CoralMetrix

Issue 13

Crack the Code

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An E-Newsletter from CoralMetrix

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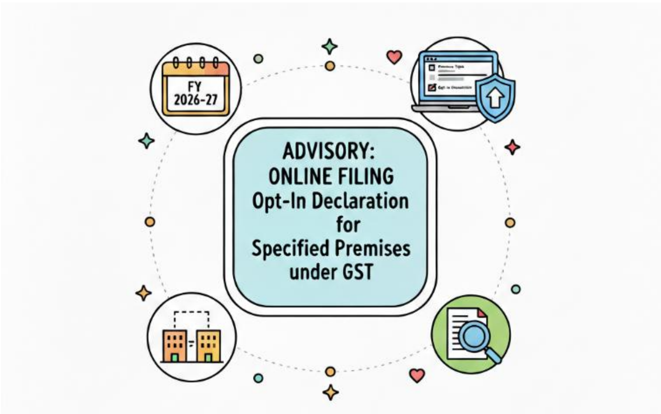
Crack the Code



Advisory on Online Filing of Opt-In Declaration for Specified Premises under GST (Effective FY 2026–27)

GST Update: Notification No. 05/2025 – Central Tax (Rate) | Dated 16 January 2025

The GST Portal has now enabled electronic filing of opt-in declarations for declaring hotel accommodation premises as "Specified Premises", pursuant to Notification No. 05/2025 – Central Tax (Rate). This development marks a significant procedural shift from the earlier manual filing system and is particularly relevant for taxpayers supplying hotel accommodation services.

Before understanding the GSTN advisory, let us know the definition of "Specified Premises"

A "Specified Premises" refers to hotel accommodation premises (such as hotels, inns, guest houses, clubs, campsites or similar establishments) declared by the supplier as specified premises for GST purposes, irrespective of the declared room tariff.

Once a premise is declared as specified premises:

- The value-based exemption linked to room tariff does not apply, and
- The accommodation service becomes uniformly taxable at the prescribed GST rate applicable to specified premises.

Who Can File the Declaration?

The facility is available to:

- Existing registered regular taxpayers (including active and suspended registrations) supplying hotel accommodation services, who intend to declare their premises as "specified premises".
- Applicants for new GST registration, seeking to declare premises as specified premises from the effective date of registration.

However, this option is not available to composition taxpayers, TDS/TCS registrants, SEZ units or developers, casual taxpayers, or taxpayers with cancelled registrations.

Types of Declarations Introduced

The following electronic annexures are now available on the GST Portal:

- Annexure VII – Opt-In Declaration for existing registered persons, to declare specified premises for a succeeding financial year.
- Annexure VIII – Opt-In Declaration for persons applying for new registration, to declare specified premises from the date of registration.

(The opt-out mechanism through Annexure IX will be notified separately.)

Timelines for Filing

- Existing Registered Taxpayers (Annexure VII):
  The declaration can be filed between 1st January and 31st March of the preceding financial year.
  Accordingly, for FY 2026–27, the filing window is 01.01.2026 to 31.03.2026.
- New Registration Applicants (Annexure VIII):
  The declaration must be filed within 15 days from the date of ARN generation of the registration application.
  Filing is permitted even if the GSTIN is not yet allotted, provided the application is not rejected. After the 15-day period, the option can be exercised only during the Annexure VII window.

Procedure on GST Portal

Taxpayers can file the declaration by navigating to:

Services → Registration → Declaration for Specified Premises, selecting the appropriate opt-in option, choosing eligible premises, and submitting the declaration using EVC. Upon successful submission, an ARN is generated.

Key Operational Points

- A maximum of 10 premises can be declared in one filing. Separate declarations may be filed for additional premises.

- Each declared premise generates a separate reference number and PDF.
- The opt-in once exercised continues for subsequent financial years, unless an opt-out declaration is filed within the prescribed time.
- Suspended taxpayers may file the declaration; cancelled taxpayers cannot.
- Filed annexures can be downloaded from the portal, and email/SMS confirmation is sent to authorised signatories.
- For FY 2025–26,those who filed manually are require to file once again in the prescribed window for FY 2026-27.
- OIDAR and NRTP taxpayers are exempt, except OIDAR taxpayers who have appointed a representative in India.

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Court room Series:

Karnataka High Court
Iprocess Clinical Marketing Pvt. Ltd. v. Assistant Commissioner of Commercial Taxes
Writ Petition No. 10989 of 2025 (T-RES)

Facts of the Case

The Petitioner, Iprocess Clinical Marketing Pvt. Ltd., is engaged in providing clinical trial and research & development (R&D) services in India to pharmaceutical companies located outside India, primarily in the United States.

