



**The Institute of
Chartered Accountants of India**
(Set up by an Act of Parliament)
Thiruvananthapuram Branch (SIRC)

An abstract blue background with various icons representing finance and technology, including a percentage sign, a bar chart, a dollar sign, a bank building, a magnifying glass, a gear, and a Wi-Fi symbol, connected by lines and arrows.

NEWS LETTER

May 2026 Edition

Private Circulation Only

Chairperson's Message



Dear Members,

As we step into another active and engaging month at the ICAI Thiruvananthapuram Branch (SIRC), it is heartening to look back at the activities and participation that made the previous month meaningful for our branch.

April was a month that focused not only on professional learning, but also on connecting with students and strengthening member involvement. The Externship Programme for Commerce Students was one such initiative that gave students a closer understanding of the CA profession and practical exposure to the work environment. The enthusiasm and curiosity shown by the students made the programme truly rewarding for all of us.

The Study Circle Meetings conducted during the month also witnessed active participation and healthy discussions. The sessions on the Income Tax Act 2025 helped members better understand the proposed changes and their practical implications.

The Seminar on the Direct Tax Act 2025 provided another valuable platform for learning, interaction, and exchange of ideas at a time when the taxation landscape is witnessing major developments.

As we move into May, the branch is looking forward to several important programmes and activities for members and students alike. One of the major events planned for the month is the National Conference on the Income Tax Act 2025 scheduled on 7th and 8th May, organised by the Direct Taxes Committee. The conference is expected to bring together eminent speakers and professionals for meaningful discussions on the future of direct taxation. We are also honoured that Shri Manoj Abraham IPS, Director, Vigilance and Anti-Corruption Bureau, has kindly consented to be the Chief Guest for the programme.

The branch is also planning interactions with the Association of Commerce Teachers with the intention of strengthening our connection with the academic community and creating more awareness among students about the CA profession and the role of ICAI.

A Study Circle Meeting on "AI in Excel" by CA. Padmanabhan S is also proposed during the month. Programmes like these help members stay updated with practical tools and evolving professional practices.

The DPDP Certification Course planned during May is another step towards equipping members for new and emerging areas of practice and compliance.

Alongside professional programmes, the branch is also giving importance to sports and recreational activities this year. Such initiatives help members connect beyond the professional space and strengthen the sense of togetherness within our ICAI family. The upcoming cricket and football tournaments, followed by the Annual Sports Day in June, are expected to bring members and their families together in a spirit of friendship, participation, and healthy competition.

We are particularly happy that the Sports Day will once again include events for family members as well. A special addition this year is the introduction of the CA. S Sathiavagheeswaran Memorial Overall Championship Trophy, which we hope will add to the enthusiasm and team spirit among participants.

The continued support and encouragement from members have always been the greatest strength of our branch. On behalf of the Managing Committee, I sincerely thank each one of you for being an active part of the branch activities and for contributing to the positive spirit of our professional community.

Let us continue to learn together, support one another, and move forward as one strong ICAI family.

Warm regards,

CA. Julie G Varghese
Chairperson
ICAI Thiruvananthapuram Branch (SIRC)

Secretary's Message



Dear Esteemed Professional Colleagues,

April 2026 was an active and professionally enriching month for our Branch, marked by programmes focusing on student engagement, professional development, and member support initiatives.

We began the month with the Externship Programme conducted on 6th April 2026 for students from Loyola College and other institutions. The programme was organised with the objective of bridging the gap between academics and the professional environment by providing students an opportunity to understand the practical aspects of the profession and interact with practising Chartered Accountants and member firms. The initiative received an encouraging response from students and participating firms, making it a meaningful and productive engagement for all involved.

The Branch also conducted a Study Circle Meeting on 20th April 2026 on the topic "Capital Gains under the Income-tax Act 2025", led by CA. Sreeram Sekhar. The session provided members with valuable insights into the evolving provisions relating to capital gains under the proposed legislation and facilitated meaningful professional discussions among participants.

A major highlight of the month was the Seminar on "The Income Tax Act 2025" conducted on 23rd April 2026 at ICAI Bhawan, Thiruvananthapuram. The programme witnessed excellent participation from members and professionals across the region. The technical sessions were led by CA. (Dr.) Suresh N R, Bengaluru, and CA. Johny PJ, Kochi, who delivered insightful and practical sessions covering various aspects and implications of the proposed Income Tax framework. The seminar provided members with a valuable platform to understand the upcoming changes and emerging perspectives in direct taxation.

During the month, the Branch also facilitated an Income Tax Help Desk initiative to support members and the public during the tax compliance season. We place on record our sincere appreciation to CA. Smruthi T, CA. Ashwin C Nair, and CA. Beegum Shyma Jan S for their dedicated efforts and valuable contribution towards successfully handling the help desk activities.

The continued success of our programmes is possible only because of the active support and involvement of our members, speakers, students, and volunteers. On behalf of the Managing Committee, I extend my heartfelt gratitude to everyone who contributed towards the successful conduct of the Branch activities during the month.

As we move forward, we look forward to the continued participation and support of members in all upcoming programmes and initiatives of the Branch.

Warm Regards,

CA. Jithin Mathew Kurian
Secretary
Thiruvananthapuram Branch (SIRC)

OPERATIONALISING TRADE AGREEMENTS

The Expanding Advisory Role of Chartered Accountants



CA. Anal Padmanabhan FCA, LLB

In an increasingly fragmented and multipolar global economy, trade policy has moved far beyond tariffs. Today, it operates at the intersection of supply chains, standards, technology flows, investment pathways, and geopolitical strategy.

For India, this shift is particularly significant. As the nation seeks to position itself as both a manufacturing hub and a reliable economic partner, trade agreements are being used not merely for market access, but as instruments of long-term economic strategy.

For CAs, this is no longer abstract policy. Trade agreements now influence pricing, sourcing decisions, compliance risk and investment planning. The question is no longer whether such agreements exist, but whether businesses are equipped to use them effectively.

From tariffs to strategy

India's trade approach reflects a calibrated shift. Alongside domestic initiatives such as production-linked incentives, logistics upgrades and digital public infrastructure, the country has pursued targeted agreements with key partners. Among the key operational arrangements in discussion, the India-UAE Comprehensive Economic Partnership Agreement (CEPA), the India-Australia Economic Cooperation and Trade Agreement (ECTA), and the India-Japan CEPA stand out. At the same time, negotiations continue with the European Union and the United Kingdom, while discussions with the United States aim at building a broader bilateral framework.

