

Use of AI
By CA in GST
Litigation Practice

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Technology is the Future and, it is Integral part of CA Practice

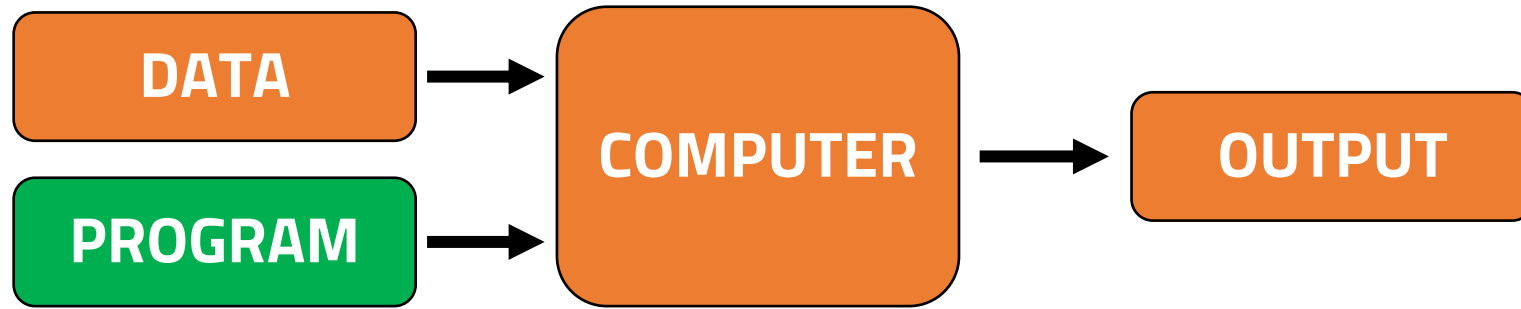
From Hard-Working Firms to Scalable Litigation Practices

What is Artificial Intelligence (AI)?

1. Simulation of human intelligence by machines
2. Includes learning, reasoning, problem-solving
3. Subsets: Machine Learning, NLP, Computer Vision
4. Used across governance, finance, and compliance

Understanding new Compute

Traditional Computing



Artificial Intelligence Computing



Why AI Matters for CAs in Litigation

- Appeals and tribunal matters involve large volumes of documents.
- Time is spent on reading, drafting, comparing, formatting, and summarising.
- AI reduces first-level effort.
- The professional's time shifts from mechanical drafting to judgement, interpretation, and strategy.

What AI Can Do Today

- AI engines like ChatGPT, Gemini, Claude, Copilot and similar tools can understand and generate natural language.
- They can summarise bulky files, improve legal drafting, generate checklists, and compare documents.
- Legal research platforms such as SCC Online, Manupatra, CaseMine and Indian Kanoon Prism are also adding AI-assisted research and retrieval features.

These tools do legal research , document drafting and case analysis features.

Which Ai to Use

~ Desktop Software vs Cloude Software

Which Ai I should use

- Chat GPT
 - GPT-5.4 mini or nano, GPT-5.5
 - GPT-5.5 Instant
 - GPT-5.5 Thinking
 - GPT-5.5 Pro
- Claude
 - Claude Haiku 4.5
 - Claude Sonnet 4.6
 - Claude Opus 4.8
 - **Claude Fable 5**, for the most demanding reasoning and long-horizon agentic work
 - **Claude Mythos 5**, available through Anthropic's limited Project Glasswing route, not a normal everyday choice

Which model to use when

Staff	ChatGPT	Claude	When do we use
Article assistant Instant for simple work	GPT-5.4 mini or nano, GPT-5.5	Claude Haiku 4.5	Routine summaries, checklists, classification, extraction, emails
Newly qualified CA	GPT-5.5 Instant	Claude Sonnet 4.6	Drafting replies, explaining provisions, preparing notes, summarising SCNs
Experienced manager	GPT-5.5 Thinking	Claude Sonnet 4.6 with higher effort, Claude Opus 4.8	Appeal drafting, issue analysis, comparison of SCN and order, review of complex facts
Senior specialist CA	GPT-5.5 Pro	Claude Opus 4.8 or Claude Fable 5	High-stakes litigation, deep document review, strategy, complex legal reasoning
Signing partner	Human CA	Human CA	Final judgement, legal position, responsibility, filing and representation

What are various ways of doing works

- A **prompt** is like giving instructions to an article assistant.
- A **Custom GPT** is like training that assistant once and reusing him.
- **Agent Mode** is like asking that assistant to complete a task step by step.
- A **Workspace Agent** is like appointing a process owner for the firm.
- **Apps** are like giving that assistant access to your files, email or calendar.

