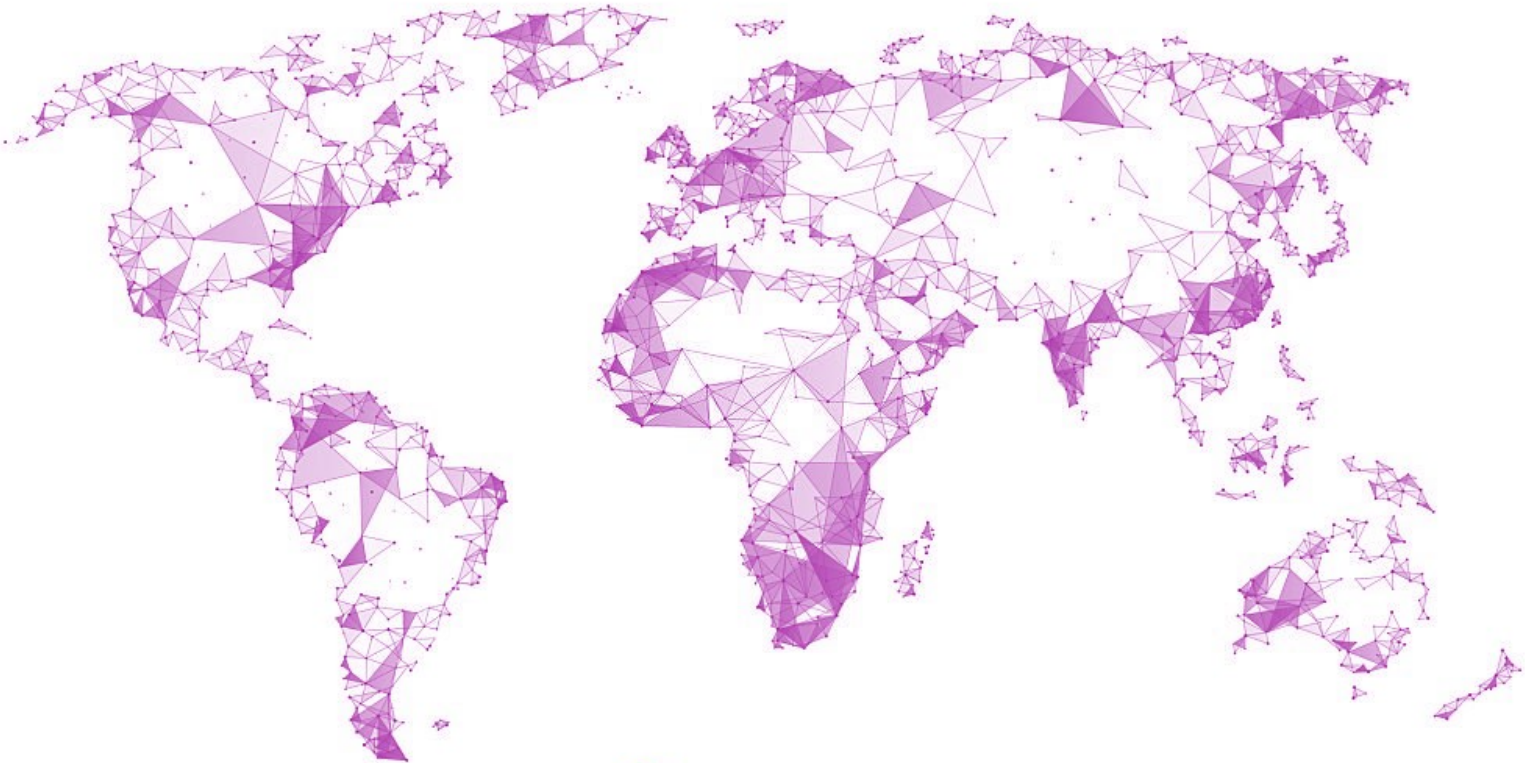


ARTICLE

Navigating the GST Applicability on Secondment of Employees

Background

Given the requirement of niche expertise in almost every walk of a business organization, the arrangement of secondment of employees is not a new concept. Secondment is understood to be a temporary arrangement, where an employee is transferred from one job to another, usually in the same group of Company for a definite period of time for the mutual benefit of all parties involved in the arrangement.

As regards the taxability on such arrangement, the issue was more or less settled in the erstwhile service tax regime. The tax authorities used to raise demands on such arrangement on the argument that secondment of employees to Indian entities from overseas group companies is receipt of manpower supply services and hence taxable under reverse charge in the hands of the recipient of such service i.e. the Indian Company.

However, the Tribunals in umpteen cases viz. **Volkwagen India [2014 (34) STR 135], Airbus Group India [2016 (45) STR 120], Target Corporation India [2021 (52) GSTL 164]**, have held that in a secondment arrangement, there is an existence of an employer-employee relationship between the seconded employee and the Indian entity, and hence there is no provision of manpower supply services. However, with the advent of the SC judgement in **RE: Northern Operating Systems [Civil Appeal No. 2289-2293 of 2021]** this settled issue has been disturbed. The Apex Court ruled that that service tax in a secondment arrangement between an overseas group entity and an Indian group entity is payable, wherein the salary of the seconded employee is paid by the Overseas Company and the same is subsequently reimbursed by the Indian group Company without mark up. Notably, while pronouncing the judgement, the SC had held that the issue is fact specific and accordingly, the Revenue must first call upon for details and documents for fact verification before issuing demand notices

Carry-Forward of the issue under GST

Post the pronouncement of the SC judgement, a number of multi-national companies in India, where seconded employees are deputed in India, have revisited their stance on the taxability on secondment of employees. Especially since the tax authorities have begun issuing notices calling upon details and also proposing demands in certain cases.

Given the bombardment of notices, the CBIC has come up with Instruction No 05/2023-GST dated December 12, 2023. The said Instruction provides a bit of guidance for the GST authorities for investigating the matter on taxability of secondment transactions:

- The SC has emphasized that there is no singular test but various chrematistics each specific to the arrangement;
- In each arrangement of secondment, the tax implications may be different depending on the specific nature of the contract and the terms of such contract;
- The Judgment should not be mechanically applied in all cases;

ARTICLE

Navigating the GST Applicability on Secondment of Employees

- Investigation in each case requires careful consideration of the facts;
- 'Extended period of limitation' under Section 74 of the CGST Act cannot be involved merely on account of non-payment of GST;
- Only if the investigation indicates a material element of fraud, willful misstatement or suppression of facts, the 'extended period of limitation' can be invoked;
- Fraud, willful misstatement or suppression of facts shall be established for invocation of extended period of limitation.

In view of the above, it can be seen that while the SC NOS judgement cannot be applied as a strait-jacket test for GST applicability on secondment of employees, contracts are required to be scrutinized so as to ascertain the taxability in each case.

This being said, the relationship must be stitched and the agreement must be drafted to take care of few cautions viz., employment of the seconded employee should be terminated from the foreign Company and made with the Indian Company, clear recoded understanding between the Indian Company and the seconded employee to be there and control/supervision should be held with the Indian Company and the salary of the seconded employee ought to be paid and borne by the Indian Company only.

While the SC has pronounced its judgement, the issue cannot be said to have been completely settled. The NOS judgement is passed in regards the service tax regime. Moreover, many taxpayers who have been served with demand notices for secondment arrangement under the GST regime, have challenged such notices before the Constitutional Courts, and obtained stay orders. In **RE: Alstom Transport India Limited [W.P. No. 23915/2023]** and **Metal One Corporation Private Limited [2023-VIL-816-DEL]**, the Petitioners argued that the facts in their case vis-à-vis Northern Operating are distinguishable. Both the matters have been stayed and are pending for hearing. Thus, it would be interesting to see how things pan out in these cases, which will decide the way forward for the industry.

INDUSTRY PERSPECTIVE

MANISH GOYANKA

Corporate Finance Controller
Devyani International Limited

01 In the rapidly evolving landscape of compliance and regulations, what are the key challenges that QSRs currently face in maintaining regulatory compliance?

QSRs face big challenges in following the rules as they keep changing. They have to deal with different rules in different places, make sure the food is safe, and handle complex supply chains. Staying environmentally friendly, protecting against cyber threats, and keeping up with new technology also add to the challenges. QSRs need to use technology, get legal advice, and make sure everyone in the team follows good practices to keep up with these rules and succeed.

02 In what ways are QSR leveraging artificial intelligence and technology to enhance operational efficiency and customer satisfaction?

QSRs are embracing technology and AI to elevate both efficiency and customer satisfaction. Technology helps in predicting the right amount of raw material needed, facilitates swift ordering through mobile apps, online platforms, and KIOSK, and introduces automation in kitchens. By integrating these technological advancements, QSRs optimize their operations, ensuring prompt service and enhanced customer satisfaction.

03 As Quick Service Restaurants expand into new regions within India, what impact do these expansions have on local economies ?

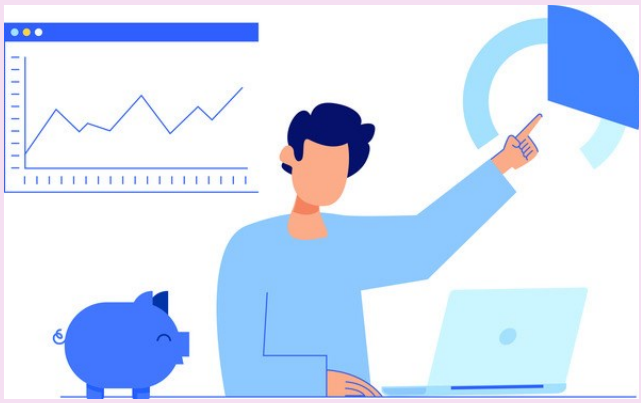
As Quick Service Restaurants (QSRs) expand into new regions in India, their presence tends to have a positive impact on local economies. These expansions create job opportunities, stimulate the local supply

chain, and contribute to economic growth by attracting investment. This localization strategy not only reflects an understanding of diverse consumer preferences but also supports local farmers and suppliers.

04 From a direct tax standpoint, do you see any gaps when it comes to convergence with accounting treatment done in the books of accounts when compared to treatment in tax books.

Certainly, from a direct tax perspective, there are differences in how financial transactions are treated in a company's regular accounting books compared to how they are treated for tax purposes. These variations can arise due to specific tax regulations and rules that may differ from the accounting standards used for maintaining books of accounts. Closing the gaps between accounting and tax treatments is vital for transparency and compliance. It ensures that businesses correctly show their financial activities in both sets of books, minimizing errors and easing the audit process. Harmonizing these treatments helps companies navigate complexities and presents a more consistent and accurate picture of their finances.