This mix reflects a pragmatic strategy: secure early gains in accessible markets while negotiating more complex partnerships

The UAE: Where policy meets practice

The India-UAE CEPA, in force since May 2022, remains one of the most immediately accessible among India's recent trade agreements. Its significance lies not only in the UAE market, but in its role as a re-export hub connecting India to the Gulf, Africa and parts of Europe. Strong logistics and established commercial networks make it particularly accessible. Sectors such as gems and jewellery, engineering goods, food products, spices and marine exports have already seen traction. Yet the real value of CEPA lies in execution. Preferential access depends on meeting rules of origin requirements and maintaining disciplined documentation.

For Chartered Accountants, this translates into a clear advisory domain: classification, origin qualification, costing under preferential regimes and systems that can withstand scrutiny. The critical question for clients is simple: can these benefits be claimed consistently without regulatory risk?

Europe: Opportunity with conditions

If the UAE represents immediacy, the European Union represents scale with complexity. The proposed India-EU Free Trade Agreement, still under process, is one of India's most consequential trade engagements.

The EU is a high-value but demanding market. It places a premium on traceability, sustainability, and regulatory compliance, making it structurally different from many traditional destinations. If concluded, sectors such as textiles, leather, food products and engineering goods could benefit. However, the gains will favour businesses that are organised and standards-ready.

This marks a subtle shift in competitiveness, from cost to reliability. For professionals advising businesses, the focus therefore extends beyond tariffs to regulatory preparedness, contract structuring, and long-term compliance capability

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The United States: Potential without finality

India's trade engagement with the United States remains a work in progress. Discussions toward a broader arrangement are ongoing, but a comprehensive agreement has not yet been concluded. This makes the US both an opportunity and a moving target.

The attraction is clear: scale, purchasing power and demand across sectors from textiles to pharmaceuticals. At the same time, the regulatory and political environment remains complex, with trade outcomes often shaped by domestic considerations.

For businesses, this calls for a measured approach, tracking product-level developments rather than relying on broad assumptions. The opportunity is real, but not yet fully defined.

Australia: The understated performer

The India-Australia ECTA, operational since December 2022, is less discussed but commercially meaningful. Australia offers a stable and transparent market environment, making it easier for agreements to translate into actual orders. For exporters in food products, pharmaceuticals, textiles, and engineering goods, the market combines accessibility with reliability. The presence of a strong Indian diaspora further supports demand.

As with other agreements, however, benefits depend on proper certification and origin compliance. The advantage lies with businesses that combine product quality with documentation discipline.

Japan: Strategic depth beyond trade

India's CEPA with Japan continues to hold strategic relevance. Japan remains a technology-rich and capital-intensive partner, and engagement extends well beyond merchandise trade.

While export opportunities exist in select sectors, the larger value lies in investment, technology transfer, and supply chain integration. However, utilisation levels under the agreement have remained relatively low, and non-tariff barriers along with business culture challenges continue to act as constraints.

For businesses capable of navigating these complexities and meeting Japan's high standards, the relationship can nevertheless be transformative. From an advisory standpoint, the focus shifts toward structuring partnerships and aligning business practices with global benchmarks

What this means for businesses

Across agreements, a clear dual-track pattern emerges. Developed markets such as the European Union, Japan and, to an extent, the United States offer scale, pricing advantage and long-term strategic value, but only for businesses that can meet high regulatory, sustainability and documentation standards. In contrast, Global South markets across Africa, South America and Asia provide faster execution, demand alignment and relatively lower entry barriers, making them more accessible.

Trade agreements, therefore, do not represent a uniform opportunity across markets. From an advisory standpoint, this requires segmentation rather than generalisation.

Benefits are also not limited to exports. Improved access to inputs, technology and machinery, particularly from developed countries, can enhance domestic competitiveness.

Most importantly, compliance is no longer a back-end function. The advantage will increasingly lie with businesses that treat trade not as a transactional activity, but as a structured, capability-driven function

Kerala: A case for value addition

Kerala's export profile illustrates these dynamics well. The state has strong capabilities in natural rubber, spices, marine products, cashew, coffee and coir, supported by established logistics infrastructure around Kochi and emerging capacity at Vizhinjam. However, much of its export basket remains commodity-oriented. Trade agreements create an opportunity to move up the value chain from bulk exports to branded, certified and differentiated products.

In developed markets, the difference between raw exports and traceable, premium offerings can be substantial. Similar potential exists in seafood, natural fibre products, and niche wellness segments. The challenge is not production, but positioning.

At the same time, many Global South markets offer a parallel opportunity. With demand patterns closely aligned to existing strengths and relatively lower entry barriers, these markets enable faster scalability and consistent volume growth. For Kerala's exporters, a balanced approach can create a more resilient and sustainable export trajectory

OPERATIONALISING TRADE AGREEMENTS

The Expanding Advisory Role of Chartered Accountants

The expanding role of the Chartered Accountant

In this evolving landscape, the Chartered Accountant's role is undergoing a quiet but important shift. Traditional strengths in costing, compliance, and financial planning now intersect directly with trade advisory.

In practice, this involves assessing whether products qualify under specific agreements, whether origin requirements can be met without distorting cost structures, whether the net benefit justifies the effort, and whether businesses are equipped to meet compliance obligations.

This requires an integrated understanding of finance, regulation, and business strategy-and a shift from viewing trade as peripheral to recognizing it as central to business planning.

From access to advantage

India's trade agreements are part of a broader economic strategy aimed at strengthening domestic capacity while expanding global engagement. They create access, but not automatic advantage.

The next phase of growth will depend on how effectively businesses convert that access into competitiveness, by producing better, complying better and positioning themselves more strategically.

For professionals like Chartered Accountants, this is more than an incremental opportunity. In a world where trade is increasingly shaped by national priorities and strategic alignments, rather than purely uniform rules, the ability to interpret agreements in context and translate them into executable business strategy is a critical professional capability. In that sense, the most effective advisors of the future will be those who can connect policy, compliance, and commercial strategy into a coherent framework for sustainable growth

Capital Gains under the Income-tax Act, 2025

A Technical Analysis with Statutory Extracts



CA. Sreeram Sekar

1. Introduction

The Income-tax Act, 2025 represents a structural consolidation of the existing law relating to income-tax. The provisions relating to capital gains, contained in Sections 67 to 91, largely retain the conceptual framework of the Income-tax Act, 1961, while introducing certain drafting refinements and targeted amendments.

This article analyses the definitions relevant to capital gains, the charging provision under Section 67, and key interpretational aspects arising therefrom.

