



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)
KOTTAYAM BRANCH (SIRC)

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NEWSLETTER



Chairman's Message

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"Excellence is not an act, but a habit we build through consistency and dedication."

Dear Esteemed Members,

Warm greetings to all.

The month of April has been both productive and inspiring for our branch, reflecting our continued commitment to academic excellence and student success.

One of the key highlights of this month was the successful conduct of the Mock Test Series for students appearing in the May 2026 examinations. The series was organized efficiently and received an encouraging response from students. It helped them assess their preparation and boosted their confidence to face the examinations with clarity and determination.

We are also delighted to share that on 27th April 2026, we commenced a new batch for CA Foundation students targeting the September 2026 and January 2027 examinations. Marking this occasion, we were privileged to have Past Chairperson CA Ramya N along with faculties CA Amala P Dominic and Sherin Mathew,

who delivered insightful sessions and provided valuable guidance and inspiration to the students. As we move forward, let us continue to strive for excellence and work together towards achieving greater milestones for our profession and our students.

During the month on 28/4/26 we planned a CPE meeting on labour code, but due to the hartal announced by some political parties we are forced to postpone the programme to 05/05/26. All activities that has to be carried out from branch level with respect to the coming examination in May has been successfully completed. Audit of annual accounts of branch has been completed and submitted to Head office.

"Success is the sum of small efforts, repeated day in and day out."

Wishing all our students the very best for their examinations and all our members continued success and good health.

Warm regards,

CA. Bimal C Sekhar

Chairman (2026-27)

Kottayam Branch of SIRC of ICAI



GST updates



CA. AKHIL VARGHESE

i. Difficulty in Filing GST Appeals in cases of NIL demand orders

The GSTN has recently highlighted a practical issue faced by taxpayers while filing appeals in cases where adjudication orders reflect a “NIL” demand. This situation typically arises when a taxpayer has made payment of tax, interest, or penalty at the stage of the Show Cause Notice (SCN), without admitting liability, and the adjudicating authority subsequently issues an order treating such payment as full discharge without actually determining the tax liability. As a result, the GST portal records the demand as zero in the Demand and Collection Register (DCR).

Due to this system behaviour, taxpayers are unable to file an appeal (Form APL-01) on the GST portal, as the system restricts filing where the disputed amount exceeds the demand reflected in the order. The portal may display an error stating that the disputed amount cannot be more than the demand amount, effectively blocking the taxpayer’s statutory right to appeal, even though a dispute on liability still exists.

As a solution to the above difficulty, the taxpayers have been advised to approach the adjudicating authority and seek a rectification of the order through the facility available on the GST portal. Once a rectified order is issued reflecting the correct demand amount, the taxpayer can proceed with filing an appeal within the prescribed timelines.

GST Advisory dated 03.04.2026

ii. Pre-deposit Percentage Now Editable on GST Portal

While filing an appeal in Form APL-01 on the GST portal, the pre-deposit percentage is auto-populated as 10% in accordance with Section 107(6) of the CGST Act, 2017, and was previously non-editable. Due to this restriction, taxpayers faced difficulties in cases where the pre-deposit had already

been made through other means or where the demand amount was incorrectly reflected under the appropriate head.

To address these issues, GSTN has now made the pre-deposit field editable at the time of filing the appeal, from April 6th, 2026. This allows taxpayers to modify the pre-deposit percentage as applicable to their specific case and calculate and pay the required amount accordingly while submitting the appeal. The appellate authority will subsequently verify the correctness of the pre-deposit amount and the mode of payment during the adjudication of the appeal.

GST Advisory dated 10.04.2026

iii. No GST on Settlement of Arbitral Award

In a significant ruling, the Bombay High Court has held that settlement of an arbitral award involving payment of damages does not constitute a “supply” under GST law. The dispute arose when the Revenue sought to levy IGST on damages paid by the petitioner to Docomo, contending that withdrawal of enforcement proceedings by Docomo amounted to a “toleration of an act” under Entry 5(e) of Schedule II of the CGST Act, 2017.

Rejecting the above contention of the department, the Court held that settlement of an arbitral award is merely the discharge of an existing legal liability arising from breach of contract. The payment of damages represents a flow of money from the defaulting party to the aggrieved party and does not qualify as consideration for any independent supply of goods or services. Further, the agreement to withdraw enforcement proceedings was held to be incidental to the satisfaction of the award and not a separate contractual obligation giving rise to a taxable supply.

Tata Sons Private Ltd v. UOI & Ors., 2026:BHC-05:11242-DB

iv. Consolidated Show Cause Notices for Multiple Years Held Valid

The Karnataka High Court has upheld the validity of issuing consolidated show cause notices under Sections 73 and 74 of the CGST Act, 2017 covering multiple financial years. Setting aside the earlier Single Judge decision, the Court held that there is no statutory bar restricting SCNs to a single financial year or tax period. The use of the term “any period” in Sections 73 and 74 indicates that proceedings can span across multiple periods, and such notices are not inherently year-specific.

However, the Court emphasized that limitation safeguards remain intact. Even in a consolidated SCN, each tax period must independently satisfy the limitation requirements under Sections 73(10) and 74(10). Any portion of the demand falling beyond the prescribed time limit would be liable to be struck down as time-barred.

Commissioner of Central Tax, Bengaluru Vs M/S Chimney Hills Education Society, 2026-VIL-430-KAR

v. Interest demand invalid if not specified in SCN

The Allahabad High Court has held that interest cannot be levied in an adjudication order if it was not quantified or demanded in the show cause notice. Referring to Section 75(7) of the CGST Act, it was emphasized that no demand can be confirmed beyond what is specified in the SCN.