The CA remains the signing partner.

Where Ai Agents can be built for

An agent can be built for repeatable workflows such as: **say in GST**

- **Litigation**

- GST notice analysis + SCN reply drafting
- APL-01 appeal drafting checklist + Case file summarisation
- Hearing note to action tracker + Client email draft preparation

- **Compliance**

- Monthly GST return review checklist + ITC reconciliation exception summary
- Due date tracker + Filing + Partner review checklist

Start with recurring work. Recurring work gives faster adoption and measurable benefit.

How to Scale the Journey

<u>Office role</u>	<u>Ai equivalent</u>
Article assistant	Simple prompt in chat
Experienced assistant	Reusable prompt template
Manager	Custom GPT or Project with instructions and files
Process owner	AI Agent connected to apps and recurring workflows
Signing partner =	Human CA

We should not think of an agent as a professional adviser.
Think of it as a supervised process assistant

At what point CA should build Agents

<u>Situation</u>	<u>Better option</u>
One-time question	Normal chat prompt
One client notice	Chat with uploaded files
One ongoing case	Project
Repeated drafting style	Custom GPT
Repeated workflow with tools or schedule	AI Agent
Workflow involving Gmail, Drive, Slack, Calendar or Excel	Agent or App-connected chat
Final professional advice	Human CA review

ADOPTION JOURNEY IMPLEMENTATION PRINCIPLE

Before tools: define the process

Do not begin with: Which software should we buy?

Begin with: Which repeated office problem do we want to control first?

1 Select one service line

Choose GST, TDS, tax audit, monthly accounting or statutory audit

2 List every step

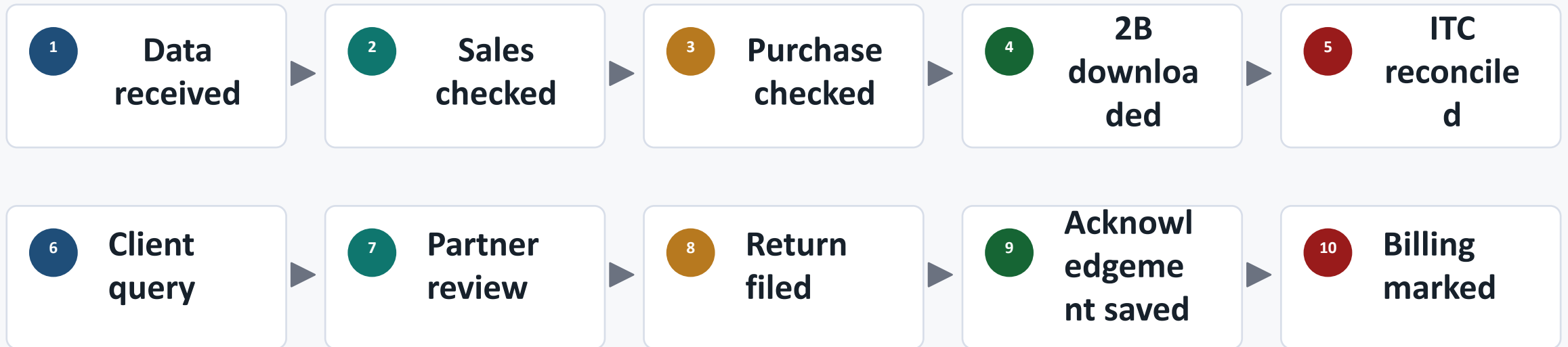
From client data request to review, filing, documents and billing

3 Put it in the system

Create ownership, due dates, status, review points and dashboards

Software should not create your process. Your process should guide the software.

Example: GST return workflow



When the workflow is visible, follow-up becomes management and not memory.

Data discipline comes before automation

Automation fails when the same client, service or status is named differently by different teams.