05 In your opinion, what emerging trends or innovations in the field of finance and accounting are likely to have a significant impact in the near future?



In the upcoming years, technologies like blockchain, AI, and automation will significantly impact finance and accounting, making processes more efficient and accurate. These innovations will also offer valuable insights for better decision-making. The finance industry is increasingly focusing on sustainable and ethical practices, urging businesses to incorporate environmental and social considerations into their financial strategies. While AI excels at analyzing data and identifying trends, human expertise is crucial for understanding the broader context and adapting to unexpected situations. The most effective outcomes occur when AI and humans collaborate, with AI handling data analysis and humans providing guidance and direction, leading to smarter financial decisions .

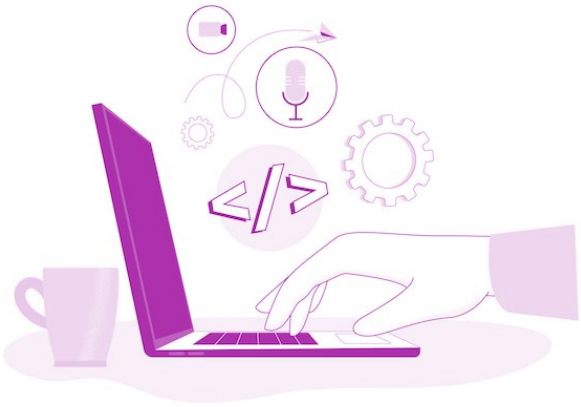
06 How do you assess and manage financial risks associated with international transactions or business operations, if applicable to your experience?

In handling financial risks tied to international dealings, we evaluate potential challenges and set up strategies to deal with them. This involves understanding currency fluctuations, economic conditions, and diverse regulations in different countries. By diversifying investments, using hedging tools, and staying updated on global trends, we aim to minimize risks and ensure the financial stability of international operations. It's like having a well-thought-out plan to navigate the uncertainties that can come with doing business across borders.

MANISH GOYANKA
Corporate Finance Controller
Devyani International Limited

07 What are the key challenges you face on implementation of faceless assessment and use of AI Bots by enforcement agencies?

Implementing faceless assessment and AI bots by enforcement agencies brings several challenges. Ensuring seamless integration of technology and maintaining data security are key concerns. Additionally, there's a need for continuous training to enhance the efficiency of AI systems and overcome any limitations. Striking a balance between technological advancements and human oversight is crucial for a successful and fair implementation, as it involves reshaping traditional processes while upholding transparency and accountability.



HC holds passive use of telecom towers eligible for depreciation, construes Section 32(1) of the IT Act widely

Indus Towers Limited

2023-TIOL-1434-HC-DEL-IT

The Assessee was incorporated as a joint venture company of Bharti Infratel Limited, Vodafone Essar Limited and Aditya Birla Telecom Limited with its main object to share the telecom infrastructure amongst various telecom service providers, that had filed its original return declaring loss of INR 452 Crores which was subsequently revised to loss of INR 612 Crores after including unabsorbed depreciation of INR 525 Crores.

The Revenue held that all the towers erected by the Assessee were not put to use, hence, an addition was made with respect to depreciation for the towers which were not put to use and since the Assessee failed to submit tower-wise detail 50% depreciation on towers was disallowed.

Aggrieved, the Assessee approached the CIT(A) who considering additional evidences i.e. ready for active installation certificate issued by the third party engineers and service tax returns in respect of the towers, allowed the Assessee's claim of depreciation.

Aggrieved by the order of the CIT(A), the Revenue approached the ITAT which observed that the expression

"used for the purposes of business or profession" in the provision under Section 32 of the IT Act had to be construed widely by including in it not only those cases where the buildings, machinery, plant etc were actively employed but also those cases where there was, what may be described as a passive use of the same in the business because of various reasons including that a machinery may well depreciate even where it is not used in the business and even due to non-use and being kept idle.

Thus, allowing the claim of depreciation by liberally construing the expression "used for the purposes of the business" under Section 32(1) of the IT Act and holding that the expression includes even passive use of the subject machinery (towers in the present case) and that it was nobody's case that the profits earned by the Assessee had no nexus with the towers in question, the ITAT finding no substantial question of law, dismissed the Revenue's appeal.

HC holds Section 254(2) of the IT Act limited to 'apparent mistakes', reappreciation of law or facts not allowable

Hitesh Ashok Vaswani

2023-TIOL-1582-HC-AHM-IT

A search operation was carried on at Venus Group in which several documents containing information related and pertaining to the Assessee were unearthed and the Assessee was subjected to post-search assessment proceedings. Subsequently, the ITAT in a batch of 107 appeals (71 by Assessees and 36 by Revenue) observed that since search was conducted prior to June 1, 2015 and the satisfaction note did not mention that documents belonged to the concerned Assessee, Section 153C of the IT Act could not be invoked.

Further, if any incriminating material belonging to the Assessee was found at the premises of some other person, then assessment was to be made under Section 153A of the IT Act. Moreover, an assessment order passed beyond two years from the end of the FY in which the search was conducted was barred by limitation and the 'reasons to believe' where Section 147 of the IT Act was invoked were not reasons but only conclusions and a reproduction of the information received from the investigation wing, hence, were borrowed satisfaction.

Aggrieved, the Revenue filed a miscellaneous application before the ITAT which was dismissed observing that the mistake which was sought to be rectified was not obvious and patent, hence, not rectifiable under Section 254(2) of the IT Act. This caused the Revenue to challenge the order dismissing the miscellaneous application by way of a batch of 94 writ petitions before the HC which observed, that the mistake had to be apparent from the face of the record and not one where an extensive delving into arguments and a re-look could be sought on questions decided on merits.

Moreover, merely because the ITAT, according to the Revenue, decided the issues by misinterpretation of facts and law, the same could not be a subject matter of rectification as when a detailed order was passed by the ITAT, no rectification could be made on the ground that the order passed by ITAT was erroneous either on facts or in law and preferring an appeal was the only remedy in such a case as the power to rectify an order under Section 254(2) of the IT Act was extremely limited and it did not extend to correcting the errors of law or reappreciating the factual findings.

Thus, holding that once the ITAT had considered the issues on merits and undertaken a detailed discussion, no rectification could be made on the grounds stated in the miscellaneous application as the issues raised by Revenue in the miscellaneous application required long drawn argument which was not allowed under

Section 254(2) of the IT Act, the HC disposed of the batch of 94 writ petitions.

HC quashes reassessment proceedings initiated over entitlement on interest under Section 80P(2)(d) of the IT Act from a co-operative bank

Thorapadi Urban Co-op Credit Society Limited

2023-TIOL-1587-HC-MAD-IT

The Assessee was a co-operative society that had earned interest on investments made with a co-operative bank and claimed deduction of the same under Section 80P(2)(d) of the IT Act and was subsequently subject to reassessment proceedings by issue of notice under Section 148A(b) of the IT Act.

The Revenue had passed the order under Section 148A(d) of the IT Act holding that the Assessee was not entitled for deduction as the deduction under Section 80P(2)(d) of the IT Act was only available for the income and interest received from a co-operative society and not from a co-operative bank and accordingly, issued a reassessment notice under Section 148 of the IT Act.

Aggrieved, the Assessee preferred a writ petition before the HC contending that the interest received from any co-operative society including a co-operative bank was entitled for deduction under Section 80P(2)(d) of the IT Act.

Analysing Section 80P(2)(d) of the IT Act, the HC observed that the entire interest received by any co-operative society from investment made in any other co-operative society, was eligible for deduction, as Section 2(19) of the IT Act defined co-operative society to mean a co-operative society registered under the Co-operative Societies Act, 1912, be it a co-operative society carrying on banking business or a co-operative society carrying on any other businesses or a co-operative bank. Moreover, the Assessee had submitted the certificate of incorporation and other documents, to establish that the co-operative bank wherein the investments were made was registered under the Tamil Nadu Co-operative Societies Act, 1983, which made it abundantly clear that the Assessee made the investment in a co-operative bank registered under a Co-operative Societies Act.

DIRECT TAX
From the Legislature

NOTIFICATIONS

CBDT notifies changes in ITR-7 for AY 2023-24

Notification No. 94/2023 dated October 31, 2023

The CBDT notifies changes in ITR-7 for AY 2023-24. The changes are made in Part B-TI and Part B-TTI of ITR-7.

In Part B-TI: -

- Entry no. 16 is modified to 'Specified income chargeable under Section 115BBI of the IT Act, included in 13, to be taxed @ 30% (Sl. No 7 of Schedule 115BBI)'.
- New Entry no. 17 is inserted which is 'Aggregate income to be taxed at normal rates (13-14-15-16) (including income other than specified income under Section 115BBI of the IT Act)'.

In Part B-TTI:

- Entry 1(a) is modified to 'Tax at normal rates on [Sl. No. 17 of Part B1 of Part B-TI] or [Sl. No. (13-14) of Part B2 of Part B-TI] or [Sl. No. 13 of Part B3 of Part B-TI]'.

CBDT notifies Information Exchange & Tax Collection Assistance Agreement with Saint Vincent & Grenadines

Notification No. 96/2023 dated November 01, 2023

An Agreement between India and Saint Vincent and the Grenadines for the Exchange of Information and Assistance in Collection with respect to taxes had entered into force on February 14, 2023, being the date of the completion of the procedures required by the respective laws of the contracting states for entry into force of the agreement.

Given this backdrop, the CBDT by exercising the powers under Section 90(1) of the IT Act notifies that all the provisions of Agreement between India and Saint Vincent and the Grenadines for the Exchange of Information and Assistance in Collection with respect to taxes shall be given effect to in India.

CBDT issues corrigenda to SFT Notifications with reference to Depository & Mutual Fund Transactions

Corrigendum to Notification No. 3 & 4 of 2021 dated November 15, 2023

CBDT issues Corrigenda to Notification No. 3 & 4 of 2021 dated April 30, 2021, regarding SFT for Depository & Mutual Fund Transactions. As per the Corrigenda, with effect from April 1, 2023, the SFT data will be

submitted on half yearly basis instead of existing quarterly basis, on or before October 31st and April 30th, respectively and the holding period of Unit of UTI has been kept as 12 months where more than 35% of its total proceeds are invested in the equity shares of domestic companies and this information is required to be provided, for Units of Business Trust and Other Units, the period of holding is kept at 36 months where more than 35% of its total proceeds are invested in the equity shares of domestic companies and this information is required to be provided and for Other Units where not more than 35% of its total proceeds are invested in the equity shares of domestic companies, (Specified Mutual Fund), the Corrigenda states that the unit shall always be classified as short-term capital asset with effect from April 1, 2023.

