

E-Pistle

(Monthly Newsletter)

JANUARY 2026



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GST UPDATES



Simplified GST Registration Scheme

Rule 14A of the Central Goods and Services Tax (CGST) Rules, 2017	<p>As per Rule 14A (Option for taxpayers having a monthly output tax liability below the prescribed threshold limit), any person who, on his own assessment, feels that his total output tax liability on the supply of goods or services, or both, to registered persons will not exceed Rs.2.5 lakh per month (including CGST, SGST/UTGST, IGST, and Compensation Cess) shall be eligible to register under this scheme. However, a person registered under this rule in a State or Union Territory shall not be eligible to obtain another registration in the same State or Union Territory under this rule against the same PAN.</p>
Key Features	<p>While applying for registration in FORM GST REG-01, applicants should select "Yes" under the "Option for Registration under Rule 14A.</p> <p>Aadhaar authentication is mandatory for the Primary Authorized Signatory and at least one Promoter/Partner.</p> <p>Registration shall be granted electronically within three working days from the date of generation of the Application Reference Number (ARN), subject to successful Aadhaar authentication.</p>
	<p>All returns due from the effective date of registration up to the date of filing the withdrawal application must be filed.</p>
Withdrawal from the Scheme at a later stage	<p>The taxpayer must have filed:</p> <p>(a) Returns for a period of minimum three months, if applying for withdrawal before 1st April 2026, or</p> <p>(b) Returns for a period of minimum one tax period, if applying for withdrawal on or after 1st April 2026.</p> <p>No amendment or cancellation application for registration availed under rule 14A should be pending.</p> <p>No proceedings under Section 29 (cancellation of registration) for registration availed under rule 14A should be initiated or pending.</p>

(TO BE PUBLISHED IN THE GAZETTE OF INDIA EXTRAORDINARY PART-I
SECTION-I)

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT OF COMMERCE

PUBLIC NOTICE No. 34/2025-26
NEW DELHI, DATED THE December, 2025

Subject: Amendment in Para 6.34 of Chapter 6 of Handbook of Procedure 2023 – regd.

In exercise of powers conferred under Paragraph 1.03 and 2.04 of the Foreign Trade Policy 2023, as amended from time to time, the Director General of Foreign Trade hereby makes the following amendment in Para 6.34 of Chapter 6 of HBP 2023

Para No.	Existing Provision	Proposed Amendment
6.34 (h)	Extend validity period of LoP beyond initial validity period of LoP (except in case where there is a restriction on initial period of approval, like setting up of oil refinery projects) as per Paragraph 6.05 (a) of FTP;	Extend as per para 6.01(c) of the HBP, the i. validity period of LOP/LOI once unit commences production for a period of upto 5 years at a time or ii. The 2 years initial validity period of LOP/LOI (except in case where there is a restriction on initial period of approval, like setting up of oil refinery project) by one additional year for valid reasons to be recorded in writing.

Effect of this Public Notice: This amendment has been introduced to provide greater clarity and to streamline the administrative processes relating to extension of LOP/LOI for EOU/BTP/EHTP/STPs.


(Ajay Bhadoo)
Additional Secretary to the Govt. of India &
Director General of Foreign Trade
Email: dgft@nic.in

The DGFT vide Public Notice No. 34/2025-26 dated 01 December 2025 has issued an amendment to Para 6.34 of Chapter 6 of the Handbook of Procedures (HBP 2023) related to extension of validity of Letter of Permission (LoP) and Letter of Intent (LoI) for Export Oriented Units (EOU), BTP, EHTP and STPs.

The revised clause now allows:

1. Extension of the validity period of LoP/LoI for up to 5 years at a time once the unit commences production.
2. Extension of the initial 2-year validity period of LoP/LoI by one additional year for valid reasons recorded in writing (except in cases where restrictions on the initial period of approval apply, such as oil refinery projects).

The High Court of Jammu & Kashmir and Ladakh, Srinagar (Judgment dated 27.11.2025) in WP(C) 1938/2024 & connected petitions has delivered a major ruling on LoC barter trade.

The Court held that the Srinagar–Muzaffarabad and Poonch–Rawalakote barter system is not an export, meaning it is not zero-rated or exempt under GST.

Instead, LoC barter is treated as an intra-state supply within J&K, making it fully taxable. The Court upheld all GST notices issued under Section 74, noting that traders failed to report LoC supplies in GST returns and could not produce invoices, which amounts to suppression.

As a result, all 35 writ petitions challenging these notices were dismissed.

The Court further directed that pending SCN replies must be filed within 4 weeks, and where final orders are already passed, appeals must be filed within 3 months.

This judgment completely resets the GST treatment of LoC trade.

MINISTRY OF EXTERNAL AFFAIRS

NOTIFICATION

New Delhi, the 16th December, 2025

G.S.R. 902(E).— In exercise of the powers conferred by clause (a) of sub-section (6) of section 6 and clause (a) of sub-section (7) of section 7 of the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 (80 of 1976), the Central Government hereby extends the Customs Act, 1962 (52 of 1962) and Customs Tariff Act, 1975 (51 of 1975) to the continental shelf of India and the exclusive economic zone of India with effect from the date of publication of this notification in the Official Gazette, for the following purpose, namely:—

- (a) the reconnaissance, exploration or production of minerals under operating rights granted under the Offshore Areas Mineral (Development and Regulation) Act, 2002 (17 of 2003) in the continental shelf of India or the exclusive economic zone (EEZ) of India, and;
- (b) the supply of any goods in connection with any of the activities mentioned in clause(a).