2. Comparative Analysis of the Capital Gain related provisions

Particulars	Income-tax Act, 1961	Income-tax Act, 2025	Remarks
Capital Asset	Section 2(14)	Section 2(22)	No major change
Short-Term Capital Asset	Section 2(42A)	Section 2(101)	Same holding period
Long-Term Capital Asset	Section 2(29A)	Section 2(67)	Residual definition
STCG	Section 2(42B)	Section 2(102)	No change
LTCG	Section 2(29B)	Section 2(68)	No change
Transfer	Section 2(47)	Section 2(109)	Expanded drafting
Charging Section	Section 45	Section 67	Structural shift
Exemptions	Sections 54 series	Sections 82, 85 + Schedules	Language change
Buyback Taxation	Dividend	Capital Gains	Major policy shift

3. Section Changes in the head of Income-Capital Gain

Section No.	Chapter heading and Section heading	Parallel Section(s) of Income-tax Act, 1961
67	Capital gains.	45
68	Capital gains on distribution of assets by companies in liquidation.	46
69	Capital gains on purchase by company of its own shares or other specified securities.	46A
70	Transactions not regarded as transfer	47
71	Withdrawal of exemption in certain cases.	47A
72	Mode of computation of capital gains.	48
73	Cost with reference to certain modes of acquisition.	49
74	Special provision for computation of capital gains in case of depreciable assets.	50
75	Special provision for cost of acquisition in case of depreciable asset.	50A
76	Special provision for computation of capital gains in case of Market Linked Debenture	50AA
77	Special provision for computation of capital gains in case of slump sale.	50B
78	Special provision for full value of consideration in certain cases.	50C
79	Special provision for full value of consideration for transfer of share other than quoted share	50CA
80	Fair market value deemed to be full value of consideration in certain cases.	50D

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Section No.	Chapter heading and Section heading	Parallel Section(s) of Income-tax Act, 1961
81	Advance money received.	51
82	Profit on sale of property used for residence.	54
83	Capital gains on transfer of land used for agricultural purposes not to be charged in certain cases.	54B
84	Capital gains on compulsory acquisition of lands and buildings not to be charged in certain cases.	54D
85	Capital gains not to be charged on investment in certain bonds.	54EC
86	Capital gains on transfer of certain capital assets not to be charged in case of investment in residential house.	54F
87	Exemption of capital gains on transfer of assets in cases of shifting of industrial undertaking from urban area	54G
88	Exemption of capital gains on transfer of assets in cases of shifting of industrial undertaking from urban area to any Special Economic Zone.	54GA
89	Extension of time for acquiring new asset or depositing or investing amount of capital gains.	54H
90	Meaning of “adjusted”, “cost of improvement” and “cost of acquisition”.	55
91	Reference to Valuation Officer.	55A

4. Amendment in detail from 1961 to 2025

4.1 Sovereign Gold Bond - A significant aspect of continuity under the Income-tax Act, 2025 is seen in the taxation of Sovereign Gold Bonds (SGBs). Under the erstwhile Income-tax Act, 1961, the exemption was specifically provided by inserting a proviso to Section 47, which stated that

“any transfer of a Sovereign Gold Bond issued by the Reserve Bank of India under the Sovereign Gold Bond Scheme, 2015, by way of redemption by an individual shall not be regarded as transfer.”

Consequently, since such redemption was not treated as a “transfer”, no capital gains arose under Section 45.

Under the Income-tax Act, 2025, while the structure of exemptions has been re-organised, the substantive benefit has been retained through the Schedule-based framework. The relevant Schedule (corresponding to the earlier exemption provisions) continues to provide that income arising on redemption of such specified instruments is not chargeable to tax. As a result, although the definition of “transfer” under Section 2(109) continues to include redemption in general terms, the exemption operates to exclude the resultant capital gains from the scope of taxation under Section 67.

However, it is pertinent to note that the exemption remains restricted to redemption by the original holder, and any transfer prior to maturity would continue to be governed by the general provisions relating to capital gains. The relevant extract of the schedule reads as under:

(x) by way of redemption, of Sovereign Gold Bond issued by the Reserve Bank of India under the Sovereign Gold Bond Scheme, 2015 or any subsequent Sovereign Gold Bond Scheme, if held by an individual from the date of original issue till maturity;

The legislative continuity in this regard reflects a conscious policy decision to preserve the tax incentive attached to Sovereign Gold Bonds, thereby encouraging a shift from physical gold to financial instruments

4.2 Taxation of Buyback of shares

A significant amendment under the Income-tax Act, 2025 pertains to the taxation of buyback of shares by companies. Under the erstwhile Income-tax Act, 1961, such transactions were specifically covered within the ambit of dividend by virtue of Section 2(22), which included within its scope

“any payment by a company on purchase of its own shares from a shareholder in accordance with the provisions of section 77A of the Companies Act, 1956” (later aligned to Section 68 of the Companies Act, 2013).

Capital Gains under the Income-tax Act, 2025

A Technical Analysis with Statutory Extracts

Consequently, the incidence of tax was shifted to the company under the dividend taxation framework.

However, under the Income-tax Act, 2025, this specific inclusion has been omitted from the definition of dividend, thereby removing buyback transactions from the scope of deemed dividend. In the absence of such deeming fiction, the transaction now falls to be examined under the general provisions of capital gains. Accordingly, any consideration received by the shareholder on buyback of shares would be subject to tax under Section 67 as “profits or gains arising from the transfer of a capital asset”, read with the definition of “transfer” under Section 2(109), which includes extinguishment of rights in a capital asset. This marks a clear shift from entity-level taxation to shareholder-level taxation and aligns the treatment of buyback transactions with their economic substance as a transfer of capital asset, while also bringing uniformity with other modes of exit such as sale or redemption

4.3 Draft change in Section 82 and 85

A noteworthy drafting change under the Income-tax Act, 2025 is observed in Sections 82 and 85 dealing with exemption of capital gains. Under the earlier Income-tax Act, 1961, the language employed in provisions such as Section 54 referred to “capital gain arising from the transfer of a long-term capital asset, being buildings or lands appurtenant thereto, being a residential house”.

In contrast, the corresponding provisions in the new Act use the expression “long-term capital gain from transfer of residential house property”. This shift from **an asset-based description** (“long-term capital asset being...”) to a **gain-based condition** (“long-term capital gain from transfer...”) is not merely cosmetic.

The revised wording potentially restricts the availability of exemption in cases where, though the asset is held for the long term, the resultant gain is statutorily characterised as short-term, particularly in cases involving depreciable assets governed by special computation provisions. In such situations, despite the asset qualifying as a long-term capital asset, the gain may not qualify as “long-term capital gain” for the purposes of Sections 82 and 85, thereby denying the benefit of reinvestment.