Further, in the first Corrigendum relating to Depository Transactions, Market Linked Debentures have also been classified under the category of short-term capital assets with effect from April 1, 2024, and it is also notified that the Estimated Sale Consideration for the debit transaction should be determined on Weighted Average Price i.e., taking actual value of the transactions executed which is in departure from 'best possible price of the asset with depository' and for every debit transaction, the corresponding credit transaction should be identified using FIFO method and the estimated cost of acquisition for the credit should be determined on weighted average price of the asset i.e. taking actual value of the transactions, if purchase was made after February 1, 2018 or end of the day price if purchase was made before February 1, 2018, available with the depository.

CIRCULARS

CBDT prescribes process, monetary & time limits for withholding refund

Instruction No. 02/2023 dated November 10, 2023

The CBDT prescribes that the provisions of Section 245(2) of the IT Act shall apply where the value of refund is INR 10 Lakhs or more and where Section 245(2) of the IT Act applies, the FAO on receipt of information from CPC, shall intimate the JAO about the demand likely to be raised in the pending assessments.

Thereafter, the JAO shall record reasons in writing with proper application of mind after analyzing the factual matrix of the case, including: The Assessee's financial condition, past demands, pendency of appeals et al and seek the permission of the jurisdictional PCIT.

The CBDT categorically states that the reasons of the JAO shall not be cursory and shall reflect his factual analysis. The JAO is then required to communicate his final decision on releasing or withholding the refund to the CPC.

Further, the CBDT also revises the time limit for completion of the prescribed process to 20 days for Faceless Assessment Unit and to 30 days for JAO.

TRANSFER PRICING
From the Judiciary

HC dismisses Revenue's appeal on comparables post SAP Labs ruling, follows precedents

Warburg Pincus India Private Limited

2023-TII-29-HC-MUM-TP

The Assessee was engaged in the business of investment advisory services against which the Revenue had filed an appeal before the HC challenging the selection of comparables by the Tribunal for AY 2008-09.

During the course of the proceedings, the HC noted that this appeal had earlier been disposed of by the jurisdictional bench of the HC and thereafter, the Revenue had filed an SLP before the SC which in turn had remanded the matter to the HC in light of SAP Labs [2023 SCC online SC 449]. Accordingly, observing the ITAT's exclusion of one ICRA Limited as a comparable, as the TPO in AY 2009-10, had excluded the same for being functionally dissimilar and as there was nothing on record to indicate that for AY 2008-09, ICRA Limited had to be included, the HC upheld the exclusion of ICRA Limited as a comparable.

Further, as regards to the inclusion of IDC Limited by the ITAT, the HC observed that IDC Limited operated in a single segment, i.e., market research and management consulting and found it comparable to the Assessee who was into investment advisory services, Moreover, in a plethora of judgments that had been upheld by a bench of this HC as well as the ITAT, a consistent view was followed that IDC Limited was functionally similar to an investment advisory service provider.

Accordingly, finding that no substantial question of law arose, the HC dismissed the Revenue's appeal.

HC upholds ITAT's comparables-selection for captive investment advisory services

Chrys Capital Invesment Advisors Private Limited

2023-TII-31-HC-DEL-TP

The Assessee was engaged in the provision of investment advisory services to its overseas AE against which the Revenue had filed an appeal to the HC challenging the ITAT's order on comparable selection for the Assessee.

Before the HC, the Revenue argued against the ITAT's order on comparable selection by submitting that selection of comparables had to be carried out on a case-to-case basis.

The HC noted that the ITAT had upheld one Motilal Oswal Investment Advisor Private Limited's inclusion by relying on coordinate bench ruling in the Assessee's own case for a previous year and had excluded one IM+Capitals Limited as it had been consistently rejected as a comparable in the Assessee's own case for previous years. Further, the ITAT had excluded one Keynote Corporate Services Limited on account of its extremely volatile operating margin, also placing reliance on the Assessee's own case in previous years.

Accordingly, the HC rejected the Revenue's argument by observing that the ITAT not just followed the previous orders to maintain consistency, but also examined the entire material on record to ascertain comparability of each comparable with the case of the Assessee pertaining to the FY in question. Moreover, the Revenue had not been able to demonstrate change, if any, in circumstances qua the Assessee and/or any of the comparables in the given FY vis-à-vis earlier years.

Thus, finding no question of law much less substantial question of law, the HC dismissed the Revenue's appeal and upheld the ITAT's order.

ITAT partly allows Assessee's miscellaneous petition on comparables and interest on receivables

Atos IT Services Private Limited

MP. No. 158/Bang/2023 in IT (TP) A No. 294/Bang/2022

The Assessee had filed a miscellaneous petition before the ITAT seeking correction of certain typographical mistakes made by the ITAT in its earlier order wherein even though the Assessee did not argue on the aspect of a comparable failing the upper turnover filter, the ITAT mentioned the same while excluding the comparable over functional dissimilarity. Further, the Assessee also submitted that a separate adjustment for interest on outstanding receivables was unwarranted in the ITAT's earlier order as there could be a situation where outstanding receivables may be subsumed while computing working capital adjustment and although the Assessee had made this submission before the ITAT earlier, the same was not considered in the ITAT's earlier order.

With regards to the typographical mistake alleged to have been made by the ITAT in its earlier order, the ITAT observed that as the ITAT in its earlier order, could not cause any grievance to the Assessee by such an observation regarding the turnover filter as it was merely an obiter dicta, it did not amount to any mistake apparent on record.

Further, with regards to the separate adjustment made with regards to interest on outstanding receivables, the ITAT accepting the submission of the Assessee in this regard, directed the TPO to verify the Assessee's submission and consider it in accordance with the law.

Thus, partly allowing the miscellaneous petition filed by the Assessee, the ITAT disposed of the matter.

GOODS & SERVICES TAX
From the Judiciary

GST Applicability on secondment of employees

Alstom Transport India Limited [W.P. No. 23915/2023] and Metal One Corporation Private Limited [2023-VIL-816-DEL]

Basis the SC judgement in RE: **Northern Operating Systems Private Limited [2022-TIOL-48-SC-ST-LB]**, the Revenue had issued notices to Petitioners demanding GST on salaries paid to seconded expats. In both the cases, the Petitioners argued that the facts in their case vis-à-vis Northern Operating are distinguishable. Both the matters have been stayed and are pending for hearing.

Authors' Notes:

In recent months, there has been a surge in the number of notices being issued, demanding GST on salaries paid to seconded employees. All such notices have been issued pursuant to the SC ruling in RE: Northern Operating (supra). It may be noted that the Apex Court itself had held that the issue is fact specific. Therefore, the Revenue must first call upon for details and documents for fact verification before issuing demand notices.

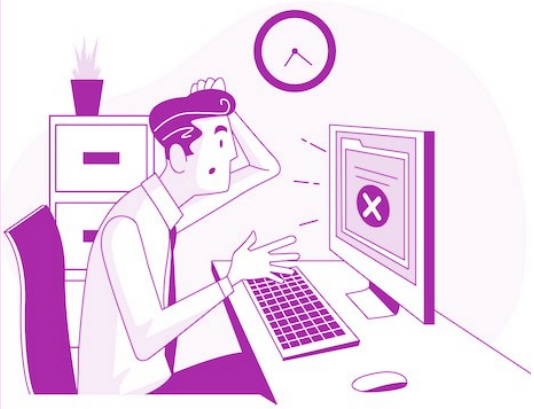
Notification extending time-limit for issuance of Notices for the period 2017-18 challenged

Graziano Transmissioni [Writ Tax No. 1256 of 2023]

The Petitioner has challenged the vires of Notification No. 09/2023 – C.T. dated March 31, 2023, which for the second time, extended the time-limit for the Revenue to issue orders under Section 73 of the CGST Act till December 31, 2023, citing COVID-19 reasons. The matter has been listed for hearing before the Allahabad HC.

Author's Notes:

The CBIC draws powers from Section 168A of the CGST Act for extending the time-limit for issuance of notices and orders under the CGST Act. The said provision allows the Government to do so in light of force majeure events. In this regard, it may be noted that while the first extension vide Notification No. 14/2021 – C.T. dated May 01, 2021, COVID-19 was prevalent, no such event was in existence during the issuance of Notification dated March 31, 2023. Moreover, when the Apex Court has restricted the extension of time-limits vide its suo moto order till May 31, 2022, for the taxpayers, the Government cannot arbitrarily provide itself time-extensions.



Summary notice for VAT recovery not sustainable

Tripati Ispat Udyog [W.P.(T) No. 11 of 2023]

The Petitioner had been served with a summary notice in Form DRC-01 challenging the transitional credit availed from the JVAT regime. The notice was then confirmed by order in Form DRC-07. The Jharkhand HC held that the GST authorities are incorrect in assuming jurisdiction and initiating a proceeding under the provision of the JGST Act alleging therein that the ITC transited from the pre-GST regime is inadmissible under the JVAT regime.

It was further held that the very initiation of the adjudication proceeding without issuance of detailed show cause notice is *void ab initio* and any consequential adjudication order passed thereto is *non-est* in the eyes of law being in violation of Principles of Natural Justice.

Madras HC holds time-limit for filing refund application to be directory under GST law

Lenovo India Private Limited [2023-TIOL-1593-HC-MAD-GST]

The refund application filed by the Petitioner had been rejected *inter alia* on the ground that there had been a delay in obtaining endorsement from the SEZ officer within 45 days, as prescribed in the SEZ Rules. Aggrieved, the Petitioner had preferred a Writ before the Madras HC challenging such refund rejection.

The HC observed that the CGST Act does not prescribe any requirement to obtain endorsement from the SEZ officer, for claiming refund. Any delay or irregularities in obtaining the endorsement from the SEZ officer are procedural lapses. It was further held that the Petitioner cannot be penalized for any delay on part of the SEZ officer, which is beyond their control.

The Court further noted that the language of Section 54, which provides that the 'applicant may make an application before two years from relevant date…' makes it clear that the said limitation provision is directory in nature.

Authors' Notes:

It may be noted that merely because the language of the statute provides for the word 'may' instead of 'shall', may not necessarily render the provision directory altogether. The Apex Court in **RE: Sarla Goel [Civil Appeal No. 4162/2009]**, had held that where the word 'may' shall be read as 'shall' would depend upon the intention of the legislature and it is not to be taken that once the word 'may' is used, it per se would be directory. It would have to be interpreted in the light of the settled principles, and while ensuring that intent of the Rule is not frustrated.