[F. No. UI/22/104/2025]

Dr. ACQUINO VIMAL, Jt. Secy. (UNES Division)

 Extension of Customs Law to Offshore Areas

The Government has notified that the Customs Act, 1962 and the Customs Tariff Act, 1975 shall apply to India's Continental Shelf and Exclusive Economic Zone (EEZ).

This extension covers:

Reconnaissance, exploration and production of minerals carried out under rights granted as per the Offshore Areas Mineral (Development and Regulation) Act, 2002; and

Supply of goods connected with such offshore mineral activities.

As a result, offshore mineral operations and related supplies will now fall under Indian customs law, making them liable to customs duties and regulatory compliance.

The notification is effective from the date of its publication in the Official Gazette.

INCOME TAX





GIFT City

• What is GIFT City?

- ✓ India's first International Financial Services Centre (IFSC) and first operational smart city, located in Gandhinagar, Gujarat
- ✓ Spread across 1,000 acres, expanding to 3,300+ acres across SEZ + DTA zones

• Governance

- ✓ Regulated by IFSCA, a unified regulator under the IFSCA Act 2019

• Key Numbers

- ✓ 1034+ registered entities in IFSC
- ✓ 38 banks, asset base \$100.14 bn
- ✓ GIFT NIFTY turnover: \$102.35 bn (May 2025)
- ✓ International stock exchanges: 2
- ✓ Aircraft lessors: 37 | Aircraft leased: 303
- ✓ Ship lessors: 34 | Ships leased: 28

• Incentives & Tax Regime

- ✓ 100% tax exemption for 10 years in a 15-year block
- ✓ 0% GST, 0% MAT, 0% STT/CTT, 0% Stamp Duty
- ✓ Customs duty exemption for SEZ imports

- Infrastructure (Smart City Features)
 - ✓ District cooling system, automated waste system, underground utility tunnel
 - ✓ 99.999% power reliability, Tier-IV data centre
 - ✓ Metro connectivity + NH-48 + airport access
- Strategic Role
 - ✓ Aims to position India as a global financial hub by 2047
 - ✓ Gateway for: sovereign funds, global banks, AIFs, fintech innovation
- Major Global Players Present
 - ✓ Banks: Standard Chartered, HSBC, JP Morgan, Citi, Deutsche Bank
 - ✓ GCCs: Infineon, Technip, TELUS, Tata Electronics
 - ✓ Tech: Accenture, Capgemini, IBM, NASSCOM
- FinTech & Innovation
 - ✓ FinTech sandbox, dual authorisation system
 - ✓ India International Bullion Exchange (IIBX) at GIFT
- Education Hub
 - ✓ Hosts foreign universities—Deakin, Wollongong, Queen's Belfast, Coventry (page 11)
- Why GIFT City Matters
 - ✓ Enhances India's global financial competitiveness
 - ✓ Brings offshore financial activity back onshore
 - ✓ Boosts job creation, fintech leadership, capital flows
 - ✓ Strengthens India's Viksit Bharat 2047 vision

Direct Tax Collections for F.Y. 2025-26 (as on 11.01.2026)

(Rs. In Crore)

	FY 2024-25 (as on 11.01.2025)					FY 2025-26 (as on 11.01.2026)					Percentage Growth
	Corporate Tax (CT)	Non*-Corporate Tax (NCT)	Securities Transaction Tax (STT)	Other taxes (OT)	Total	Corporate Tax (CT)	Non*-Corporate Tax (NCT)	Securities Transaction Tax (STT)	Other taxes (OT)	Total	
Gross Collection	9,71,851.07	10,45,093.86	44,537.76	2,868.25	20,64,350.94	10,46,574.28	10,58,046.13	44,866.52	344.96	21,49,831.89	4.14%
Refunds	2,04,111.05	1,71,281.34	0.00	48.88	3,75,441.27	1,83,535.40	1,28,374.44	0.00	23.73	3,11,933.57	-16.92%
Net Collection	7,67,740.02	8,73,812.52	44,537.76	2,819.37	16,88,909.67	8,63,038.88	9,29,671.69	44,866.52	321.23	18,37,898.32	8.82%

Source: TINMIS

* NCT includes taxes paid by individuals, HUFs, Firms, AoPs, Bol, Local Authorities, Artificial Juridical Person

CBDT Officials Told to be Ready for Transition to New I-T Act

PTI

New Delhi: CBDT chairman Ravi Agrawal has asked the Income Tax Department to be ready and active for the new direct tax law that will be implemented this year from April 1, saying he expects tax officials to work with clarity and purpose.

In his customary new year communication to the staffers of the department, the Central Board of Direct Taxes (CBDT) chief said new rules, procedures and forms were under formulation for this transition.

The CBDT is the administrative body for the I-T Department. The new I-T Act will replace the over six-decade-old current Income Tax Act of

1961. Calling 2026 a year of “special significance” for the department, the head of the direct taxes administration in the country urged the officials for their “readiness, understanding of the law and shared confidence in its implementation”.

“This year carries special significance. With the Income Tax Act 2025 notified and scheduled to take effect on 1 April, 2026, we prepare for the shift to the Income Tax Act 2025.”

“New rules, procedures and forms are under formulation and training and capacity building are already underway,” Agrawal wrote to the department officials in his January 1 letter.



