MAY 2025

BHUTA SHAH & CO LLP

CHARTERED ACCOUNTANTS

Monthly E-Newsletter

BSC BEACON

TAX & REGULATORY INSIGHTS

WHAT'S INSIDE

I. DIRECT TAXATION:
A. CORPORATE TAX

1. *Non-disclosure of material facts regarding alleged transaction of round tripping justifies deep tax probe and reassessment proceedings*

During the AY 2011-12, the Assessee issued shares to a foreign equity firm (KKR) for investment of INR 500 Crores equivalent to shareholding of 14.99% in Assessee. The Assessee claimed business loss for the AY 2011-12 which was subject matter of litigation up to appellate authorities post which it attained finality. In 2016, the Holding company of the Assessee [Holding Co.] purchased the shares held by KKR for INR 1,218 Crores and settled the consideration by way of cash-cum-share deal [INR 600 Crores in cash and INR 618 Crores in shares of Holding Co.] Subsequently, KKR disposed off the shares of Holding Co. in the open market and earned a profit of INR 1,538 Crores. Based on information received from Investigation Wing, the AO initiated the reassessment proceedings which was challenged by the Assessee by filing a writ petition before the Hon'ble Madras HC. The said petition was allowed by the Hon'ble HC which was pronounced by a Single bench Judge. Consequently, the reassessment proceedings were quashed. Aggrieved by impugned HC order, the tax authorities filed writ appeal before the larger bench of the Hon'ble Madras HC.

Before the Hon'ble HC, the tax authorities contended that reopening of the assessment was based on the round tripping arrangements made by the Assessee. It was further contended by the tax authorities that the Assessee neither substantiate its transactions with KKR (and subsequent transactions between the Holding Co and KKR), nor it submitted the definitive agreements in the nature of Share Subscription Agreement and Shareholders Agreements during the assessment proceedings. Per contra, the Assessee supported the earlier HC order and argued that the reassessment proceedings is arising out of roving enquiry. The Assessee also contended that all the facts necessary to reopen a concluded assessment is absent in its case.

The Hon'ble HC observed that the entire arrangement did not appear to be a prudential business deal. The Hon'ble HC held that *'when an equity firm invests a sum of Rs. 500 Crores and walks away with Rs. 2,138 Crores in a span of few years, there is something that more than meets the eye.'* Accordingly, the Hon'ble HC held that the AO was justified in concluding that matter requires a deeper probe as to whether the black money of the promoters was deployed in making initial investment of INR 500 Crores. Hon'ble HC observed that provisions of Section 147 of the Act have to be construed strictly and every minor lapse not touching the jurisdictional aspects shall not be an advantage to money launderers.

Dalmia Cement (Bharat) Limited [TS-458-HC-2025(MAD)]

---

2. *CBDT Instruction is not a rule or a regulation or a mandatory direction but is a guide to the AO to proceed in a particular manner*

P L Goenka HUF ("Assessee") has earned LTCG on sale of shares of Tuni Textiles Mills Ltd (TTML) during the AY 2013-14 and claimed exemption under Section 10(38) of the Act in its ROI. Based on the information received from the Investigation Wing alleging claim of bogus exemption of LTCG earned by artificially manipulating the market price, the AO initiated reassessment proceedings. The Assessee challenged initiation of reassessment before the CIT(A) based on non-application of mind by the AO and relied on CBDT Instruction dated 10.01.2018 for recording the satisfaction under Section 147 of the Act. However, the CIT(A) confirmed the findings of the AO with respect to surge in market price of TTML of 4.5 times in a span of 1 year & 2 months. Accordingly, the CIT(A) dismissed the appeal of the Assessee and upheld the reassessment proceedings. Aggrieved, the Assessee filed an appeal before Hon'ble Kolkata ITAT which accepted the contention of the Assessee and held that the AO failed to follow the CBDT's instructions. Therefore, the Hon'ble ITAT (SMC) held that reopening was bad in law and allowed the appeal of the Assessee.

Thereafter, the tax authorities filed an appeal before the Hon'ble Calcutta HC. The Hon'ble HC noted that Hon'ble ITAT did not go into the merits of the matter and relied only on CBDT Instruction. The Hon'ble HC emphasized that CBDT's instructions are in the nature of a guidance note and not binding regulations. It noted that the Hon'ble ITAT made a serious error by elevating the said Instructions as mandatory rule or regulation. The Hon'ble HC observed the reassessment order and found that the AO had considered various factors, such as financial documents, share price movements, and the Assessee's replies, before concluding that the transactions were suspicious. The Court clarified that under the law, the AO only need to have a "reason to believe" that income has escaped assessment, not concluding evidence. Accordingly, the AO's belief in this

case was based on reasonable evidence and analysis, not just borrowed satisfaction. Therefore, the Hon'ble HC quashed the impugned ITAT order and allowed the appeal of the tax authorities.

P L Goenka Huf [TS-586-HC-2025(CAL)]

3. *Disclosing the name of the JAO in notice issued under Section 148 of the Act does not vitiate the reassessment proceedings*

Perur Builders Private Limited (Assessee) filed a writ petition before the Hon'ble Madras HC challenging a notice issued under Section 148 of the Act for the AY 2020–21. The Assessee argued that the JAO has issued the notice in violation of procedure prescribed under Faceless Assessment Scheme as per Section 144B of the Act.

The Hon'ble HC observed that the notice was generated through a centralized automated system and allocated to the JAO in accordance with the faceless assessment scheme. The other steps undertaken in issuance of the notice were completely in line with the Faceless Assessment Scheme prescribed under Section 144B of the Act. The only error was disclosing the name of JAO in the impugned notice.

The Hon'ble HC held that the impugned notice issued to the Assessee was valid and is in line with the law. The Hon'ble HC clarified that the JAO has the exclusive jurisdiction to issue such notices, and the use of the Automated Allocation System for assigning cases was proper. Although the notice mentioned the name of JAO, this was seen as a rectifiable mistake and did not make the notice invalid. The Hon'ble HC also emphasized that both the JAO and FAO have roles under the law, and their actions were in accordance with the faceless assessment scheme. Accordingly, the Hon'ble HC dismissed the writ petition.