Interest on delayed refund to be computed from original application

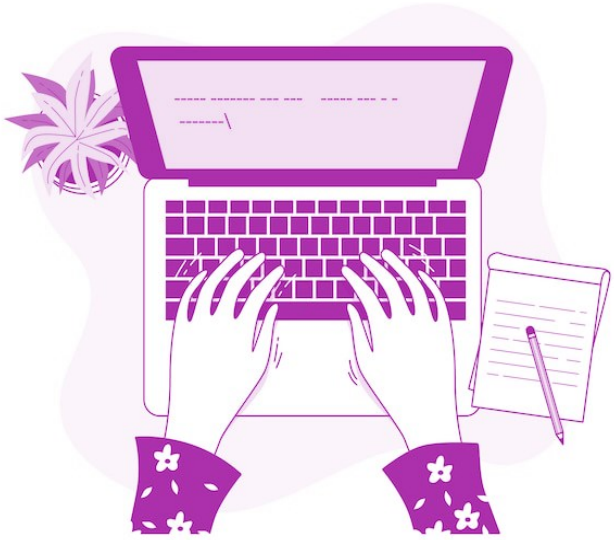
Bansal International [2023-VIL-809-DEL]

The refund application filed by the Petitioner, was partially rejected by the adjudicating authority, and subsequently allowed by the Appellate authority. In pursuance to the appellate authority's order, the Petitioner had filed a fresh refund application, claiming interest @9%. While the refund of ITC was granted, interest portion was rejected.

Aggrieved, the Petitioner preferred a writ before the Delhi HC. It was observed that Section 56 read with

Sections 54(7) and 54(8) of the CGST Act makes it amply clear that an applicant would be entitled to interest on the amount of refund due for the period commencing from the date immediately after the expiry of sixty days from the date when an application, complete in all respect, has been received and acknowledged by the proper officer.

It was further observed that in case where the claim initially is denied by the Adjudicating Authority but subsequently ordered by the Appellate Authority, Appellate Tribunal or the Court, the said orders are deemed to be the orders passed under Section 54(5) of the CGST Act and the period for which the interest is to be calculated would commence from the date immediately after the expiry of sixty days from the date of the refund application.



IDS refund admissible even when supplier has charged higher tax rate

Suzlon Energy Limited [W.P. Nos. 10852 & 10855 of 2021]

The Respondent's supplier had inadvertently charged higher rate of GST at 18 percent on inputs as against applicable 5 percent rate. The refund application filed by the Respondent on account of inverted duty structure was rejected, but subsequently allowed by the appellate authority. Aggrieved, the Revenue preferred a writ before the Madras HC.

The HC held that as per Section 54(3) of the CGST Act, the Respondent is entitled to refund as there was inversion in tax structure. The HC relied on various judgments to hold that assessment of tax at supplier's end cannot be questioned at recipient's end. The HC further held that the Revenue cannot insist on higher rate of GST when law prescribes lower rate.

AAR: No credit on solar panel goods used for installation

VBC Associates [2023-TIOL-23-AAAR-GST]

The Applicant had sought an advance ruling before the TN AAR to ascertain whether ITC on Solar power panels procured and installed is blocked credit under Section 17(5)(c) and (d) of the CGST Act. The AAR had held that the applicant is engaged in the business of providing maintenance of immovable property and *inter alia* recovers electricity charges from the tenants. It was held that electrical energy is exempted by Notification No. 02/2017-CTR, therefore, electrical energy generated by Solar Panel installed by the applicant is exempted goods supplied to tenants and consequently input tax paid on the Solar Panels are ineligible as credit in terms of Section 17(2) read with Rule 43(1)(a). Aggrieved, the Applicant preferred an Appeal before the TN AAAR.

The TN AAAR observed that the electrical energy generated by Solar Panel installed by the Appellant at Dindigul and supplied to Electricity Board concerned is exempted. Consequently, the tax paid on the inputs namely, Solar Panels are not eligible for input tax credit as the same are used exclusively for supply of exempted goods. Accordingly, it was held that the tax paid on the inputs i.e., Solar Panels are not eligible for input tax credit as the same are used exclusively for supply of exempted goods in view of the provisions of Section 17(2) of the CGST Act, read with Rule 43(1)(a) of the CGST Rules.

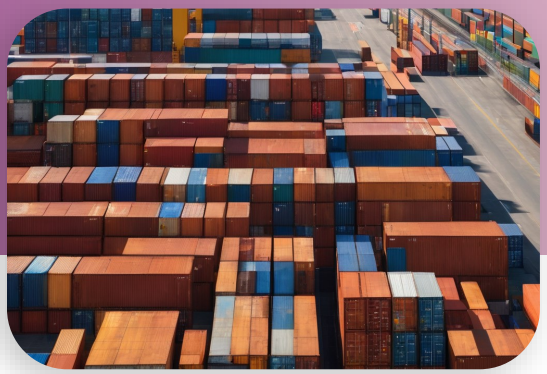
GOODS & SERVICES TAX
From the Legislature

Sr No	Notification/	Summary
1.	Circular No. 206/18/2023-GST dated October 31, 2023	**Applicability of GST on electricity charges collected by landlord** • Supply of electricity along with service of renting of immovable property will be considered as composite supply wherein principal supply will be renting of immovable property with supply of electricity as ancillary. This will apply even where electricity charges are billed separately. • Electricity charges collected by real estate owners or developers, RWAs etc. on actual basis from lessees or occupants, will not be added to value of supply since suppliers will be deemed to be acting as pure agent in such cases. **Scope of term 'same line of business' in case of passenger transportation and renting of motor vehicles services** • Services by way of passenger transportation and renting of motor vehicles with operator where cost of fuel is included in consideration charged, are exigible to 5 percent GST subject to eligibility of ITC on services in 'same line of business'. • 'Same line of business' means services procured from another supplier of passenger transportation services or renting of motor vehicles services. Benefit of ITC in 'same line of business' will only be eligible to passenger transportation services or renting of motor vehicles with operator and not to leasing of motor vehicles without operator
2.	Notification No. 53/2023-Central Tax dated November 2, 2023	**Amnesty Scheme for filing of appeals before Appellate Authority** • The Central Government introduces an amnesty scheme for taxpayers who could not file appeal against orders passed on or before March 31, 2023 under Section 73 and Section 74 in following cases: ◊ Taxpayers did not file any appeal; or ◊ Taxpayers whose appeal was dismissed on grounds of delay. • Last date for filing appeal in such cases shall be January 31, 2024.

Sr No	Notification/	Summary
		• Such taxpayers need to make pre-deposit of 12.5 percent of tax out of which minimum 20 percent (2.5 percent of tax) needs to be debited from Electronic Cash Ledger • No refund of amount paid in excess of 12.5 percent amount pursuant to directions of authority or court will be granted on account of this scheme till the disposal of appeal. No appeal under this scheme will be admissible in respect of demand not involving tax.
3.	Advisory dated November 14, 2023	**ITC reversal on non-payment of tax by supplier** • Vide Rule 37A of CGST Rules, 2017 the taxpayers have to reverse the Input Tax Credit (ITC) availed on such invoice or debit note, the details of which have been furnished by their supplier in their GSTR-1/ IFF but the return in FORM GSTR-3B for the said period has not been furnished by their supplier till the 30th day of September following the end of financial year in which the Input Tax Credit in respect of such invoice or debit note had been availed. • The said amount of ITC is required to be reversed by such taxpayers, while furnishing a return in FORM GSTR-3B on or before the 30th day of November following the end of such financial year, as part of this legal obligation. • To facilitate the taxpayers, such amount of ITC required to be reversed on account of Rule 37A of CGST Rules for the FY 2022-23 has been computed from system and has been communicated to the concerned recipient. The email communication to this effect has been sent on the registered email id of the taxpayer. • The taxpayers are advised to take note of it and to ensure that such ITC, if availed by them, is reversed as per Rule 37A of CGST Rules before 30th of November, 2023 in Table 4(B)(2) of GSTR-3B while filing the concerned GSTR-3B.
4.	Advisory dated November 14, 2023	**Difference in ITC available in GSTR-2B and ITC claimed in the GSTR-3B** • It is informed that GSTN has developed a functionality to generate automated intimation in Form GST DRC-01C which enables the taxpayer to explain the difference in Input tax credit available in GSTR -2B statement & ITC claimed in GSTR-3B return online as directed by the GST Council. This feature is now live on the GST portal. • This functionality compares the ITC declared in GSTR-3B/3BQ with the ITC available in GSTR-2B/2BQ for each return period. If the claimed ITC in GSTR 3B exceeds the available ITC in GSTR-2B by a predefined limit or the percentage difference exceeds the

Sr No	Notification/ Circular	Summary
		configurable threshold, taxpayer will receive an intimation in the form of DRC-01C. • Upon receiving an intimation, the taxpayer must file a response using Form DRC-01C Part B. The taxpayer has the option to either provide details of the payment made to settle the difference using Form DRC -03, or provide an explanation for the difference, or even choose a combination of both options. • In case, no response is filed by the impacted taxpayers in Form DRC-01C Part B, such taxpayers will not be able to file their subsequent period GSTR-1/IFF.

CUSTOMS & FTP
From the Judiciary



Incorrect classification alone does not constitute a mis-declaration

Midas Import Corporation

[Customs Appeal No. 52239 of 2021]

The Applicant had imported "0.1 percent natural brassinolide fertiliser" by classifying under Chapter 31 of the CTH. The Revenue issued SCN proposing to re-classify imported goods under CTH 3808. The Adjudicating Authority confirmed demand and order for recover of the differential duty. Aggrieved the Applicant filed an Appeal before the CESTAT. The CESTAT ruled that stating a wrong categorization or an ineligible exemption notification is not a misstatement or mis-declaration. Further, when the Appellants have not mis-declared or suppressed any facts, imposing of penalties is unsubstantial. Accordingly, the penalties were set aside.

CESTAT: Customs Broker Not Liable for Undervaluing Exported Goods

M/s. Sri Velavan Logistics Services Private Limited v. The Commissioner of Customs

[Customs Appeal No. 40352 of 2022 dated December 21, 2022]

The Appellant was a customs broker. A SCN was issued against the Appellant for alleged attempt to export goods that were undervalued. Further the Appellant was held liable for action under the CBLR, 2013, for contravening the provisions of Regulations 11(n) and 11(d). Subsequently, the Adjudicating Authority imposed a penalty on the Appellant, which was again confirmed by the first Appellate Authority. Aggrieved, the Appellant preferred a writ.

The Tribunal noted that the valuation of any items could never fall under the purview of a customs broker, as this is determined by the contract between the exporter and importer, over which the customs broker would have no control. Further, it was also observed that the Department did not provide sufficient evidence to back up its claims that the declared export value was false or inaccurate. Subsequently, the CESTAT allowed the Appeal and stated the imposition of a penalty was bad in law.