Client master

Service master

**Assignment
codes**

**Document
naming rules**

**Status
definitions**

Review levels

Billing codes

**Communication
templates**

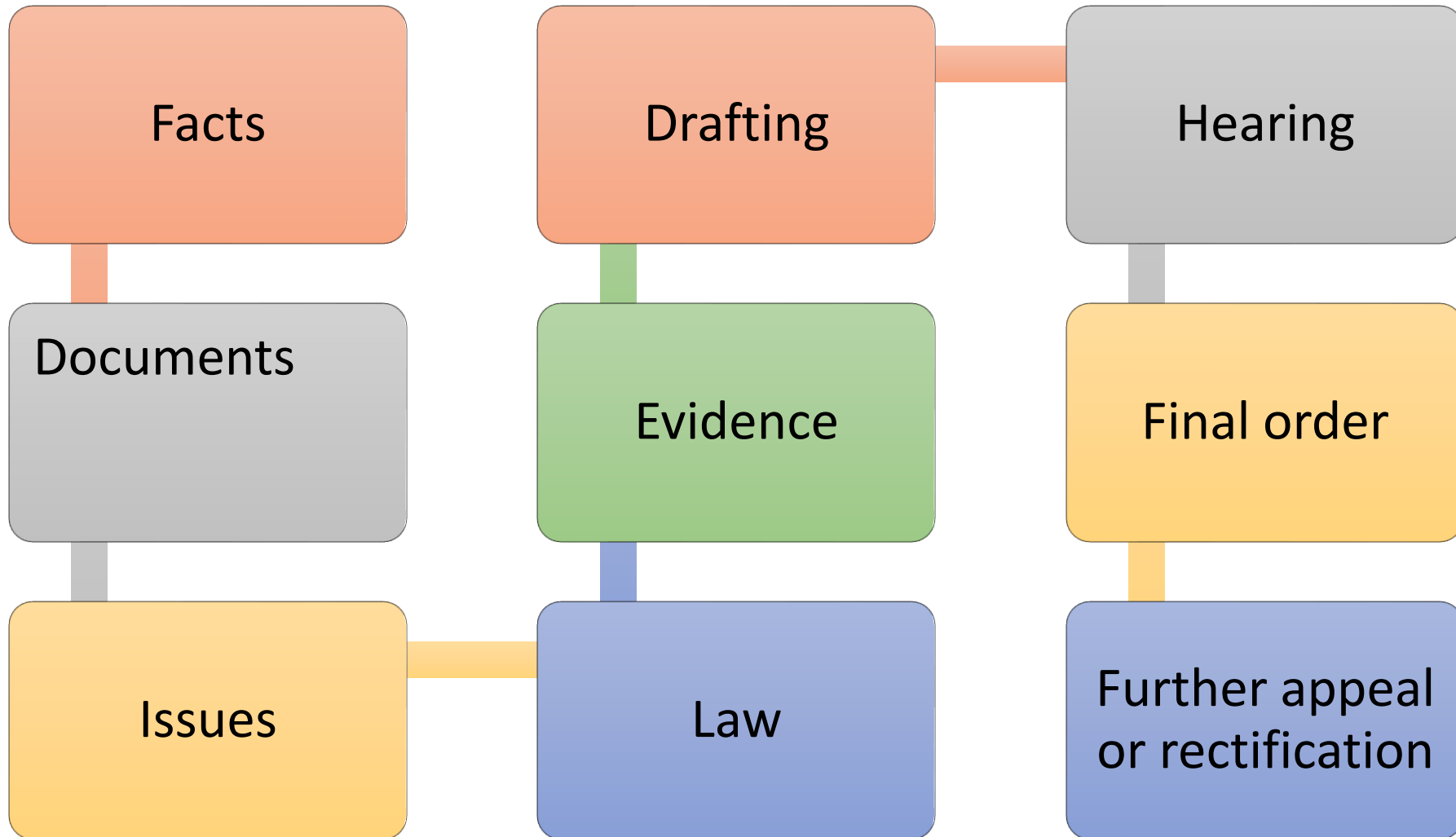
Standardise the firm before automating the firm.

Let's move to Practical implementation Journey

Building of Guard Rails



Litigation WorkFlow : Case Management



Litigation Practice Has a Volume Problem

Appeals and tribunal work is **document-heavy**, **date-sensitive** and **language-sensitive**.

1

SCN and reply

Allegations, sections, relied upon documents, contradictions

3

Evidence file

Invoices, ledgers, reconciliations, emails, affidavits, certificates

2

Order and appeal

Findings, non-consideration, limitation, pre-deposit, prayer

4

Hearing record

Queries raised, commitments given, additional submissions required

AI helps when the problem is bulk reading, first drafting, comparison, classification and structured review.

