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

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NEWSLETTER

Independance Day Celebration

Chairman's Message

"Every new month brings with it a new opportunity to learn, to grow, and to make a meaningful difference."

Dear Members, Students and Well-wishers,

August has always been a special month for all of us, carrying with it the spirit of freedom, patriotism, togetherness and hope. As we celebrated our 80th Independence Day, it was a wonderful reminder of the responsibilities that come with the freedom we enjoy and the role each of us can play in building a stronger and better nation.

Looking back at August, I feel truly happy and grateful for the enthusiastic participation and support extended by our members, students, Managing Committee members and well-wishers. The month was filled with activities that reflected our commitment to professional excellence, continuous learning, financial awareness, ethical values and the development of our student community.

Celebrating the Spirit of Independence

On 15th August 2026, we proudly celebrated the 80th Independence Day of our nation with the hoisting of the National Flag. The celebration was a proud and memorable occasion, reminding us of the sacrifices of our freedom fighters and the values of unity, integrity and responsibility that continue to guide our nation.

As members of the Chartered Accountancy profession, we have a special responsibility to uphold honesty, integrity, accountability and excellence in everything we do, thereby contributing to the growth and progress of our country.

Kottayam Branch at the SIRC Regional Conference

It was a matter of great pride that a total of 12 members from the ICAI Kottayam Branch, including our Managing Committee members, participated in the 58th Regional Conference of SIRC of ICAI, held on 7th and 8th August 2026 at Mangalagiri, Guntur District, Andhra Pradesh.

The conference, themed "DAKSHA: Digital Horizons. Ethical Edge," provided an enriching platform for professional learning, knowledge sharing and meaningful interaction among members of the profession. The active participation of our Branch members reflects our continued commitment to professional development and staying updated with the rapidly evolving digital and ethical dimensions of the profession.

A Proud Moment for SICASA Kottayam

Another particularly proud moment for our Branch was the achievement of our previous year's SICASA students, who received the Best SICASA Award in the Medium Scale category. This recognition is a wonderful testament to the enthusiasm, creativity and dedication of our student community. I extend my heartfelt congratulations to the students and everyone who supported and guided them in achieving this honour. Their success is a reflection of the vibrant student activities and nurturing environment at ICAI Kottayam Branch.

Empowering Young Minds Through Financial Awareness

On 19th August 2026, the Branch organised VittiyaGyan at BCM College, Kottayam, with the support of the Financial Markets & Investors Awareness Committee (FM&IAC), ICAI.

The programme provided an excellent platform to create awareness among students about financial markets, investments and responsible financial decision-making. I am particularly happy that our Branch could take financial literacy beyond the professional fraternity and engage with the younger generation. Equipping young minds with the right financial knowledge today will help build financially responsible citizens for tomorrow.

Strengthening Professional Ethics

On 20th August 2026, the Branch conducted a CPE Seminar on the Code of Ethics. The session was handled by CA. Madhukuttan Pillai K. B., who shared valuable insights into the importance of ethical conduct and professional responsibility.

The seminar carried 3 hours of CPE credit and provided members with an opportunity to strengthen their understanding of the ethical principles that form the foundation of our profession. Technical knowledge makes us competent professionals, but integrity and ethical conduct earn us the trust and respect of society.

Remembering Our Beloved Senior Members

On 20th August 2026, the Kottayam Branch also held a meeting to express our collective condolences on the sad demise of our senior members, CA. P. A. Zachariah and CA. T. V. John.

Their valuable contributions and association with the profession and our Branch will always remain in our memories. On behalf of the ICAI Kottayam Branch, I convey my heartfelt condolences to their bereaved families and loved ones.

May the departed souls rest in eternal peace, and may the Almighty grant their families the strength and courage to bear this irreparable loss.

Development of Our Branch Premises

I am also pleased to share that the paving tile work at the ICAI Kottayam Branch premises has been successfully completed.

The improvement of our Branch premises is more than just an infrastructural development—it is an investment in creating a more welcoming, functional and comfortable environment for our members, students and visitors. I sincerely appreciate everyone whose support and efforts contributed to the successful completion of this work.

My Best Wishes to Our September Examination Students

As we step into September, my thoughts and very best wishes are with all our students appearing for the September 2026 examinations.

Dear students, I understand that the final days before an examination can bring pressure, anxiety and self-doubt. But remember—you have already come a long way through your hard work and dedication. Trust your preparation and believe in yourself.

Use these final days wisely. Revise consistently, practise important questions, manage your time carefully and avoid unnecessary distractions. During the examination, stay calm, read every question carefully and give your best effort.Do not compare your journey with anyone else's. Your journey is your own, and every sincere effort takes you one step closer to your goal. Even if the journey feels difficult at times, do not give up. Perseverance is one of the greatest strengths of a successful professional.

Always remember that an examination is only one part of your larger journey. Your true strength lies not only in your marks, but in the discipline, resilience and confidence you develop along the way.

On behalf of the ICAI Kottayam Branch, I wish every student appearing for the September examinations confidence, strength and success. May your hard work bear fruit and may you move closer to achieving your dream of becoming a Chartered Accountant.