CUSTOMS & FTP
From the Legislature

Sr No	Notification/ Circular	Summary
1.	Notification No. 63/2023-Customs dated November 30, 2023	**Extended period of limitation not invokable without proving mala fide intention** CBIC amends the previous notification (No. 22/2022-Customs) and introduces a new entry (1271A) in Table I, specifically targeting goods under code 2207 10 12, imposing a 95% customs duty.
2.	Notification No. 87/2023-Customs (N.T.) dated November 29, 2023	**Extension of Deadline in Notification No. 18/2023-Customs (N.T.)** CBIC amends Notification No. 18/2023-Customs dated March 30, 2023. The change involves substituting the date November 30, 2023 with January 19, 2024 in para 2 of the original notification.
3.	Notification No. 88/2023-Customs (N.T.) dated November 29, 2023	**Extension of Deadline in Notification No. 19/2023-Customs (N.T.)** CBIC amends Notification No. 19/2022-Customs dated March 30, 2022. The amendment involves changing the date in para 2 from December 1, 2023 to January 20, 2024.
4.	Circular No. 27/2023-Customs dated November 1, 2023	**CBIC Authorizes Additional 170 Booking Post Offices for Export Consignments** CBIC referring to previous Circulars 25/2022-Customs, 06/2023-Customs, and 20/2023-Customs, which conveyed the authorization of 837 booking post offices, highlights that, as per Regulation 6(1), an additional 170 booking post offices have now been authorized by the Department of Posts to accept consignments for export.
5.	Circular No. 28/2023-Customs dated November 8, 2023	**CBIC Enables Advance Assessment for Courier Shipping Bills to Reduce Dwell Time** CBIC responds to representations received by the Board to reduce dwell time. The circular announces the decision to enable advance assessment of Courier Shipping Bills through the Express Cargo Clearance System (ECCS). The Directorate General of Systems has confirmed the implementation of necessary technical changes in the ECCS export workflow for this purpose, as indicated in Advisory No. 11/SYS/WZU/2023 dated October 19, 2023.

CUSTOMS & FTP
From the Legislature

Sr No	Notification/ Circular	Summary
6.	Notification No. 43/2023 dated November 11, 2023	**Policy Condition for Non-Basmati Rice Export (HS Code 10063090) with One-Time Exemption for Humanitarian Aid to Nepal** DGFT issues notification for the incorporation of a policy condition related to the export of Non-basmati rice under HS Code 10063090. In exercise of powers conferred by the Foreign Trade (Development & Regulation) Act, 1992, the notification prohibits the export of Non-basmati white rice under the specified HS code. However, it grants a one-time exemption to Patanjali Ayurved Limited for the export of 20 metric tons of Non-basmati white rice as a donation to earthquake victims in Nepal.
7.	Notification No. 44/2023 dated November 20, 2023	**DGFT allows Valid India-UAE TRQ Holders to Import through IIBX and Obtain Physical Delivery via IFSCA-Registered Vaults** DGFT amends the import policy conditions for Gold under HS Code 71081200. The amendment allows Valid India-UAE TRQ holders, as notified by IFSCA, to import gold through IIBX against the TRQ. They are permitted to secure physical delivery of the imported gold through IFSCA-registered vaults in SEZs, following IFSCA guidelines. The existing policy condition restricted import through nominated agencies, and the revision expands it to include Qualified Jewellers through IIBX. Additionally, refineries can import Gold Dore against an import license with AU condition.
8.	Notification No. 45/2023 dated November 18, 2023	**DGFT Imposes US $800 F.O.B MEP on Onion Exports: Status Shifts from 'Free' to Regulated until December 31, 2023** DGFT has imposed a MEP of USD 800 FOB per MT on onion exports until December 31, 2023, changing the status from 'Free'. This supersedes Notification No. 42/2023 dated October 28, 2023 and this policy change comes into effect immediately.

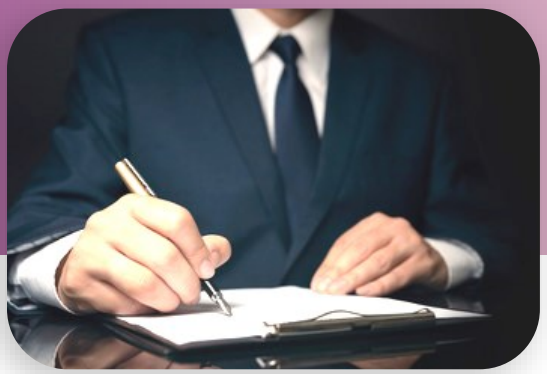
CUSTOMS & FTP
From the Legislature

Sr No	Notification/ Circular	Summary
9.	Notification No. 46/2023 dated October 30, 2023	**DGFT allows NCEL to export specific food commodities to multiple countries** DGFT allows the export of specified food commodities through NCEL. The commodities and quantities allowed for export to various countries include Wheat Grain, Wheat Flour (Atta), Maida/Semolina, and Broken Rice. The countries mentioned include Bhutan, Mali, Senegal, Gambia, and Indonesia. The notification rescinds previous Trade Notices.
10.	Trade Notice No. 32/2023 dated November 6, 2023	**DGFT Launches Centralized Video Conference Facility to Enhance Exporter Communication and Grievance Resolution** DGFT introduces a centralized VC facility at its New Delhi headquarters, effective from November 8, 2023, to enhance trade facilitation and grievance resolution. Exporters can participate in centralized VCs every Wednesday from 10 am to 12 noon, engaging with senior officers to address issues unresolved by regional authorities. This initiative also acts as a platform for trade representatives to suggest improvements and voice concerns, promoting collaboration between the government and the business community. Interested parties can register on the DGFT portal to participate, complementing existing online VCs and individual appointments with officers.
11.	Trade Notice No. 33/2023 dated November 10, 2023	**DGFT Launches Upgraded eBRC System for Self-Certification by Exporters** DGFT introduces upgraded eBRC system for self-certification by exporters. . Effective from November 15, 2023, the enhanced system allows exporters to self-certify their eBRCs based on electronic Inward Remittance Messages (IRMs) directly transmitted by banks to DGFT. The streamlined process aims to reduce transaction time and costs for exporters, simplify reconciliation for banks, and enhance overall ease of doing business. The upgraded eBRC system will operate simultaneously with the legacy system until all banks transition. A pilot launch begins on November 15, 2023 and mandatory API integration for banks is required by January 31, 2024. DGFT will provide outreach programs and support channels for stakeholders.

CUSTOMS & FTP
From the Legislature

Sr No	Notification/ Circular	Summary
12.	Trade Notice No. 34/2023 dated November 16, 2023	**DGFT Issues Notice to CPC Manufacturers Regarding Raw Petroleum Coke Import** In response to a SC order, the notice outlines the delegation of matters related to RPC import to the Commission for Air Quality Management (CAQM) and the formation of a Sub-Committee to oversee the allocation of RPC to calciners. CPC manufacturers seeking RPC allocation must submit detailed information, including manufacturing capacities, RPC sources, sulfur content, and emissions data, by November 20, 2023. Non-compliance by the deadline will be construed as non-participation in the Sub-Committee's proceedings.

REGULATORY
From the Judiciary



HC holds family arrangement not repugnant to Companies Act, grants injunction against director's removal

Sunil Jagmohandas Shah vs. Dhiren Rameshchandra Shah & Ors.

Interim Application (Lodging) No. 22820 of 2023 in Suit (Lodging) No. 22818 of 2023

The Plaintiff was an ex-director of the company who had filed an interim application before the HC seeking grant of mandatory injunction against the directors and the company (collectively Defendants) contending that as per the family arrangement, he had got a protection to hold the post of a director in the company whereas the Defendants contended that as per the provisions of the Companies Act and the Articles of Association of the said company, the Plaintiff could be removed from the said post.

Noting that the only issue that arose in the present case was whether the family arrangement would prevail over the provisions of the Companies Act and the statutory documents, the HC observed that the merely because the Articles of Association of the said company were not amended, the family arrangement could not be ignored because the company was a party to it. Moreover, the family arrangement was not repugnant to the Companies Act or the Articles of Association of the said company and the removal of the Plaintiff by passing of an ordinary resolution in the meeting of the company as per the Articles of Association of the said company, could not be said to be valid in the eyes of law. Further, if the Companies Act provided for passing of a special resolution and Articles of Association provided for passing of an ordinary resolution, then a director could not be removed by passing of an ordinary resolution, such as in the present case, since it meant that additional precaution was required and hence there was no inconsistency between Section 169 of the Companies Act and the Articles of Association of the said company.

Thus, noting that when the Plaintiff was not a director, the Defendants could take certain decisions which would be detrimental to his interest and that the case for interim mandatory injunction was made out, the HC finding the grant of mandatory injunction to be an equitable relief, based on equitable principles, granted the same to the Plaintiff against his removal from the post of director of the company.

SC holds review can't be sought merely for 'rehearing' unless circumstances "compelling", dismisses review petitions against the Rainbow Papers case

Sanjay Kumar Agarwal vs. State Tax Officer (1) & Anr.

Review Petition (Civil) No. 1620 of 2023 in Civil Appeal No. 1661 of 2020

The Petitioners had filed review petitions before the SC against its judgment in the **Rainbow Papers case [Civil Appeal No. 1661 of 2020]** wherein it was held that the Resolution Plan ignoring statutory dues was liable to be rejected.

The SC observed that it was well settled that a party was not entitled to seek a review of a judgment delivered by the SC merely for the purpose of a rehearing and a fresh decision of the case and the normal principle was that a judgment pronounced by the SC was final, and departure from that principle was justified only when circumstances of a substantial and compelling character made it necessary to do so. Moreover, the Petitioners had failed to make out any mistake or error apparent on the face of record in the impugned judgment, as also to bring the case within the parameters laid down by the SC in various decisions, for reviewing the impugned judgment.

Further, any passing reference of the impugned judgment made by the Bench of equal strength could not be a ground for review as it was a well settled proposition of law that a co-ordinate Bench could not comment upon the discretion exercised or judgment rendered by another co-ordinate Bench of the same strength and if a Bench did not accept as correct the decision on a question of law of another Bench of equal strength, the only proper course to adopt would be to refer the matter to the larger Bench, for authoritative decision, otherwise the law would be thrown into the state of uncertainty by reason of conflicting decisions.

Thus, finding that the well-considered judgment in the **Rainbow Papers case [supra]** which was sought to be reviewed did not fall within the ambit of review, the SC dismissed the review petitions filed by the Petitioners.

HC holds no special treatment to government agency seeking delay condonation under Arbitration Act, rejects NHAI's plea

National Highway Authority of India vs. Sampata Devi & Ors.