This issue assumes significance in light of judicial precedents such as CIT vs. V.S. Dempo Company Ltd., where the courts have examined the distinction between the nature of the asset and the nature of the gain. Accordingly, the change in phraseology under the new Act may have the effect of narrowing the scope of exemption and could lead to interpretational disputes, particularly in cases involving depreciable assets

4.4 Carry Forward and Set-off of Capital Losses – Transitional Savings Provision (Section 536(2))

A critical transitional safeguard is provided under Section 536(2) of the Income-tax Act, 2025 dealing with repeal and savings. The provision specifically states as under:

“any amount of loss under the head capital gains, whether related to a long-term capital asset or a short-term capital asset, referred to in section 74 of the repealed Income-tax Act, brought forward from the tax year beginning before the 1st April, 2026 had the Income-tax Act, 1961 not been repealed, shall be set off and carried forward against the income under the head ‘Capital gains’ computed under this Act for any tax year beginning on or after the 1st April, 2026 up to eight financial years immediately succeeding the financial year in which such loss was first computed under the repealed Income-tax Act.”

This provision ensures continuity of the benefit of carry forward of losses notwithstanding the repeal of the 1961 Act. While the substantive scheme of set-off of losses, including the restriction of long-term capital loss (LTCL) being set off against long-term capital gains (LTCG), remains unchanged under the new Act, the language of the savings clause assumes significance. It provides that losses brought forward under the repealed Act shall be set off against “income under the head capital gains” computed under the new Act, without explicitly reiterating the earlier classification-based restriction. This opens up a possible interpretational view that LTCL pertaining to periods up to 31st March 2026 may be available for set-off against all capital gains, including short-term capital gains, from the tax year 2026–27 onwards. Though this position may be subject to scrutiny, the drafting of the savings clause appears to consciously preserve taxpayer rights and avoid any unintended hardship arising from the transition to the new legislative framework

Capital Gains under the Income-tax Act, 2025

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5. Conclusion

From the above discussion, it can be observed that the Income-tax Act, 2025 largely preserves the existing framework of capital gains taxation, while introducing certain structural, drafting, and policy-level refinements. The major shifts are visible in areas such as taxation of buyback of shares, drafting changes in exemption provisions, and transitional provisions for carry forward of losses.

At the same time, changes such as the movement of exemptions to Schedules and the shift from asset-based to gain-based language may lead to interpretational challenges, particularly in cases involving depreciable assets and transitional losses. Accordingly, while the new Act aims at simplification, it simultaneously requires a more careful and integrated reading of provisions, especially for practitioners dealing with capital gains.

Updates on DIRECT TAXES

DIRECT TAXES

F. No. ADG(S)-1/PAN/M/3699/2026-AD-DD SYSTEMS 1-5 DELHI

Government of India

Ministry of Finance

Central Board of Direct Taxes

Directorate of Income-tax (Systems)

Subject: - Order for specifying Forms and procedures in relation to furnishing Application for PAN

Correction under Rule 158(12) of Income -tax Rules, 2026 read with Section 262 (4) of Income-tax Act, 2025

In exercise of the powers conferred by Rule 158(12) of the Income-tax Rules, 2026, the Director General of Income-tax (Systems), specifies the following Application Forms in respect of correction of PAN along with related procedure and guidelines, as under: -

a) PAN holders are required to fill the following Forms for Changes or Correction in PAN Data

i. PAN CR-01: Request For Changes or Correction in PAN Data [For an Individual]

ii. PAN CR-02: Request For Changes or Correction in PAN Data [For Non-Individual]

The Forms can be submitted physically in the PAN Centres of Mis UTUTSL/ Mis Protean eGov or online through their websites.

2. This order shall apply with effect from 01.04.2026

Circular No. 4/2026

New Delhi, dated 31 March 2026

Subject: Requirement of Document Identification Number (DIN)

In exercise of powers conferred on the Central Board of Direct Taxes (the Board) by section 119 of the Income-tax Act, 1961 and in view of section 292B and the amendment made in the Income-tax Act, 1961 (insertion of section 292BA) and also in the Income-tax Act, 2025 [section 522] by the Finance Act, 2026, it is specified that the requirement of a computer generated Document Identification Number (DIN) by any income-tax authority referred to in clause (aa) to clause (h) of section 116 of the Income-tax Act, 1961 shall be in the manner laid down in this circular. Accordingly, Circular No. 19/2019 dated 14.08.2019 on this subject shall cease to have effect from the date of issue of this circular.

2. Referencing by Document Identification Number (DIN) by an income-tax authority referred in para above henceforth, shall be in accordance with the following:

(a) Any correspondence such as notice, letter, order or draft order, summons etc. [hereinafter referred to as "communication"] by an income-tax authority referred to in the first para with any person (not being any officer or authority under the Income-tax Act or any other law) shall be required to be referenced by DIN subject to para 2(d) and para 3.

(b) Referencing by DIN in such communication shall also mean and include separate document mentioning DIN with such communication or mentioning DIN in the email correspondence or otherwise.

(c) Where such communication is referenced by DIN in any manner, it is required that every page comprising in that communication is also referenced by DIN.

(d) A public communication shall not be required to be referenced by DIN in this manner, for example communication in nature of press release, clarification, FAQs etc

Updates on DIRECT TAXES

3. In certain situations, it may not be possible to generate DIN and issue communication electronically. Communication in such situation can be issued manually, only after recording reasons in writing and obtaining approval from the competent authority. Such situations illustratively are:

- (a) Where there are technical difficulties in generating / allotting / quoting DIN and issuance of communication electronically;
- (b) Where communication regarding enquiry, verification etc. is required to be issued by an income-tax authority for discharging official duties, in a situation where access to electronic means for referencing DIN is not possible (for example where such authority is outside the office);
- (c) Delay in PAN migration, PAN is lying with non-jurisdictional officer; or

(d) Where PAN of assessee is not available;

(e) Where the functionality to issue communication is not available in the System.

4. All such communications as referred in para 3 above, shall state that it is issued without DIN in view of the stated exceptional situation. Further, all such communications shall require post-facto approval, within a period of 15 days of the date of issue of such communication, by a competent authority based on reasons to be recorded in writing by the issuing income-tax authority.

5. For the purpose of para 4 above:

(i) the competent authority for communication issued by an income-tax authority below the rank of Joint Commissioner/Joint Director shall be Joint Commissioner / Joint Director / Additional Commissioner / Additional Director of Income-tax.

(ii) the competent authority in any other case not covered under clause (i) shall be Chief Commissioner / Director General of Income-tax.

