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**ERNAKULAM BRANCH**

# **NEWSLETTER**



Shri. Prajith Kumar D, General Manager, Zonal Head, Ernakulam Zone, Bank of Baroda inaugurating the One Day Seminar on Bank Branch Audit



Shri V. Roy Jose, IRS, Commissioner of Income Tax and Director of Income Tax, (Intelligence and Criminal Investigation), Kochi inaugurating the One Day Seminar on Income Tax Act 2025 at Thodupuzha



## Chairman's Message

Dear Members,

Welcome to the March 2026 Edition of the CA Journal.

March marks the peak of the Bank Audit Season, and our members are fully geared up to take on this significant responsibility with diligence and excellence. During this busy period, the Ernakulam Branch has remained committed to supporting members through timely knowledge initiatives and capacity-building programmes.

We organized a series of impactful technical programmes, including the five-day CPE Chain Seminar on the Income Tax Act 2025, along with seminars on Bank Branch Audit and Income Tax, all of which witnessed strong participation and insightful deliberations.

We continue to focus on nurturing future professionals through structured learning initiatives. While the growing presence of private coaching providers presents challenges, we are committed to enhancing the value and quality of our academic offerings to ensure a holistic learning experience for students.

March also featured significant events such as the ICAI Past Presidents' Meet in Kochi and the All Kerala Branch Managing Committee Meeting with the Hon'ble President and Vice President of ICAI. Our Women's Day celebrations and participation in faculty development and leadership meets reflect our continued emphasis on professional growth and inclusivity.

I sincerely thank all speakers, participants, committee members, and volunteers for their invaluable support. I also encourage members to share their feedback and suggestions to help us further enrich our initiatives.

Wishing you a productive and successful period ahead.

Warm regards,

**CA .Jobby George**

Chairman

Ernakulam Branch of SIRC of ICAI

# Reported Judicial Decisions

CA. P. M. Veeramani FCA

**Statute: Income Tax Act – Sec.2(22)(ii) – Advance to Group Concern Decision in favour of : Assessee**

**Title : ITO vs Jujhar Construction and Travels Pvt Ltd**

**Citation: 127 ITR Trib SN 43**

**Bench: ITAT Chandigarh**

Assessee contributing funds towards real estate project of one of its group concerns reflecting as advance outstanding considered as deemed dividend while completing the assessment. If money was advanced in the ordinary course of business, then it would not fall under deeming fiction of dividend contemplated in section 2(22) (e). In terms of CBDT circular no.19 of 2017 dated 12.6.2017, which is issued after taking note of various judgments where in factual situation has been considered, advances under similar circumstances would attract the exclusion from deemed dividend, but it would always be based on the facts of each case. The benefit of the circular would be extended to the assessee and advance is not be considered as deemed dividend

**Statute: Income Tax Act – Sec.32 Depreciation on Goodwill Decision in favour of : Assessee**

**Title : ACIT vs Baxter Pharmaceuticals India Pvt Ltd**

**Citation: 482 ITR 301 SC**

**Bench: Supreme Court of India**

Assessee purchasing assets on slump sale basis for a lump sum consideration and based on expert valuation report assigning values for each asset and treating the value over and above the same as Goodwill and claimed depreciation. Held, assessee entitled to depreciation on the value capitalized as goodwill and its claim had nothing to do with WDV of the said assets in seller's books. Supreme Court declining to interfere in the above decision of the Gujarat HC

**Statute: Income Tax Act – Sec.37(1) – multi level marketing Decision in favour of : Assessee**

**Title : Amway India Enterprises Pvt Ltd vs NFAC**

**Citation: 127 ITR Trib 642**

**Bench: ITAT Delhi**

Assessee selling consumer products through multi level marketing through direct sellers who further appointed direct sellers and all individuals coming in chain benefitted by way of commission on sales achieved through them. Commission paid to them does not form part of advertisement, marketing and promotion expenses and no adjustment ALP is required. Bright line test not valid

