CoralMetrix

Issue 08

Crack the Code

AUGUST 2025

An E-Newsletter from CoralMetrix

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GST MONTHLY UPDATE – JULY 2025

This edition of the GST Monthly Update brings you a curated summary of key developments in the Goods and Services Tax (GST) regime during the month of July 2025. It is designed to keep professionals, taxpayers, and businesses informed, compliant, and ahead of regulatory changes.

Case Laws:

Rs.113 crores IGST not liable on license fee:

ADDITIONAL DIRECTOR DIRECTORATE GENERAL OF GST INTELLIGENCE (DGGI) & ANR. Versus CENTRAL ELECTRICITY REGULATORY COMMISSION – 2025 (7) TMI 1523 - SC Order

Whether fees collected by the Central Electricity Regulatory Commission ("CERC") and the Delhi Electricity Regulatory Commission ("DERC") for their regulatory functions are subject to GST?

Facts

- CERC is a statutory body function under the Electricity Act, 2003, to regulate the tariff of electricity generating companies owned by Govt and others
- It levies fees on licenses
- SCN was issued to CERC and DERC on the premise that the fees collected by these commissions for licensing, tariff determination, and other regulatory functions fall within the ambit of taxable supply of services.
- DGGI argued GST is leviable
- Delhi High Court ruled in favour of CERC and DERC on the findings that
    - To levy GST there must be Supply of goods or services, consideration for that supply, and the supply should be in furtherance of business.
    - The role is to regulate the power sector and enforce compliance with electricity laws and not a business activity as per sec.2(17)
    - The fee is not a consideration as per sec.2(31). It is a fee which a statutory levy and not for inducement of any supply.
    - The transaction falls under Sch.III entry 2 " Services by any court or Tribunal established under any law for the time being in force"
- Aggrieved by the order the revenue filed a special leave petition with the supreme court

Issue:

Whether the license fee collected by CERC is subject to GST?

Judgment by supreme court:

- HC has quashed the SCN issued by DGGI
- The regulatory function performed by quasi-judicial cannot be brought to tax
- ERC is performing statutory function
- ERC, fall within the definition of Central/ State Government and not a local authority.

Though provoking read:

ADVANCE RU LIN G (APPEAL) N O. G U.J/GAAAR/APPEAL/2 025 /14 - GUJARAT APPELLATE AUTHORITY FOR ADVANCE RULING in the case of M/s. KEI Industries Ltd.,

Issue:

Whether the applicant is eligible to avail ITC on inputs and in out services used for construction of concrete tower to support and erect the vcv lines at the factory of the applicant for manufacture of EHV cables in terms of Section 17(5)(c) &(d) of CGST Act.

GAAR, post admittance & personal hearing, pronounced its impugned ruling vide Advance Ruling No. GU)/GAAR/R/2025/06 dated 21.3.2025 held ITC is not eligible.

Analysis:

- Thus, the moment it is held that the ITC sought is on construction of foundation and structural support relating to plant and machinery, it moves out of the ambit of section 17(5)(c) and (d) even if it is on their own account. This being the case, we find that the applicant is eligible for availing the ITC on inputs and input services used for construction of concrete tower to support and erect the VCV lines at the factory of the appellant for manufacture of EHV cables

- Reference of Circular No.219/13/2024-GSf, dated26.6.2024- Whether the input tax credit on the ducts and manholes used in network of optical/ fiber cables (OFCs) for providing telecommunication services is barred from terms of clauses (c) and (d) of sub-section (5) of 7 of the CGST section 7 Act read with Explanation to section 17 of CGSL Act?

Ruling:

Eligible to avail ITC on inputs and input services used for construction of concrete tower to support and erect the VCV lines at the factory of the applicant for manufacture of EHV cable in terms of the explanation to section 17 (5Xd) of the CGST Act 2017.

GST PORTAL:

GST Portal is now enabled to file appeal against waiver order (SPL 07).