6. The communication issued in the situations specified in para 3(a), 3(b) & 3(c) above shall be, within 15 working days of its issuance, uploaded on the System along with appropriate referencing by DIN by the issuing income-tax authority

Updates on GST

Advisory on Re-Computation of Interest under Table 5.1 of GSTR-3B

1. As a facilitation measure for taxpayers and assisting the taxpayers in doing a correct self-assessment, GST Portal auto-calculates interest on delayed filing of GSTR-3B based on the tax liability discharged and tax liability breakup provided in “*Tax Liability Breakup, As Applicable*” table.
2. This system computed interest is auto-populated and collected in the Table-5.1 of the **subsequent period GSTR-3B**. The facility is similar to the collection of *late fees* for GSTR-3B, which is also calculated after filing of GSTR-3B and collected in subsequent GSTR-3B period.
3. The detailed breakup of interest computation can be verified from the *System Generated GSTR 3B PDF*, which can be accessed through the following navigation path: *Login* → *Return Dashboard* → *Select Return Period* → *GSTR 3B* → *Prepare Online* → *System Generated GSTR 3B PDF*.
4. Due to some technical glitch for few taxpayers interest for Feb-2026 period appearing in Table 5.1 of March-2026 period may have been calculated incorrectly without providing benefit of the minimum cash balance available in the Electronic Cash Ledger as per the proviso to Rule 88B(1) of the CGST Rules, 2017. In case any taxpayer observes any discrepancy in the system calculated interest, an option to recompute interest is available on GST Portal.

The taxpayer may click on the “**RE-COMPUTE INTEREST**” button provided under Table 5.1 of GSTR 3B. Upon clicking this option, the system recalculates the interest based on the latest and updated parameters available in the system and the revised interest amount will then be reflected in the updated system generated GSTR-3B PDF.

Dashboard Services GST Law Downloads Search Taxpayer Help and Taxpayer Facilities e-Invoice News and Updates

Dashboard Returns GSTR-3B Interest and Late Fee English

5.1 Interest and Late fee for previous tax period View your Turnover Help

The interest on tax liabilities (including reverse charge) and late fees pertains to the previous period for delays in filing GSTR-3B.

Last Save request has been processed successfully.

Please select the check box if you wish to declare any Interest liabilities. Please note Interest amounts declared here under respective heads need to be paid in cash in addition to tax liabilities for the month. GSTR 3B can be filed only after complete payment of all liabilities.

Description	Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	CESS (₹)
Interest	0.00	0.00	0.00	0.00
Late Fees		1,000.00	1,000.00	

SYSTEM GENERATED GSTR-3B CANCEL CONFIRM **RE-COMPUTE INTEREST**

5. Taxpayers are advised to refer to the updated *GSTR-3B system generated PDF* for the revised interest values and accordingly, update the interest figures in Table 5.1 by manually editing the already auto-populated values in Table 5.1. The revised interest will also be visible on hover of respective field in Table 5.1 of GSTR-3B. Kindly note that the manually edited interest value shall not be less than the recomputed interest appearing in system generated GSTR-3B pdf.

Disclaimer – This advisory has been prepared solely for educational purposes. It is not a legal advice hence, taxpayer must rely on statutory provisions for compliance requirements. For any official or legal purpose, please refer to the applicable GST laws, rules, and notifications.

Updates on GST

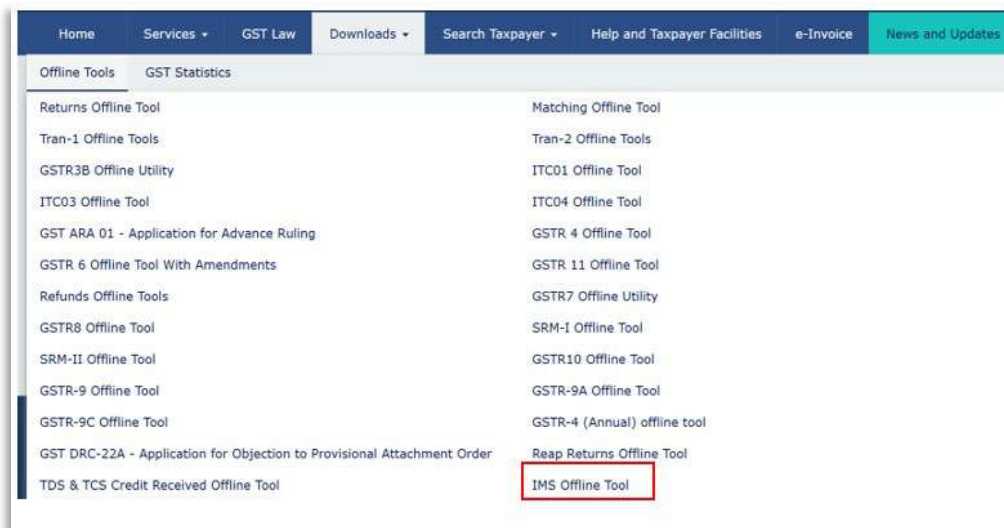
Advisory for IMS Offline Tool on GST Portal

The Invoice Management System (IMS) was introduced on the GST portal effective from the October 2024 tax period. The system enables recipient taxpayers to take actions on invoices uploaded by their suppliers through GSTR-1, GSTR-1A, or IFF, including accepting, rejecting, or keeping such records pending.

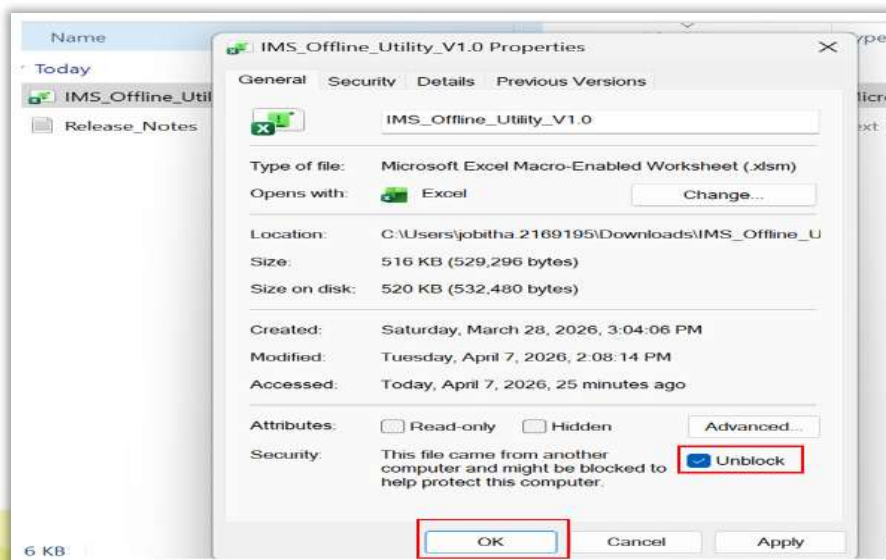
With a view to further enhancing taxpayer convenience and facilitating ease of compliance, the **IMS Offline Tool** is Excel based offline tool which has been now made available on GST Portal. This offline utility enables taxpayers to undertake actions on both individual as well as bulk invoices in an efficient manner.