**Statute: Income Tax Act – Sec.37(1) – multi level marketing Decision in favour of : Assessee**

**Title : PCIT vs Harmindar Singh Bhatia**

**Citation: 481 ITR 244 SC**

**Bench: Supreme Court of India**

Share income from AOP cannot be included in the income of the member when the AOP is taxed at Maximum Marginal Rate. We are of the opinion that the High Court has not erred in passing the impugned order

**Statute: Income Tax Act – Sec.119(2)(b) – Condoning delay in filing audit report Decision in favour of : Assessee**

**Title : CIT (Exemptions) vs Al Jamia Mohammediyah Education Society**

**Citation: 481 ITR 215 SC**

**Bench: Supreme Court of India**

In view of the findings contained in paragraph 4,5, and 6 of the judgment, which held that that an assessee public charitable trust which otherwise satisfies conditions for availing exemption should not be denied the same merely on the bar of limitation especially when legislature

has given wide discretionary powers to authorities to condone the delay

**Statute: Income Tax Act – Sec.148 – No reopening for 2015-16 Decision in favour of : Assessee**

**Title : Nisha Garg vs UOI**

**Citation: 481 ITR 257**

**Bench: Punjab & Haryana HC**

In the Supreme Court decision UOI vs Rajeev Bansal ( 469 ITR 46 SC) it had been specifically conceded by the Department that for the assessment year 2015-16, all the notices issued on or after 1.4.2021 would have to be dropped as they would not fall for completion during the period prescribed under TOLA 2020. Therefore, it was expected of the Department to act in conformity with the binding dicta of the Supreme Court. Hence, the notices issued were barred by limitation and hence quashed and set aside

**Statute: Income Tax Act – Sec.199 – credit for TDS in the name of erstwhile firm Decision in favour of : Assessee**

**Title : Upasani Super Speciality Hospital Private Ltd vs ITO**

**Citation: 215 ITD 231**

**Bench: ITAT Mumbai**

Credit for TDS claimed by assessee company which had taken over hospital run by a partnership firm and during the year certain insurance companies while making payment, wrongly deducted TDS in the name of the firm; since the income covered by TDS is considered by the company, credit for TDS should also be granted to the company especially when firm has not claimed credit for the same

# RECENT ADVANCE RULINGS UNDER GST AND JUDICIAL DECISIONS ON INDIRECT TAXES AND OTHERS

CA. P. J. Johney FCA

## RECENT ADVANCE RULINGS UNDER GST

**Statute:** GOODS AND SERVICES TAX  
**Decision in Favour of:** NOT APPLICABLE  
**Title:** M/S TARWANI SOAP INDUSTRIES  
**Citation:** STC/AAR/06/2025/dated 12.01.2026  
**Bench/Court:** AUTHORITY FOR ADVANCE RULING - CHHATTISGARH

M/s Tarwani Soap Industries having its registered office at Dhusera, Village-Dewarbhata, Manabasti, Abhanpur, Raipur, Chhattisgarh (hereinafter referred to as "The Applicant") is registered under GST, having GSTIN as 22AAOFT9412H1Z1, seeking advance ruling regarding: The definition or guiding principle for determining "toilet soap" under HSN 3401, as referred to in Schedule I. Entry No. 251 of Notification No. 9/2025- Central Tax (Rate). 2025; What constitutes "other soap (not toilet soap)" under Schedule II, Entry No.66 of the said notification: Whether, given the composition of the applicant's soap (having TFM>60%) and its dual- use nature (bathing and laundry), the product should be classified under HSN 3401 19 41 ("Toilet

soap") or HSN 340119 42 ("Laundry soap") and the applicable GST rate thereon.