Defective No. 53 to 73 of 2023 in Appeal under Section 37 of the Arbitration Act

The NHAI had filed an application for condonation of delay in filing belated appeals under Section 37 of the Arbitration Act challenging the legality of a Sessions Court judgement under Section 34 of the Arbitration Act against an arbitral award regarding compensation granted to various landowners (Respondents) contending that since the delay in filing the appeals was not deliberate, the same was liable to be condoned.

Placing reliance on a catena of judgments, the HC observed that an appeal under Section 37 of the Arbitration Act should be filed within 60 days from the date of the order as per Section 13(1A) of the Commercial Courts Act, 2015 and as there was no explanation, much less a 'sufficient cause' for the gap of 6 months by the Appellant to condone the delay in filing of appeals, there existed no right with the NHAI to have the delay condoned beyond the permissible 60 days. Moreover, there had been no endeavor by the NHAI to explain the cause of delay and only a cryptic application has been sought to be filed, which was neither satisfactory nor came within the periphery of sufficient cause as propounded by the SC in various judgements wherein the SC held that condonation of delay, although allowed, could not be seen in complete isolation of the main objective of the Arbitration Act, i.e. speedy disposal of disputes and that only short delays could be condoned by way of an exception and not by way of a rule.

Therefore, reiterating the SC's observation that the same yardstick would be applicable for condonation of delay, be it a private party or a public sector company, and no special treatment could be afforded merely because the government was involved, the HC rejected the NHAI's application, consequently, dismissing all the appeals on the point of limitation as time barred .

SAT upholds SEBI-orders barring company's chairman, managing director for orchestrating fraud by siphoning FCCB proceeds

Rajkumar Saraf vs. SEBI

Appeal No. 48 of 2020

SEBI conducted an investigation into the affairs of one Zenith Infotech Limited (Company) which revealed that the Company had failed to make the disclosures and misrepresented material facts and the chairman and managing director of the Company (Appellants) siphoned the assets of the Company for their own benefit in a fraudulent and deceitful manner by diverting FCCB proceeds therefore, defrauding the shareholders of the Company, accordingly, SEBI passed an order wherein it barred the Appellants from accessing the securities market for 2 years and also imposed a penalty of INR 1.40 Crores on the Appellants.

Aggrieved, the Appellants approached the SAT which rejecting the Appellants' contention that not SEBI, but the RBI and MCA have jurisdiction with regard to the non-redemption of the FCCB's and siphoning of FCCB proceeds, observed that the question of recovery of the FCCB proceeds and non-redemption of FCCBs were not considered by SEBI but the role of the Appellants in misleading and defrauding the investors regarding redemption of the FCCB's had been considered coupled with the nondisclosures made by the Company under the Listing Agreement.

Further, the SAT also discarded the Appellants' argument that there was no fund diversion, and held that the contention that the Company's related entity in Dubai was a 100% subsidiary of the Company and the accounts were consolidated into the account of the Company and, therefore, the money of the Dubai-based related entity was equally available to the Company and consequently, there was no misrepresentation or siphoning of funds was "wholly erroneous". Moreover, the Appellants made certain corporate announcements with respect to sale of its managed services business division and proposals for repayment to FCCB holders, however, disclosures pertaining to the same, which was material information for the FCCB holders, were not made to the bondholders.

Thus, finding that the Appellants had violated several provisions of the PFUTP Regulations, Prohibition of Insider Trading Regulations as well as SCRA, by orchestrating and perpetrating fraudulent device involving non-disclosures of requisite information, misrepresentations, concealment of material information, coupled with diversion of sale proceeds to the subsidiaries of the Company, contrary to the publicly stated intent of repayment of FCCB holders and thereby defrauded the shareholders and the investors in the securities market regarding the ability to repay the FCCBs, the SAT upheld the order of SEBI barring the Appellants from accessing the securities market for 2 years and imposing a penalty of INR 1.40 Crores on the Appellants.

SC holds Tribunals cannot "casually" interfere with CoC-approved resolution-plan, quashes orders keeping plan in abeyance

Ramkrishna Forgings Ltd. vs. Ravindra Loonkar

Civil Appeal No. 1527 of 2022

The SRA (Appellant) had filed an appeal before the SC challenging the NCLAT order upholding the NCLT order, by which, the approval application of the SRA's Resolution Plan was kept in abeyance while an official liquidator was directed to carry out a revaluation of the assets of the Corporate Debtor.

With reference to the Appellant's contention before the SC that the NCLAT's finding that the present case justified interference since figures of crores were involved, could not have been an issue, the SC observed that the moot question involved was the extent of the jurisdiction and powers of the Adjudicating Authority to go on the issue of revaluation of the Resolution Plan sent to it, despite no objection by the CoC as unless the Resolution Plan was failing the tests of the provisions of the IBC, especially Section 30 & 31 of the IBC, no interference was warranted by the Adjudicating Authority, since the CoC had undertaken repeated negotiations with the Appellant and only thereafter, with a majority, had approved the final negotiated Resolution Plan. Moreover, both the NCLT and NCLAT erred to fully recognize that under the Resolution Plan, the Corporate Debtor was set to be revived and not liquidated.

Further, reiterating its stance from various decisions that the IBC was specifically introduced for ensuring quick and time-bound resolution of corporate entities in financial trouble and no unnecessary impediment should be created to delay or derail the CIRP, the SC observed that ordering revaluation of the assets by the official liquidator could not be justified as it was well-settled by a plethora of judgments that it was within the CoC's domain as to how to deal with the entire debt of the Corporate Debtor and if after repeated negotiations, a Resolution Plan was submitted, as was done by the Appellant, such commercial wisdom was not required to be called into question or casually interfered with.

Thus, allowing the SRA's appeal, the SC set aside the impugned NCLT and NCLAT orders and directed the NCLT to pass appropriate orders on the approval application in terms of the judgment.

SC holds Section 34 of the Arbitration Act governs MSME-Council's award, affirms HC order rejecting writ petition

India Glycols Ltd. & Anr. vs. Micro and Small Enterprises Facilitation Council

Civil Appeal No 7491 of 2023

The Appellant had filed an appeal before the SC against the judgment of the Division Bench of the HC that reversed a Single Judge's order on holding that the writ petition instituted by the Appellant against the Micro and Small Enterprises Facilitation Council (Respondent) was not maintainable, since the Appel-

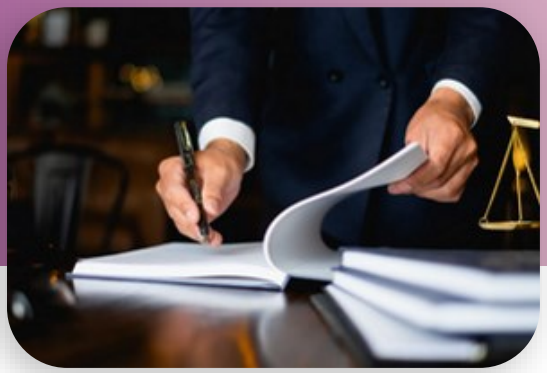
lant ought to have taken recourse to the remedy under Section 34 of the Arbitration Act.

Noting that the remedy provided under Section 34 of the Arbitration Act would govern an award of the Facilitation Council, however, the super-added condition imposed by Section 19 of the MSMED Act, that an application for setting aside an award could only be entertained upon the Appellant depositing 75% of the award amount with the Council, the SC observed that the Appellant failed to avail of the remedy under Section 34 of the Arbitration Act as if it were to do so, it would have been required to deposit 75% of the decretal amount and this obligation under the statute was sought to be obviated by the Appellant by taking recourse to the jurisdiction under Articles 226/227 of the Constitution which was clearly impermissible.

Moreover, Section 19 of the MSMED Act had been introduced as a measure of security for enterprises as a special provision in the MSMED Act by the Parliament, and entertaining of a petition under Articles 226/227 of the Constitution, in order to obviate compliance with the requirement of pre-deposit under Section 19 of the MSMED Act, would defeat the very object and purpose of the special provision which had been legislated upon by the Parliament.

Thus, holding that the remedy which was adopted by the Appellant was thoroughly misconceived and that the Division Bench of the HC had rightly observed that the writ petition of the Appellant was not maintainable, the SC, accordingly, upheld the judgment of the Division Bench of the HC.

REGULATORY
From the Legislature



SEBI streamlines access to unclaimed funds in REITs, InvITs, debt securities

Circular No. SEBI/HO/DDHS/DDHS-RAC-1/P/CIR/2023/176, 177 & 178 dated November 08, 2023

SEBI issues three separate circulars laying down the framework prescribing detailed procedures for dealing with unclaimed funds of investors lying with entities having listed non-convertible securities, REITs and InvITs and putting in place a manner of claiming such unclaimed amounts by investors with the objective of establishing a uniform process of claim for such unclaimed funds in a streamlined manner for the ease and convenience of investors.

Through the circulars, SEBI defines the manner of handling the unclaimed amounts lying with REITs, InvITs, and in the escrow accounts of the listed entities (which are not companies), transfer of such amounts to IPEF and claim thereof by the investors. Additionally, SEBI also standardizes the process to be followed by a listed entity, REITs and InvITs for the transfer of such amounts to escrow accounts and by the investors for making claims thereof.

Investors may now approach the debt-listed entity/ REIT/InvIT to claim their unclaimed amounts, thereby ensuring minimal disruptions in the claim process for investors. Moreover, any amount transferred to the escrow account remaining unclaimed for a period of 7 years shall be transferred to IPEF and if any claim is made by an investor at this point, the listed entity would be required to release the funds to the investor and then get a refund for that from the IPEF. The timelines and penalties for the claim process have also been prescribed in the new framework laid down by SEBI in the circulars.

Further, in the new framework, entities listed on the stock exchange that have issued non-convertible securities must transfer any unclaimed interest, dividend, or redemption amount to the escrow account within 7 days of the 30-day expiration period and in case of any delay, they are liable to pay 12% per annum interest from the default date to the transfer date. These entities are also required to appoint a nodal officer as a contact point for investors seeking to claim the amount and display on their website, in a specified format, details of the transferred amount to the IPEF, along with the nodal officer's contact information. Additionally, entities must provide a search facility for investors to easily check for any claims. In the case of InvITs and REITs, the investment manager has a shorter time frame of 7 days from the expiry of 15 days to transfer the unclaimed amount.

The new framework comes into effect from March 01, 2024.