Perur Builders Private Limited [TS-530-HC-2025(MAD)]

4. *Adjustment with respect to debatable issue cannot be made under Section 143(1)(a) of the Act*

The Assessee filed its ROI for the AY 2020-21 which got processed under Section 143(1)(a) of the Act after disallowing the deduction for delayed deposit of employees' contributions towards ESI and EPF under Section 36(1)(va) of the Act. The Assessee challenged this disallowance up to Hon'ble Raipur ITAT but could not succeed in view of the judgment of Hon'ble SC in case of Checkmate Services[1]. Before the Hon'ble Chhattisgarh HC, the Assessee contended that impugned disallowance was subject matter of debate since the decision of *Checkmate Services (supra)* was not pronounced at the time of issue of the intimation. The Assessee relied on the judgment of the Hon'ble SC in the case of *Kraverner John Brown Engg. (India) Pvt Ltd*[2] and *Rajesh Jhaveri Stock Brokers*[3] to contend that since Section 143(1)(a) of the Act only permits prima facie adjustments, highly debatable issues cannot be adjusted or disallowed. However, the tax authorities relied on *Checkmate Services (supra)* to affirm the Hon'ble ITAT order. The tax authorities further contended that clarificatory judgment of Checkmate Services would have the retrospective effect.

The Hon'ble HC observed that at the time of issuance of intimation, legal position on the deduction on delayed deposit of employees' contributions towards ESI and EPF was unsettled and pending adjudication before the Hon'ble SC in case of *Checkmate Services (supra)*. Given the divergent views of multiple HCs, the issue was highly debatable and thus fell outside the scope of permissible adjustments under Section 143(1)(a) of the Act. The Hon'ble HC concluded that the AO should have resorted to provisions under Section 143(3) of the Act in respect of this contentious matter and the same cannot be summarily disallowed under Section 143(1)(a) of the Act.

Raj Kumar Bothra [TS-580-HC-2025(CHAT)]

[1] *Checkmate Services Private Limited1 [TS-791-SC-2022]*
[2] *Kraverner John Brown Engg. (India) Pvt Ltd vs. ACIT [TS-29-SC-2008-O]*
[3] *ACIT vs. Rajesh Jhaveri Stock Brokers Pvt Ltd [TS-24-SC-2007-O]*

5. *No Violation of Section 13(1)(c) of the Act in CEO Remuneration, Upholds Section 11 Exemption*

Pardada Pardadi Educational Society ("the Assessee") is a charitable organization registered under Section 12AA of the Act and approved under Section 80G of the Act. For the AY 2018–19, the Assessee filed its ROI declaring Nil income, having claimed exemption under Section 11 of the Act. The AO denied the exemption claimed by the Assessee under Section 11 of the Act, alleging that the salary paid to the CEO [a specified person under Section 13(3)(cc) of the Act] was excessive and unreasonable, thereby invoking provisions of Section 13(1)(c)(ii) read with Section 13(2)(c) of the Act. Aggrieved by the assessment order, the Assessee filed an appeal before the Hon'ble CIT(A) who allowed the appeal and deleted the additions made by the AO in assessment order. Aggrieved by the order of the Hon'ble CIT(A), the AO filed an appeal before the Hon'ble Delhi ITAT.

Before the Hon'ble ITAT, the Assessee submitted that payments made to managers of an institution *(being a specified person)* gets covered under Section 13(3)(cc) read with Section 13(2)(c) of the Act. In the instant case, the Assessee paid salary to a CEO during the year. Since a CEO is generally considered to be a managerial position, the salary payment to CEO falls within this category and the CEO is to be considered as 'a specified person'. The Assessee further submitted that the salary payments to CEO duly justified in view of the role and responsibilities undertaken by the CEO and are reasonable given the nature and scale of the operations of the Assessee. Accordingly, the Assessee has discharged its onus to prove the genuineness and reasonableness of the salary payment by producing the documentary evidence before the AO.

The Hon'ble Delhi ITAT upheld the order of the CIT(A), observing that the AO neither furnished any evidence nor conducted any inquiry to substantiate the claim of excessive payment. The burden of proving that salary payments made to specified persons are excessive or unreasonable lies with the tax authorities. Relying on the Hon'ble SC judgment in case of *Bholaram Educational Society*[4], the Hon'ble ITAT held that reasonable payments made for genuine services rendered by specified persons do not attract disqualification under Section 13(1)(c) of the Act. Accordingly, the Hon'ble ITAT dismissed the appeal filed by the tax authorities and upheld the Assessee's eligibility for exemption under Section 11 of the Act and affirmed the order of the CIT(A).

Pardada Pardadi Educational Society [TS-590-ITAT-2025(DEL)]

[4] *CIT (Exemptions) vs Bholaram Educational Society [TS-5510-SC-2018-O]*

6. *Capital gains exemption allowed on proceeds from sale of two properties by husband and wife, invested into a single residential property.*

Tejal Kaushal Shah ("the Assessee") declared LTCG on sale of a residential property during AY 2012–13 and claimed exemption under Section 54 of the Act for the purchase of a new residential house. The AO noted that the new property was jointly purchased by the Assessee and her husband, with both contributing proportionately to the purchase. The AO further observed that the husband had also claimed exemption under Section 54 of the Act for the same property, based on gains from the sale of a different house.

As a result, the AO denied the claim of exemption, holding that Section 54 of the Act benefits were being claimed twice for the same property. The AO also contended that the purchase of the new house from the sale of two properties violated conditions prescribed under Section 54 of the Act. Additionally, the AO held that Assessee has failed to furnish documentary evidence such as bank statements to show that payment for purchase of old property was made by the Assessee. The Assessee did not submit copy of purchase and sale agreement of the old property to establish the mode of payment. Accordingly, the AO considered the husband as the primary owner. Aggrieved by assessment order, the Assessee filed an appeal before the CIT(A).

The CIT(A) upheld the denial of exemption, based on lack of any cogent documentary evidence. Aggrieved, the Assessee filed an appeal before the Hon'ble Mumbai ITAT.

The Hon'ble ITAT emphasized that the critical factor under Section 54 of the Act is the utilization of capital gains for purchasing a new residential property, irrespective of the number of properties sold. The Hon'ble ITAT also noted that it is not the case of the tax authorities that both the Assessee and her husband have claimed benefit under Section 54 of the Act twice for the entire sale consideration, but it is a case where they have claimed proportionately to the extent of investment made by either of them in the purchase of the new property. The Hon'ble ITAT held that exemption benefit under Section 54 of the Act cannot be denied solely because the new property is jointly owned by the Assessee and her husband. The capital gain should be apportioned based on each owner's investment as well as share. Accordingly, the Hon'ble ITAT directed AO to ensure that no double deduction is claimed and allow the exemption under Section 54 of the Act to the Assessee based on actual investment made by her.

Tejal Kaushal Shah [TS-435-ITAT-2025(Mum)]

7. *Income discovered during survey proceedings but disclosed in ROI cannot be considered as unexplained investment*

The Assessee is a partnership firm and engaged in the business of trading of furniture and related material. During the survey proceedings, the stock physically found was inventorized and valued at INR 142.21 Lakhs (cost price), after deducting 20% for discount & 20% for GP from the actual price. However, the value of stock as per the Trading A/c was INR 89.75 Lakhs resulting in a difference of INR 52.46 Lakhs. In this regard, Mr Rajindra R. Bade (a partner of Assessee firm) explained in his statement that the stock is valued after deducting regular discount of 20%, but sometimes the discount is over & above 20%. Hence, there is difference in value of stock. He admitted an additional income of INR 52.46 Lakhs. Subsequently the Assessee declared this additional income as business income while filing its ROI.