The Applicant has sought advance ruling on the following questions:

1. The definition or guiding principle for determining "toilet soap" under HSN 3401, as referred to in Schedule I. Entry No. 251 of Notification No. 9/2025- Central Tax (Rate), 2025
  2. What constitutes "other soap (not toilet soap)" under Schedule II, Entry No.66 of the said notification
  3. Whether, given the composition of the applicant's soap (having TFM>60%) and its dual- use nature (bathing and laundry), the product should be classified under HSN 3401 19 41("Toilet soap") or HSN 340119 42 ("Laundry soap");
  4. The applicable GST rate thereon;
- The applicant in the instant application has informed that they are engaged in the manufacture and supply of so a primarily serving rural markets. It has further been informed by the applicant that the

soap manufactured is versatile and used both for personal hygiene (bathing) and laundry purposes depending on consumer preference. The soap contains more than 60% Total Fatty Matter (TFM) as per Lab reports attached in Annexure 01, which aligns with the definition of "toilet soap" as per BIS Standards (IS 2888:2004) and trade parlance.

Further that the primary intention of the Government, as evident distinguish "toilet soap" from other soaps and to levy GST at a concessional rate of 5% for toilet soaps. while other soaps attract 18% GST. However, the term "toilet soap" is not defined anywhere in the CGST Act, 2017, or in the relevant notifications. That the wrapping/ packaging of said soap at present does not contain any marking or declaration as to whether the product is "toilet soap" or "laundry soap," being multi purposes although the Total Fatty Matter content exceeds 60%. as is clearly evident from the Lab report and raw materials used in the

manufacturing of the said soap and Lab Reports.

In the absence of a statutory definition, the applicant relies on common parlance and industry standards, particularly BIS definition (IS2888:2004), which treats soap as "toilet soap" if it has TFM content of 60% or more. The applicant submits that classification should be based on composition and trade parlance rather than consumer usage patterns, which may vary in rural areas.

At the very outset, we would like to make it clear that the provisions for implementing the CGST Act and the Chhattisgarh GST Act, 2017 [hereinafter referred to as "the CGST Act and the CGGST Act"] are similar and thus, unless a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the CGGST Act, 2017. Now we sequentially proceed to discuss the issues involved in the ruling sought by the applicant and the law as applicable in the present case.

Section 96 of CGST Act, 2017. Authority for advance ruling, stipulates as under: - Subject to the provisions of this Chapter, for the purposes of this Act, the Authority for advance ruling constituted under the provisions of a State Goods and Services Tax Act or Union Territory Goods and Services Tax Act shall be deemed to be the Authority for advance ruling in respect of that State or Union territory.

Now for arriving at the correct classification of the goods in question, we would also like to go through the text as is forthcoming in the HSN relating to chapter 34 relating to soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, "dental waxes" and dental preparations with a basis of plaster.

in this regard, it is seen that heading no. 3401 covers in its ambit, soap; organic

surface-active products and preparations for use as soap, in the form of bars, cakes, moulded pieces or shapes, whether or not containing soap; organic surface active products and preparations for washing the skin, in the form of liquid or cream and put up for retail sale, whether or not containing soap: paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent.

During the personal hearing, Shri Uttamch and Tarwani (partner), Kaushal Tarwani (partner) along with their legal authorized representatives Shri Chetandas Tarwani (C.A.) and Shri Chetandas Tarwani (C.A.) of the applicant M/s Tarwani Soap Industries Raipur, attended. It was informed by the authorized representative that the applicant is engaged in the manufacture and supply of soap primarily serving rural markets. The soap manufactured is versatile and used both for personal hygiene (bathing) and laundry purposes depending on consumer preference. The soap contains more than 60% Total Fatty Matter (TFM) as per Lab reports attached in Annexure\_01, which aligns with the definition of "toilet soap" as per BIS Standards (IS 2888:2004) attached in Annexure\_02 and trade parlance.