📌 Complete List of TDS Sections & Rates (India) – Explained Simply



◆ Salary & Investment Income

- ✓ Sec 192 – Salary → As per income tax slab
- ✓ Sec 192A – PF withdrawal → 10%
- ✓ Sec 193 – Interest on securities → 10%
- ✓ Sec 194 – Dividend income → 10%



◆ Interest & Winning Income

- ✓ Sec 194A – Interest (FD/Loans) → 10%
- ✓ Sec 194B – Lottery/ Game winnings → 30%
- ✓ Sec 194BB – Horse race winnings → 30%
- ✓ Sec 194DA – Life insurance payout → 5%



◆ Business & Professional Payments

- ✓ Sec 194C – Contractors
 - Individual/HUF → 1%
 - Others → 2%
- ✓ Sec 194J – Professional fees → 10%
- ✓ Sec 194J (Technical) → 2%
- ✓ Sec 194H – Commission/Brokerage → 5%



◆ Business & Professional Payments

- ✓ Sec 194C – Contractors
 - Individual/HUF → 1%
 - Others → 2%
- ✓ Sec 194J – Professional fees → 10%
- ✓ Sec 194J (Technical) → 2%
- ✓ Sec 194H – Commission/Brokerage → 5%



◆ Rent & Property

- ✓ Sec 194I – Rent
 - Plant & Machinery → 2%
 - Land & Building → 10%
- ✓ Sec 194IA – Property purchase → 1%
- ✓ Sec 194IB – Rent by Individual/HUF → 5%



◆ Purchase, Cash & Digital Transactions

- ✓ Sec 194Q – Purchase of goods (>₹50L) → 0.1%
- ✓ Sec 194O – E-commerce transactions → 1%
- ✓ Sec 194N – Cash withdrawal → 2% / 5%
- ✓ Sec 194S – Crypto/VDA transfer → 1%



Important Compliance Points

- ◆ No PAN? → TDS @ 20% (Sec 206AA)
- ◆ Non-filers → Higher TDS (Sec 206AB)
- ◆ Nil / Lower TDS possible via Form 15G / 15H / Form 13

DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

Income-tax relief to middle-class under new Tax Regime

ANNOUNCEMENT

I am now happy to announce that there will be no income tax payable upto income of ₹ 12 lakh (i.e. average income of ₹ 1 lakh per month other than special rate income such as capital gains) under the new regime. This limit will be ₹ 12.75 lakh for salaried tax payers, due to standard deduction of ₹ 75,000.

In the new tax regime, I propose to revise tax rate structure as follows:

TAXABLE INCOME	TAX RATE
0-4 lakh rupees	Nil
4-8 lakh rupees	5%
8 -12 lakh rupees	10%
12-16 lakh rupees	15%
16-20 lakh rupees	20%
20- 24 lakh rupees	25%
Above 24 lakh rupees	30%

PROGRESS SO FAR

Effective tax-free income is now ₹12.75 Lakh.

Rationalised Slabs: Reduced tax rates across the board. Tax slabs have been rationalised to lower the effective rate.

Marginal Relief: Marginal relief for those slightly crossing ₹12 lakh taxable income

DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

Tonnage Tax Scheme extended to inland vessels

ANNOUNCEMENT

Presently the tonnage tax scheme is available to only sea going ships. The benefits of existing tonnage tax scheme are proposed to be extended to inland vessels registered under the Indian Vessels Act, 2021 to promote inland water transport in the country



PROGRESS SO FAR

Implemented by amending relevant provisions of Income-tax Act, 1961 through the Finance Act, 2025. (The amendments take effect from April 1, 2026, and apply in relation to the Assessment Year 2026-27 (FY 2025-26) and subsequent assessment years.

Implementation Details

- **Section 115VD:** Amended to include "inland vessel" in the definition of a "qualifying ship".
- **Section 115V:** New definitions added for "inland vessel," adopting the same meaning as provided in the Inland Vessels Act, 2021.
- **Section 115VB:** Amended to specify that a company is eligible for the scheme if it is operating a ship or an inland vessel.



DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

Tax certainty for electronics manufacturing facility

ANNOUNCEMENT

It is proposed to provide a presumptive taxation regime for nonresidents who provide services to a resident company that is establishing or operating an electronics manufacturing facility. I further propose to introduce a safe harbour for tax certainty for non-residents who store components for supply to specified electronics manufacturing units.

PROGRESS SO FAR

Section 44BBD (Presumptive Regime): Non-residents providing services/tech for electronics units are taxed on a deemed profit of **25% of gross receipts.**

DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

Relief to NSS and NPS Vatsalya accounts

ANNOUNCEMENT

A number of senior and very senior citizens have very old National Savings Scheme accounts. As interest is no longer payable on such accounts, I propose to exempt withdrawals made from NSS by individuals on or after the 29th of August, 2024. I am also proposing to allow similar treatment to NPS Vatsalya accounts as is available to normal NPS accounts, subject to overall limits.

PROGRESS SO FAR

National Savings Scheme (NSS) Withdrawal Exemption

The promise to relieve senior citizens of the tax burden on old, non-interest-bearing NSS accounts fulfilled with:

- Section 80CCA of the Income-tax Act, 1961 amended.
- Withdrawals made from NSS accounts (both principal and interest) by individuals on or after August 29, 2024, made fully tax-exempt.
- CBDT issued Notification No. 27/2025 on April 4, 2025, confirming that no Tax Deducted at Source (TDS) is applicable under Section 194EE for such withdrawals.