During the assessment proceedings, the AO treated the additional income as deemed income under Section 68 of the Act and levied tax on the deemed income under Section 115BBE of the Act. On appeal, the CIT(A) reclassified it under Section 69B of the Act as unexplained investment and upheld the addition made by the AO.

Upon further appeal, the Hon'ble Pune ITAT ruled in favor of the Assessee, observing that the excess stock was offered as business income and duly disclosed in the return. The Hon'ble ITAT held that since the source of the income was clearly from business activity, it could not be treated as unexplained investment. Relying on the decision in *Bajargan Traders*[5] and similar rulings, the Hon'ble ITAT directed the AO to tax the additional income at normal rates as business income and not under Section 115BBE of the Act.

Lucky Furniture [TS-588-ITAT-2025(PUN)]

8. *Transfer of development rights does not amount to transfer under Section 2(47)(v) of the Act.*

The Assessee entered into a registered development agreement with M/s Shree Yashree Construction Pvt. Ltd. ('developer') in the AY 2012-13 for transfer of development rights on land owned by him. Vide the development agreement, the Assessee was entitled for INR 1.23 Crores in cash and 22 flats as consideration. The Assessee received cash consideration for the transfer of development rights in AY 2012-13. During the AY 2013-14, the Assessee received the possession of the flats and subsequently sold the flats in the same year. He disclosed the capital gains on sale of flats in his ROI for the AY 2013-14. The AO received information about cash deposit and sale of immovable property by the Assessee pertaining to AY 2012-13. Hence, the AO reopened the assessment under Section 148 of the Act for the AY 2012-13 by treating the initial agreement of sale of development rights as a “transfer” under Section 2(47)(v) of the Act. During the assessment proceedings, the Assessee submitted that possession of land was not given to the developer during the AY 2012-13 and that the capital gains arose only in AY 2013–14, when the possession of flats was received and flats were subsequently sold. However, the AO computed capital gains (being the difference between the value of constructed area receivable by the Assessee of INR 2.23 Crores and the value of land amounting to INR 1.23 Crores) of INR 1.01 Crores, contending that the transfer occurred in AY 2012–13 in the assessment order.

[5] *PCIT vs. Bajargan Traders (2017) [TS-6866-HC-2017(Rajasthan)-O]*

Aggrieved, the Assessee filed an appeal before the CIT(A) who observed that developer has offered revenue from various projects including the project entered with the Assessee. Accordingly, he held that transfer of land was complete, and consideration was received by the Assessee. Therefore, the capital gains was taxable in AY 2012-13 and thus, he upholds the assessment order.

On further appeal before the Hon'ble Pune ITAT, the Assessee contended that it had merely granted the licence to permit construction on land to developer but not given any possession of land as per Section 53A of the Transfer of Properties Act, 1882 (TOPA). Therefore, there was no transfer under Section 2(47)(v) of the Act resulting in capital gains. Thus, notice for reopening of assessment was not justified. The Assessee relied on judgment of jurisdictional HC in case of *Late Bharat Jayantilal Patel vs. DCIT*[6] and *Darshana Anand Damle*[7] in support of its contention. Per contra, the tax authorities relied on the assessment orders and CIT(A) order.

The Hon'ble ITAT held that the development agreement only conferred a licence to construct and did not involve handing over possession as per Section 53A of TOPA. The Hon'ble ITAT observed that (i)The commencement certificate and municipal permissions were issued in AY 2013–14. (ii)The Assessee received the 22 flats, valued at INR 2.23 Crores, only in AY 2013–14. (iii) The Assessee sold the flats and reported capital gains in the ROI for AY 2013–14, also claiming deduction under Section 54F, which was not disputed by the tax authorities. The ITAT took cognizance of jurisdictional Bombay High Court's decisions in *Bharat Jayantilal Patel* and *Darshana Anand Damle (supra)*, which held that mere grant of licence does not constitute possession under Section 53A. Hence, the Hon'ble ITAT held that no capital gain arose to the Assessee in AY 2012–13, as no "transfer" took place under Section 2(47)(v) in AY 2012-13. Accordingly, the Hon'ble ITAT deleted the addition made by the AO and allowed the appeal of the Assessee.

Balasaheb Popatrao Phadol [TS-384-ITAT-2025(PUN)]

9. *Gifted house doesn't disqualify Assessee from claiming exemption under Section 54F of the Act*

The Assessee was a partner in a partnership firm subject to tax audit under Section 44AB of the Act. The Assessee received LTCG on sale of unquoted shares during the AY 2022-23 and claimed exemption under Section 54F of the Act based on construction of house property and deposit in CGAS A/c. During the assessment proceedings, the AO challenged the exemption under Section 54F of the Act on the basis that condition for 1 residential house property was violated. Further, the investment was not made within due date of filing ROI and construction of house property was made on 6% of the total area of the land. The Assessee submitted that although he was owner of 2 house properties at the time of investment in residential house property, 1 house property was gifted to his daughter in 2015 (without executing registered gift deed) and the other house property was inhabitable being under-construction. Further, the Assessee has completed the construction of the new house property within 3 years from the date of transfer of unquoted shares. Also, the investment was done within the due date prescribed under Section 139(1) of the Act and applicable to Assessee subject to tax audit. However, the AO disregarded the submission of the Assessee and denied the exemption claimed under Section 54F of the Act. Aggrieved, the Assessee filed an appeal before the CIT(A) who allowed the appeal negating all the aspects raised by the AO for denial of exemption. Against the order of the CIT(A), the tax authorities filed an appeal before the Hon'ble Hyderabad ITAT.

The Hon'ble ITAT took cognizance of observations made by CIT(A) that the Assessee had constructed the residential building and obtained the OC from the Municipal Authorities, clarifying that the land was purchased for the purpose of construction of residential property. Further, the Hon'ble ITAT observed that the Assessee had also constructed the residential house within 3 years. Therefore, the Hon'ble ITAT held that it is irrelevant to check whether the Assessee has constructed building on the entire land and has only utilised a portion of the land for residential house, thereby keeping remaining land vacant. Once the land is purchased for the purpose of construction of house property, then there is no reason to disallow deduction only on the ground that Assessee has used part of land for construction of house property.