SEBI extends timeline for implementation of provisions on redressal of investor grievances through the SCORES Platform and linking it to the ODR platform from December 04, 2023 to April 01, 2024

Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/183 dated December 01, 2023

SEBI had earlier through Circular No. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 ('the original circular'), clarified that the provisions in the original circular related to workflow of processing of

investor grievances by entities and framework for monitoring and handling of investor complaints by the designated bodies were required to come into force with effect from December 04, 2023. Further, the designated bodies referred to in the Schedule II of the original circular, were required to apply for SCORES Authentication and/or for API integration with SCORES within such period so as to ensure that designated bodies could comply with provisions of the original circular by December 04, 2023.

In a significant move, SEBI now decides to extend the effective date for the implementation of the aforementioned provisions of the original circular to April 01, 2024, providing stakeholders with additional time for preparation and compliance. However, despite the extension, entities are still required to submit the ATR on SCORES within 21 calendar days from the date of receiving a complaint, as directed in the original circular.

RBI issues a master direction on IT governance in banks, NBFCs effective from April 2024

Notification No. RBI/2023-24/107 dated November 07, 2023

The RBI issues a new comprehensive master direction related to IT governance, risk, controls and assurance practices for banks and NBFCs. The master direction focuses on strategic alignment, risk management, resource management, performance management and business continuity/ disaster recovery management in relation to IT governance. Some of the key aspects of the master direction are as follows: -

- Regulated entities shall put in place a robust IT Service Management Framework for supporting their information systems and infrastructure to ensure the operational resilience of their entire IT environment.
- Regulated entities shall have a documented data migration policy specifying a systematic process for data migration, ensuring data integrity, completeness and consistency which shall contain provisions pertaining to signoffs from business users and application owners at each stage of migration, maintenance of audit trails, etc.
- Every IT application which can access or affect critical or sensitive information, shall have necessary audit and system logging capability and should provide audit trails.
- The key length, algorithms, cipher suites and applicable protocols of the cryptographic controls used in transmission channels, processing of data and authentication purpose shall be strong, and the regulated entities shall adopt internationally accepted and published standards that are not deprecated/demonstrated to be insecure/ vulnerable, and the configurations involved in implementing such controls shall be compliant with the extant laws and regulatory instructions.
- Also, to prevent unauthorized modification of data, regulated entities shall ensure that there is no manual intervention or manual modification in data while it is being transferred from one process to another or from one application to another, in respect of critical applications.
- The risk management policy of the regulated entities shall include IT related risks, including the cyber security related risks, and the RMCB in consultation with the ITSC shall periodically review and update the same at least on a yearly basis. Further, the regulated entities shall analyze cyber incidents (including through forensic analysis, if necessary) for their severity, impact and root cause and accordingly take corrective and preventive measures to mitigate the adverse impact of incidents on business operations.

The master direction shall come into effect from April 01, 2024.

MCA notifies rules for significant beneficial owners & their declaration to reporting LLPs

MCA Notification dated November 09, 2023

To ensure transparency and curb illicit financial activities, the MCA introduces the SBO Rules pertaining to SBOs in LLPs. The SBO Rules are issued pursuant to Section 90 of the Companies Act which was made applicable to all LLPs by way of an MCA Notification dated February 11, 2022. The key highlights of the SBO Rules are as follows: -

- **Duty of the reporting LLP to identify SBOs**: The first and foremost responsibility of a reporting LLP is to identify if there is any individual who qualifies as an SBO. This involves scrutinizing individuals who hold at least 10% of the contribution, voting rights, or the right to receive distributable profits. Once identified, the SBO must make a declaration using Form No. LLP BEN-1. Moreover, the reporting LLP must extend this scrutiny to its partners, excluding individuals, who meet the criteria mentioned above. In such cases, the LLP is obligated to send a notice in Form No. LLP BEN-4, seeking information in accordance with Section 90 of the Companies Act.

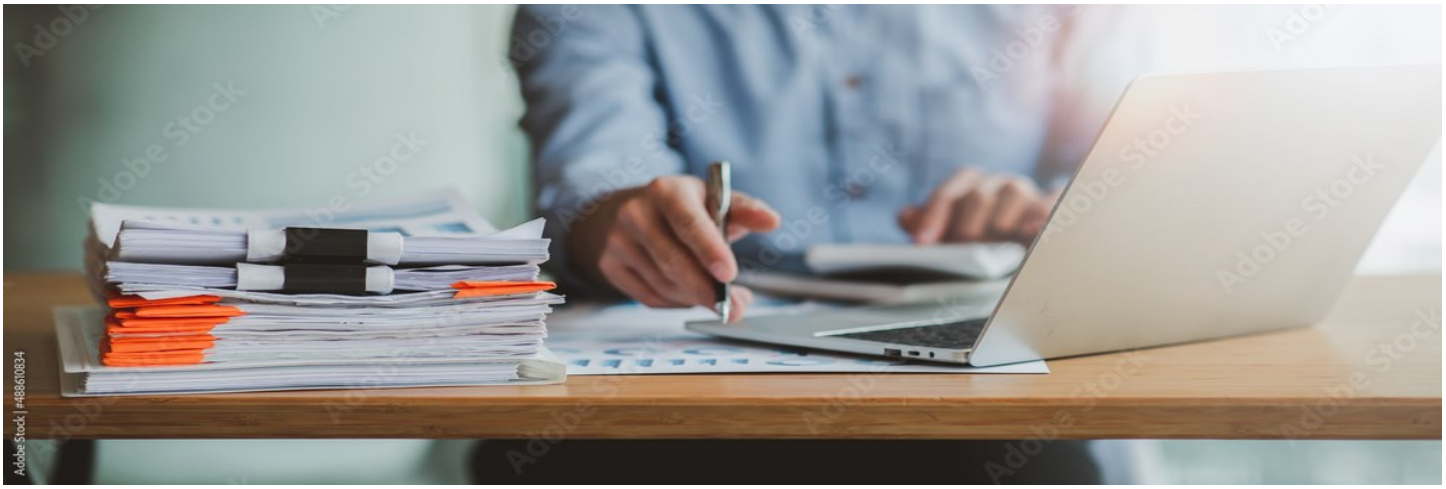
- **Declaration of significant beneficial ownership**: Individuals who qualify as SBOs must file a declaration (Form No. LLP BEN-1) to the reporting LLP within 90 days from the commencement of these rules. Subsequent changes in significant beneficial ownership must be reported within 30 days. In cases where an individual becomes an SBO or undergoes changes within the first 90 days of the rule commencement, the filing period is adjusted accordingly.

- **Return filing and register maintenance**: Upon receiving declarations, reporting LLPs must file a return (Form No. LLP BEN-2) with the Registrar within 30 days, accompanied by the prescribed fees. Additionally, LLPs are required to maintain a register of SBOs in Form No. LLP BEN-3, open for inspection during business hours, subject to reasonable fees.

- **Notice and application to the Tribunal**: LLPs must issue notices (Form No. LLP BEN-4) seeking information about SBOs. If a person fails to provide the required information or if the information given is unsatisfactory, the reporting LLP can apply to the Tribunal for necessary orders, including restrictions on contributions, transfer of interests, and voting rights.

- **Non-Applicability to certain entities**: It's important to note that these rules do not apply to specific entities, such as contributions held by the Central Government, State Government, local authorities, or certain regulated investment vehicles.

The SBO Rules shall come into effect from the date of its publication in the official gazette i.e. November 09, 2023.



INTERNATIONAL DESK

UAE Corporate Tax: Resale Price Method Is Recommended For Distributors & Resellers

The Organisation for Economic Cooperation and Development ('**OECD**') and the Federal Tax Authority ('**FTA**') in its Corporate Tax Transfer Pricing Guide ('**Guide**') guidelines have both presented a similar definition of Related Price Method ('**RPM**') within their respective transfer pricing frameworks. RPM serves as the second conventional approach for determining the arm's length price by employing a reverse calculation process.

This price determined as per RPM is then compared to the actual price in the transaction between related parties, and adjustments are implemented as necessary. During comparability analysis, both 'internal comparables' and 'external comparables' are evaluated. Internal comparables involve assessing the margin applied by the same supplier to any third party. Conversely, external comparables entail considering the margin applied on the supply of a product between third parties.

Prior to applying the formula mentioned above for evaluating the price, it is imperative to consider the functions performed, risks assumed, and assets utilized by each involved party. This involves considering factors like operating costs, selling expenses, and determining a suitable profit level aligned with the reseller's activities and functions. Evaluating the resale margin is uncomplicated when the reseller is involved in the straightforward buying and selling of a product without adding any value. However, when the reseller enhances the products by adding value, their resale margin is expected to be higher.

The RPM is commonly suitable for distributors and resellers. While it is an easy-to-use method, it heavily depends on information from third parties. Moreover, when the involved parties have diverse functions, activities, and other factors, assessing the resale price margin becomes notably challenging.

Brazil Readies 15% Minimum Tax On Multinational Profits Ahead Of G20 Presidency

Brazil is preparing to introduce a minimum 15% tax on the profits of multinational corporations as it prepares to take on the presidency of the Group of 20 nations in December, according to a senior official from the Finance Ministry. In October, during the Indian presidency of the G20, the OECD issued a handbook proposing a mechanism to compel significant multinational corporations to pay a minimum tax of 15% on their profits across all jurisdictions in which they operate. This is intended to discourage the

practice of shifting profits to locations with favourable tax conditions.

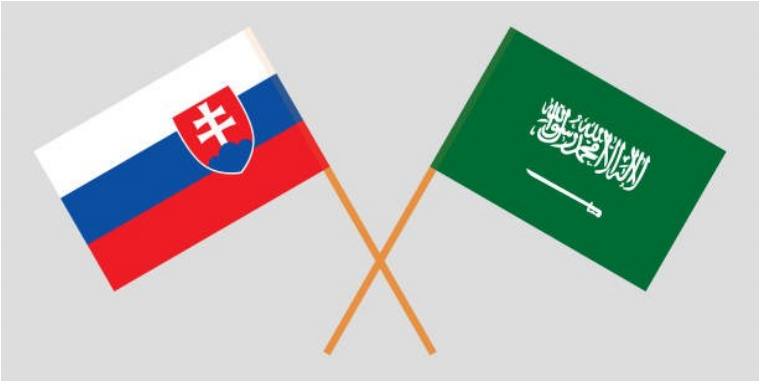
The OECD projects that the global minimum tax, currently being implemented in countries like South Korea and Japan, has the potential to generate an additional annual revenue of up to $200 billion. Tax experts suggest that the effectiveness of the new rule will depend on the framework proposed by the revenue service. This is because Brazil's existing corporate income tax stands at 34%, which is more than double the minimum threshold outlined in the global agreement.

