



The Institute of Chartered Accountants of India

The Netherlands (Amsterdam) Chapter

ICAI NL NEWSLETTER



Half Yearly Edition | Jan - June 2026

MESSAGE FROM THE CHAIRMAN



Dear Members,

As we conclude the first half of 2026, I am proud to reflect on the remarkable progress made by the ICAI Netherlands (Amsterdam) Chapter. This progress has been driven by the enthusiasm and commitment of our members. Your active participation in our professional, networking, and community activities continues to strengthen our chapter.

The first six months of the year have been marked by significant milestones. On the global stage, our Chairman Emeritus, CA (Dr.) Vikas Chaturvedi, addressed over 500 delegates at the World Forum of Accountants on cross-border professional mobility, and also moderated the Europe Session at the INBUSH ERA World Summit hosted by Amity University. Locally, we continued to grow a vibrant community through celebrations such as Holi and International Yoga Day. Our "Connect and Elevate" networking sessions, and collaborations with the Embassy of India, TiE Amsterdam, and several partner organisations brought us more visibility.

Continuous learning remained a priority of our activities. Through collaborations with the Embassy of India, ICAI Dallas Chapter, Tata Consultancy Services (TCS), KNAV and the GIFT City, we organised exciting sessions on Artificial Intelligence, the Union Budget 2026, taxation, and other topics, helping us stay ahead in an evolving profession. I am also delighted that our chapter has been honoured with the ICAI, "Best Overseas Chapter Award" for the eighth time under Category III. We will soon move to Category II as we have surpassed the requirement of 100 members. This recognition is the collective efforts of our members, volunteers, and Managing Committee.

Looking at the roadmap for the second half of the year, the Managing Committee is eager to organise dedicated IFRS series, AI workshops, and host our Annual conference with a Diwali dinner.

I sincerely thank our members, volunteers, and the Managing Committee for their continued support and commitment. I hope our progress this year becomes the benchmark for the future. I look forward to an exciting and successful second half of 2026.

CA Ashok Dorairaja

June 30, 2026.

MANAGEMENT COMMITTEE



CA. VIKAS CHATURVEDI
CHAIRMAN EMERITUS



CA. ASHOK DORAIRAJA
CHAIRMAN



CA. SAROJ KASAT
VICE-CHAIRMAN



CA. RAMYANITHARSHINI
BALAJI
SECRETARY

*" Great things in business are
never done by one person. They
are done by a team of people. "*

Steve Jobs



CA. RADHA NIKHADE
TREASURER



CA. NILANJAN
PAUL



CA. MEENAKSHI
SHARMA



CA. SUNILA
CHANANA



CA KANAV
GOYAL



CA TISHA
AGGARWAL

**MANAGING COMMITTEE
MEMBERS**

SUPPORTING MEMBERS

INDIA SYMPOSIUM 2026

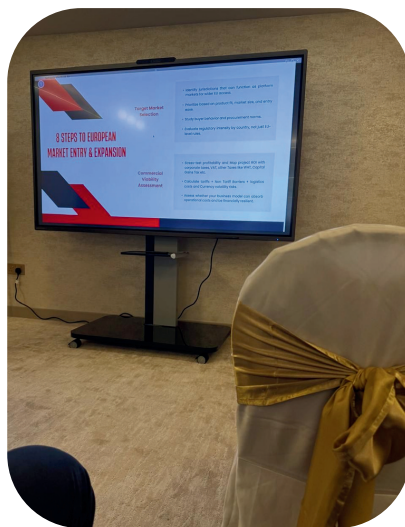


The 14th Edition of the India Symposium 2026, hosted by India Business House, and supported by ICAI Netherlands (Amsterdam) Chapter successfully concluded in Amsterdam on 15 May 2026, marking an important milestone in strengthening the strategic economic partnership between India and Europe. Held during the visit of Hon'ble Prime Minister Narendra Modi to the Netherlands, the symposium brought together industry leaders, investors, entrepreneurs, institutions, and global partners for meaningful dialogue and collaboration. The event also witnessed the participation of more than 15 Chartered Accountants, reflecting the growing interest of the professional community in international trade and investment opportunities.