Accordingly, the Hon'ble ITAT held that the Assessee is eligible for exemption under Section 54F of the Act and hence, upheld the order of the CIT(A). The Hon'ble ITAT dismissed the appeal of the tax authorities.

Narasimha Reddy Duthala [TS-571-ITAT-2025(HYD)]

[6] *[TS-5039-HC-2023(Bombay)-O]*
[7] *Darshana Anand Damle vs. DCIT [TS-5589-HC-2023(Bombay)-O]*

II. INTERNATIONAL TAXATION:

1. ***Interest income from loan given to Indian parties, not attributable to Assessee's PE is taxable at 10% under India-Japan DTAA***

Marubeni Corporation ("the Assessee"), a Japanese entity, earned interest income from certain Indian companies under supplier's credit arrangements during the AY 2018–19. The Assessee filed its ROI for the AY 2018-19 by offering this interest income to tax at beneficial rate of tax at 10% in accordance with Article 11(2) of the India-Japan DTAA.

During the assessment proceedings, the AO noted that Assessee has a project office in India which is admitted by the Assessee to be its PE in India. Hence, the AO rejected the DTAA tax rate citing the existence of a PE of the Assessee in India. The AO contended that the interest income was effectively connected to this PE and hence, it should be treated as Business Profits under Article 7 read with Article 11(6) of the DTAA and taxed at the rate of 40%. Aggrieved by the assessment order, the Assessee filed an appeal before the CIT(A). The CIT(A) relied on the decision of the Coordinate Bench for the earlier year wherein it was noted by the Hon'ble ITAT that the expression 'effectively connected with such PE' in a DTAA must mean a situation in which the interest income in question can be said to be directly or indirectly attributable to the PE and can be brought to tax under Article 7. Further, the Hon'ble ITAT observed that performance of contracts through PE or receipt of fees from such clients is irrelevant if the interest income is not demonstrated to be attributable to the PE. Also, the attribution cannot be inferred or assumed but there must be cogent material to establish the fact that interest is attributable to PE. Accordingly, the Hon'ble ITAT held that no interest is attributable to the PE. Therefore, the interest income was held to be taxable at the concessional rate.

The CIT(A) also noted that AO has passed the order without establishing any nexus between the receipt of interest income and the Indian PE. Accordingly, the CIT(A) allowed the appeal of the Assessee. Aggrieved, the tax authorities filed an appeal before Hon'ble Mumbai ITAT.

Before the Hon'ble ITAT, the Assessee supported the order of the CIT(A). The supporting documentation in the nature of supplier agreements and invoices raised from Japan in foreign currency were furnished to establish that the interest income had no nexus with the Indian PE. Per contra, the tax authorities relied on the assessment order.

The Hon'ble ITAT noted that tax authorities could not place any record to demonstrate any distinguishing facts and circumstances as compared to the earlier years. Further, there was nothing on record to demonstrate that the interest income on providing supplier's credit is directly or indirectly attributable to Assessee's PE in India which can be taxable under Article 7(1). The Hon'ble ITAT also noted that mere presence of a PE does not automatically invoke Article 11(6). Therefore, the Hon'ble ITAT upheld the order of the CIT(A) and dismissed the appeal of the tax authorities.

Marubeni Corporation [2025] 173 taxmann.com 441 (Mumbai - Trib.)

2. ***Receipts from provision of domain name registration services cannot be treated as royalty under Section 9(1)(vi) of the Act and Article 12(3) of India-USA DTAA***

The Assessee is engaged in the business of providing facilitation of domain name registration, web hosting, web designing, SSL certification and other services. During the AY 2022-23, the Assessee provided the abovementioned services but the same was not offered to tax in India. During the assessment proceedings, the AO treated the receipts from domain name registrations as the 'Royalty' considering it to be received for granting the right to use the servers. Further, the income received from providing balance services (e.g. web hosting services; etc.) were held to be taxable as FTS since it is ancillary to enjoyment of domain registration. Moreover, the AO contended that Assessee being LLC is a fiscally transparent entity and not qualified as US tax resident. Therefore, the Assessee was held to be non-eligible to claim DTAA benefits. The AO made addition in respect of both the above receipts in the final assessment order after being

affirmed by the Hon'ble DRP. Aggrieved by the final assessment order, the Assessee filed an appeal before the Hon'ble Delhi ITAT.

The Hon'ble ITAT noted that Assessee is a Registrar and not an owner of the domain which register domain and does not hold any proprietorship rights in the names used as domain names. Given the same, the Assessee cannot confer the right to use or transfer the right to use the domain name to another person/entity. Further, the Hon'ble Delhi ITAT relied on the earlier ruling in the Assessee's own case which held that the receipts from provision of web hosting, web designing, SSL certification services etc. cannot be charged to tax as FTS under Section 9(1)(vii) of the Act and Article 12(4) of the DTAA. The Hon'ble ITAT observed that while providing non-domain services (such as web hosting, web designing services etc.) there is no transmission of technical knowledge and the person acquiring domain name or availing hosting services merely pays for the services available with the service providers.

Accordingly, the consideration received by the Appellant for rendering such services falls outside the ambit as FTS as per Article 12(4)(b) of the India-USA DTAA.

In the context of allowance of DTAA benefits to an LLC, the Hon'ble ITAT relied on decision of coordinate bench in case of Assessee's sister concern – *Wild West Domains LLC vs. ACIT*[8] wherein it was held that fiscally transparent entities are entitled to DTAA benefits if a valid TRC has been issued by the tax authorities of the concerned jurisdiction. Also, the co-ordinate bench in Assessee's own case wherein the Hon'ble ITAT made a distinction between liability to tax and actual payment to tax. The Hon'ble ITAT clarified that liability to taxation refers to the fundamental power to tax an income through the incidence of taxation, which may differ from the actual payment to tax. Accordingly, the Hon'ble ITAT held that Assessee is a tax resident of US under Article 4 of DTAA and entitled to avail the benefits under the DTAA.

Godaddy.com LLC [TS-546-ITAT-2025(DEL)]

[8] ITA No. 1774/Del/2022

3. *ITAT Upholds India-Cyprus DTAA Benefits, Validates Cyprus-Issued Tax Residency Certificate*

Background

Gagil FDI Ltd., a company based in Cyprus and a wholly owned subsidiary of GA Global Investments Ltd., also from Cyprus, was involved in a transaction concerning shares of the National Stock Exchange of India Ltd. (NSE). The parent company initially acquired NSE shares in 2007 after obtaining necessary approvals from Indian authorities such as SEBI, RBI, and FIPB. In 2014, Gagil acquired these shares from the parent company and later sold them to multiple buyers.