1. Steps to use the IMS offline tool:

- a) Download the Tool:
 - Visit GST Portal: www.gst.gov.in
 - Navigate to Downloads -> Offline Tools -> IMS Offline Tool to download the tool.

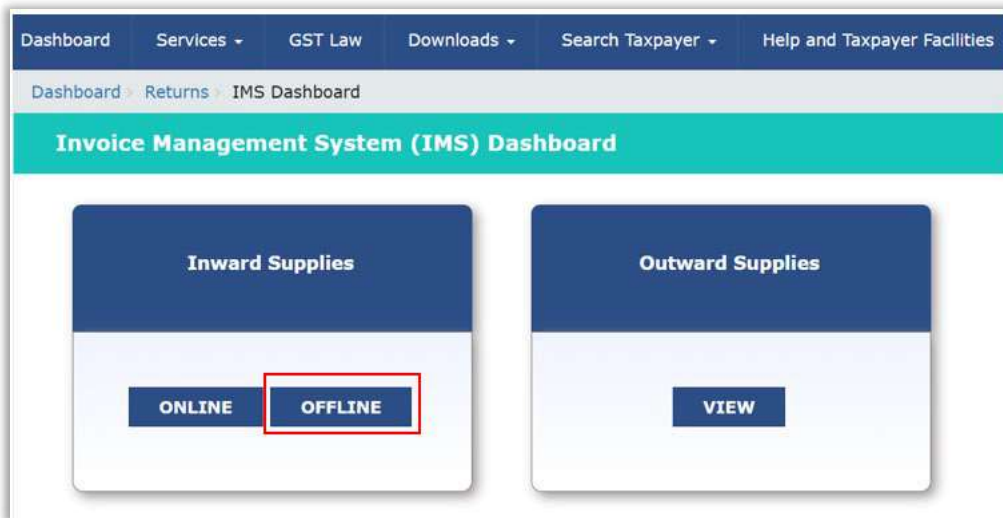


The tool will be downloaded as a zip file. Extract the zip file, enable the macros through the file properties and open the Excel utility.

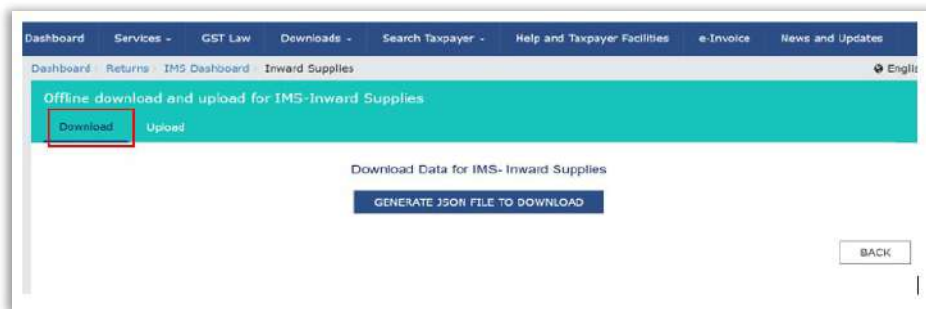


b) Download IMS Data from Portal:

- To download data from GST Portal, navigate to Services -> Returns -> Invoice Management System (IMS) Dashboard -> Offline

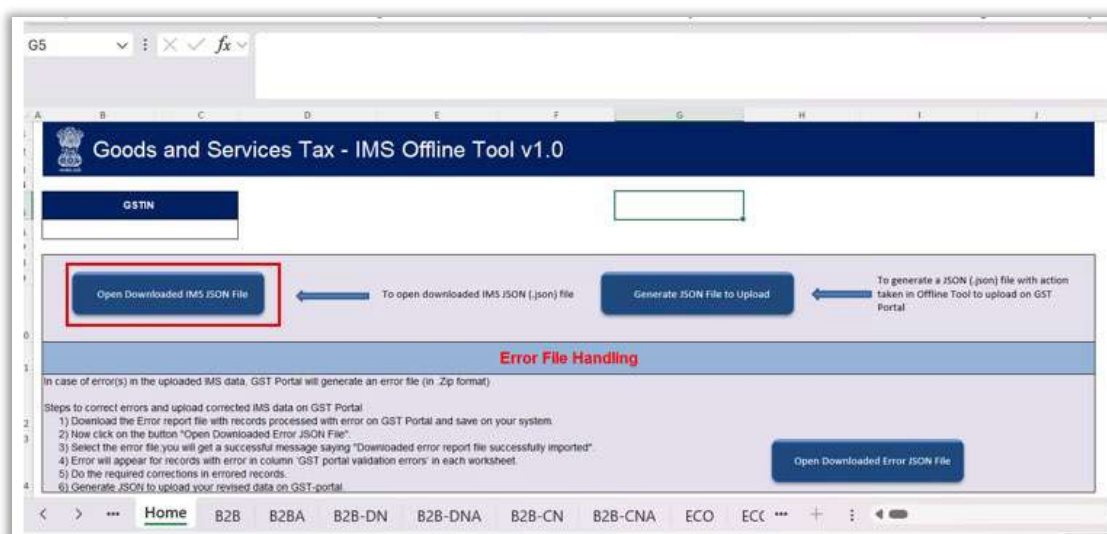


- Click on Download Json. Save the Json file on your system.

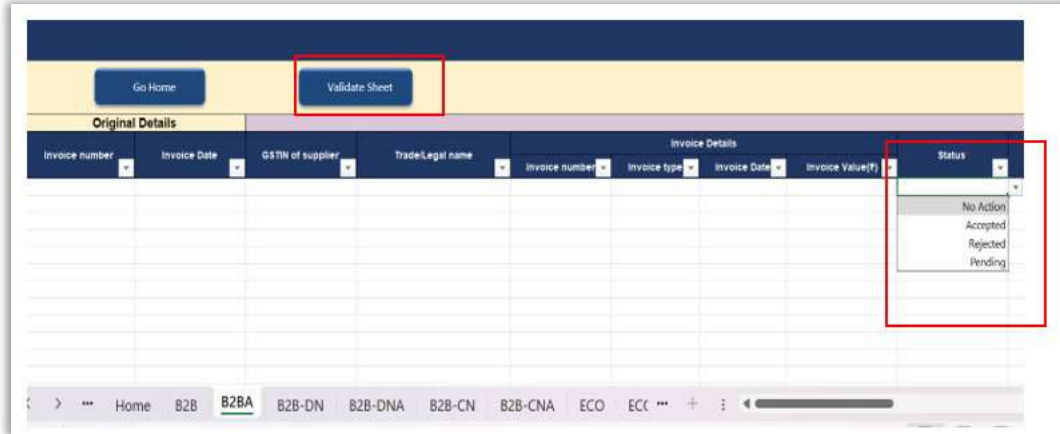


2. Import downloaded Json File and Validate Sheet:

- Click on Open Downloaded IMS Json File in Home sheet.