Under the leadership of Dr. (CA) Vikas S. Chaturvedi, Founder Chairman of India Business House, the event focused on advancing the India–Europe economic and strategic corridor through innovation, investment, sustainability, food and agriculture, green energy, and cross-border partnerships. The symposium also highlighted the growing importance of the India–Netherlands relationship, with the Netherlands continuing to be one of India's key partners in trade, exports, FDI, and ODI.

A key highlight of the event was the launch of “Real-Time Food Safety Assurance – The Indian Opportunity,” co-authored by CA (Dr.) Vikas S. Chaturvedi and Ir. Cornelis van Elst. The book explored how Indian MSMEs in food processing, agriculture, exports, logistics, and manufacturing could adopt transparent, technology-driven food safety systems to build global buyer confidence and become Europe-ready businesses.

ICAI AROUND THE WORLD



TiECON SRILANKA: CA (Dr.) Vikas Chaturvedi, Chairman Emeritus addressed over 400 entrepreneurs at TiECon Sri Lanka 2026 in Colombo on “European Market Entry & Expansion.” He shared proven frameworks and strategic insights to help businesses enter, structure, and scale successfully across Europe.

The session covered market entry architecture, regulatory and tax structuring, cross-border expansion strategy, and practical considerations for building a sustainable presence in European markets. It provided entrepreneurs with a clear roadmap to approach international expansion with confidence and strategic clarity.



ASSOCHAM: CA (Dr.) Vikas Chaturvedi, Chairman Emeritus, was invited as a distinguished speaker at the ASSOCHAM 12th Global SME Conclave & Excellence Awards. He had the privilege of chairing Thematic Session 3, titled “SMEs on the Global Stage – Driving Exports and International Competitiveness through India’s Modern FTAs.”

The session focused on strengthening the global competitiveness of Indian SMEs and exploring how modern Free Trade Agreements could support exports, international market access, and drive sustainable business growth.

The discussion was further enriched by a special address from Ms. Mercy Epao, Joint Secretary, SME, Ministry of Micro, Small and Medium Enterprises, Government of India. The panel was moderated by Mr. Anshuman Kumar and featured valuable insights from fellow panellist Mr. Manas Chugh fostering a meaningful dialogue on strengthening India's SME ecosystem and global trade opportunities.

ICAI AROUND THE WORLD



WOFA 2025: CA (Dr.) Vikas Chaturvedi represented ICAI Netherlands (Amsterdam) Chapter at the World Forum of Accountants (WOFA) 2.0 in Noida where he addressed over 500 Chartered Accountants at the global conference organised by the Institute of Chartered Accountants of India. Speaking on “Navigating Cross-Border Mobility for a Global Profession,” he shared insights on how the accountancy profession was evolving in a global environment and highlighted the role of trust, collaboration, and mobility in enabling professional growth across borders.

He also emphasised the growing opportunities for Indian Chartered Accountants in Europe. With around 6,000 CAs currently based in Europe, this number was expected to reach over 20,000 in the next five to seven years, reflecting the region’s strong potential for global career growth.



INBUSH ERA WORLD SUMMIT 2026:

CA (Dr.) Vikas S. Chaturvedi moderated the Europe Session at the 26th INBUSH ERA World Summit 2026 at Amity University. The session focused on strengthening India–Europe strategic synergies and brought together thought leaders and representatives from eight European countries.

The discussion covered cross-border education, industry–academia collaboration, innovation, bilateral trade, startup partnerships, investment flows, and MSME internationalisation. It highlighted the need to build structured bridges between India and Europe to create future-ready talent and globally competitive enterprises.

ICAI AROUND THE WORLD



INTERNATIONAL BUSINESS SUMMIT: At the International Business Summit & Awards 2026, held in Jaipur, CA (Dr.) Vikas Chaturvedi addressed entrepreneurs and business leaders on the growing global aspirations of India's MSME sector and the opportunities for businesses to expand from local enterprises to global brands.