Fully implemented through the Finance Act, 2025.

DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

TCS/TDS relaxation for taxpayers

ANNOUNCEMENT

Both TDS and TCS are being applied on any transaction relating to sale of goods. To prevent such compliance difficulties, I propose to omit the TCS. I also propose that the provisions of the higher TDS deduction will now apply only in non-PAN cases.

In July 2024, the delay for payment of TDS up to the due date of filing statement was decriminalized. I propose to provide the same relaxation to TCS provisions as well.

PROGRESS SO FAR

Omission of TCS on Sale of Goods & Higher TDS Relaxation

- Dual compliance (TDS and TCS) on the same transaction has been eliminated
- **Omission of TCS on Sale of Goods:** The Finance Act, 2025, inserted a proviso to Section 206C(1H), stating that its provisions shall not apply from April 1, 2025.

Relaxation of Higher TDS Rates in non-filer cases

- **Implementation Status:** Sections 206AB and 206CCA, which previously mandated higher tax rates for those who failed to file income tax returns, have been omitted.
- Higher TDS/TCS rates now apply only in cases where the taxpayer fails to furnish their PAN under Section 206AA, effective from 1st April, 2025.

DELIVERY ON BUDGET PROMISES (2025-26)

Central Board of Direct Taxes

TCS/TDS relaxation for taxpayers

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Both TDS and TCS are being applied on any transaction relating to sale of goods. To prevent such compliance difficulties, I propose to omit the TCS. I also propose that the provisions of the higher TDS deduction will now apply only in non-PAN cases.

In July 2024, the delay for payment of TDS up to the due date of filing statement was decriminalised. I propose to provide the same relaxation to TCS provisions as well.

PROGRESS SO FAR

Decriminalisation of TCS Payment Delays

- **Implementing Amendment:** Implemented by amending Section 276BB of the Income-tax Act, 1961.
- **Specific Relief:** No prosecution proceedings to be initiated against a collector for a delay in depositing tax to the government's credit, provided the tax is deposited before the deadline for filing the quarterly statement under Section 206C(3). This measure took effect from 1st April, 2025.

MCA UPDATES



**MINISTRY OF
CORPORATE AFFAIRS**

2. कंपनी (परिभाषा संबंधी व्यौरों के विनिर्देश) नियम, 2014 में, नियम 2 के उप-नियम (1) में, खंड (न) के लिए निम्नलिखित खंड अंतःस्थापित किया जाएगा, अर्थातः-

“(न) अधिनियम की धारा 2 के खंड (85) के उपखंड (i) और (ii) के प्रयोजन के लिए, लघु कंपनी की समादर्त पूंजी और आवर्त क्रमशः दस करोड़ रुपये और एक सौ करोड़ रुपये से अधिक नहीं होगा।”।

[फा. सं. नीति-01/5/2022-सीएल-V-एमसीए]

बालामुरुगन डीडी, संयुक्त सचिव

नोट: मूल नियम भारत के राजपत्र, असाधारण, भाग-II, खंड 3, उप-खंड (i) में, दिनांक 31 मार्च, 2014, के संख्यांक सा.का.नि. 238(अ), द्वारा प्रकाशित किए गए थे और दिनांक 15 सितंबर, 2022, को संख्यांक सा.का.नि. 700(अ), द्वारा अंतिम बार संशोधन किया गया था।

**MINISTRY OF CORPORATE AFFAIRS
NOTIFICATION**

New Delhi, the 1st December, 2025

G.S.R. 880(E).— In exercise of the powers conferred by sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Specification of definition details) Rules, 2014, namely:-

1. **Short title and commencement.**— (1) These rules may be called the Companies (Specification of definition details) Amendment Rules, 2025.
- (2) They shall come into force from the date of their publication in the Official Gazette.
2. In the Companies (Specification of definition details) Rules, 2014, in rule 2, in sub-rule (1), for clause (t), the following clause shall be substituted, namely:-

“(t) For the purposes of sub-clause (i) and sub-clause (ii) of clause (85) of section 2 of the Act, paid up capital and turnover of the small company shall not exceed rupees ten crores and rupees one hundred crores respectively.”.

[F. No. Policy-01/5/2022-CL-V-MCA]

BAIAMURUGAN.D, Jt. Secy.

Note: The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section 3, Sub-section (1), vide number G.S.R. 238(E), dated the 31st March, 2014 and was last amended, vide number 700(E), dated the 15th September, 2022.

MCA Revises Definition of Small Company: New Thresholds Announced

The Ministry of Corporate Affairs (MCA) has updated the definition of a Small Company, effective from 01.12.2025. The new criteria are as follows:

- Paid-up Capital: Up to ₹10 Crores
- Turnover: Up to ₹100 Crores



DIR-3 KYC RULES

– NEW CHANGES

Effective from 31 March 2026



Annual DIR-3 KYC Requirement Removed

Mandatory annual filing of DIR-3 KYC has been abolished.



KYC Filing Now Once Every 3 Years

Directors will file DIR-3 KYC once every **three consecutive financial years**.



Filing Due Date Changed

KYC must now be filed by **30 June** after each 3-year cycle.



New Form – DIR-3 KYC Web Only

Only simplified KYC web form (DIR-3 KYC Web) to be used going forward.

