

# The Navi Mumbai Chartered Accountant



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**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
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# Chairman Desk

**CA Rajendra Phadke**  
Chairman,  
ICAI - Navi Mumbai (WIRC)



Dear Esteemed Members and Students,

It is with profound gratitude and a deep sense of responsibility that I assume charge as Chairman of the Navi Mumbai Branch of WIRC of ICAI for the year 2026-27. I sincerely thank all members for the confidence placed in me. Our branch has consistently demonstrated academic vibrancy, professional excellence, and meaningful member engagement. The responsibility before us is not merely to preserve this legacy, but to strengthen and elevate it in a rapidly transforming professional environment.

We stand today at a pivotal moment for the Chartered Accountancy profession. The coming year will be defined by structural shifts in taxation, technological disruption driven by artificial intelligence, and global economic instability arising from geopolitical conflicts. These forces are not abstract developments; they are actively influencing compliance frameworks, audit methodologies, advisory practices, and business decision-making across sectors.

The anticipated changes in the income tax framework represent far more than routine amendments. They signal a shift towards simplified structures, enhanced digital integration, and data-driven assessments. This transition demands rigorous study, comparative analysis, and practical understanding from professionals. As advisors, we must not only interpret the law accurately but also guide clients through its commercial and strategic implications with clarity and confidence.

At the same time, artificial intelligence is reshaping the contours of our profession. AI is no longer a distant concept—it is already influencing audit analytics, risk assessment, documentation standards, and tax advisory processes. The choice before us is clear: we either adapt and lead, or risk being left behind. When used responsibly and intelligently, AI can enhance efficiency, strengthen internal controls, and elevate the quality of professional services. Our responsibility is to understand it deeply and apply it ethically.



Adding to this dynamic environment is global economic volatility resulting from geopolitical tensions and conflicts. Instability in international markets affects trade flows, capital movements, currency valuations, and cross-border taxation. In such uncertain times, Chartered Accountants serve as pillars of stability. Our role becomes even more significant in guiding businesses through financial ambiguity with prudence and foresight.

The theme for this year shall be “Adapt. Accelerate. Excel.” This theme reflects our commitment to proactive preparation rather than reactive response. The branch will commence its activities with an intensive and structured study series on the new income tax framework, designed to provide both conceptual clarity and practical insight. Alongside this, we will introduce comprehensive AI learning initiatives covering both foundational and advanced applications relevant to audit, taxation, and advisory domains. These initiatives will not be routine academic events but focused knowledge-building platforms aimed at equipping members for the realities of tomorrow.

Throughout the year, the branch will function with renewed energy and pace. Our programs will be timely, relevant, and academically rigorous. We will strive to ensure that every session adds measurable professional value and that every initiative reflects planning, precision, and purpose. Student development, member networking, and industry interaction will remain integral to our agenda.

A branch grows stronger when its members actively participate and contribute. I invite each of you to engage, share expertise, mentor students, and support our initiatives. Collective effort and shared ownership will define the success of this year.

The Chartered Accountancy profession has always emerged stronger from periods of change. With discipline, adaptability, and ethical commitment, we shall continue to uphold the standards that define our institution. I am confident that together we will make 2026–27 a year of meaningful progress, professional advancement, and institutional pride for the Navi Mumbai Branch.

On the occasion of International Women’s Day, I extend my heartfelt wishes to all the women members, students, and professionals who contribute immensely to our profession and society. Your resilience, leadership, and excellence continue to inspire us. May you achieve even greater milestones in the years ahead.

I look forward to your continued support and active participation.

With Warm Regards,  
**CA Rajendra Phadke**  
Chairman,  
Navi Mumbai Branch of WIRC of ICAI

## Goods Transport Services Under GST An In-Depth Guide to Taxation and Compliance

Contributed By: • CA Santosh Dhumal

### Background

India's Goods and Services Tax (GST) regime has undergone continuous evolution since its implementation in 2017. Among the most complex sectors under GST, transportation services—particularly Goods Transport Agencies (GTAs)—hold significant importance. These services are crucial to the functioning of supply chains across the country and play a major role in the movement of goods from suppliers to consumers, across states and regions. As businesses expand and logistics networks become more sophisticated, understanding the nuances of GST as it applies to transportation services is critical for compliance and efficiency.

This article seeks to demystify the GST treatment of Goods Transport Services, shedding light on how the law distinguishes various services within the sector, explains key legal terms like "Goods Transport Agency" and "Consignment Note," and provides clarity on tax mechanisms including the Reverse Charge and Forward Charge Mechanisms. By elaborating on these areas, the article aims to empower businesses and professionals to navigate the GST landscape confidently.