1. Taxpayers who have filed waiver applications in Forms SPL 01/SPL 02 are receiving orders from the jurisdictional authorities:
    - Acceptance Order in SPL 05 or
    - Rejection Order in SPL-07.
2. The GST Portal has now been enabled to allow taxpayers to file Appeal applications (APL 01) against SPL 07 (Rejection) Order.
3. Please use the Navigation below to file Appeal Application against SPL-07 orders:
    - Go to: Services → User Services → My Application
    - Select Application Type as: “Appeal to Appellate Authority”
    - Click on New Application
4. In the application form, under Order Type, select: “Waiver Application Rejection Order” and enter all the relevant details. After entering the details, Please proceed with filing of appeal.
5. It may be noted that the option to withdraw appeal applications filed under the waiver scheme is not available on the GST portal. Taxpayers are therefore advised to exercise due caution while filing such appeals.
6. Also, if any taxpayer does not want to file appeal against “waiver application rejection order” but want to restore the appeal application (filed against original demand order) which was withdrawn for filing waiver application can do so by filing undertaking. The option for filing of undertaking is available under “Orders” section in “Waiver Application” case folder.

CA SUJATHA G
GST

Exploring India–UK CETA Made Simple with Trade Connect

In this edition, we take you inside **Trade Connect**, a powerful platform designed to help businesses navigate and leverage the India–UK Comprehensive Economic and Trade Agreement (CETA)..

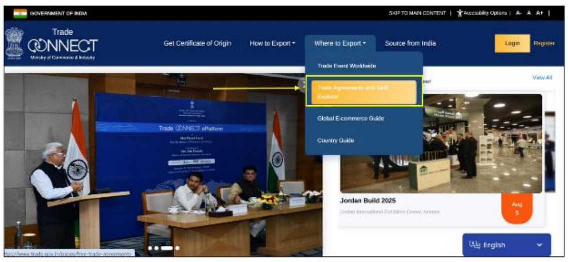
You can now explore the updated India–United Kingdom Comprehensive Economic and Trade Agreement (CETA) tariffs on https://www.trade.gov.in/

Please follow the steps below:

1. **[Visit www.trade.gov.in](http://www.trade.gov.in)**

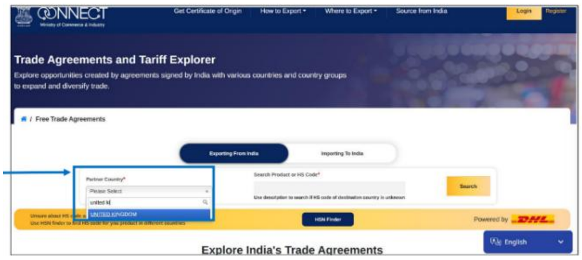
2. **Go to where to Export**

3. **Click on 'Trade Agreements and Tariff Explorer' (https://www.trade.gov.in/pages/free-trade-agreements)**