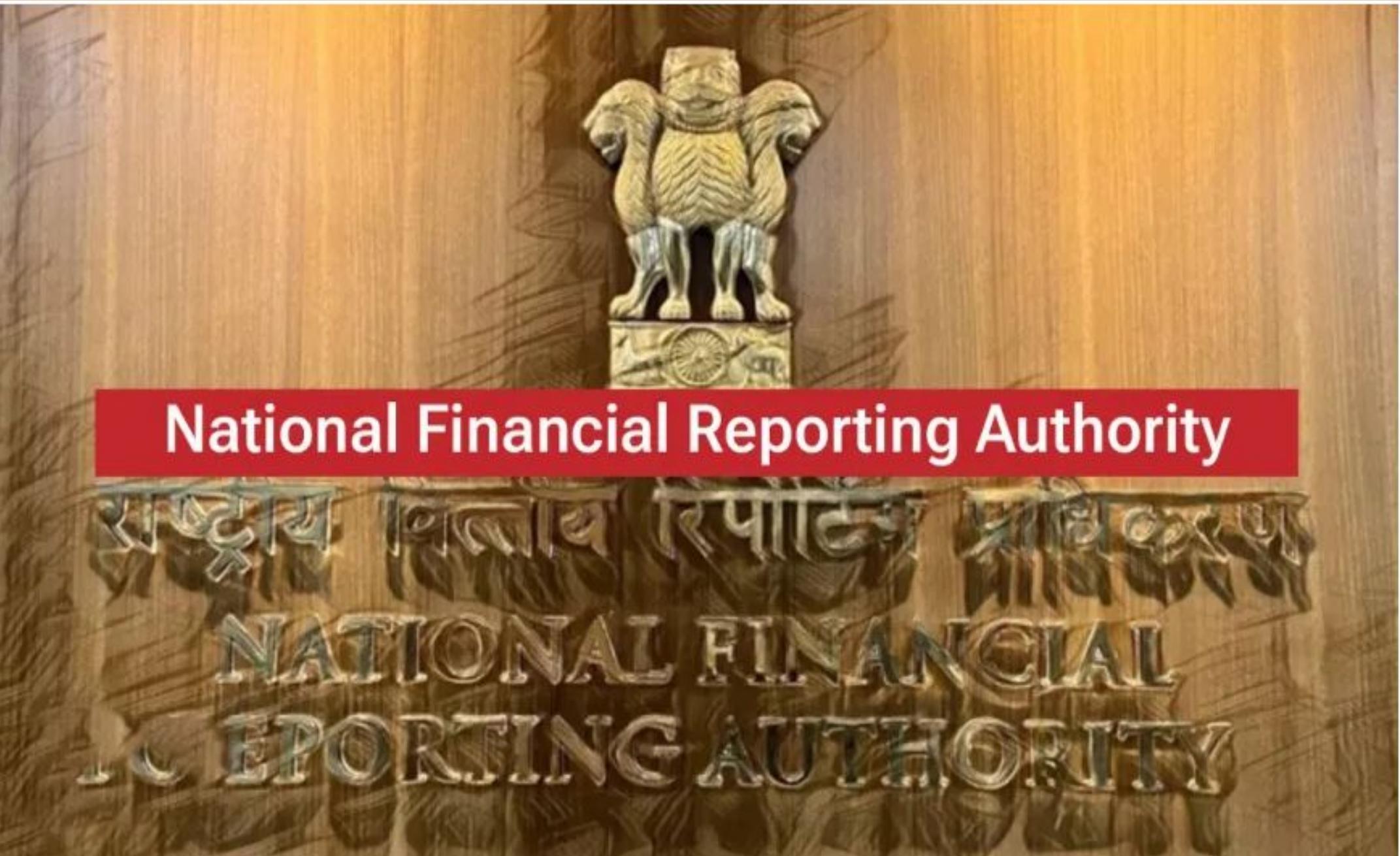


Update Requirements Still Strict

Any change in personal details (mobile, email, address) must be updated within 30 days.

Ease of Compliance!

Filing only once every 3 years will cut red tape and reduce the compliance burden for directors.



The National Financial Reporting Authority (NFRA) has issued a circular warning audit firms about poor documentation practices and delays in submitting audit files.

It flagged cases where firms sought repeated extensions, used time to convert or redo documents, and prepared records after deadlines, undermining audit integrity.

NFRA said files must be complete, archived on time, and submitted within seven days of a request, and retention must exceed seven years if under scrutiny.

HEADLINES

Economic Growth

The economic situation is growing after the meeting was very productive and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.

ECONOMIC CRISIS!