### 1. Understanding Goods Transport Agency (GTA) under GST

The term Goods Transport Agency (GTA) refers to any person or entity engaged in the business of transporting goods by road. Crucially, to be classified as a GTA under GST, the service provider must issue a consignment note, which is a legal document confirming the receipt of goods for transport. The definition, as per Notification No. 11/2017-CT (Rate), emphasizes the road-based transport and issuance of this consignment note as the distinguishing factors.

This classification matters because it determines the type of GST treatment that applies to the service. Goods transport is divided into:

- GTA Services (where a consignment note is issued),
- Integral part of the supply (when transport is part of the supply of goods or services),
- Other transport services (those not covered by the first two categories).

By understanding these distinctions, businesses can determine whether their transport service falls under GTA provisions or if different tax treatments apply.

## A consignment note

A consignment note is a crucial element of the transport service and holds legal significance under the GST framework.

A consignment note is a formal document issued by a GTA upon receiving goods for transport. It serves as proof that the goods have been handed over to the transporter and contains details

Consignment Note is neither defined in the Act nor in the notification no.12/2017-Central Tax (Rate). Guidance can be taken from the meaning ascribed to the term under the Explanation to Rule 4B of Service Tax Rules, 1994.

In terms of the said rule, consignment note means a document, issued by a goods transport agency against the receipt of goods for the purpose of transport of goods by road in a goods carriage and having the details such as:

- Name of the consignor and consignee
- Vehicle registration number
- Description of the goods
- Origin and destination
- Person liable to pay GST

This note is crucial for determining whether a transport service falls under GTA services or not. The consignment note plays a vital role in determining whether tax applies to the transport service.

## 2. The Significance of the Consignment Note

The consignment note is central to determining the GST treatment of transport services. This document, which is issued by the GTA, serves multiple functions:

- **Proof of contract:** It confirms that goods have been handed over for transportation, outlining terms and conditions.
- **Tax Determination:** The issuance of a consignment note triggers the specific GST provisions under GTA services.
- **Liability Protection:** The consignment note protects the transporter by clearly documenting the details of the transportation arrangement.

It is essential for businesses to understand that the consignment note not only serves operational purposes but is also a legal requirement to qualify for the GTA classification under GST. Any discrepancies or missing documents can lead to complications in tax compliance.

## 3. Taxation Mechanism for GTA Services: Reverse vs. Forward Charge

One of the most frequently misunderstood aspects of GTA services under GST is the Reverse Charge Mechanism (RCM) versus Forward Charge Mechanism (FCM). The distinction determines who is responsible for paying the GST—either the service provider (GTA) or the recipient of the service.

- **Reverse Charge Mechanism (RCM):** Under RCM, the recipient of the GTA service (usually a business entity) is responsible for paying the GST, provided the recipient is a registered taxpayer.

This mechanism simplifies the compliance burden for smaller businesses or non-GTA entities, as the responsibility to remit tax shifts to the recipient.

- **Forward Charge Mechanism (FCM):** Under FCM, the responsibility to charge and remit the GST lies with the GTA itself. The GTA can choose between charging 5% or 18% GST on the services provided, depending on whether they opt for input tax credit eligibility.

The choice between 5% and 18% impacts both the tax liability and the ability to claim credits on inputs.

In case GTA who commences new business or crosses threshold for registration during any Financial Year, may exercise the option to itself pay GST (under FCM) on the services supplied by it during that Financial Year by making a declaration in Annexure V before the expiry of forty-five days from the date of applying for GST registration or one month from the date of obtaining registration whichever is later.

The option exercised by GTA to itself pay GST on the services supplied by it during a Financial Year shall be deemed to have been exercised for the next and future financial years unless the GTA files a declaration in Annexure VI to revert under reverse charge mechanism on or after the 1st January of the preceding Financial Year but not later than 31st March of the preceding Financial Year.

Each mechanism has its conditions, and businesses must evaluate their eligibility based on their registration status and the nature of the recipient.

#### **4. Exemptions Available for Goods Transport Services**

GST law provides certain exemptions on the basis of specific goods and categories of recipients.

Same are as below,

**Goods Specific:** Entry 21 of NT 11/2017 CTR Dated 28/06/2017, Services provided by a GTA, by way of transport in a goods carriage of

1. Relief materials meant for victims of natural or man-made disasters, calamities, accidents or mishap;
2. Defence or military equipment;
3. Newspaper or magazines registered with the registrar of newspapers;
4. Agricultural produce;
5. Milk, salt and food grain including flours, pulses and rice; and
6. Organic manure.