The Golden Rule: Assistant, Not Authority

AI can improve speed and structure. It cannot assume responsibility.

AI may assist with	Human professional must decide
First draft of appeal grounds	Whether each ground is legally sustainable
Summarising case file	Whether summary matches primary documents
Suggesting research direction	Whether precedent applies to the facts
Improving language	Whether representation is accurate and ethical

Polished language is not proof of correct law.

Prompting Keys

1. State your role	I am a tax consultant / GST practitioner / CA / advocate in India
2. Name the provision	Section 143(1)(a) / Section 73 CGST / Rule 86B — never be vague
3. Give the facts	Actual amount, period, nature of transaction — specifics produce quality
4. Specify the output	Under 250 words / formal legal language / bullet points / comparison table
5. Always verify citations	Every case name must be checked on Taxmann / SCC / Indian Kanoon
6. Review before sending	AI is your junior associate. You are the senior. Final review is yours.

Where AI Fits in the Appeal Workflow



Stage	AI support	Professional control
Before drafting	Chronology, issue map, document gap list	Validate facts and limitation
During drafting	First draft, clause bank, prayer options	Final legal language and case theory
Before hearing	Speaking notes, likely questions, annexure index	Strategy and oral submissions
After hearing	Minutes, additional submission draft, action tracker	Filing accuracy and commitments

Use Case 1: Generate Initial Drafts and Clauses

Useful for first drafts, not final submissions.

D1 Appeal drafting

Statement of facts
Grounds of appeal
Prayer
Condonation petition

D2 Applications

Stay petition
Early hearing
Additional evidence
Rectification request

D3 Internal documents

Client note
Risk matrix
Partner review note
Document request list

Instruction discipline matters: tell AI NOT to
invent facts, not to fabricate case law, and to flag assumptions separately.

Prompt Pattern: Appeal Drafting

A strong prompt defines role, inputs, output format and guardrails.

Prompt structure

1. Act as a senior tax litigation drafting assistant
2. I will provide SCN, reply, order and appeal order summary
3. Prepare issue list, facts, grounds, prayer and missing facts
4. Do not invent facts or cite law unless provided
5. Mark assumptions and risks separately

Model instruction

“Use formal tribunal drafting style. Do not assume missing facts. Create a reviewable draft, not a final legal opinion.”

Better prompts reduce hallucination and improve usefulness.

Use Case 2: Automate Standard Templates

Every firm already has templates. AI can make them more structured, reusable and reviewable.

Template	AI-enabled improvement	Control point
Power of attorney	Draft from party details and forum details	Authority, scope and execution details
Affidavit	Convert facts into numbered averments	Truthfulness and deponent verification
Appeal memo	Pull facts, grounds, prayer and annexure index	Limitation, pre-deposit and statutory form
Stay petition	Build prima facie case, hardship and balance of convenience	Evidence and financial facts

Good automation starts with firm-approved templates, not random AI drafting.

Use Case 3: Error Checking and Legal Language Refinement

AI is useful for tone, clarity, neutrality and structure.

Weak draft

“The officer has wrongly passed order and ignored all our submissions.”

Refined version

“The impugned order has been passed without properly appreciating the submissions, evidence and legal contentions placed on record.”

AI check	Purpose
Contradiction check	Find inconsistent dates, figures and facts
Tone check	Remove emotional, accusatory or avoidable language
Filing readiness check	Identify missing annexures, references and prayers

Use Case 4: Document Comparison and Version Tracking

Comparison is one of the safest and most valuable uses of AI.

Compare	Question to ask	Output required
SCN vs order	Did the order travel beyond SCN?	New allegations and jurisdiction issues
Reply vs order	Which submissions were not dealt with?	Natural justice table
Draft v1 vs draft v2	What changed between versions?	Change summary for partner review
Annexure index vs evidence folder	Are all referred documents available?	Missing evidence list

Ask AI to produce issue-wise tables. Tables make partner review and tribunal preparation faster.

Use Case 5: AI-assisted Case Law Research

AI should guide research. It should not be treated as a verified law report.

Avoid

“Give me case laws to win this matter.”

Use

“Identify legal issues and suggest search terms. Do not fabricate citations.”