In its tax filings, Gagil claimed:

- Exemption from capital gains tax
- Concessional 10% tax rate on dividend income under the India–Cyprus Double Taxation Avoidance Agreement (DTAA)

However, the Assessing Officer (AO) denied these treaty benefits, asserting that the real control of Gagil was in fact in the USA and that it was merely a conduit entity created to misuse the DTAA. The Dispute Resolution Panel (DRP) supported this view.

ITAT Conclusion:

The Delhi Income Tax Appellate Tribunal (ITAT) ruled in favor of Gagil FDI Ltd., making several important observations:

- **TRC Validity:** The Tribunal held the Tax Residency Certificate (TRC) issued by Cyprus as credible proof of residency and eligibility for DTAA benefits.
- **Substance of Operations:** The ITAT found that key decisions were made in Cyprus, proving Gagil's substantive presence there and not in the USA.
- **Regulatory Approvals Matter:** The Tribunal stressed that approvals from SEBI, RBI, and FIPB are based on thorough scrutiny and lend credibility to the legitimacy of the investment.
- **Conduit Allegation Rejected:** The ITAT dismissed the allegation that Gagil was a shell or conduit entity, stating the claim was unfounded and unsupported.
- **Use of Precedent:** The ITAT cited the case of Saif II-Se Investments Mauritius Ltd., which involved similar facts, where treaty benefits were upheld based on a valid TRC.
- **Dividend Taxation:** The Tribunal allowed Gagil to avail the 10% concessional tax rate on dividend income under the DTAA but did not provide a specific finding on the beneficial ownership of those dividends.

Conclusion

This ruling strengthens the legal position that DTAA benefits are valid if supported by a TRC and genuine business substance in the jurisdiction of residence. It also emphasises the significance of regulatory approvals and sets a precedent for similar cross-border investment cases in India.

III. TRANSFER PRICING

1. ***Interest on outstanding receivable cannot be charged where no interest was charged from non-AE and no funds were borrowed for working capital purpose. Addition is unsustainable when the additional evidence submitted before DRP gets subsequently accepted by TPO.***

The Assessee is engaged in the business of manufacturing and trading of all communication devices, optic fibre cables, broadband cables, connectors etc. During the assessment proceedings for the AY 2020-21, the matter was referred to the TPO due to the international transactions entered by Assessee with its AE.

The TPO made the following TP adjustments:

1. Recomputed the ALP of the International transaction at entity level instead of segmental level on the grounds of unaudited segmental analysis and higher allocation of employee expenses to service segment in comparison to trading segment.
2. Excluded a comparable selected by Assessee on account of different business functions.
3. Charged interest on delayed trade receivables.

The Assessee filed objections before the Hon'ble DRP and submitted Audited Segmental results, details regarding employee cost allocation and data relating to comparable company as additional evidence. The Hon'ble DRP however, rejected Assessee's objections and the final Assessment Order was passed.

On appeal before the Hon'ble Delhi ITAT, ALP calculation at segmental level was allowed by the Hon'ble ITAT since the Assessee had submitted the audited segmental results before the DRP which was also accepted by the TPO in his remand report. Further, the Hon'ble ITAT held that the TPO has no power to comment upon the manner in which Assessee can conduct its business, and that the Assessee has rightfully submitted the employee cost allocation between different segments which was not further questioned by the TPO.

On the ground of selection of comparable, the Hon'ble ITAT directed the TPO to include the comparable on the basis of the data submitted by the Assessee. Further, the Hon'ble ITAT directed the TPO to verify whether interest was charged on trade receivables from non-AEs and whether Assessee has utilized any borrowed funds for business purposes. If the Assessee has not charged interest as well as utilized borrowed funds for working capital, there is no need to levy notional interest on international transactions conducted by Assessee with its AE.

Opterna Technologies Private Limited [TS-246-ITAT-2025(DEL)-TP]

---

2. ***For the transactions relating to purchase and sales, RPM is considered as MAM.***

The Assessee is engaged in the wholesale and retail trade. Due to transactions relating to purchase and sales conducted with its AE for AY 2020-21, a reference was made to TPO during the assessment proceedings.

The Assessee benchmarked the international transactions using RPM as no further significant value addition activities were required to be done by the Assessee under deemed international transaction arrangement. Since both the transactions were interrelated and inter-connected, the Assessee aggregated both the transactions for benchmarking purposes. The Assessee also contended that it has provided corroborative analysis wherein gross margin from sale of goods to parties covered under the provisions of deemed international transaction is more than the gross margin from sale of goods to other parties. However, the TPO rejected the benchmarking study of the Assessee without giving any cogent reason. The TPO adopted TNMM for benchmarking the said international transaction and resorted to TP adjustments. The AO considered the TP adjustment proposed by the TPO in his draft assessment order. On filing objections before the Hon'ble DRP, the Hon'ble DRP confirmed the findings of the TPO. Based on the DRP Directions, the final Assessment order was passed. The DRP held that both the transactions of purchase and deemed international transaction of sale are contended and hence, cannot be bundled together for benchmarking purposes using RPM. Further as significant value addition activities are performed In India and hence, gross margin analysis cannot be considered.

Aggrieved, the Assessee filed an appeal before the Hon'ble Ahmedabad ITAT. The Hon'ble ITAT noted that the observations of the DRP are generic in nature. It held that for benchmarking the sales and purchase transactions, RPM is the most appropriate method. The

Assessee has demonstrated sale of goods were at arm's length price. Accordingly, the Hon'ble ITAT held that both the transactions are inter-linked and interconnected, and that the international transaction of sale of goods have to be aggregated for the purpose of benchmarking. Accordingly, the Hon'ble ITAT directed the TPO to make the necessary adjustment to consider RPM for benchmarking purpose.

Bock Compressors India Pvt. Ltd [TS-232-ITAT-2025(Ahd)-TP]

---

3. *AMP expenses that are incurred in normal course of business and not as a transaction between Assessee and its AE, does not constitute International Transaction.*

During the AY 2012-13, the Assessee entered into international transaction with its AE. The Assessee incurred AMP expenses during the AY 2012-13. During the assessment proceedings, The TPO considered the AMP expenses as international transaction since it was construed as incurred for strengthening the brand image of the company worldwide. Accordingly, the TPO made adjustment for AMP expense which was included in draft assessment order. The same TP adjustment was confirmed in final assessment order as well.

Aggrieved by the final assessment order, the Assessee filed an appeal before the CIT(A). The CIT(A) relying on the decision of the Hon'ble Delhi HC in the case of *Maruti Suzuki India Ltd*[9] and Hon'ble Delhi ITAT in Assessee's own case for previous years, held that the AMP expenses incurred during normal course of business cannot be characterized as a separate international transaction under Section 92B of the Act. Accordingly, the Hon'ble CIT(A) allowed the Appeal. Aggrieved, the tax authorities filed an appeal before the Hon'ble Delhi ITAT which upheld the order of the CIT(A).