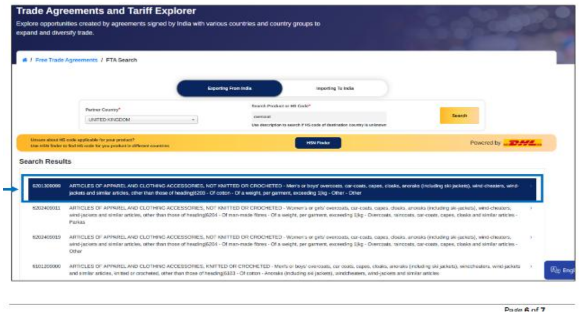


4. **In the search bar:**

Select Partner Country: United Kingdom

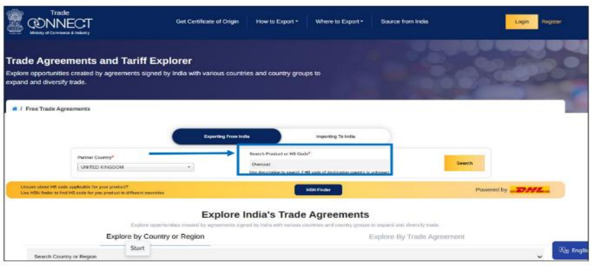


5. **In the search bar: Enter the Product Name or HS Code and Click Search**

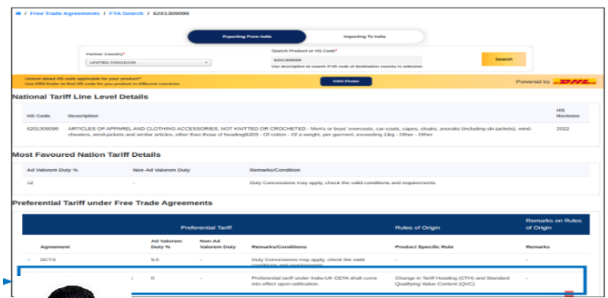


6. **The search results will display list of HS Code-wise product descriptions,**

Click on relevant HS Code



7. **Under Preferential Tariff – Free Trade Agreements, see India–UK Comprehensive Economic and Trade Agreement to view the applicable preferential tariffs and rules of origin.**



CA Chaitanya Kumar, Income Tax

Legal Corner

Validity of housing societies formed under the Karnataka Co-operative Societies Act, 1959

In Karnataka it is common for residential communities to try to use the Karnataka Co-operative Societies Act (KCSA, 1959) as the legal vehicle for managing plotted developments, and sometimes used by apartments for maintaining and managing the upkeep of their common areas and services. The question we are debating is

1. Does the Karnataka Co-operative Societies Act, 1959 fit the purpose of maintenance & upkeep of plotted developments and apartment complexes?
2. Is there a judicial precedent or provision of law that prohibits the formation of Co-operative Societies for the purpose of maintenance and upkeep of plotted developments and residential apartment and commercial complexes?

Background

In Karnataka, societies with the object of formation of layouts, apartment complexes, or maintenance and upkeep of the same may be formed under three acts

1. Karnataka Apartment Ownership Act (KAOA), 1972
2. The Karnataka Ownership Flats (Regulation of the promotion of construction, sale, management and transfer) Act (KOFA), 1972
3. Karnataka Co-operative Societies Act (KCSA), 1959

Questions of fact

Before we step into the question of which of the above Acts are suitable, based on the current law in force, and the legal precedence surrounding this issue of choice of legal vehicle to carry the housing societies, there are four underlying questions to be asked.

1. Whether the common area (land) is transferred to the Allottee or Buyer as an Undivided share (UDS) of the common area in the sale deed conveying the property to the buyer?
2. Whether the Developer has transferred or is going to transfer the title to any common area to the owners of the property being developed for the common use, enjoyment of all the owners of that project?
3. Whether the property is a residential only development or is it a mixed development containing Commercial and residential units?
4. Whether the object of the housing society includes the collection of money from a group of interested persons and use of that money towards purchase of large piece of land, for the purpose of forming layouts or constructing multi-dwelling apartments?

Appropriate law:

The concept of undivided share of the common area and its transferability and heritability is set out in the KAOA Act, whereas KOFA does not contain provisions related to heritability and transferability of UDS. Further, Section 3(a) of the KAOA Act restricts the application of the KAOA to only residential apartment complexes whereas, by virtue of Section 2(a) of KOFA, commercial and residential buildings may be brought under the purview of the KOFA. The applicability of Karnataka Co-operative Society Act is the point of debate.

At first glance it is possible (the Registrar does register “housing” or layout co-ops) to bring both apartments and plotted developments under the Co-operative Society Act, but the structure, vocabulary and statutory rights in the KCSA are primarily aimed at cooperative economic activity (credit, banking, production, allotment of plots for layouts, formation of societies for employee groups, etc.), not at the property-law needs of multi-apartment complexes — e.g., undivided interest in common areas, declaration/deed of apartment, statutory charge for common expenses, mandatory byelaws for apartment management, access for maintenance

and clearly expressed apportionment of common expenses. In many situations, owners of apartment complexes have registered under the Co-operative Societies Act, but these have been challenged in the Courts.