The services were rendered pursuant to a tripartite arrangement involving the Indian service provider, the foreign pharmaceutical sponsor, and Indian clinical trial sites.

For the relevant tax periods prior to the issuance of Notification No. 04/2019–Integrated Tax dated 30 September 2019, the Petitioner treated such services as “export of services” under the Integrated Goods and Services Tax Act, 2017 (“IGST Act”) and accordingly did not discharge Integrated GST (IGST).

The Revenue initiated proceedings under Section 73 of the Central Goods and Services Tax Act, 2017 (“CGST Act”), contending that the place of supply of such services was in India, as the services were physically performed in India. On this basis, IGST was demanded along with interest and penalty.

The adjudicating authority and the appellate authority upheld the demand.

Aggrieved, the Petitioner approached the Karnataka High Court challenging the legality of the demand and the applicability of Notification No. 04/2019–IGST.

Issues for Consideration

1. Whether clinical trial/R&D services performed in India for overseas recipients constitute “export of services” under the IGST Act for periods prior to Notification No. 04/2019–IGST.
2. Whether Notification No. 04/2019–Integrated Tax, issued under Section 13(13) of the IGST Act, is prospective or retrospective in nature.
3. Whether IGST could be levied on such services prior to the said notification by treating the place of supply as India.

Relevant Legal Provisions

- Section 2(6), IGST Act – Definition of “Export of Services”
- Section 13(2), IGST Act – General rule for place of supply of services where recipient is located outside India
- Section 13(13), IGST Act – Power of Government to notify place of supply for specific services
- Notification No. 04/2019–Integrated Tax dated 30.09.2019 – Specifying place of supply of R&D and clinical trial services as the location of the recipient
- Section 73, CGST Act – Determination of tax not paid or short paid

Arguments of the Revenue

- The Revenue contended that prior to Notification No. 04/2019–IGST, there was no specific provision deeming the place of supply of clinical trial services as the location of the foreign recipient.
- Since the actual performance of services occurred in India, the place of supply was India, making the transaction taxable under IGST.
- Notification No. 04/2019–IGST was issued under Section 13(13) and created a new legal position, and therefore must be treated as prospective.
- Consequently, services rendered prior to 30 September 2019 were liable to IGST.

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Arguments of the Assessee

- The Petitioner argued that Section 13(2) of the IGST Act already provided that the place of supply shall be the location of the recipient when services are supplied to a person located outside India.
- Notification No. 04/2019–IGST was clarificatory in nature, issued to remove ambiguity and align the statutory position with the 37th GST Council recommendations.
- The notification did not introduce a new levy but merely clarified the correct interpretation of the law.
- Since all conditions under Section 2(6) of the IGST Act were fulfilled, the services qualified as export of services, and no IGST was payable.
- Reliance was placed on settled jurisprudence that beneficial and clarificatory amendments operate retrospectively.

Judgment

The Karnataka High Court held that Notification No. 04/2019–Integrated Tax is retrospective in operation and applicable to periods prior to its issuance.

Accordingly:

- The adjudication order and the appellate order levying IGST were quashed.
- The clinical trial and R&D services provided by the Petitioner to overseas entities were held to be "export of services" under the IGST Act.
- The Petitioner was granted consequential relief.

Conclusion

This judgment provides authoritative judicial clarity that cross-border clinical trial and R&D services rendered by Indian entities to foreign recipients constitute exports even for pre-2019 periods. By recognizing the retrospective and clarificatory nature of Notification No. 04/2019–IGST, the Karnataka High Court has significantly reduced litigation exposure for Indian pharmaceutical and research service providers and reinforced the principle that GST should not burden export-oriented services.

AI Finance Automation Tools: How CFOs Are Transforming Finance & Accounting Workflows Globally

Finance & Accounting (F&A) functions across the world are undergoing a quiet but decisive transformation. CFOs are no longer judged only on compliance and reporting accuracy. Today, they are expected to deliver faster closes, sharper forecasts, better cash visibility, and strategic insights — all while controlling costs and managing risk.

The challenge is that many finance teams still operate with manual processes, spreadsheet-heavy workflows, and fragmented systems. This is where AI finance automation tools have become a practical necessity rather than a future concept. According to global advisory firms and CFO publications, AI adoption in finance has moved beyond experimentation and into real operational use.