On further appeal, the Hon'ble Delhi HC relying on decision of the co-ordinate bench on the similar issue in Assessee's own case for previous years and *Sony Ericsson Mobile Communication India Pvt. Ltd*[10] as well as Maruti Suzuki India Ltd *(supra)* held that AMP expenses cannot be considered as separate International transactions where the same is incurred in the normal course of business and there is no material to establish the same were incurred as a transaction between the Assessee and its AE. Accordingly, the Hon'ble Delhi HC dismissed the appeal of the tax authorities.

Wrigley India Pvt Ltd [TS-210-HC-2025(DEL)-TP]

[9] *Maruti Suzuki India Ltd. v. CIT: [TS-5578-HC-2015(Delhi)-O]*
[10] *Sony Ericsson Mobile Communication India Pvt. Ltd. v. CIT-3: [TS-5203-HC-2015(Delhi)-O]*

4. *Interest on notional receivable should be computed at LIBOR + appropriate spread based on the interest rate prevailing in the country where AE is situated*

VPR Mining Infrastructure Pvt. Ltd., (the Assessee) engaged in coal mining, was subject to a search and seizure by tax authorities. Thereafter, the Assessee's case was selected for scrutiny. In view of the international transactions entered with PT VPR Laxmindo (AE), matter was referred to the TPO. These transactions included an outstanding receivable from its AE related to shipping and custom clearance expenses for transportation of leased equipment and a remittance for disinvestment in equity of its AE. The TPO treated the receivable amount in respect of shipping expenditure as loan receivable from the AE and accordingly made TP adjustment on the interest on receivables by considering SBI PLR. Based on the TP adjustment, the AO passed the assessment order. Aggrieved, the Assessee preferred an appeal before the CIT(A), who held that the interest need to be imputed on the said notional receivable on LIBOR + appropriate spread [LIBOR + 200 basis points], but not SBI PLR as made by the AO/TPO.

Aggrieved by the order of the CIT(A), the tax authorities filed an appeal before the Hon'ble Hyderabad ITAT. The Hon'ble ITAT noted that the transaction between the Assessee and its AE for receivable of the shipping expenses is an international transaction. Accordingly, it should be benchmarked at an appropriate rate of interest applicable to country of residence of the AE and currency in which such outstanding amount is repayable. Since the AE is situated in Indonesia, LIBOR + appropriate spread is the most appropriate rate of interest for benchmarking the interest on outstanding receivables. Consequently, the Hon'ble ITAT upheld the order of the CIT(A) and dismissed the appeal filed by the tax authorities.

VPR Mining Infrastructure Pvt. Ltd [TS-194-ITAT-2025(HYD)-TP]

IV. IMPORTANT CIRCULARS AND NOTIFICATIONS

1. CBDT[11] specifies list of goods of value exceeding INR 10 lakhs for TCS under Section 206C of the Act

The CBDT has notified the list of goods having value exceeding INR 10 lakhs for collection of tax at source under Section 206C(1F) of the Act i.e. any seller receiving over INR 10 lakhs for the following goods must collect 1% TCS from the buyer at the time of payment. The list of goods is as under:

Sr. No.	Nature of Goods
1	Any wrist watch
2	Any art piece such as antiques, painting, sculpture
3	Any collectibles such as coin, stamp
4	Any yacht, rowing boat, canoe, helicopter
5	Any pair of sunglasses
6	Any bag such as handbag, purse
7	Any pair of shoes
8	Any sportswear and equipment such as golf kit, ski-wear
9	Any home theatre system
10	Any horse for horse racing in race clubs and horse for polo

CBDT vide Notification No. 35/2025 amends Form 27EQ, to include the list of the goods in the table after the row relating to "Collection at source on sale of motor vehicle"

Further, the CBDT issued FAQs on the above notification. The key highlights of the same are as follows:

- TCS will be levied on sale of a single item of the goods of the nature specified in the above table which is of the value exceeding INR 10 lakhs.
- The new provisions will become applicable with effect from 22.04.2025.

[11] Notification No. 35/2025/F. No. 370142/11/2025-TPL dated 22.04.2025

V. GOODS AND SERVICE TAX UPDATES

1. Advisory on reporting values in Table 3.2 of GSTR-3B which includes inter-state supplies made to unregistered persons, composition taxpayers, and UIN holders:

As per the earlier advisory dated 11.04.2025, it was communicated that the auto-populated values in Table 3.2 of Form GSTR-3B would become non-editable. However, after considering feedback from taxpayers and aiming to ease the filing process, it has been decided to keep **Table 3.2 editable** for now.

Taxpayers are encouraged to review and, if necessary, amend the auto-populated entries to ensure accurate and complete returns. Once the final changes are implemented, it will be notified accordingly

2. Updates in Refund Filing Process for various refund categories:

The GSTN has simplified the refund process for certain categories such as exports with tax payment, supplies to SEZs, and deemed exports. Taxpayers no longer need to select a **specific tax period when filing for refunds-just choose the relevant category and start the application. The said refund categories are changed from 'Tax Period based filing' to 'Invoice based filing'**. Remember, once an invoice is used in a refund application, it can't be changed or reused unless the application is withdrawn or flagged for correction. Ensure all required returns are filed before applying.

<u>Refund Filing Process for Recipients of Deemed Export:</u>

The GST refund process for recipients of deemed exports has also been made easier. It is **no longer needed to file in chronological order** of Tax Period which means Taxpayers are not required to select **"From Period"** and **"To Period"** while filing refund application. Refunds will now be calculated based on

invoices instead of tax periods, and new automated tables will help show eligible refund amounts more clearly.

3. *High Court of Gujarat: GST Compensation Cess on Export of Branded Chewing Tobacco via Merchant Exporters.*

Background

Sopariwala Export (P.) Ltd., a manufacturer of branded (flavoured) chewing tobacco, supplied goods to merchant exporters at a concessional GST rate of 0.1% under Notification Nos. 40/2017 and 41/2017, which apply to exports. However, authorities later demanded a 160% Compensation Cess on these supplies, arguing that no exemption was available for Compensation Cess under the said notifications. The company contended that such supplies were for export and hence zero-rated, similar to the treatment of GST and IGST, and that demanding Compensation Cess created a revenue-neutral situation since the tax would eventually be refunded to exporters.

HC's observations and rulings

The Gujarat HC held that the levy of 160% Compensation Cess on supplies made by manufacturers to merchant exporters for export should be kept in abeyance. The matter has been referred to the GST Council to decide whether the same exemption (as for GST/IGST) should apply to Compensation Cess. Until the Council makes its recommendation, authorities cannot proceed with show cause notices or penalty orders, provided the exporters comply with the prescribed conditions and submit an undertaking to pay the cess if later required. The Court emphasized that such supplies qualify as zero-rated exports and should not be subject to inconsistent tax treatment.