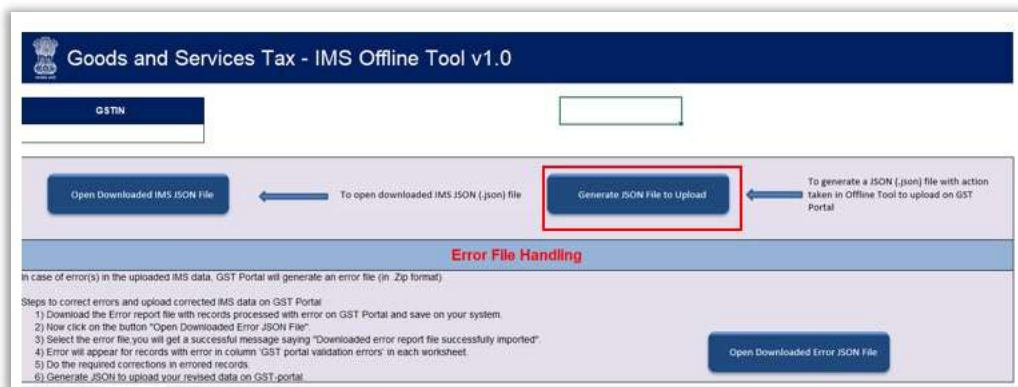


- Select the downloaded file from the online portal to auto-populate invoice data.
- Perform the following actions:
 - Accept/Reject/Pending/No Action
 - Add remarks (if applicable)
- Click on Validate Sheet button.

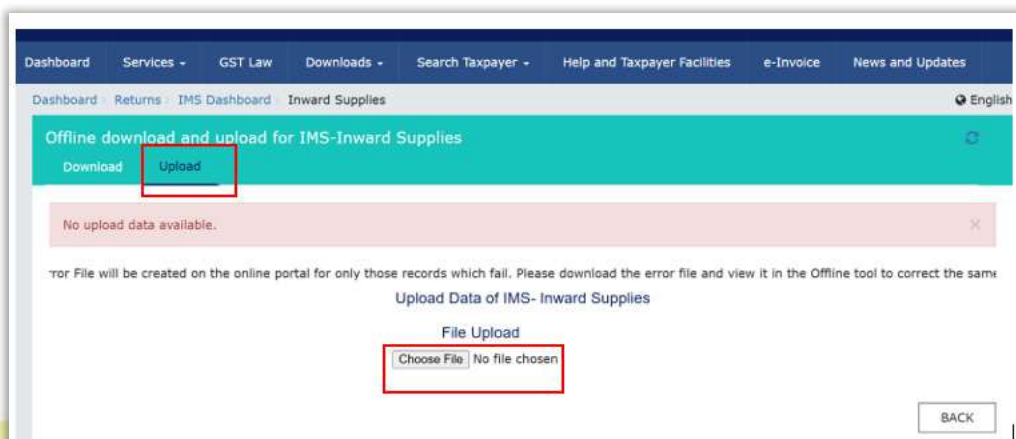


3. Generate and Upload Json on GST Portal:

Click on Generate Json File to Upload to create the Json.

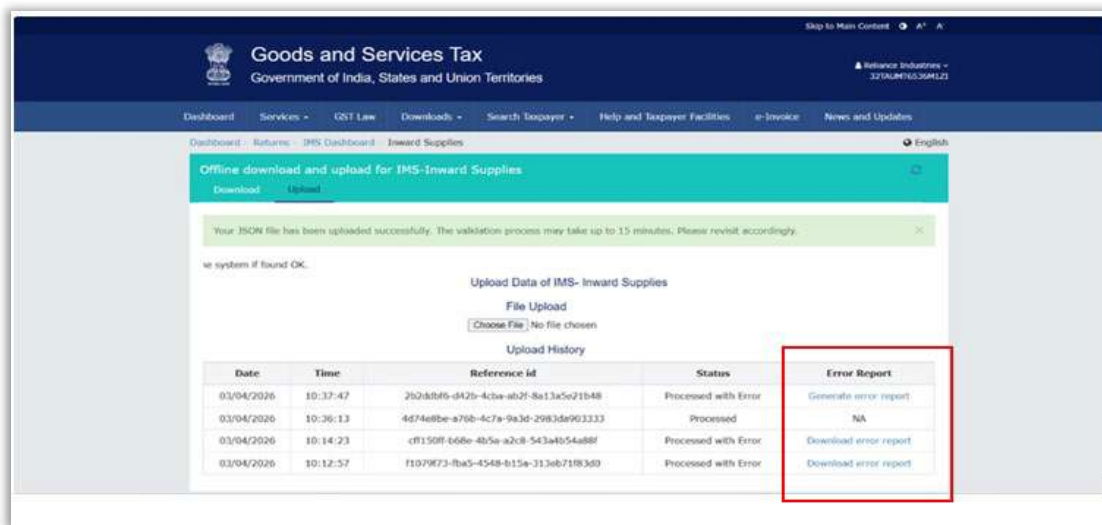


- To upload the Json, login to GST Portal.
- Navigate to: Services -> Returns -> Invoice Management System (IMS) Dashboard -> Offline.
- Click on Upload Json to upload the generated file.



Some important points/validations related to using offline tools are:

- The IMS offline tool follows the same validations and business rules as applicable on the IMS dashboard portal, including treatment of accepted, rejected, pending, and no-action records.
- If no changes are made on the records after importing the JSON file into the offline tool, the generated JSON file will be empty.
- The tool provides filter options to filter the invoices based on relevant parameters. Filters are cleared while performing the 'Validate Sheet' action.
- Click on 'Validate Sheet' button, to validate data in each worksheet in offline tool, after all the actions required are taken in the sheet.
- In case of validation failure of details on uploading JSON file, an error file will be generated with status as 'Processed with Error'. This file can be downloaded, open in offline tool, take relevant actions to remove the highlighted errors and can be uploaded by creating a JSON file again.



- Upon uploading this JSON file, these records will get incrementally added to the records uploaded earlier. If there are Pre-existing records on the Portal, against same GSTIN, those details will get replaced/updated.