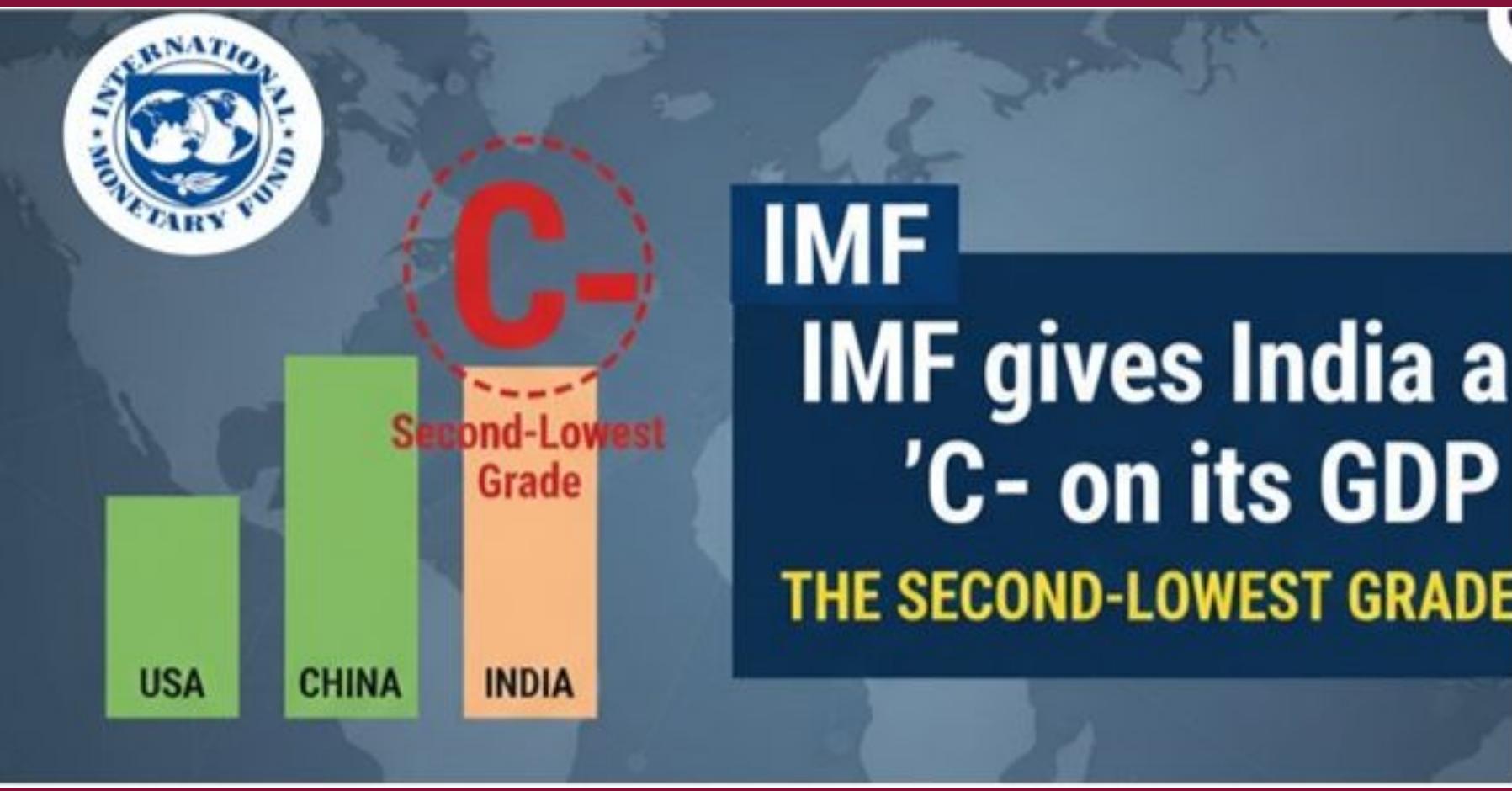
This meeting was very productive and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.

INVESTMENT IN NEW SECTOR

Today to discuss global warming issues. Among other things will discuss new measures on global security. This meeting was very productive and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.

Financial growth

Leaders meet today to discuss global warming and has brought major changes on Earth. We will visit several places of strategic interest and will discuss possible collaborations nationally.



IMF Gives India's National Accounts a 'C' Grade

● What Happened?

IMF's annual review rated India's national accounts statistics (GDP, GVA) a grade 'C' — second-lowest.

● Why the Low Grade?

⚠ Shortcomings in data quality affecting economic surveillance

⚠ Outdated base year (2011–12)

⚠ Use of wholesale price index as deflator due to lack of producer price index

⚠ Sizeable discrepancies between GDP (production vs expenditure methods)

⚠ Informal sector under-coverage

● IMF's Concern

Frequent gaps between data sources → weak reliability

Needs better timeliness, granularity, and methodological consistency.

● Government's Position

Uses both income and expenditure approaches, but discrepancies arise due to different data sources.

● Why It Matters

Weak national accounts impact:

- ◆ policy decisions
- ◆ investor confidence
- ◆ fiscal planning
- ◆ global credibility

● What India Must Do

✓ Update base year

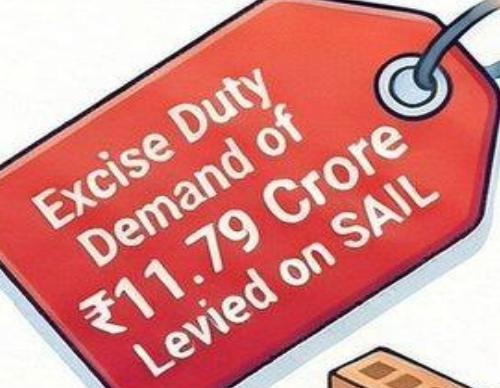
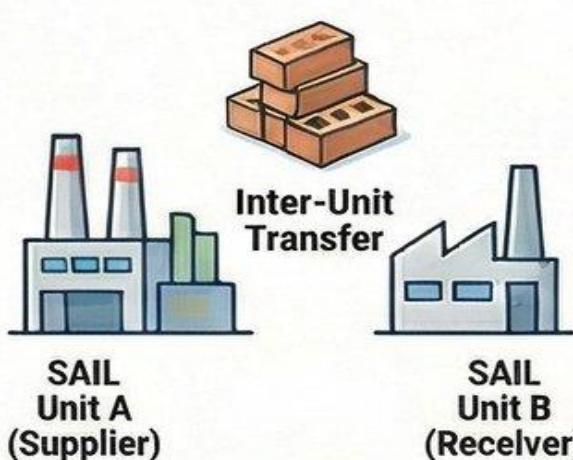
✓ Build producer price index