[2025] 174 taxmann.com 437 (Gujarat)[09-05-2025]

VI. REGULATORY UPDATES

1. *Regulatory Update – IFSCA Framework for Co-Investment by Schemes in IFSC*

The International Financial Services Centres Authority (IFSCA) has issued a comprehensive framework enabling co-investment by Venture Capital Schemes and Restricted Schemes through Special Purpose Vehicles (SPVs) within IFSCs.

Eligibility & Structure

- Fund Management Entities (FMEs) with operational Venture Capital Scheme or Restricted Schemes can launch a Special Scheme.
- The SPV can be set up as a Company, LLP, or Trust under applicable Indian laws and shall be similar to the classification of the existing scheme (Category I, II, or III AIF).

Investment & Control

- The Special Scheme may co-invest (with or without leverage) in a single portfolio company, barring exceptions from restructuring.
- Existing Scheme must hold at least 25% of equity share capital, interest, or capital contribution in the Special Scheme
- FMEs retain full control and decision-making authority

Term Sheet & Reporting

- A detailed term sheet and declaration must be filed within 45 days of investment
- The investors of existing scheme shall be informed of the establishment of Special Scheme prior to seeking capital contribution.
- The Term Sheet shall be provided to investors and shall contain the disclosures as specified under the FM regulations.

Leverage & Encumbrance

- The leverage must align with limits disclosed in the placement memorandum
- The existing scheme and investors shall be permitted to creare encumbrance over the ownership interest in the Special Scheme in favour of a lender to the Special Scheme.

Investor Guidelines

- Co-investment open to all eligible investors as per FM Regulations
- No new KYC is needed for existing investors; new investors must follow IFSCA AML-KYC norms

Other Compliance

- Special Scheme must secure SEZ approval before filing term sheet with the Authority
- All the applicable fees as per IFSCA circular dated April 8, 2025, shall be paid

3. *RBI proposes 15% cap on AIF investment by Banks, NBFCs*

The RBI has proposed new guidelines to regulate investments made by banks and NBFCs in AIFs. These guidelines are aimed to curb excessive risk exposure and prevent practices such as recycling funds through

investment in AIFs and evergreening of loans.

Under the proposed framework, a single regulated entity would be allowed to invest up to 10% of the corpus of an AIF, while the total investment by all regulated lenders collectively in a single AIF would be capped at 15%. Additionally, regulated entities would be permitted to invest up to 5% of an AIF's corpus without any restrictions.

If an investment exceeds 5% of the AIF's corpus and the AIF makes downstream debt investments in the Regulated Entities (RE) debtor company (excluding equity shares, compulsorily convertible preference shares and compulsorily convertible debentures), the RE must make 100% provisioning on its exposure to the extent of investment by AIF in debtor company.

Exemptions may be granted to AIFs set up for strategic or special purposes, subject to consultation with the central government. The proposed regulations are intended to apply prospectively, meaning they will only affect investments made after the rules come into effect. Existing investments will continue to be governed by the current regulatory framework.

The RBI has set a deadline of June 8, 2025, to provide feedback on the draft. The regulator wants to make sure that the pursuit of growth does not come at the cost of financial instability.

4. Flexibility to Alternative Investment Funds (AIFs) for Co-Investment Offerings

SEBI has issued a consultation paper or co-investment by AIFs

Objective of the Consultation

- To permit AIFs to offer co-investment opportunities in unlisted securities through a Co-Investment Vehicle (CIV)—a separate scheme under the AIF.
- To relax existing restrictions on Investment Managers of AIFs from providing advisory services on listed securities.

Background & Rationale

- Current Issues - Co-investments are restricted under the Portfolio Management Services (PMS) framework due to regulatory constraints, including limits on investing in unlisted securities and early exit rights for investors that may misalign interests with AIFs.
- Industry Feedback: Requests were made to facilitate co-investment within the AIF structure for alignment, operational efficiency, and competitiveness.

Recommendations by the SEBI Working Group on Ease of Doing Business (EoDB WG)

- Problems with the Existing PMS-Based Co-Investment Model -
  - Additional PMS registration is costly and restrictive.
  - Documentation causes delays and complications in transaction execution due to multiple co-investors.
  - Restriction on advisory services on listed securities.
  - Misalignment in exit terms between AIF and co-investors.

- Restrictive definition of "co-investment" and limitations on sponsor-manager arrangements.

- Proposed CIV-Based Framework

Key Features of the Proposed Co-Investment Vehicle (CIV) Model:

1. CIV as a Scheme of AIF - CIV to be registered as Category I/II AIF—aligned with the main AIF.
2. Shelf PPM Filing - A "shelf Private Placement Memorandum (PPM)" to be filed with SEBI during AIF registration. Shelf PPM shall also be filed with SEBI at the time of First co-investment deal by the Investment Manager for seeking registration of CIV.
3. Quarterly filing of the CIV shall be made as per the applicable provisions
4. Accredited Investors Only - Co-investment opportunities through CIV limited to Accredited Investors only.
5. Administrative Setup - Each CIV scheme will have its own bank account, demat, and PAN.
6. Regulatory Exemptions for CIV -
   - Exemption from Investment diversification norms.
   - No separate manager / sponsor investment commitment required.
   - Exemption from minimum tenure conditions.
7. Exit Alignment: CIVs to have co-terminus tenure and exit with the main AIF to prevent conflict of interest.

Proposals Open for Public Comments

1. **CIV Framework -** Approval for launching CIV schemes for co-investment under AIF.
2. **Design of CIV Scheme** - Agreement with the operational and compliance structure of CIVs.
3. **PMS Framework -** Proposal to discontinue the current co-investment model under PMS once CIV is operational.
4. **Exit Terms -** Requirement for identical exit terms between CIVs and main AIF to ensure investor interest protection.
5. **Advisory on Listed Securities -** Allow AIF managers to provide advisory services on listed securities regardless of AIF investment.
6. **Thinly Traded Securities -** Caution on allowing advisory in illiquid listed securities due to potential conflicts of interest.

Public Comment Submission

Stakeholders were encouraged to submit their views on the six proposals by May 30, 2025, through the SEBI public comment portal.