Now on having arrived at the classification of the products manufactured by the applicant as above, we come to the conclusion that toilet soap (other than industrial soap) in the form of bars, cakes, moulded pieces or shapes manufactured and subsequently supplied by the applicant for washing of skin classifiable under Heading no. 3401, attracts tax @5% | CGST @2.5% + CCGST@2.5%] in terms of Sr. no. 251 of Schedule-1 to Notification no. 9/2025-Central Tax (Rate) 2025 effective from 22.9.2025 read with the corresponding IGST Notification, whereas Laundry soaps in the form of cakes, moulded pieces or shapes, whether or not containing soap other than toilet soap in the form of bars, cakes, moulded pieces or

shapes], manufactured and subsequently supplied by the applicant for washing purposes classifiable under Heading no. 3401 attract tax @ 18% | CGST @9% + CCGST @9%] in terms of Sr. no. 66 of Schedule-II to Notification no. 9/2025-Central Tax (Rate) 2025, effective from 22.9.2025, read with the corresponding IGST Notification.

This authority would like to mention here that every transaction in itself is subject to the conditions and stipulations as mentioned in the work orders/contract/agreement and the facts governing the said transaction. Further, the legality and technicality as regard the manufacture and supply/sale of products which affect the general well-being of public at large [in this case Soaps], is a subject matter of such laws and procedures governing the said manufacturing and sale activity under taken by the applicant, as is in vogue.

As per Ruling;

Question 1: - The definition or guiding principle for determining "toilet soap" under HSN 3401, as referred to in Schedule I, Entry No. 251 of Notification No. 9/2025;

Answer: - The principle for determining "Toilet soap" under heading no. 3401, as referred to in Schedule I, Entry No. 251 of Notification No. 9/2025 Central Tax (Rate), 2025 dated 17.9.2025, is that H.S Code 340111 pertains to goods for toilet use (including medicated products).

Question 2: - What constitutes "other soap (not toilet soap)" under Schedule II, Entry Central Tax (Rate), 2025; No.66 of the said notification:

Answer: - Laundry soaps" constitutes "other soap (not toilet soap)", specified under entry No.66 of Schedule II to Notification No. 9/2025-Central Tax (Rate), 2025 dated 17.9.2025

Question 3: - Whether, given the composition of the applicant's soap (having TFM>60%) and its dual- use nature (bathing and laundry), the product should be classified under HSN 3401 19 41 ("Toilet soap") or HSN

340119 42 ("Laundry soap");

Answer: - On the basis of information furnished by the applicant, it follows that "Toilet soaps" for washing the skin, manufactured and sold/supplied by the applicant aptly falls under ITC(HS)Code 3401 11 90, whereas "Laundry soaps" (other than toilet soaps) for washing purpose, manufactured and sold / supplied by the applicant merits classification under 3401 19 42

Question 4: - The applicable GST rate thereon;

Answer: - Toilet soaps (other than industrial soaps) in the form of bars, cakes, moulded pieces or shapes manufactured and sold/ supplied by the applicant

for washing of skin classifiable under Heading no. 3401, attracts tax @ 5% [CGST @2.5% + CGGST@2.5%] in terms of Sr. no. 251 of Schedule-I to Notification no. 9/2025-Central Tax (Rate) 2025, read with the corresponding Integrated Tax (Rate) Notification, both effective from 22.9.2025. Laundry soaps in the form of cakes, moulded pieces or shapes, whether or not containing soap [other than toilet soap in the form of bars, cakes, moulded pieces or shapes] manufactured and sold/supplied by the applicant for washing purposes classifiable under Heading no. 3401, attract tax (@ 18% | CGST @9% + CGGST @9%) in terms of Sr. no. 66 of Schedule-II to Notification no. 9/2025-Central Tax (Rate) 2025, read with the corresponding Integrated Tax (Rate) Notification, both effective from 22.9.2025.

**Statute: GOODS AND SERVICES TAX**

**Decision in Favour of: NOT APPLICABLE**

**Title: M/s JIVA SCIENCES PRIVATE LIMITED**

**Citation: GUJ/GAAR/R/2026/09/dated 03.03.2026**

**Bench/Court: GUJARAT AUTHORITY FOR ADVANCE RULING**

M/s. JIVA SCIENCES PRIVATE LIMITED, 201, Kailash Complex, Kosamba Road, Tarsadi Mangrol, Kosamba, Surat, Gujarat- 394120 [for short -'applicant'] is registered under

GST and their GSTIN is 24AADJC5419JIZK.