COMPLIANCE CALENDAR

May 2026

Goods and Services Tax			
Date	Return	Period	Particulars
10	GSTR - 7	Apr-2026	Return for authorities deducting tax at source
10	GSTR - 8	Apr-2026	Details of supplies effected through e-commerce operator and the amount of tax collected
11	GSTR - 1	Apr-2026	Details of outward supplies of taxable goods and or services
13	GSTR - 1 IFF	Apr-2026	Invoice Furnishing Facility in lieu of GSTR-1 for QRMP Filers
13	GSTR-5	Apr-2026	Return for Non-resident foreign taxable person
13	GSTR-6	Apr-2026	Return for Input Service Distributor
20	GSTR-3B	Apr-2026	If aggregate annual turnover above Rs 5 crores
20	GSTR-5A	Apr-2026	Return of OIDAR service provider
22	GSTR-3B	Apr-2026	If aggregate annual turnover below Rs 5 crores
25		Apr-2026	Monthly payment through challan PMT-06 for QRMP filers
Tax Deducted at source and Tax collected at source			
7		Apr-2026	Payment of TDS
15		Mar-2026	Issue TDS certificate for tax deducted under section 194-IA/IB/M/S
15		Jan - Mar 2026	TCS Quarterly statement
30		Apr-2026	Deposit TDS for under section 393 with challan cum statement
30		Jan - Mar 2026	Issue of TCS certificate
31		Jan - Mar	TDS Quarterly statement (other than Government Deductor)
Income tax			
31		FY 2025-26	Statement of Financial Transactions (including FATCA/CRS) in Form 61A/61B
31			E-filing of Annual Statement of Donation & Donors in Form 10 BD
31		FY 2025-26	Statement of Financial Transactions
Foreign Exchange Management Act			
7	ECB-2	Apr-2026	By borrowers of ECB through AD Bank
30		Half year ending 31-03-2026	Form OPI for reporting overseas portfolio investments undertaken.
Provident Fund and Employees State Insurance			
15	PF	Apr-2026	PF Payment
15	ESI	Apr-2026	ESI Payment
Company Law			
30	LLP	FY 2025-26	Form -11 Annual Return



Externship Programme In Association with Loyola School on 06 -13 Apr 2026



EVENT SNAPS

April 2026

One Day CPE Seminar on 23 Apr2026 on Direct Tax



Study Circle on 20 Apr2026 led by CA. Sreeram Sekar

Help Desk @ INCOME TAX



CA. Ashwin C Nair



CA. Beegum Shyma Jan S



CA. Smruthi T

HAPPY BIRTHDAY

Those who Celebrates Birthdays this month

May 2026

1 May	SAJI V S
3 May	ASHIF C K
3 May	DENSIL FERNANDO
3 May	SARATH V
4 May	AKHIL R KUMAR
5 May	ARUN P KRISHNA
5 May	SIJI ARJUMAN CHETTIYAR
6 May	NAGARAJAN UDAYANATHA PILLAI
7 May	BHADRAKUMAR R
7 May	KIRAN B
9 May	KANNAN G
10 May	LEKSHMI V
11 May	ABOBAKER MAHEEN S
11 May	RENUKA K
12 May	JULIE G VARGHESE
12 May	LOUIS SUDHARSON A
12 May	MOHANA KUMAR G
13 May	RADHA GOPALAKRISHNAN
13 May	SYAM MOHAN
13 May	VENUGOPAL P
15 May	AMRUTHA RAJ
15 May	SANTHOSH V V
15 May	SOBHA SETHUMADHAVAN
15 May	SREEJESH C P
17 May	CHELLAPPAN PRASANNA KUMARI
17 May	SANTHALAXMI K
17 May	AJITHKUMAR T
18 May	SATHISH P
19 May	AJITHA KUMARI K S
20 May	AKHIL A S
20 May	AKHIL M T
20 May	ANJALOSE R
20 May	JAYAPRAKASH D
20 May	MADHU K S
20 May	MANU V R
20 May	RAMESH KUMAR S
21 May	AJITH KUMAR G
21 May	KAVITHA K
21 May	BINDHU V
23 May	DHANYA V S
23 May	DILEEPKUMAR A K
25 May	GNANASEKHAR S
25 May	PEYUSH PREM
25 May	RAJESH RANGANATHAN
25 May	RANJIT KARTHIKEYAN M R
25 May	SAJEEV R

25 May	SHANTY MATHEW
25 May	MAHESH KI
26 May	BALAMURALI C V
26 May	JISHNU V
26 May	NIKHIL R KUMAR
26 May	VINOD KUMAR R
27 May	SYAM LAL N
27 May	SURESH K
27 May	ANAL P
27 May	AKBAR J
27 May	RAMANATHAN S
28 May	DARSHAN S
28 May	MUKUNDAN NAIR M.S
28 May	UNNIKRISHNAN S
28 May	VINOD KUMAR M
29 May	CHANDRA ROY P
29 May	MUTHAIAH A
29 May	AJI ABRAHAM DANIEL
29 May	RAJU M KOLLAVELIL
29 May	RETNA KUMARAN NAIR A
29 May	SANKARAN ESAKKI NATARAJAN
29 May	SUBRAMONIYA SARMA N
29 May	SUJITH VIJAYAN
29 May	VALSALAKUMAR G
30 May	AJITH SANKAR
30 May	ANANTHAKRISHNAN P
30 May	BIJU K
30 May	BINULAL S S
30 May	HARIKUMAR N
30 May	JAMES VARGHESE
30 May	JOBY GEORGE
30 May	RADHAKRISHNAN POTTI B
30 May	REMA DEVASSY
30 May	SAM KURUVILLA
30 May	SAUMYAMOL M S
30 May	SIVARAJAN V
31 May	FATHIMA BEEVI S
31 May	AKHIL NIDHI MATHEW
31 May	ANUP KUMAR R
31 May	DILEEP S
31 May	HARI K S
31 May	JACOB P JABBU KOSHY
31 May	KRISHNAKUMAR G
31 May	PRADEEP KUMAR T
31 May	SAJU ROY J S
31 May	SANTHOSH ALEXANDER

The Institute of Chartered Accountants of India

(Set up by an Act of Parliament)

Thiruvananthapuram Branch (SIRC)

Invitation for

Articles / Write-ups

Articles / Write-ups are hereby invited from members on any key topics to be published in the upcoming e-Newsletter. Members may kindly send their articles to trivandrum@icai.org with cc to icaitvm@gmail.com with the subject line "Article for Newsletter" on or before the 02nd of the following month along with mentioned details:

1. Name
2. Membership Number
3. Contact Number
4. E-mail id
5. Photo
6. Article in docx format

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