VII. COMPLIANCE CALENDAR FOR JUNE 2025

A. Income tax

Sr. No.	Due Dates	Concerned (reporting) Period	Compliance Detail	Applicable to
01	7th Jun	Jun 2025	TDS / TCS Payment	Non-Government Deductors
02	15th Jun	Qtr. 1 (F.Y 24-25)	Advance tax payment	All Assessee
03	30th Jun	FY 2024-25	Equalization Levy Statement	All deductors
04	30th Jun	May 2025	Form 26QB (Section 194-IA), Form 26QC (Section 194-IB), Form 26QD (Section 194M), Form 26QE (Section 194S)	All Deductors

B. Provident Fund (PF) / Employee State Insurance Corporation (ESIC)

Sr. No.	Due Dates	Concerned (reporting) Period	Compliance Detail	Applicable to
01	15th Jun	May 2025	PF/ESIC Payment	All Assessee to whom respective laws of PF / ESIC are applicable
02	15th Jun	May 2025	ESIC Monthly Return	
03	15th Jun	May 2025	PF Monthly Return	

C. Goods and Service Tax

Sr. No.	Due Dates	Concerned (reporting) Period	Compliance Detail	Applicable to
01	10th June	May 2025	GSTR – 7 (TDS)	Person required to deduct TDS under GST
02	10th June	May 2025	GSTR – 8 (TCS)	Person required to collect TCS under GST
03	11th June	May 2025	GSTR – 1	a) Taxable persons having annual turnover > Rs. 5 crores in FY 2024-25 b) Taxable persons having annual turnover ≤ Rs. 5 crores in FY 2024-25 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme.
04	13th June	May 2025	GSTR – 1 (IFF)- QRMP	Aggregate Turnover is up to Rs. 5 crores.
05	13th June	May 2025	GSTR – 6 (ISD)	Person registered as ISD.
06	13th June	May 2025	GSTR - 5 (NRTP)	Non-resident taxable person (NRTP).
07	20th June	May 2025	GSTR – 3B	a) Taxable persons having annual turnover > Rs. 5 crores in FY 2024-25. b) Taxable persons having annual turnover ≤ Rs. 5 crores in FY 2024-25 and not opted for QRMP scheme.
08	20th June	May 2025	GSTR - 5A (OIDAR)	OIDAR services provider.

D. FEMA Compliance

Sr. No.	Due Dates	Particulars	Concerned (reporting) Period	Applicable to
01	7th Jun	ECB 2 Return (External Commercial Borrowing)	May 2025	All Indian Borrowers who have non-resident lenders
02	30th Jun	F.Y. 2024-25	Form DPT-3 - Return of Deposits	All companies (Excl. Government Companies)

GLOSSARY

ABBREVIATION	FULL FORM
Act	Income-tax Act, 1961
AE	Associated Enterprise
AMP	Advertising, Marketing & Promotion
ALP	Arm's Length Price
AO	Assessing Officer
AY	Assessment Year
CBDT	Central Board of Direct Taxes
CEO	Chief Executive Officer
CIT	Commissioner of Income-tax
CIT(Appeals) / CIT(A)	Commissioner of Income-tax (Appeals)
CGAS	Capital Gains Accounts Scheme
DRP	Dispute Resolution Panel
DTAA	Double Taxation Avoidance Agreement
ESI	Employee State Insurance
EPF	Employees' Provident Fund
FAO	Faceless Assessing Officer
FTS	Fees for Technical Services
FAQs	Frequently Asked Questions
FY	Financial Year
GP	Gross Profit
GST	Goods & Service Tax
HC	High Court
Hon'ble	Honorable
ITAT	Income Tax Appellate Tribunal
JAO	Jurisdictional Assessing Officer
LLC	Limited liability company
LIBOR	London Interbank Offered Rate
LTCG	Long Term Capital Gains
MAM	Most Appropriate Method
OC	Occupancy Certificate
PLR	Prime Lending Rate
PE	Permanent Establishment
RPM	Resale Price Method
ROI	Return of Income
SMC	Single Member Bench
SSL	Secure Sockets Layer

GLOSSARY

ABBREVIATION	FULL FORM
SC	Supreme Court
SEZ	Special Economic Zone
TCS	Tax Collected at source
TDS	Tax Deducted at Source
TNMM	Transactional Net Margin Method
TOPA	Transfer of Properties Act, 1882
TP	Transfer Pricing
TPO	Transfer Pricing Officer
TRC	Tax Residency Certificate

BHUTA SHAH & CO LLP
CHARTERED ACCOUNTANTS

About us

Bhuta Shah & Co LLP (BSC) is a dynamic professional Chartered Accountants firm with a distinctive blend of skill sets, experience and expertise. Established in the year 1986, we operate from our Head Office in Nariman Point, Mumbai while having 6 offices across India in Mumbai, Pune, Ahmedabad and New Delhi.

We offer our clients a wide range of services including Audit & Assurance, Direct Taxation, Indirect Taxation, Transaction Advisory, Corporate Finance, Corporate Advisory, Risk Advisory, Cyber Security and Resolution & Insolvency Advisory.

We provide services to a diverse set of leading Indian and Multinational Clients, including FPIs, Mutual Funds, Large Banks, Broking Institutions, Listed Companies including Pharmaceutical Companies, Manufacturing Companies, Insurance Companies, Realty Companies, Jewellery Companies, Hospitals and several other Large and Medium Businesses.

Our forte is high quality services to our clients based on the core principles of Quality, Focus, Timeliness and Commitment.

The Leadership Team comes with rich experience and is supported by a competent and efficient team of Professionals including Chartered Accountants, Professionals with Big-4 Consulting and Industry experience, Advocates, Company Secretaries, MBAs, Former IRS Officers, who are committed to providing timely, professional and quality services to our clients.

Our Locations

Mumbai
Head Office
302-303, Regent Chambers, Nariman Point,
Mumbai – 400 021.

Suburban
3rd Floor, Solitaire Corporate Park no. IV,
Andheri Kurla Road, Chakala, Andheri East,
Mumbai – 400 093.

New Delhi
E-6, First floor, Connaught Place, New Delhi – 110 001.

Ahmedabad
813, Shree Balaji Heights, Besides IDBI Bank,
C G Road, Ahmedabad – 380 006.

Pune
501-502, Building # B3, Pride Kumar Senate II,
CTS # 970, Senapati Bapat Road, Shivajinagar,
Pune- 411 016.

Jaipur
309-B, Windsor Plaza, Sansar Chandra Road, Jaipur,
Rajasthan – 302 001.

Bengaluru
151, 5th Floor, Moksha Mansion 1st Cross, Sarjapur,
Sarjapur - Marathahalli Road, 1st Block Koramangala,
Bengaluru, Karnataka – 560 034.

Hyderabad
VVC Konark, 2nd Floor, Plot, 5, Hitech City Road, Jubilee Enclave, Madhapur, Hyderabad, Telangana – 500 081.

Tel: +91 079 4003 9647

L: +91 22 4343 9191

E: mail@bhutashah.com

W: www.bhutashah.com

SCAN TO KNOW MORE