However, in the, Proposed Starnest Apartment Owners Co-operative Society Ltd vs State of Karnataka ref. WA No. 564 of 2024, the Honourable High Court of Karnataka has held that that there cannot be any association registered under the Karnataka Co-operative Society Act, 1959, to form a society to manage and maintain the property comprising of only residential flats. The same decision was re-iterated in the subsequent Saraswathi Prakash vs State of Karnataka (WP No. 3779 of 2023) on 28 February, 2025. From these decisions, the application of Co-operative Society Act for the management and upkeep of residential apartment complexes can be ruled out. But this judgement does not rule out the formation of Co-operative Societies for the purpose of managing the upkeep of plotted developments, which there is no transfer of Undivided Share of common area.

So, purely from a legal perspective, there is no bar of formation of Co-operative Societies for such purpose.

Applicability to plotted developments

Barring, the exclusion of formation of Co-operative Society for the purpose of managing the upkeep of residential apartment complexes, there is no express bar on its use for the purpose of managing the upkeep of commercial complexes, or plotted developments where there is no transfer of Undivided share of the common area to the Buyer.

It is only of interest to the interested parties, that KSCA demonstrates a mismatch with the needs of a housing society/RWA formed for the purpose of welfare of the residents of plotted developments (while we exclude apartments from the scope of this discussion by virtue of the rulings by the Honourable High Court of Karnataka).

1) The KCSA's object/registration provisions are framed around the "economic interests / welfare" of members and formation of layouts not undivided apartment ownership

Section 4 of the KCSA describes the kind of societies that may be registered — the emphasis is on promotion of economic interests or general welfare in accordance with co-operative principles. This is not the same legal framework as a statute that expressly contemplates apartment ownership, declaration of undivided interest in common areas, or the manager/board powers typical for maintenance of common services.

" *4. Societies which may be registered. — Subject to the provisions of this Act, a co-operative society which has as its objects the promotion of the economic interests or general welfare of its members, or of the public, in accordance with co-operative principles, or a co-operative society established with the object of facilitating the operations of such a society, may be registered under this Act…".*

This language makes clear that KCSA is modelled for economic co-operation (credit, supply, production, allotment of plots) rather than the property-specific constructs of apartment ownership (undivided interest, declaration, lien/priority for common expenses).

2) KCSA has been historically used for formation of layouts and allotment of sites — i.e., land-development models — not apartment declarations or undivided interest percentages

Several cooperative societies under KCSA historically were created to acquire land, form residential layouts and allot sites to members (employee co-ops etc.). These provisions and typical bye-laws focus on land allotment and member eligibility. As this involves collection and application of funds for the purpose of welfare of its members, the Co-operative Society provides the required level of scrutiny and control

3) KCSA governance rules (membership, shares, byelaws, audit, government control) don't map cleanly onto apartment-specific concepts like Declaration, percentage undivided interest, charge for common expenses and access for maintenance

   a. No statutory provision in KCSA to create and register a Deed of Apartment / Declaration with percentages of undivided interest that travel with the apartment (as is done under the Karnataka Apartment Ownership framework). KAOA makes the undivided interest permanent and appurtenant to the apartment, and makes it transferable and heritable.

   b. Priority for common expenses / charge on apartment: KAOA/KOFA explicitly creates a charge on the apartment for unpaid common expenses that has priority in many situations — an essential enforcement tool for maintenance. KCSA does not provide exactly the same statutory charge mechanism tied to an apartment as an immovable with a declared percentage. This practical enforcement gap matters for regular maintenance collections and mortgage priorities.

   c. Right of entry/maintenance access: KAOA gives the Association/Manager the statutory right to access apartments for repair and maintenance of common areas. That statutory access right is important for safety and upkeep of common installations. KCSA's general corporate governance and bye-laws based powers are not the same as a statutory right of access to private apartments.