The growing role of Indian Micro, Small and Medium Enterprises (MSMEs) in the global economy was the focus of the International Business Summit & Awards 2026 held in Jaipur. Bringing together entrepreneurs, industry leaders, and policymakers, the summit explored how Indian businesses can leverage innovation, quality, and strategic partnerships to expand their international footprint.

Addressing the gathering, CA (Dr.) Vikas Chaturvedi, Founder of India Business House and Chairman Emeritus of the ICAI Netherlands (Amsterdam) Chapter, highlighted the growing role of the more than 65 million MSMEs to emerge as globally competitive enterprises. He emphasised that global success is no longer confined to large corporations or metropolitan centres, but is increasingly being driven by businesses from smaller cities, industrial clusters, and family-owned enterprises. Drawing on the theme "Local to Global," he pointed out the importance of adopting international standards, building trusted brands, and accessing global markets while preserving the entrepreneurial strengths that have long defined Indian businesses.

The address also highlighted the role of India Business House in facilitating international market access, fostering cross-border collaborations, and supporting Indian enterprises in their global expansion journey. As India's MSME sector continues to evolve, initiatives that strengthen global connectivity and enhance competitiveness are expected to play an increasingly important role in the country's economic growth.

The session concluded with a call for Indian enterprises to look beyond geographical boundaries and seize the opportunities offered by an increasingly interconnected global economy.

BEST OVERSEAS CHAPTER



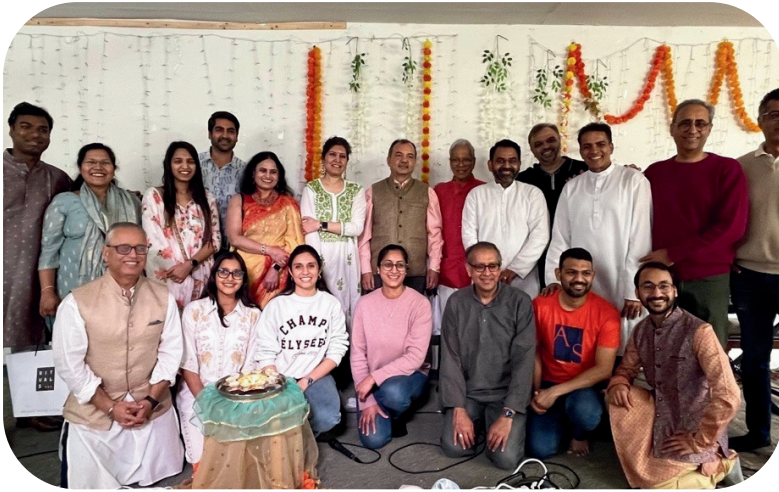
The ICAI Netherlands (Amsterdam) Chapter achieved a major milestone by winning the "Best Overseas Chapter Award - Bronze Shield" - Category III at WOFA 2.0, held during the 76th ICAI Annual Day Function. This marks the eighth time the chapter has received this prestigious honour.

The award recognises the Chapter's excellence across key performance areas, including initiatives for members, branding and recognition, stakeholder development, and compliance with the ICAI Council Guidelines for the accreditation and functioning of Chapters outside India. Receiving this honour for the eighth time is a proud milestone for our Chapter and a recognition for our commitment to consistency and continuous improvement. It also demonstrates how sustained efforts, year after year, create a lasting impact and strengthen the Chapter's reputation as a trusted platform for professional development, member engagement, and stakeholder collaboration.

The award was presented by Mr. Arjun Ram Meghwal, Union Minister of Law & Justice, CA Charanjot Singh Nanda, President, ICAI, and CA Prasanna Kumar D, Vice President, ICAI. On behalf of the ICAI Netherlands (Amsterdam) Chapter, the award was received by CA (Dr.) Vikas Chaturvedi, Chairman Emeritus, and CA Sunila Chanana, Supporting Member of the Managing Committee.

In its acceptance remarks, the chapter leadership beautifully noted that the number eight, when turned 90 degrees, represents the infinity symbol—reflecting their infinite commitment to the community. Heartfelt gratitude to the Managing Committee and all the members for their relentless efforts in transforming the Netherlands chapter into a strong professional bridge facilitating the Netherlands and India.