1 Issue



2 Search terms



3 Database



4 Judgment



5 Ratio



6 Applicability

Case Law Verification Protocol

Check	Why it matters	Professional action
Existence	AI may /will invent citations	Verify in SCC, Manupatra, Taxmann, court site or tribunal site
Forum and date	Binding value differs	Check Supreme Court, High Court, Tribunal and jurisdiction
Facts	Ratio applies only if facts match	Prepare fact comparison table
Current status	Judgment may be reversed or distinguished	Check later cases and statutory amendments
Quote accuracy	AI may paraphrase wrongly	Quote only from verified source
Relevance	Old law may not apply to current provisions	Map section, rule, notification and period

Use Case 6: Tribunal Decision Analysis and Risk Matrix

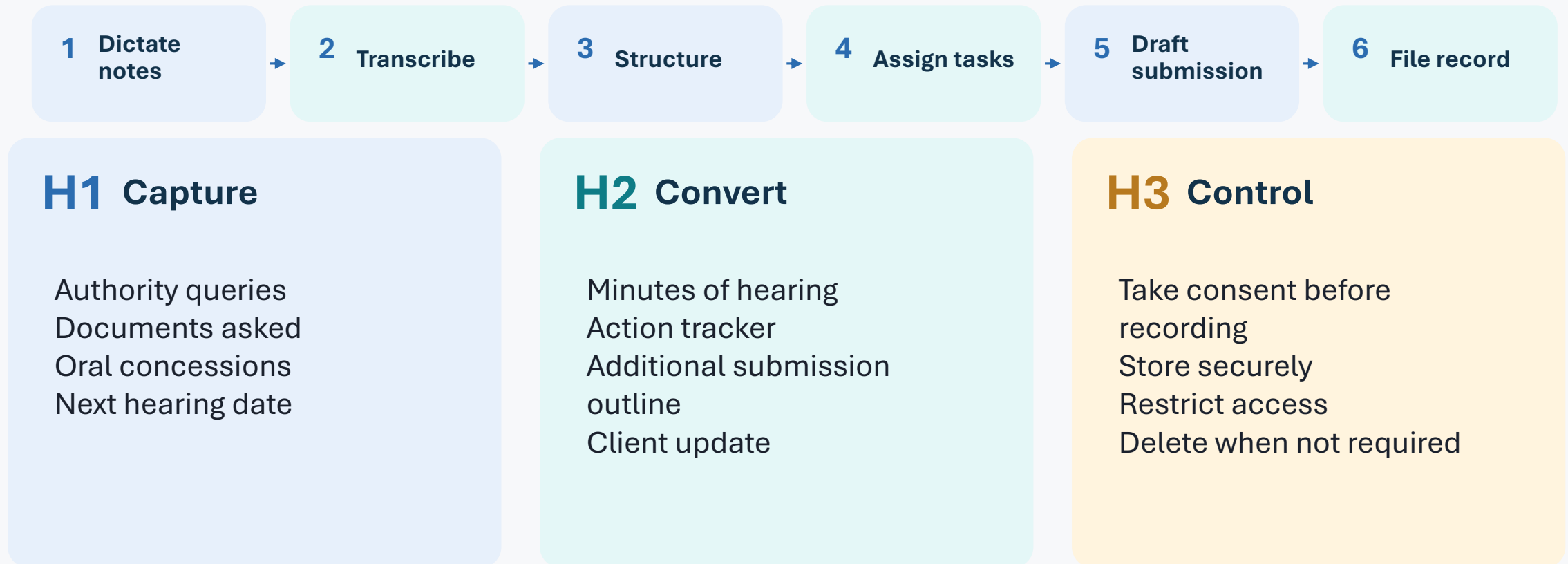
Avoid asking AI for a percentage chance of success. Ask for issue-wise strengths, weaknesses and missing evidence.

Issue	Supportive facts	Weakness	Evidence required	Risk
Limitation	Appeal appears within statutory period	Communication date unclear	Proof of service and portal download	Medium
Natural justice	Reply filed and documents submitted	Hearing record not clear	Acknowledgement and hearing note	Medium
Merits	Ledger and invoice trail available	Reconciliation gaps	Annexure mapping and certificate	High
Penalty	Tax position arguable	Mens rea findings in order	Bona fide conduct evidence	Medium

The output should support strategy discussion. It should not replace strategy.

Use Case 7: Speech-to-Text for Hearing Notes

The immediate post-hearing note is often more reliable than memory after two days.



Use Case 8: Summarising Bulky Case Files

AI can reduce first review time by turning bulky files into structured partner notes.