d. Conversion and regulatory restrictions: KCSA has controls (Registrar, audit, government supervision, restrictions on registration where it might harm the co-op movement) and different procedures for amendment of bye-laws, distribution of surplus, and winding up. These administrative controls can produce friction when applied to a resident body whose core needs are property allocation, exclusive possession and easement-style rights over common infrastructure.

e. Charge on apartment for unpaid common expenses: KOFA/KAOA create a statutory charge on apartments for unpaid common expenses which helps in enforcement against a recalcitrant owner.

f. Right of Association/Manager to access apartments for maintenance/replacement: The apartment acts give the Association a statutory right of access for maintenance or emergency repairs — a crucial operational tool.

g. Membership eligibility vs unit ownership — KCSA membership models (often occupation/employee or share-based) do not align with the transferable, conveyable, heritable interest in the UDS that buyers expect.

Recommendation for plotted developments

Despite the lack of clear provisions to support the use of KCSA for the formation of housing societies, it remains a legal alternative for the formation of housing societies where layouts are developed, plots are demarcated and sold to the buyers, and the title to the plot is transferred absolutely to the Buyer. But, where the interest in common area is transferred using UDS or where the building is a hybrid development with both commercial & residential apartments, KCSA cannot be used as the legal vehicle for such purposes.

Adv. K Raghuraman

Legal Advisor

Zoholics India 2025: A New Era of Practical, Scalable Business Technology

Last month, our **Business Process Management Team** had the privilege of attending **Zoholics India 2025**, one of the most impactful gatherings for SMEs, business leaders, and technology partners. Over **1,800 attendees** came together to witness Zoho unveil a wave of innovations designed to make technology more **practical, scalable, and immediately usable**.

The focus throughout the event was clear: **technology should serve business goals, not the other way around**. This philosophy aligns perfectly with our own approach at CoralMetrix, where we specialize in transforming complex business processes into efficient, seamless systems using the **Zoho suite of applications**.

AI Agents

One of the headline announcements was the launch of **AI Agents** — customizable, intelligent assistants that can automate workflows across CRM, People, Desk, and Creator. These aren't just generic bots; they're built to understand your business context, work within your processes, and uphold **data privacy and user control**. For our clients, this means a huge leap forward in productivity without sacrificing governance.

AI Automation

We were equally impressed by the **cross-application AI automation** demonstration. In real time, Zoho showed how a single AI-driven command could scan an incoming customer query, identify the intent, assign it to the right person, balance workloads, and even log a helpdesk ticket — all automatically. It's exactly the kind of workflow transformation CoralMetrix helps implement for our clients to save time, reduce errors, and boost customer responsiveness.

Ulaa Browser

Another major launch was the **Ulaa Browser** — a secure, privacy-first browser designed for hybrid work environments. With built-in data protection, anti-phishing safeguards, organizational policy controls, and AI-powered tab intelligence, Ulaa promises both efficiency and peace of mind. We see great potential for integrating Ulaa into client ecosystems where security and compliance are critical.

At CoralMetrix, we're excited about how these innovations can be applied to **real-world business challenges**. Whether it's streamlining operations, automating repetitive tasks, or improving collaboration, our role as a **Zoho Partner** is to ensure these tools are not just installed — but implemented with strategy, customization, and measurable outcomes.

In the coming weeks, we'll be sharing **case studies and practical examples** of how these new features can create tangible value for businesses like yours. The future of business technology is here — and with the right partner, it's more achievable than ever.

Stay tuned, and let's shape this future together.

Pavan S

CoralMetrix

Issue 08

Upcoming Webinar Alert:

Updates on GST Compliance

An expert-led session decoding the latest GST compliance updates and their impact on business

.Date: 16 08 2025 | Day: Saturday | Time: 04.00 AM – 05.00 PM

Registration Link: https://meet.zoho.in/hnjf-yqw-mns

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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