The Court rejected the department’s reliance on Section 75(9), clarifying that it applies only where interest is not mentioned in the order, not where it is omitted in the SCN itself. Accordingly, levy of interest in the order without prior specification in the SCN was held invalid, and both the SCN and the order were quashed.

Sanjay Construction v. State of UP & Anr., 2026:AHC - LKO:12568 - DB

Compliance Calendar for the Month of May 2026

Particulars of Compliance	Forms/returns	Due Date
Compliance Calendar Under GST		
Due date for filing GSTR-7 to be filed by the person who is required to deduct TDS under GST for the month of February 2026	GSTR-7	10.03.2026
The due date for furnishing statement by e-commerce companies for the Month of February 2026	GSTR-8	10.03.2026
GST Filing of returns by registered person with aggregate turnover exceeding INR 5 Crores during previous year.		
Registered person, with aggregate turnover of less than INR 5 Crores during the previous year and who has opted for monthly filing of return.	GSTR-1	11.03.2026
Taxpayers who Opted for quarterly filing as per QRMP Scheme	GSTR-1-IFF	13.03.2026
Return of Input Service Distributor (ISD) return for February 2026	GSTR-6	13.03.2026
Every Non-resident taxable person file Monthly GST Return Earlier of		
a. 20 days after the end of the Calendar month (OR)		
b. within 7 days after the last day of validity period of registration	GSTR-5	13.03.2026
GST return for the month of February 2026		
For the taxpayer with Aggregate turnover upto INR 5 crores during previous year and taxpayers who has opted for monthly filing of GSTR-3B(Not opting for QRMP scheme)	GSTR-3B	20.03.2026
OIDARS providing service to other than registered person shall file a monthly GST Return	GSTR-5A	20.03.2026
Payment of tax under the QRMP scheme for February 2026 (via challan)	PMT-06	25.03.2026
Statement of inward supply of goods or services or both received by Unique Identity Number (UIN) holders, which is required to be filed by them on a Monthly basis	GSTR - 11	28.03.2026
Timelimit for renewal of Letter of Undertaking for the Financial Year 2025-26	GST RFD-11	31.03.2026
Composition taxable persons and those interested to opt into the scheme for FY 2025-26 can do so by submitting a declaration on the GST portal	CMP-02	31.03.2026
Compliance Calendar Under ESI & PF		
Payment and filing of ESIC Return for the month of February 2026	ESI challan	15.03.2026
Payment and filing of PF Return for the month of February 2026	ECR	15.03.2026
Compliance Calendar Under FEMA		
The borrower are required to report actual ECB transaction on monthly basis through AD category I bank (7 Working days)	FORM ECB 2	10.03.2026
Compliance Calendar Under Income Tax		
Furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of January, 2026	Form 26QB	02.03.2026
Furnishing of challan-cum-statement in respect of tax deducted under section 194-IB in the month of January, 2026	Form 26QC	02.03.2026

Compliance Calendar for the Month of May 2026

Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194M in the month of January, 2026	Form 26QD	02.03.2026
Due date for furnishing of challan cum statement in respect of tax deducted under section 194S in the month of January, 2026	Form 26QE	02.03.2026
Securities Transaction Tax/ Commodities Transaction Tax - Due date for deposit of tax collected for the month of February, 2026		07.03.2026
Declaration under sub-section (1A) of section 206C of the Income-tax Act, 1961 to be made by a buyer for obtaining goods without collection of tax for declarations received in the month of February, 2026	Form 27C	07.03.2026
Due date for deposit of Tax deducted/collected for the month of February, 2026		07.03.2026
Fourth instalment of advance tax for the assessment year 2026-27		15.03.2026
Due date for payment of whole amount of advance tax in respect of assessment year 2026-27 for assessee covered under presumptive scheme of section 44AD / section 44ADA		15.03.2026
Due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of February, 2026 has been paid without the production of a Challan	Form 24G	15.03.2026
Monthly statement to be furnished by a stock exchange in respect of transactions in which client codes been modified after registering in the system for the month of February, 2026	Form 3BB	15.03.2026
Monthly statement to be furnished by a recognised association in respect of transactions in which client codes have been modified after registering in the system for the month of February, 2026	Form 3BC	15.03.2026
Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of February, 2026	Form 16B	17.03.2026
Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of February, 2026	Form 16C	17.03.2026
Due date for issue of TDS Certificate for tax deducted under section 194M in the month of February, 2026	Form 16D	17.03.2026
Due date for issue of TDS Certificate for tax deducted under section 194S (by specified person) in the month of February, 2026	Form 16E	17.03.2026
Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA in the month of February, 2026	Form 26QB	30.03.2026
Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IB in the month of February, 2026	Form 26QC	30.03.2026
Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194M in the month of February, 2026	Form 26QD	30.03.2026
Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194S (by specified person) in the month of February, 2026	Form 26QE	30.03.2026
<u>Country-By-Country Report in Form No. 3CEAD for the previous year 2025-26 by a parent entity or the alternate reporting entity, resident in India, in respect of the international group of which it is a constituent of such group</u>	Form 3CEAD	31.03.2026
<u>Uploading of statement [Form 67], of foreign income offered to tax and tax deducted or paid on such income in previous year 2025-26, to claim foreign tax credit [if return of income has been furnished within the time specified under section 139(1) or section 139(4)]</u>	Form 67	31.03.2026
Furnishing of an updated return of income for the Assessment Year 2025-26		31.03.2026
Compliance Calendar Under The Companies Act,2013	Forms/returns	Due Date
For the financial year 2025-2026, Due date for spending CSR amount as per Section 135 of the Companies Act, 2013		
Section 135(5)	31.03.2026	

Inauguration of Coaching Classes