✓ Strengthen informal-sector data

✓ Improve methodological harmony

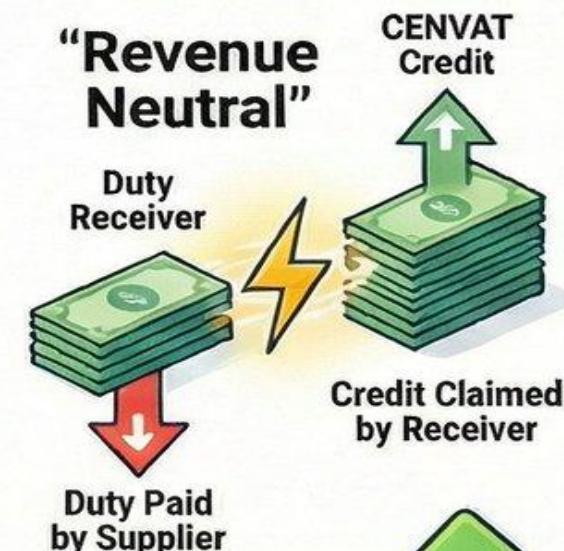
Revenue Neutrality on Trial: A Supreme Court Case Breakdown

1. The Dispute



The Commissioner of Central Excise issued notices alleging undervaluation on refractory materials transferred between SAIL's own units from August 2009 to March 2015.

A2Z TAXCORP LLP
Tax and Law Practitioners

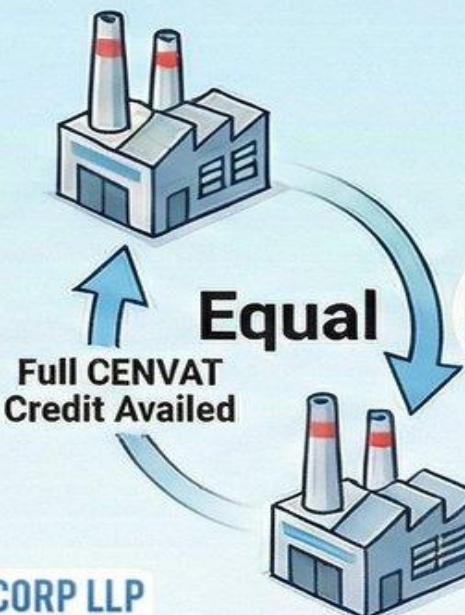


What is a "Revenue Neutral" Transaction?

A situation where the excise duty paid by one company unit is fully claimed as a tax credit (CENVAT) by the receiving sister unit, resulting in no net financial loss to the government.

2. The Core Arguments

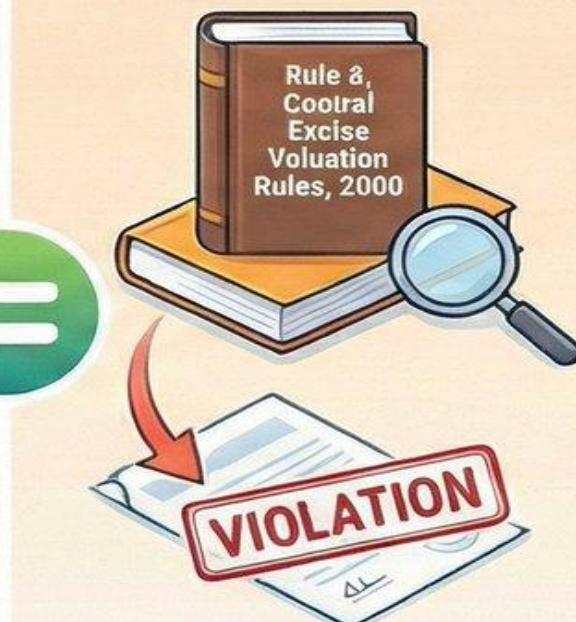
SAIL's Position: The Transaction is Revenue Neutral



SAIL's Position: The Transaction is Revenue Neutral

SAIL contended that since its sister units availed full CENVAT credit on the materials, the entire exercise was revenue neutral and no duty was ultimately lost.

Revenue Dept's Position: Valuation Rules Were Violated



Revenue Dept's Position: Valuation Rules Were Violated

The department argued that SAIL must value the goods at 110% of the cost of production as per Rule 8 of the Central Excise Valuation Rules, 2000, regardless of the CENVAT credit situation.

3. The Tribunal's Verdict

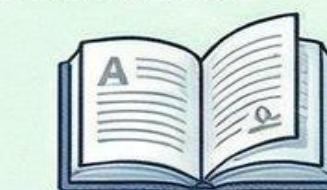


CESTAT Rules in Favor of SAIL

Approved

The Customs, Excise & Service Tax Appellate Tribunal (CESTAT), Kolkata, set aside the duty demand and penalty against SAIL.