As per the applicant, the semen doses are exempt from GST, while there is no clarity on "Semen Sorting Services". Further, there is no HSN/SAC for the said services.

In view of the above, the applicant has sought a ruling on the following questions:

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(a) Whether "Semen Sorting Services" would qualify as an exempt service under GST, similar to the exemption granted to semen doses?

(b) Can we classify "Semen Sorting Services" under SAC code 9986?

(c) In the absence of a specific notification or classification, under which HSN/SAC code should "Semen Sorting Services" be categorized?

The business activity of the applicant is separating X & Y chromosomes bearing sperm cells from Bovine Semen with technology intervention. As per the applicant, the raw semen is collected by the Semen Stations from the bulls. The Semen Stations have a semen processing lab for production of un-sorted doses. A separate lab is established within the Semen Station premises for production of sorted semen. Operations within the semen sorting lab are being managed by the applicant. All the personnel working in the sorting lab are employees of the applicant.

The applicant has submitted their interpretation of the classification as under: -

(a) There are two contending entries viz. SAC 9986 and SAC 998612 (Animal Husbandry Services)

(b) SAC 9986: - involves carrying of an intermediate production process as job work in relation to the cultivation of plants and the rearing of all life forms of animals (except horses), for food, fibre, fuel, raw materials, or other similar products or agricultural produce, which is exempt from GST.

(c) SAC 998612: - It includes the following:

sheep shearing and care, management of herds of farm animals, artificial insemination of farm animals, grading of eggs, cleaning of agricultural premises (such as hen houses and piggeries), accommodation services for pets (like kennels), grooming and tattooing services for pets, training of pet animals, and farm animal husbandry services on inputs owned by others, such as the operation of a farm animal production unit on a fee or contract basis.

The short issue involved in the matter is classification of the service of semen sorting undertaken by the applicant. The applicant view is that the activities undertaken by them would fall under either SAC 9986 as support services or SAC 998612 as Animal Husbandry services, more specifically SAC 9986, whereas the Department is of the view that it would fall under SAC 998399.

The process of bovine semen production and distribution involves two primary entities: Semen Stations and Service Providers. Semen Stations manage bull farms and produce the semen straws used in artificial insemination. Service providers, such as the applicant, utilize proprietary technology to sex-sort raw semen into X and Y chromosome-bearing cells. Operating within the Semen Stations' facilities, these providers return the processed semen to the Stations, which then handle the final packaging and distribution to recipients, who then use the same for artificial insemination of bovine cattle.

Before proceeding, it would be pertinent to reproduce all the three contending entries:

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Heading 9986: - Support services to agriculture, hunting, forestry, fishing mining and utilities

SAC 998612: - Animal Husbandry Services  
This service code includes sheep shearing and care, management of herds of farm animals, artificial insemination of farm

animals, grading of eggs, cleaning of agricultural premises (such as hen houses and piggeries), accommodation services for pets (like kennels), grooming and tattooing services for pets, training of pet animals, and farm animal husbandry services on inputs owned by others, such as the operation of a farm animal production unit on a fee or contract basis SAC 998399: - Other professional, technical and business services, not elsewhere classified.

This service code includes drafting services (Detailed layouts, drawings, plans and illustrations of buildings, structures, systems or components from engineering specifications, done by architectural specifications, done by architectural draftsmen or engineering technicians); compilations services of facts and information (i.e. databases), n.e.c

As per the Section 2(68) of the CGST Act, 2017 'job work' means any treatment or process undertaken by a person on goods belonging to another registered person and the expression 'job worker' shall be construed accordingly. It is not in dispute that the applicant is undertaking sorting of semen belonging to the Semen Stations and is returning the Sorted Semen back to them. On going through the invoices submitted by the applicant, we find that the services are provided to a registered entity i.e. NDDB Dairy Services-Gujarat having GST No. 24AADCN1059J. Therefore, the services provided by the applicant would fall under the definition of 'job work'. The Department has contended that the services provided by the applicant are not job work services as the activity performed by the taxpayer is not a simple or ancillary treatment.