This article explores how AI finance automation tools are being used by CFOs worldwide to solve specific F&A problems, the tools they rely on, and the tangible efficiency gains achieved.

At CoralMetrix, we help CFOs and finance leaders implement AI finance automation tools across AP, close, FP&A, and reporting—aligned with compliance and governance requirements

AI Finance Automation Tools for Accounts Payable: Eliminating Manual Invoice Processing

Accounts Payable is one of the most automation-ready areas in finance — and also one of the most inefficient when handled manually. Traditional AP workflows involve invoice emails, PDF downloads, manual data entry, three-way matching, and long approval cycles. These steps consume time, increase error rates, and delay payments.

AI finance automation tools address this problem by using document intelligence to extract invoice data automatically, match invoices with purchase orders and goods receipt notes, and route exceptions through predefined approval workflows. Instead of chasing invoices, finance teams focus only on anomalies. Globally, CFOs rely on platforms such as Tipalti, BILL, Vic.ai, and Coupa to automate payables. These tools typically reduce manual AP effort significantly and improve processing accuracy. Industry benchmarks often indicate double-digit reductions in AP processing costs, with faster turnaround times and improved vendor satisfaction. Pricing usually follows a modular or usage-based model, making adoption viable for mid-sized organizations as well.

AI Finance Automation Tools for Month-End Close: Accelerating Financial Close Cycles

The month-end close remains one of the most stressful recurring events for finance teams. Reconciliations, journal entries, intercompany eliminations, and audit documentation often stretch close timelines well beyond what CFOs would prefer.

AI finance automation tools for close management focus on automating reconciliation, detecting variances, orchestrating tasks, and creating audit trails. These platforms help finance teams identify mismatches automatically, track close progress in real time, and reduce dependency on emails and spreadsheets.

Tools such as BlackLine, FloQast, Trintech, and robotic process automation platforms like UiPath are widely used by CFOs to streamline close operations. Organizations that implement these tools effectively often report significantly faster close cycles. More importantly, they achieve higher confidence in numbers, cleaner audit trails, and reduced rework — benefits that compound over time.

AI Finance Automation Tools for FP&A: From Static Forecasts to Dynamic Planning

Financial Planning & Analysis has traditionally been constrained by spreadsheet-based models that are difficult to scale, audit, and update. Version control issues, slow consolidation, and manual scenario building prevent CFOs from responding quickly to business changes.

AI finance automation tools in FP&A enable driver-based planning, automated data consolidation, and rapid scenario modelling. These platforms allow finance teams to test assumptions, evaluate multiple outcomes, and provide business leaders with forward-looking insights rather than backward-looking reports.

CFOs globally use platforms such as Anaplan, Workday Adaptive Planning, Pigment, and mid-market FP&A tools like DataRails and Cube. While these tools do not replace human judgment, they significantly reduce manual modelling effort and shorten planning cycles. The result is a finance function that supports decision-making instead of merely reporting results

AI Finance Automation Tools for Order-to-Cash: Improving Cash Flow and Collections

Order-to-Cash workflows directly impact liquidity, yet many organizations still manage collections through manual follow-ups and reactive dispute handling. This leads to higher Days Sales Outstanding (DSO) and unpredictable cash inflows.

AI finance automation tools improve this process by using predictive analytics to assess payment behavior, prioritize customer follow-ups, and automate reminders. These tools also help track disputes systematically and improve coordination between finance and sales teams.

Platforms such as HighRadius and Billtrust are commonly used to automate receivables and collections workflows. CFOs adopting these tools typically see improvements in collection efficiency and cash visibility. While results vary by industry and customer base, the strategic benefit lies in proactive cash management rather than reactive firefighting.

AI Finance Automation Tools for Reporting and MIS: Enabling Real-Time Finance Insights

We often see finance leaders struggle not with data availability, but with data structure and governance—areas we address through our [finance analytics and MIS design engagements.]

Management reporting often consumes disproportionate finance bandwidth. Teams spend days compiling MIS decks, pulling data from multiple systems, and validating numbers — only to deliver insights that are already outdated.

AI finance automation tools improve reporting by standardizing data definitions, automating dashboard creation, and integrating data across ERP, CRM, and banking systems. Advanced tools also assist in generating narrative insights, allowing CFOs to explain trends clearly to boards and stakeholders.

Business intelligence platforms such as Power BI and Tableau, combined with workflow automation tools and governed data models, form the backbone of modern finance reporting stacks. Global case studies show that automation can dramatically increase auto-matching rates and reduce manual intervention in finance data processing.