Inputs

SCN
Reply
Order
Appeal papers
Evidence folder
Hearing notes

AI processing

Chronology
Issue extraction
Contradiction check
Missing document list
Annexure index

Outputs

One-page brief
Partner review note
Risk matrix
Draft grounds
Filing checklist

Live DEMO - 1

- Drafting GST First Appeal in APL-01 – Sample Prompt



Prompt.txt

Confidentiality and Data Privacy Controls

For CA firms, AI usage must be treated as controlled processing of client information.

C1 Before upload

- Mask client identifiers
- Remove PAN, GSTIN, bank details
- Remove personal data where not needed
- Use anonymised examples

C2 Tool controls

- Check training policy
- Check retention settings
- Prefer enterprise accounts
- Restrict access and sharing

C3 Firm controls

- AI usage policy
- Approval matrix
- Audit trail
- Partner review before filing

Source basis: ICAI confidentiality principle and DPDP Act obligations on personal data protection.

Ethics in AI-assisted Representation

Risk	Example	Safeguard
Misstatement	AI adds a fact not in record	Fact verification against documents
Fabricated authority	AI gives non-existent citation	Mandatory legal database verification
Confidentiality breach	Sensitive client papers uploaded to public tool	Masking and approved tool policy
Over-reliance	Draft submitted without review	Partner sign-off and version control
Tone risk	Draft contains allegations against officer	Neutral language review

The filing is signed by the professional, not by the AI tool.

Suggested AI Policy for Litigation Teams

Policy area	Suggested rule
Permitted uses	Summaries, chronologies, draft clauses, comparison tables, checklists and internal notes
Prohibited uses	Uploading unmasked sensitive data to unapproved tools; direct filing of AI output
Approval	Partner approval for tools used on client files and external submissions
Verification	Every case law, fact, date, figure and statutory reference must be verified
Record keeping	Retain prompts, outputs and final reviewer comments for important matters
Training	Junior team to be trained on prompts, masking and hallucination risks

Work Flow – Can be replaced by Agents

1. **Intake review** by junior: collect documents, capture dates, create case folder.
2. **Fact review** by senior associate: prepare chronology, issue matrix and demand reconciliation.
3. **Law review** by manager / partner: identify provisions, case law, merits and risks.
4. **Drafting** by assigned person: reply / appeal with annexure references.
5. **Independent review** by second person: dates, figures, facts, prayers and annexures.
6. **Client confirmation**: facts, admissions, payments and authorisation.
7. **Filing**: portal upload, acknowledgement, tracker update.
8. **Hearing file**: short note, paper book, case law, computation and speaking points.

30-60-90 Day Adoption Roadmap

30 First 30 days

- Identify 5 safe use cases
- Create masking checklist
- Prepare prompt library
- Train 2 to 3 team champions

60 Next 60 days

- Build template bank
- Start AI review checklist
- Use comparison tables
- Maintain output review logs

90 By 90 days

- Approve firm AI policy
- Adopt enterprise tools where feasible
- Create knowledge repository
- Review productivity and risk

Begin with low-risk internal work. Expand only after controls are clear.

Prompt Library for Tribunal Practice

Need	Prompt instruction
Chronology	Prepare a date-wise table with event, document reference, legal relevance and missing information.
SCN analysis	List allegations, sections invoked, evidence relied upon, factual issues and legal issues.
Order review	Identify submissions ignored, findings without reasons, contradictions and appeal grounds.
Grounds of appeal	Draft numbered grounds. Avoid repetition. Do not invent facts or citations.
Hearing notes	Convert rough notes into minutes, questions, documents required, deadlines and owner.
Final review	Check completeness, contradictions, missing annexures, unsupported allegations and tone.

Closing Takeaways

The future-ready CA combines legal knowledge, professional judgement and AI-assisted workflow discipline.

Principle	Meaning in practice
Use AI as assistant	• Let AI prepare drafts, summaries and tables. • You decide the case position.
Verify before reliance	Check every fact, citation, section, date and figure.
Protect client data	Mask sensitive information and use approved tools.
Create firm discipline	Templates, prompt library, approval matrix and review logs.

AI changes the speed of work. Professional responsibility remains unchanged.

THANK YOU



For GST UPDATES

<https://chat.whatsapp.com/LYx7qHWefQkBXwnsVgqqQH>



Clarifications mail to venu@vnnv.ca
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Learning is the quiet power that outlives every trend.