#### **Recipients Specific:**

A) Entry 21A of NT 11/2017 CTR Dated 28/06/2017, Services provided by a GTA to an unregistered person, including an unregistered casual taxable person, other than the following recipients, namely

1. Any factory registered under or governed by the Factories Act, 1948(63 of 1948); or
2. Any Society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or
3. Any Co-operative Society established by or under any law for the time being in force; or
4. Any body corporate established, by or under any law for the time being in force; or

5. Any partnership firm whether registered or not under any law including association of persons;

6. Any casual taxable person registered under the Central Goods and Services Tax Act or the Integrated Goods and Services Tax Act or the State Goods and Services Tax Act or the Union Territory Goods and Services Tax Act.

B) Entry 21B of NT 11/2017 CTR Dated 28/06/2017, Services provided by a goods transport agency, by way of transport of goods in a goods carriage, to,

1. A Department or Establishment of the Central Government or State Government or Union territory; or

2. local authority; or

3. Governmental agencies,

which has taken registration under the Central Goods and Services Tax Act, 2017 (12 of 2017) only for the purpose of deducting tax under Section 51 and not for making a taxable supply of goods or services.

C) Entry 21C of NT 11/2017 CTR Dated 28/06/2017; Services by way of giving on hire '

1. To a state transport undertaking, a motor vehicle meant to carry more than twelve passengers; or

2. To a local authority, an Electrically operated vehicle meant to carry more than twelve passengers; or

3. To a goods transport agency, a means of transportation of goods.

4. Motor vehicle for transport of students, faculty and staff, to a person providing services of transportation of students, faculty and staff to an Educational Institution providing services

by way of pre-school education and education upto higher secondary school or equivalent.

Explanation. - For the purposes of this entry, "Electrically operated vehicle" means vehicle falling under Chapter 87 in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) which is run solely on electrical energy derived from an external source or from one or more electrical batteries fitted to such road vehicle.

These exemptions aim to facilitate ease of business for specific sectors and ensure that essential goods are not unduly burdened by taxation.

## 5. Input Tax Credit (ITC) and GTA Services

Input Tax Credit (ITC) plays a significant role in reducing the effective tax burden on businesses under GST. For GTA services, ITC is available under certain conditions. If the GTA opts for the FCM and charges 18% GST, the recipient can claim ITC. However, if the GTA charges 5% GST under FCM, no ITC is available.

Under RCM, since the recipient is liable for paying GST, the recipient can claim ITC, subject to conditions specified under the GST law. Businesses should ensure that they maintain proper documentation, including consignment notes and invoices, to substantiate their ITC claims.

## Conclusion

Understanding the GST implications for Goods Transport Agencies is crucial for businesses involved in transportation services. By clarifying the definitions, tax mechanisms, and

compliance requirements, this article aims to empower stakeholders to navigate the complexities of GST with confidence. Ensuring proper documentation, selecting the right tax mechanism, and staying abreast of available exemptions and ITC opportunities will enable businesses to maintain compliance while optimizing their tax positions.

# EVENT HIGHLIGHTS



# EVENT HIGHLIGHTS



# WICASA Chairperson Desk

**CA Pragya Jain**  
Chairperson,  
WICASA - Navi Mumbai (WIRC)



Dear Students,

With immense gratitude and humility, I am deeply thankful for the continued trust and blessings bestowed upon me as I have once again been elected as the WICASA Chairperson. Serving the students is not just a responsibility, but a commitment close to my heart. I consider this opportunity a privilege to contribute towards the growth, guidance, and empowerment of our future Chartered Accountants.

I sincerely thank all my seniors, colleagues, and students for their unwavering support and confidence in me. I reaffirm my dedication to working tirelessly for the betterment of our student community.

Together, let us continue to strive for excellence and create meaningful opportunities for learning and leadership.

Congratulation all the aspirants on your successful result .

Your success is a reflection of your dedication, discipline, and countless hours of hard work. Celebrate this milestone with pride – you have truly earned it.

To those who may feel disappointed with the unsuccessful result please remember: a result

does not define your potential. Setbacks are not failures; they are stepping stones in the journey of growth. Every successful professional has faced challenges – what sets them apart is resilience and the courage to rise again.

This is not the end of your journey. It is just one chapter. Stay focused, stay determined, and keep pushing forward with renewed strength. Your perseverance today will become your success story tomorrow.

Believe in yourself – success is ahead.

Warm Regards,  
**CA Pragya Jain**  
Chairperson,  
Navi Mumbai WICASA

## Credits & Acknowledgments

We extend our heartfelt thanks to all contributors, writers, and volunteers who made this edition possible. The success of this newsletter lies in the collective efforts of dedicated professionals who shared their insights, time, and creativity.

This newsletter has been prepared and edited by CA Hemanshu Pandya & CA Jugal Solanki



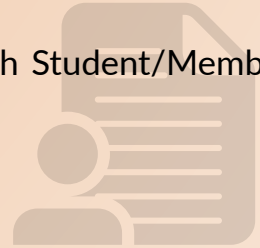
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