HOLI EVENT



A vibrant Holi celebration was beautifully organised by CA Devendra Kamra and other senior members on March 7, 2026 at Dutcheswar Dham Temple, Utrecht, bringing together members and their families for a day filled with festive spirit and togetherness. More than 50 families actively contributed in preparing an impressive spread of 56 delicious dishes served across breakfast, lunch, and hi-tea, truly reflecting the strength of our community. The celebration was also graced by His Excellency Tuhin Kumar, the Ambassador of India to the Netherlands and his wife.

The celebration was made even more special with enthusiastic participation from children, who entertained everyone with songs and cultural performances. The event concluded with a joyful Holi celebration, where colors, laughter, and happiness filled the atmosphere.

Meticulous planning, wholehearted involvement, and overwhelming participation made this celebration a truly memorable occasion for all.

CONNECT AND ELEVATE

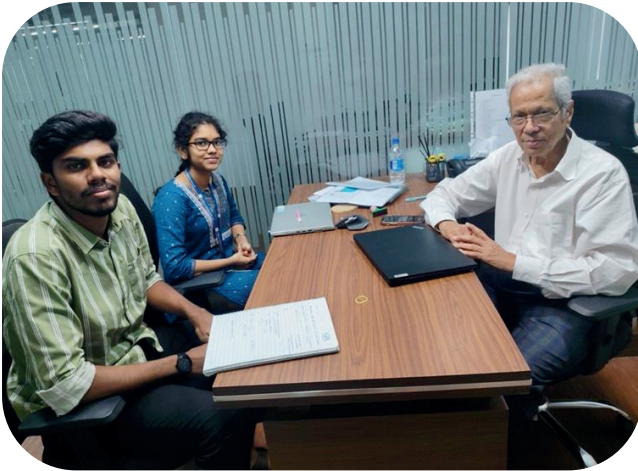


The ICAI Netherlands Chapter, in association with India Business House, welcomed Ms. Priya Goel, First Secretary (ITOU and Economics & Commerce) at the Embassy of India, The Hague, during a networking event held in Amsterdam. The event brought together more than 30 members, providing a valuable platform for networking, knowledge exchange, and professional dialogue.

The discussions highlighted the important role of the CA community in promoting professional collaboration and strengthening business and economic ties between India and the Netherlands. The contribution of India Business House in connecting businesses and creating opportunities for trade, investment, and innovation was also recognised.

Sincere appreciation was extended to Ms. Priya Goel and Ms. Zoë Boven for their valuable time, insights, and engaging discussions. The event reaffirmed the importance of continued engagement and meaningful partnerships in advancing the India-Netherlands business ecosystem.

CONNECT AND ELEVATE



CA Ashok Dorairaja, Chairman, ICAI Netherlands (Amsterdam) Chapter, provided professional career counselling to chartered accountancy apprentices Ms. Aberna Shankar and Mr. Beryl David in Chennai on January 25, 2026.

The session focused on bridging the gap between Indian qualification standards and European market demands. CA Dorairaja highlighted critical pathways for navigating international accounting frameworks, mastering cross-border taxation, and leveraging the ICAI's global chapters for mentorship.



The Managing Committee of the ICAI Netherlands Chapter met in person to finalise a robust roadmap focused on corporate growth, upcoming events, and enhanced governance.

Key highlights of the meeting were:

Corporate engagement & Member Expansion:

The chapter launched a targeted outreach campaign to consolidate its 300+ member database and onboard major global corporations—including TCS, Apollo Tyres, and Airtel—further strengthening the Netherlands-India economic corridor.

Professional and Networking events:

Plans were finalised for CA Day - an exclusive boat trip for members, and a special session with entrepreneur Kanwal Rekhi. Looking ahead, the committee structured a technical webinar series (covering AI and IFRS) starting September 2026, and the flagship Annual Conference with Diwali Dinner.