We now come to the Department's contention that the service provided by the applicant would fall under SAC 998399, viz. "Other professional, technical and business services, not elsewhere classified.". This Entry is a residual entry in Heading 983, which covers "Other

professional, technical and business services (Except research, development, legal and accounting services)". Sl. No. 3 of Preface FOR to the 'Explanatory Notes to Scheme of Classification of Services under GST states that "where a service is capable of differential treatment for any purpose based on its description, the most specific description shall be preferred over a more general description." Since Heading 9986 provides a specific classification for the services in question, it takes precedence over any residual entry. Consequently, the services cannot be relegated to a "not elsewhere classified" category when a precise heading exists.

Personal hearing was granted on 06.02.2025 wherein Shri Naveen Kumar and Shri Mukul Jain, authorised representatives appeared for the applicant and Shri N.G.Patel, STO-3, Unit-67, SGST, Surat appeared for the Department. The representatives for the applicant reiterated the facts & grounds as stated in the application. The Departmental Representative submitted that the services are appropriately classifiable under SAC 998399 - Other professional, technical and business services.

As per Ruling;

Question 1: - Whether "Semen Sorting Services" would qualify as an exempt service under GST, similar to the exemption granted to semen doses?

Answer: Yes. "Semen Sorting Services" are exempt from payment from GST, for the reasons mentioned here in above.

Question 2: - Can we classify "Semen Sorting Services" under SAC code 9986?

Answer: Semen Sorting services are classified under SAC 9986, for the reasons mentioned here in above.

Question 3: - In the absence of a specific

notification or classification, under which HSN/SAC code should "Semen Sorting Services" be categorized

Answer: Not relevant in view of answers to Question No. 1 & 2.

**Statute: GOODS AND SERVICES TAX**

**Decision in Favour of: NOT APPLICABLE**

**Title: M/S TOYOTA MOBILITY SOLUTION AND SERVICES INDIA PVT. LTD**

**Citation: KAR.ADRG 10/2026/ dated 11.02.2026**

**Bench/Court: THE AUTHORITY FOR ADVANCE RULING IN KARNATAKA**

M/s Toyota Mobility Solution and Services India Pvt. Ltd., having its registered office at # Plot No. 1, Bidadi Industrial Area, Bengaluru, Ramanagara, Karnataka-562109 (hereinafter referred to as "the Applicant"), bearing GSTIN 29AALCT2109B1ZK, has filed this application for Advance Ruling under Section 97 of the CGST Act, 2017 read with Rule 104 of the CGST Rules, 2017 and Section 97 of the KGST Act, 2017 read with Rule 104 of the KGST Rules, 2017.

In view of the above, the applicant has sought advance ruling in respect of the following question:

a) Whether the company can avail ITC on expenses incurred on goods and services other than vehicle purchases, where the benefit of Notification No.08/2018-CGST (Rate) is availed?

The Applicant is engaged in the business of buying and selling used motor vehicles. The applicant procures used cars, undertakes necessary refurbishment (in the nature of minor repair), and then sells the used cars to end customers.

The applicant states that GST is duly charged on all such inward supplies received from registered suppliers, and in certain instances, tax is discharged under the Reverse Charge Mechanism (RCM). Further, the applicant declares that all

the above expenses are incurred in the course or furtherance of business and are essential for functioning of used car business in a smooth manner.

The Applicant is a private limited company engaged in the business of buying and selling of used motor vehicles. The Applicant procures used passenger vehicles, including hatchbacks, sedans, SUVs, and similar categories, undertakes necessary refurbishment in the nature of minor repairs, and thereafter sells the refurbished vehicles to end customers or transfers them to its branches located in other States for sale.