Looking Ahead

As we look ahead, I sincerely thank our Managing Committee members, members, students, resource persons, volunteers and well-wishers for their continued support and wholehearted participation in the activities of the Branch.

Every programme, achievement and development of our Branch is made possible through collective effort. I am grateful to each one of you for being an important part of this journey.

Let us continue to move forward together with professional excellence, ethical values, continuous learning and a spirit of service. With your continued support, I am confident that the ICAI Kottayam Branch will continue to grow from strength to strength and create greater opportunities for our members and students.

"The journey may not always be easy, but with faith, perseverance and the courage to keep moving forward, every challenge can become a stepping stone to success."

With warm regards and best wishes,

CA. Bimal C Sekhar
Chairman (2026-27)
Kottayam Branch of SIRC of ICAI

GST UPDATES

CA. AKHIL VARGHESE

01

Omission of Rule 96(10) Applies to Pending Proceedings

The Supreme Court has held that the omission of Rule 96(10) of the CGST Rules, with effect from 8th October 2024, applies to all pending proceedings. Relying on the Constitution Bench decision in Kolhapur Canesugar Works, the Court held that where a Rule is omitted without any saving clause preserving pending proceedings, it stands obliterated as if it had never existed. The Court further observed that Section 6 of the General Clauses Act does not apply to Rules and that the GST Council's recommendation for prospective application is only recommendatory. The restrictions earlier imposed under Rule 96(10) cannot be enforced in pending proceedings relating to refund of IGST paid on exports.

Goodluck India Limited & Anr. v. Union of India & Ors. – SLP (C) No. 24550/2025

02

Section 74 cannot be invoked without foundational facts establishing fraud, wilful misstatement or suppression

The Supreme Court has held that the extended period under Section 74 of the CGST Act cannot be invoked merely by using the expressions "fraud", "wilful misstatement" or "suppression of facts" in the Show Cause Notice. The foundational facts giving rise to such allegations must be specifically evident from the SCN itself. The Court held that the Assessing Officer must be satisfied not only that there was mismatch of ITC or short payment of tax, but also that such mismatch or short payment was by reason of fraud, wilful misstatement or suppression of facts. A bald allegation of availing ITC without documentary evidence and suppression of facts was held insufficient to sustain proceedings under Section 74.

Tata Steel Limited v. Union of India & Ors. – Supreme Court – Civil Appeal No. 12020 of 2026

03

Mere wrong classification of ITC between IGST, CGST and SGST heads does not amount to excess availment

The GST Appellate Tribunal, Lucknow has held that mere incorrect classification or allocation of eligible ITC between IGST, CGST and SGST heads cannot result in a demand for excess availment where the aggregate ITC claimed does not exceed the taxpayer's overall eligible entitlement. The Tribunal observed that the electronic credit ledger is to be viewed as a pool of eligible credit under different tax heads and, for determining interest liability under Rule 88B, the aggregate balance across the IGST, CGST and SGST heads should be considered. Accordingly, where sufficient eligible IGST credit remained available and the overall eligible ITC was not exceeded, the demand of tax, interest and penalty was held to be unsustainable, subject to verification of the available IGST credit.

Lucknow Test House v. Additional Commissioner – GST Appellate Tribunal, Lucknow – APL/36/LCK/2026

04

Section 128A amnesty not available where disputed ITC was availed after 31st March 2020

The GST Appellate Tribunal, Bengaluru has held that the benefit of waiver of interest and penalty under Section 128A of the CGST Act is determined with reference to the period in which the disputed ITC was actually availed and became the subject matter of proceedings, and not merely the period to which the underlying transaction or debit note relates. Since the excess ITC was first claimed in GSTR-3B for December 2020, the demand did not pertain to the period from 1st July 2017 to 31st March 2020 covered by Section 128A, even though the underlying debit notes and transactions related to FY 2018-19. Consequently, the Tribunal denied the benefit of the Amnesty Scheme and upheld the interest and penalty, the Tribunal denied the benefit of the Amnesty Scheme and upheld the interest and penalty.

Rodman Technologies Pvt. Ltd. v. Commissioner of Karnataka State GST, Bengaluru – GST Appellate Tribunal – Appeal No. APL/8/BUR/2026

05

ITC on invoices from non-existent suppliers – Section 74 invocable where actual movement of goods is not established

The GST Appellate Tribunal, Kolkata has held that the burden of proving eligibility to ITC lies on the person claiming the credit under Section 155 of the CGST Act, and mere production of tax invoices and banking records evidencing payment is insufficient. The taxpayer must establish the genuineness of the transactions and actual movement of goods through corroborative evidence such as vehicle details, freight payments and proof of delivery. Where ITC was availed and utilised on invoices issued by non-existent suppliers without evidence of actual supply of goods, the Tribunal held that such conduct constituted wilful misstatement and fraud, justifying invocation of Section 74 along with applicable interest and penalty.

Commissioner, CGST & CX, Kolkata North Commissionerate v. Jay Technical Services – GST Appellate Tribunal, Kolkata – Appeal No. APL/19/KLK/2026

INDEPENDANCE DAY CELEBRATIONS

Vitiyagyan Mela

CPE Seminar on ICAI Code of Ethics

Condolence Meeting