PM MODI VISIT



The visit of the Honourable Prime Minister of India, Shri Narendra Modi, to the Netherlands marked a major milestone for the local professional community. The Chapter was well represented at both private and public engagements held during the visit.

In a significant highlight, CA Prashant Savla, Vice President, Sun Pharmaceutical Industries Europe BV, and CA Josu Devasia, Country Head, TCS, met privately with Prime Minister Modi during an exclusive business interaction held at an event organised by the Embassy of India. Complementing this private engagement, a proud delegation of over 15 Chartered Accountants from the Chapter attended the grand Indian community address.

In his address, PM Modi commended the Indian diaspora for acting as a dynamic "living bridge" that strengthens bilateral innovation, technology, and trade ties. The presence of the ICAI delegation highlighted the chapter's growing prominence and its vital role in supporting the expanding financial and corporate corridor between the two nations.



INTERNATIONAL YOGA DAY

On 21 June 2026, members of the ICAI Netherlands Chapter participated in various International Yoga Day celebrations organised by the Embassy of India and Indian community organisations across different countries, reflecting the Chapter's commitment to wellness and community engagement.

In the Netherlands, members joined the Yoga Day celebration in Eindhoven, hosted by the Eindhoven Indian Community Consortium (EICC) in partnership with the Embassy of India, The Hague. The event brought together the Indian community and yoga enthusiasts for a meaningful session focused on wellness, mindfulness, and healthy living.

Chapter members also participated in Yoga Day celebrations outside the Netherlands. In Romania, members joined the celebration held in the presence of His Excellency Manoj Kumar Mohapatra, Ambassador of India to Romania along with officials from the Embassy of India, against the iconic backdrop of parliament building in Bucharest.

The celebrations reflected the universal relevance of yoga in promoting physical well-being, mental balance, and holistic health. The active participation of members across locations highlighted their commitment to wellness, community engagement and celebrating India's rich cultural heritage.



TECHNICAL CORNER

India–EU FTA: Why India’s European Ambitions are Anchored in The Netherlands

By CA (Dr.) Vikas Chaturvedi

For decades, India's engagement with Europe has been built upon strong trade relationships, robust diplomatic ties and steadily growing investment flows. Yet, despite being among each other's largest trading partners, India and the European Union (EU) have continued to operate below their true economic potential. Regulatory complexities, tariff barriers and fragmented market access have often limited the scale of commercial integration between two of the world's largest economies. But now, as the world economy reorganises itself around geopolitical shifts, supply chains are being reconfigured to prioritize resilience rather than purely transactional trade relationships.

Together, India and the European Union represent a combined economic bloc accounting for nearly 25% of global GDP with approximately 2 billion consumers. Trade between India and the EU has expanded significantly over the past decade, reaching approximately EUR 180 billion annually, positioning the EU amongst India’s top trading partners. The recently signed India–European Union Free Trade Agreement (India–EU FTA) has the potential to redefine the trajectory of India–Europe economic engagement. Far beyond a conventional trade agreement, the India–EU FTA represents a strategic economic realignment. It reflects a broader shift in global commerce where resilience, trusted partnerships, technological collaboration and sustainable supply chains are increasingly guiding the evolution of a more resilient and value-based global economic order.

The India–EU Free Trade Agreement emerges as a landmark framework for deeper economic convergence. For Europe, the FTA unlocks tariff free access to one of the world’s fastest growing and largest consumer base, a rapidly expanding manufacturing ecosystem and one of the largest digital and innovation markets globally; while for India, it offers greater integration into advanced European industrial ecosystems, technology networks and long-term capital pools. It is therefore no surprise that the agreement is increasingly being described as the "Mother of all trade deals."

While the strategic narrative surrounding the India–EU FTA is compelling, its true commercial value lies in fundamentally reducing the friction of cross-border business. Prior to the FTA, Indian exporters faced tariffs on various exports, for example 6–12% on engineering products, 8–12% on textiles and apparel, and duties of up to 10% on automobiles and auto components, alongside non-tariff barriers arising from divergent technical standards, certification requirements and customs procedures. The FTA seeks to progressively liberalise trade by providing immediate duty-free access on over 70% of tariff lines, covering more than 90% of India's exports to the European Union, with preferential market access expanding to over 99% of exports over a phased implementation period.