The Applicant discharges GST on the margin between the selling price and purchase price of motor vehicles, at the rate of 18% on such margin value. The Applicant further submits that Rule 32(5) of the CGST/KGST Rules, 2017 is applicable for all used goods, whereas the aforesaid notifications prescribe a special scheme specifically governing the supply of used motor vehicles.

The Applicant seeks clarification on the eligibility to claim Input Tax Credit (ITC) on direct and indirect expenses (other than vehicle purchase) incurred in the business of selling used motor vehicles while availing benefits under Notification No. 8/2018-Central Tax (Rate) dated 25th January 2018 as amended.

The Applicant submits reliance on Notification No. 08/2018-Central Tax (Rate) dated 25.01.2018, as amended by Notification No. 04/2025-Central Tax (Rate) dated 16.01.2025, and submits that the expression 'such goods' is restricted to the specific goods listed in the Table under the said notification. Accordingly, the benefit of paying GST at 18% on the margin applies only to those notified second-hand goods and does not extend to any other goods or input services.

Further, the applicant relies upon Sections 16(1) and 17(5) of the CGST Act, 2017 to contend that the restriction to avail input tax credit under Notification No. 08/2018 applies only to 'such goods' covered therein, and does not affect eligibility to avail input tax credit on other goods and input services used in the course or furtherance of business.

The applicant submits that the phrase 'such goods' in the notification No. 08/2018 dated 25.01.2018 as amended clearly restricts the ITC bar only to the specified used motor vehicles covered therein. If the intention were to prohibit ITC on all goods or services, broader wording would have been used. Applying the principle of literal interpretation, the applicant argues that the restriction applies only to ITC on the said goods and not to other goods or input services.

The Applicant further relies on the principles of statutory interpretation laid down by the Hon'ble Supreme Court in *Sri Jeyaram Educational Trust & Ors. v. A.G. Syed Mohideen & Ors.* (2010 CLJ 273 SC (1)), wherein it was held that statutory language must be read in its natural, plain and straight meaning, without adding, substituting, or omitting any words.

The Applicant also relies on the decision of the Hon'ble Supreme Court in *Indian Dental Association v. Union of India* (2003), wherein it was held that the intention of Parliament must be gathered from the language used in the statute, and where such words are precise and unambiguous, it must be interpreted in its ordinary and natural sense without adding or implying anything beyond the text.

The Applicant further places reliance on judicial precedents supporting the principle of literal interpretation, including *Government of Andhra Pradesh v. Road Rollers Owners Welfare Association* [2004

(6) SCC 210], *Swedish Match AB v. Securities and Exchange Board of India* (AIR 2004 SC 4219), and *Gurudevatt VKSSS Maryadit v. State of Maharashtra* (AIR 2001 SC 1980).

We have considered the submissions made by the applicant in

and reiterated the submissions already made along with the application. Further, Authorised Representative furnished additional submissions vide letter dated 13.11.2025, along with sample invoices relating to expenses such as refurbishment services, marketing and advertising services, professional fees, housekeeping services, rent, office expenses, software subscriptions, manpower recruitment and staffing services and capital goods such as laptops, office equipment, and furniture.

As per Ruling:

Question: Whether the company can avail ITC on expenses incurred on goods and services other than vehicle purchases, where the benefit of Notification No.08/2018-CGST (Rate) is availed?

Answer: The Applicant is eligible to avail input tax credit on input services such as refurbishment and repair services, marketing and advertising services, professional and consultancy fees, housekeeping and security services, rent, office-related expenses, software subscriptions, manpower recruitment and staffing services, and other administrative services, as well as on capital goods including laptops, office equipment, and furniture, subject to fulfilment of the conditions prescribed under Sections 16 to 21 of the CGST Act, 2017 read with Rules 36 to 45 of the CGST Rules, 2017.

ICAI Past Presidents' Meet



All Kerala Managing Committee Meeting with President & VP, ICAI



### International Womens Day Celebrations



### CPE Chain Seminar on Income Tax Act 2025



One Day Seminar on Bank Branch Audit



One Day Seminar on Income Tax Act 2025 at Thodupuzha