Verdict Based on Revenue Neutrality Precedent



The Tribunal held that no sustainable excise demand arises in such revenue-neutral situations, citing prior judgments like the Hindalco Industries Ltd. case.

4. The Supreme Court's Intervention

A2Z TAXCORP LLP
Tax and Law Practitioners



Supreme Court Admits Revenue Department's Appeal

October 2025

In October 2023, the Supreme Court agreed to hear the appeal filed by the Central Excise department against the CESTAT's order.

The Question of Law Remains Open



The Supreme Court has not yet made a final ruling. It will consider whether the principle of revenue neutrality can override procedural valuation rules. The final judgment is pending.

A2Z TAXCORP LLP
Tax and Law Practitioners



Rupee Nears ₹90: What's Happening?

- * Rupee hit ₹89.85–₹90/\$, its weakest ever.
- * Weak foreign inflows + India–US trade deal delays dragged it down.
- * RBI sold dollars to stop a sharper fall.

Why the Pressure?

- * High import dependence = strong dollar demand.
- * \$17B FPI outflow from equities.
- * Wider trade deficit + speculation adding heat.

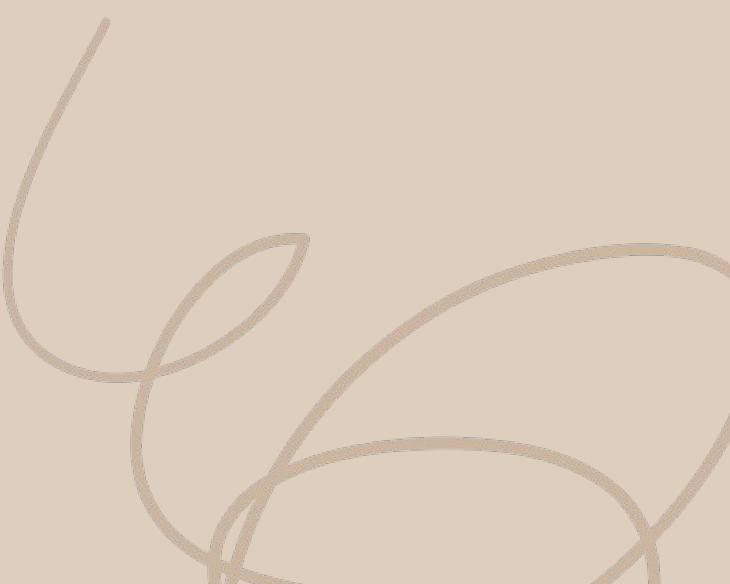
What Next?

- * Deal breakthrough → ₹88–₹88.5 possible.
- * More delays/outflows → ₹91–₹95 risk.
- * RBI likely to defend ₹90, so volatility stays.

Impact on You

- * Costlier imports → fuel, electronics, cars up.
- * Travel & overseas studies become pricier.
- * Exporters gain limited benefit due to imported inputs.

Note: Not a buy/sell recommendation.



STOP TELLING CHATGPT "FIX MY GRAMMAR AND WRITING".

Bad Prompt = Bad Result.

Use these prompts instead and see the magic:

1. The Professional Editor

"Act as a professional editor and rewrite the following text to correct grammar, typos, punctuation, and clarity. Keep my original meaning but improve structure and readability dramatically. Here is the text: [paste text]."

2. The Grammar + Tone Perfection

"Fix all grammar, typos, and awkward phrasing in this text: [paste text]. Then rewrite it in a clean, professional tone that sounds polished, confident, and mistake-free without changing my message."

3. The Human-Sounding Rewrite

"Edit this text so it reads smoothly and naturally like a human expert wrote it. Fix grammar, sentences, flow, structure, and tone. Make it feel effortless and professional. Text: [paste text]."

4. The Clarity & Precision Upgrade

"Review the text below for grammar, clarity, logic, and sentence structure. Rewrite it to be concise, easy to understand, and professionally polished while keeping the original meaning intact. Here's the text: [paste text]."

5. The Formal Writing Fixer

"Rewrite the following text with perfect grammar, spelling, and sentence structure while making the tone formal and professional for business use. Text: [paste text]."

6. The Friendly & Polished Rewrite Prompt

"Fix all mistakes in this text like grammar, punctuation, typos, and flow and rewrite it in a friendly, warm, human tone that still sounds professional. Here's the text: [paste text]."

7. The Message Cleanup & Improvement

"Rewrite this text to fix grammar, remove redundancies, improve readability, and strengthen the message. Keep it simple, clean, and professional. Text: [paste text]."

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Co - Founder - Oasis Studio



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Owner - Atharva Engineers



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About Us

Hello, I am Jagmohan Singh

Leading Cash Flow Expert & Your Financial Freedom Mentor

For 22+ years, I have been helping business owners to fix their financial woes, iron out money challenges, build a solid cash inflow-outflow mechanism.

I have been so incredibly blessed to have had some of the best mentors come into my life and share their wisdom with me, so I have vowed to continue the tradition of passing on the wisdom that has been entrusted to me.

A Global Indian of the Year awardee, I have worked with more than 879 business owners in India & abroad and helped them reach their financial freedom goals at a speed they never thought possible.





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If you have any questions, feedback, or inquiries, please don't hesitate to reach out to us. Our team is here to assist you in any way we can. You can contact us via phone, or through our website's contact form.

We value your input and look forward to hearing from you. Thank you for considering reaching out to us.