The FTA also aims at simplifying customs administration through digitised documentation, risk-based inspections, harmonised rules of origin and enhanced regulatory cooperation, enabling faster border clearances and lower compliance costs. The resulting improvement in ease of doing business is expected to enhance the global competitiveness of Indian industries including engineering goods, automobiles and auto components, pharmaceuticals, chemicals, textiles and apparel, gems and jewellery, electronics, medical devices, food processing and knowledge-intensive services

TECHNICAL CORNER

The FTA is expected to unlock the next phase of bilateral economic growth by deepening investment flows, strengthening resilient supply chains, and integrating Indian enterprises more closely into European industrial and innovation ecosystems. More importantly, it positions Indian enterprises to become integral participants in European markets, rather than merely exporters to the region. This structural shift is expected to accelerate bilateral trade from the current level of approximately EUR 180 billion to well beyond EUR 300 billion over the next decade. More than trade expansion, it signals the emergence of a deeper and more resilient India–Europe economic partnership built on investment, technology, trusted supply chains and long-term industrial collaboration and sustainable long-term investments between two of the world's most influential democratic economies.

Within this evolving context, the India–Netherlands partnership is emerging as a strategic node within the broader India–EU economic architecture, acting as a catalytic gateway that links industrial ecosystems, investment corridors and emerging technology value chains across Europe. This is evident from the rapidly expanding economic footprint between India and the Netherlands, where the bilateral economic corridor now stands at USD 27 billion. The Netherlands is India's third-largest export destination and also its fourth-largest investor with an FDI inflow of approximately USD 54.94 billion (April 2000 - September 2025). The Netherlands is also home to the second-largest Indian diaspora in Europe, with over 240,000 people of Indian origin working across diverse sectors.

More than a gateway to Europe, it serves as one of the continent's most sophisticated commercial ecosystems with unparalleled connectivity, world-class logistics, stable regulatory environment, sophisticated financial ecosystem and direct integration with Europe's industrial and consumer markets that have clearly made it the preferred launchpad for global businesses into European markets. For decades, it has been the preferred European base for Indian enterprises seeking to scale across the continent. This is reflected in the thriving Indo-Dutch business corridor, which today is home to nearly 1,000 companies, including a growing number of Indian enterprises that have chosen the Netherlands as their European headquarters.

This elevates the status of the Netherlands beyond the role of a bilateral trading partner, making it a strategic anchor for the successful implementation of the India–EU FTA. Indian Prime Minister Shri Narendra Modi's visit to the Netherlands on 15-16 May 2026 also came at a pivotal moment in the ongoing recalibration of the global economic order. The visit underscored the growing strategic convergence between the two nations and reinforced the shared vision of strengthening the Indo-Dutch economic corridor as a key pillar of India's deeper economic integration with the European Union.

Dutch global leadership in sectors such as advanced manufacturing, semiconductors, sustainable agriculture, water management, clean energy, life sciences, and digital innovation closely complements India's next phase of economic transformation and long-term development priorities. Further reinforcing this partnership, the formalisation of the Joint Trade & Investment Committee (JTIC) in December 2025 has created a dedicated institutional platform to accelerate strategic investments, technology collaboration, and long-term economic cooperation, positioning the Indo-Dutch corridor at the forefront of the new India–Europe growth story.

TECHNICAL CORNER

The complementary strengths of India and the Netherlands create a compelling foundation for the next phase of bilateral economic cooperation. The Netherlands offers a strong innovation ecosystem, advanced semiconductor capabilities, and world-class digital infrastructure, while India brings scale, engineering talent, and one of the fastest-growing digital economies globally. As India accelerates its ambitions in AI, electronics manufacturing, and digital transformation, both countries have strong opportunities for collaboration in research, startups, technology transfer, and strategic investments. Semiconductor cooperation in particular is emerging as a key pillar within the broader India–EU economic framework.