How CFOs Should Evaluate AI Finance Automation Tools

Despite widespread adoption, not all AI implementations deliver value. Industry research consistently highlights that success depends on use-case clarity, process readiness, and disciplined execution — not on technology alone.

CFOs who achieve results with AI finance automation tools typically start with high-volume, rule-driven processes such as AP, reconciliations, or close management. They define measurable outcomes, ensure integration with core systems, and invest in change management to drive adoption across finance teams.

Conclusion: Why AI Finance Automation Tools Are Now Core to the CFO Agenda

The real value of AI finance automation tools is not in replacing finance professionals, but in freeing them from repetitive tasks so they can focus on judgment, governance, and strategic insight. As finance functions evolve, automation becomes the foundation for speed, accuracy, and control.

For CFOs, founders, and finance leaders, the question is no longer whether to adopt AI-driven automation — but how to implement it thoughtfully to achieve sustainable gains.

Dipali Kumari

Financial year 2025 - 2026 Compliance Calendar

Disclaimer: Dates are subject to change as per notification from government authorities

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APR	MAY	JUNE	JULY	AUG	SEPT
07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT
07TH GOVT. DEDUCT	10TH GSTR 7	10TH GSTR 7	09TH ECB 2 RETURN	10TH GSTR 7	09TH ECB 2 RETURN
09TH ECB 2 RETURN	11TH GSTR 1	10TH ECB 2 RETURN	10TH GSTR 7	11TH ECB 2 RETURN	10TH GSTR 7
10TH GSTR 7	12TH ECB 2 RETURN	11TH GSTR 1	11TH GSTR 1	11TH GSTR 1	11TH GSTR 1
13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1(QRMP/IFF)	13TH GSTR 1(QRMP/IFF)	13TH GSTR 1(QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)
18TH CMP - 08	20TH GSTR 3B	15TH Q4 TDS CERTIFICATE	15TH FLA RETURN	15TH Q1 TDS CERTIFICATE	15TH Q2 ADVANCE TAX 45%
20TH GSTR 3B	29TH PAS 6	15TH Q1 ADVANCE TAX 15%	18TH CMP 08	20TH GSTR 3B	20TH GSTR 3B
22ND QRMP	30TH LLP ANNUAL RETURN	20TH GSTR 3B	20TH GSTR 3B (QRMP)		30TH TAX AUDIT
25TH PMT 06	31ST TDS Q4 FILING (24-25)	30TH DPT 3	22ND QRMP		30TH DIRECTOR KYC
30TH GSTR 4	31ST FORM 61A		31ST TDS Q1 FILING (25 - 26)		
30TH MSME 1			31ST INDIVIDUAL ITR FILING		
30TH GOVT. NON DEDUCT					

OCT	NOV	DEC	JAN	FEB	MAR
07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT	07TH MONTHLY TDS PAYMENT
10TH ECB - 2 RETURN	10TH GSTR 7	09TH ECB 2 RETURN	09TH ECB 2 RETURN	10TH GSTR 7	10TH GSTR 7
10TH GSTR 7	11TH ECB 2 RETURN	10TH GSTR 7	10TH GSTR 7	11TH ECB 2 RETURN	11TH ECB 2 RETURN
11TH GSTR 1	11TH GSTR 1	11TH GSTR 1	11TH GSTR 1	11TH GSTR 1	11TH GSTR 1
13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1(QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)	13TH GSTR 1 (QRMP/IFF)
18TH CMP - 08	15TH Q2 TDS CERTFICATE	15TH Q3 ADVANCE TAX 75%	18TH CMP 08	15TH Q3 TDS CERTIFICATE	15TH Q4 ADVANCE TAX 100%
20TH GSTR 3B	20TH GSTR 3B	20TH GSTR 3B	20TH GSTR 3B	20TH GSTR 3B	20TH GSTR 3B
22ND QRMP	28TH MGT-7/MGT - 7A	31ST BELATED/REVISED ITR	22ND GSTR 3B (QRMP)	25TH PMT 06	25TH PMT 06
29TH AOC 4	29TH PAS -6	31ST GSTR - 9/9A/9C	25TH PMT 06		31ST FORM CSR - 2
30TH LLP FORM 8	30TH FINAL ITC	31ST TDS Q3 FILINGC (25 - 26)	31ST Q3 TDS FILING (25 - 26)		31ST ITR U (FY 2022 - 23)
31ST MSME 1		31ST APR RETURN			
31ST COMPANY ITR					
31ST TDS Q2 FILING (25 - 26)					

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