Brazil emphasizes to the G20 that the significant global effort for an ecological transition relies on a new collaboration between the public and private sectors, with developed countries already contributing substantial subsidies and incentives. The risk of creating a new cycle of global economic divergence exists if there is a lack of recognition for the global calibration of these incentives. According to Rosito mentioned that Brazil aims to engage multilateral banks in streamlining project evaluations, creating mechanisms for guarantees and insurance for long-term projects, and mitigating currency risks. The agreement will allow jurisdictions to automatically exchange information collected by operators of digital platforms with respect to transactions and income realised by platform sellers in the sharing and gig economy and from the sale of goods through such platforms.

In addition to the above, 15 jurisdictions including Cayman Islands, Cyprus, South Africa and the United Kingdom, also signed a separate MCAA supporting the Model Mandatory Disclosure Rules on Common Reporting Standard Avoidance Arrangements and Opaque Offshore Structures (CRS Mandatory Disclosure Rules), which will enable the annual automatic exchange of information collected from intermediaries that have identified arrangements to circumvent the Common Reporting Standard (CRS) and structures that disguise the beneficial owners of assets held offshore with the jurisdiction of tax residence of the concerned taxpayers. This MCAA will allow tax authorities to ensure compliance of both the taxpayers and the intermediaries involved in such arrangements and structures.

SAUDI ARABIA, SLOVAKIA SIGN AGREEMENT TO AVOID DOUBLE TAXATION

Saudi Arabia and Slovakia have entered into an agreement to prevent double taxation as part of the Kingdom's ongoing efforts to establish itself as a prominent global business hub, as reported by the Saudi Press Agency. The agreement, signed by Saudi Minister of Economy and Planning Faisal bin Fadhil Al-Ibrahim during his visit to Slovakia, is designed to offer tax benefits and exemptions on government investments, foster fairness, and equal opportunities for investors, and enhance economic cooperation between the two nations.



Earlier this month, Saudi Investment Minister Khalid Al-Falih announced that more than 180 companies have established their regional headquarters in Saudi Arabia, surpassing the initial target of attracting 160 firms by the end of the year. Al-Falih highlighted the increasing rate of licensing, with approximately 10 companies per week being granted licenses in the Kingdom, along with attractive incentives.

Furthermore, Minister Al-Ibrahim recently met with North Macedonia Economy Minister Kershnik Bekteshi to discuss ways to enhance economic cooperation. The leaders explored potential opportunities in commerce and investment, emphasizing mutual collaboration in sectors such as agriculture, energy, and infrastructure.

GLOSSARY

Abbreviation	Meaning
AA	Adjudicating Authority
AAAR	Appellate Authority for Advance Ruling
AAR	Authority for Advance Ruling
ADD	Anti-Dumping Duty
AE	Associated Enterprises
AGM	Annual General Meeting
AICD	Agriculture Infrastructure and Development Cess
AIF	Alternative investment Fund
AIFs	Alternative Investment Funds
ALP	Arm's length price
AMT	Alternate Minimum Tax
AMCs	Assets Management Companies
AO	Assessing Officer
AOP	Association of Persons
APA	Advanced Pricing Agreement
API	Application Programming Interface
ARE	Alternate Reporting Entity
ASBA	Application Supported by Blocked Amount
ATR	Action Taken Report
AU	Assessment Unit
AU Condition	Actual User condition
AY	Assessment Year
B2B	Business to Business
B2C	Business to Customer
BBT	Buy-Back Tax
BCD	Basic Customs Duty
BED	Basic Excise Duty
BEPS	Base Erosion and Profit Shift
BPSL	Bhushan Power Steel Limited
BOI	Body of Individuals
CAG	Comptroller and Auditor General of India
CAQM	Commission for Air Quality Management
CASS	Computer Assisted Scrutiny Selection
CAT	Common Aptitude Test
CBCR	Country By Country Reporting
CBDT	Central Board of Direct Taxes
CBI	Central Board of Indirect Tax
CBIC	The Central Board of Indirect Taxes and Customs
CCIT	Chief Commissioner of Income tax
CG	Central Government
CGST Act	Central Goods and Services Act, 2017

Abbreviation	Meaning
CIT	Commissioners of Income Tax
CPC	Centralized Processing Centre
CPC	Calcined Petroleum Coke
CTH	Custom Tariff Heading
Cus	Customs Act, 1962
CVD	Countervailing Duty
DDT	Dividend Distribution Tax
DGIT	Director General of Income Tax
DRC	Dispute Resolution Committee
DRI	Directorate of Revenue Intelligence
DTAA	Double Taxation Avoidance Agreement
ED	Enforcement Directorate
eBRC	Electronic Bank Realization Certificate
FAO	Faceless Assessing Officer
FCCB	Foreign Currency Convertible Bonds
FDI	Foreign Direct Investment
Fin	Finance Bill Finance Bill, 2022
FIFO	First in First Out
FM	Finance Minister
FMV	Fair Market Value
FOB	Free On Board
FPI	Foreign Portfolio Investors
FTP	Foreign Trade Policy
FY	Financial Year
G2B	Government to Business
GST	Goods and Services Tax
GST	Goods and Services Tax
HC	High Court
H&EC	Health and Education Cess
HFC	Housing Finance Company
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code
ICDR	Issue of Capital and Disclosure Requirements Regulations, 2009
IFSC	International Financial System Code
IFSCA	International Financial Services Centres Authority Act, 2019
IGST	Integrated Goods and Services Tax
IIBX	India International Bullion Exchange
IIM	Indian Institute of Management
IMC	Indian Medical Council Act, 1956
Ind AS	Indian Accounting Standards

GLOSSARY

Abbreviation	Meaning
InvITs	Infrastructure Investment Trusts
IPEF	Investor Protection and Education Fund
IRMs	Inward Remittance Messages
IRP	Interim Resolution Professional
IT Act/ Act	The Income-tax Act, 1961
IT	Information Technology
ITAT	Income Tax Appellate Tribunal
ITC	Input Tax Credit
ITO	Income-tax Officer
ITR	Income-tax Report
ITSC	IT Strategy Committee
JAO	Jurisdictional Assessing Officer
JVAT	Jharkhand Value Added Tax
JGST	Jharkhand Goods and Services Tax
KYC	Know Your Customers
LIC	Life Insurance Corporation
LLP	Limited Liability Partnership
LTC	Long-Term Capital Gains
MAT	Minimum Alternate Tax
MEP	Minimum Export Price
MoF	Ministry of Finance
MSME	Micro Small and Medium Enterprises
MSMED Act	Micro, Small and Medium Enterprises Development Act, 2006
MT	Metric Ton
NaFAC	National Faceless Assessment Centre
NBFC	Non-Banking Finance Company
NCCD	National Calamity Contingent Duty
NCEL	National Cooperative Exports Limited
NCLT	National Company Law Tribunal
NFT	Non-Fuungible Tokens
NELP	New Exploration Licensing Policy
NHAI	National Highway Authority of India
NHB	National Housing Bank
NOS	Northern Operating Systems
NPA	Non-Performing Assets
NPS	National Pension System
OBU	Offshore Banking Unit
ODR	Online Dispute Resolution
OEC	Organization for Economic Co-operation and Development
OPC	One Person Company
PAN	Permanent Account Number
PBPT	Prohibition of Benami Property Act, 1988
PCIT	Principal Commissioners of Income Tax
PFUTP	Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market Regulations, 2003
PIV	Pooled Investment Vehicle
PMLA	Prevention of Money Laundering Act, 2002
PLR	Prime Lending Rate
PSU	Public Sector Undertaking
PY	Previous Year
RBI	Reserve Bank of India
REITs	Real Estate Investment Trusts

Abbreviation	Meaning
RIC	Road and Infrastructure Cess
RMCB	Risk Managment Committee of the Board
RPT	Related Party Transactions
RP	Resolution Professional
RPC	Raw Pet Coke
RTGS	Real Time Gross Settlement
RU	Review Unit
SAD	Special Additional Duty
SAED	Special Additional Excise Duty
SBOs'	Significant Beneficial Owners
SBO Rules	The Limited Liability Partnership (Significant Beneficial Owner) Rules, 2023
SC	Supreme Court
SCGT	State Goods and Services Tax
SCN	Show Cause Notice
SCORES	SEBI Complaint Redressal
SCRA	Securities Contracts (Regulation) Act, 1956
SEBI	Securities and Exchange Board of India
SFT	Statement of Financial Transaction
SFIO	Serious Fraud Investigation Office
SIAC	Singapore International Arbitration Centre
SPL	Special Leave Petition
SPF	Specific Pathogen Free
SRA	Successful Resolution Applicant
STT	Security Transaction Tax
SWS	Social Welfare Surcharge
TAN	Tax Deduction Account Number
TCS	Tax Collected at Source
TDS	Taxes Deducted at Source
TPO	Transfer Pricing Officer
TRQ	Tariff Rate Quota
TOL Act	Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020
UCB	Urban Co-operative Bank
UK	United Kingdom
USA	United States of America
UTGST	Union Territory Goods and Services Tax
VC	Video Conference
VDA	Virtual Digital Assets
VsV	Vivad se Vishwas
VU	Verification Unit
WTO	World trade Organization

FIRM INTRODUCTION

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TCA's tax practice offers comprehensive services across both direct taxes (including transfer pricing and international tax) and indirect taxes (including GST, Customs, Trade Laws, Foreign Trade Policy and Central/States Incentive Schemes) covering the whole gamut of transactional, advisory and litigation work. TCA actively works in trade space entailing matters ranging from SCOMET advisory, BIS certifications, FSSAI regulations and the like. TCA (through its Partners) has also successfully represented umpteen industry associations/trade bodies before the Ministry of Finance, Ministry of Commerce and other Governmental bodies on numerous tax and trade policy matters affecting business operations, across sectors.

TCA & **VMGG & Associates ('VMGG')** are group firms providing consulting and audit services. While TCA is a multidisciplinary advisory, tax and litigation firm, VMGG is a firm registered with the Institute of Chartered Accountants of India. VMGG is therefore primarily into audit and attestation services (including risk advisory and financial reporting).

With a team of experienced and seasoned professionals and multiple offices across India, TCA & VMGG as a combination offer a committed, trusted and long cherished professional relationship through cutting-edge ideas and solutions to its clients, across sectors.

Website: **www.taxcraftadvisors.com**

GLS Corporate Advisors LLP ('GLS') is a consortium of professionals offering services with seamless cross practice areas and top of the line expertise to its clients/business partners. Instituted in 2011 by eminent professionals from diverse elds, GLS has constantly evolved and adapted itself to the changing dynamics of business and clients requirements to offer comprehensive services across the entire spectrum of advisory, litigation, compliance and government advocacy (representation) requirements in the field of Goods and Service Tax, Customs Act, Foreign Trade, Income Tax, Transfer Pricing and Assurance Services.

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