The transition towards a greener economy is equally becoming a defining dimension of the Indo-Dutch partnership. Renewable energy and green industrial transition are also becoming the linchpin of climate synergy between the two nations. Both countries are expanding collaboration across green hydrogen, renewable energy, circular economy solutions, sustainable logistics, green finance, and climate innovation. The proposed Green & Digital Corridor connecting Rotterdam with Indian ports exemplifies the shared commitment to building resilient, technology-enabled, and low-carbon supply chains. As India advances towards its climate commitments and clean energy targets, the Netherlands is well positioned to contribute capital, technology, and institutional expertise to support this transformation.

Another major growth area is water management, food systems and sustainable agriculture. The Netherlands is globally recognized for its expertise in water engineering, climate-resilient infrastructure, precision agriculture, greenhouse technologies, and agri-tech innovation. As India addresses challenges around water security, urbanisation, and food sustainability, Dutch capabilities can support large-scale solutions in irrigation, wastewater management, cold-chain infrastructure, and sustainable farming. This creates scalable opportunities not only for governments and large enterprises, but also for MSMEs, agritech startups, and food-processing businesses.

Over the past decade, India has built one of the world's most expansive digital public infrastructures, reshaping payments, identity verification, and public service delivery at population scale. Its startup ecosystem has emerged as the world's third largest, while government-led manufacturing incentives have catalysed investment across electronics, data-centres, fintech, blockchain, artificial intelligence, the Internet of Things (IoT). At the same time, accelerated spending on highways, ports, freight corridors and logistics networks is creating a massive runway to modern technological adaptation, experimentation and deployment.

The evolving India–Netherlands economic partnership presents a significant opportunity for MSMEs to assume a more prominent role in bilateral trade, innovation, and investment. With growing cooperation through the India–EU FTA and the newly established JTIC framework with the Netherlands, Indian MSMEs can gain stronger access to European markets in sectors such as engineering, textiles, food processing, sustainable manufacturing, chemicals, and technology services.

TECHNICAL CORNER

The Netherlands, with its strong logistics, innovation, and distribution ecosystem, can serve as an important gateway for Indian MSMEs seeking market access, strategic partnerships, and integration into European value chains. Strategic collaborations in technology, sustainability, and digital trade can help Indian MSMEs enhance competitiveness and scale globally.

The India–EU Free Trade Agreement has the potential to become one of the defining milestones in India's global economic journey. While India rises as a leading global economic power and Europe seeks trusted partners for resilient and sustainable growth, the Indo-Dutch partnership stands at the fulcrum of this transformation. The success of the India–EU FTA will ultimately depend not only on policy frameworks, but on trusted partnerships capable of translating opportunity into long-term economic value. What is being built today is not merely a stronger bilateral relationship, but a new economic corridor that could define the next generation of India–Europe cooperation.

The India-Netherlands relationship is steadily emerging as the defining gateway that will help shape and channel the future trajectory of the India-Europe economic corridor and long-term alignment in trade, technology, talent, sustainability, and long-term economic trust. The Netherlands is destined to play a role far greater than that of a gateway. It is emerging as India's strategic anchor in Europe, enabling businesses, innovation, capital, and talent to flow seamlessly across continents.

TECHNICAL CORNER

Tax Residency Rules for NRI: Critical framework effective from April 2026

By CA Sunila Chanana

India's tax residency framework has undergone important changes with the Income-tax Act, 2025, which came into force on 1 April 2026. The new legislation introduces a simplified and reorganized tax framework while retaining key residency provisions that could significantly impact how Non-Resident Indians (NRIs) are taxed. It seeks to balance economic flexibility with robust compliance measures.

Key Takeaways

Stay Threshold: The 120-day residency threshold applies to specified Indian citizens and PIOs with Indian-source income exceeding ₹15 lakh, replacing the 60-day threshold applicable under the general residency test.

Deemed Residency: Indian citizens or PIOs whose total income from Indian sources exceed ₹15 lakh and not liable to tax in any other country or territory may be treated as deemed residents of India, even without satisfying the physical stay requirements.

RNOR Relief: Eligible NRIs may qualify for Resident but Not Ordinarily Resident (RNOR) status, allowing foreign income to remain generally exempt from Indian tax until they become ordinary residents.

Proactive Tracking: Meticulous record-keeping of days spent in India and Indian-source income is essential for compliance.

Tax Residency Framework under the Income-tax Act, 2025

The Income-tax Act, 2025, effective from 1 April 2026, governs the determination of an individual's residential status for tax purposes. While the legislation streamlines and modernizes India's tax law, the core principles for determining tax residency—including the physical stay tests, deemed residency provisions, and RNOR framework—continue to apply. An individual's tax liability remains dependent on their residential status rather than citizenship.

Criteria	Old Rule	New Rules 2026
Stay Threshold	60 days in a financial year (plus 365 days over the preceding 4 years) triggered residency status.	The base threshold is increased to 120 days for NRIs with Indian income $\geq$ ₹15 lakh.
Deemed Residency	Applied to citizens earning $\geq$ ₹15 lakh who weren't taxable anywhere else, resulting in RNOR status.	Reinforced targeting of individuals residing in zero/tax-free jurisdictions (e.g., UAE, Saudi Arabia).
RNOR Scope	Limited to specific past stay definitions and high-income visiting categories.	Both high-income travelers and deemed residents fall under RNOR more frequently, mitigating immediate global tax risk.

TECHNICAL CORNER

The Three Tiers of Tax Residency

Taxpayers are systematically classified into three distinct brackets, each dictating a vastly different scale of compliance and tax exposure.

Non-Resident (NR): Taxable only on income that is earned, accrues, or arises or is received within India. Foreign earnings remain fully outside the Indian tax net. Tax filing is mandatory if Indian-sourced income exceeds ₹2.5 lakh annually.

Resident but Not Ordinarily Resident (RNOR): Taxable on Indian-source income and foreign income derived from a business controlled or profession set up in India. Other foreign income remains exempt during the RNOR period, subject to specified exemptions.

Resident and Ordinarily Resident (ROR): Taxable on worldwide income irrespective of where it is earned or received in India, subject to relief available under applicable Double Taxation Avoidance Agreements (DTAA).

Taxable Income Composition & Exemptions

For individuals maintaining Non-Resident or RNOR status, the following Indian-source income are generally taxable in India:

Salary Income: Remuneration for services rendered in India.

Rental Income: Income from immovable property situated in India, subject to the applicable deductions under the Income-tax Act, 2025.

Capital Gains: Gains arising from the transfer of Indian securities, mutual funds, or immovable property situated in India.

Interest Income: Interest earned on Non-Resident Ordinary (NRO) accounts is generally taxable. Interest on Non-Resident External (NRE) and Foreign Currency Non-Resident (FCNR) accounts generally remains exempt, subject to the prescribed conditions..

Actionable Tax Planning Strategy for NRIs

To effectively manage tax residency status and avoid unintended tax consequences, NRIs should consider the following:

a) Log Physical Travel Days stringently

Maintain precise logs of arrival and departure dates. Under Indian tax law, both the day of landing and the day of takeoff count as full days spent in the country. If Indian-source income exceeds ₹15 lakh, strategically manage visits to stay under the 120-day limit.

TECHNICAL CORNER

b) Audit and Control Indian-Sourced Income

Monitor total domestic earnings (dividends, interest, rental revenue, capital gains). If feasible and structurally appropriate, keeping this aggregate net figure below ₹15 lakh keeps you clear of the stricter 120-day and deemed residency thresholds.

c) Secure a Tax Residency Certificate (TRC)

If you are a tax resident of another country, obtain a valid Tax Residency Certificate (TRC) from the relevant tax authority. A TRC is essential for claiming benefits under an applicable Double Taxation Avoidance Agreement (DTAA) and supporting your tax residency status.

d) Reassess Bank & Asset Structures

Ensure that NRE, FCNR, and NRO accounts are appropriately reclassified following any change in residential status. Maintain complete documentation to support compliance requirements, including Form 67 for claiming Foreign Tax Credit, where applicable.

TECHNICAL CORNER

Structuring Indo–Dutch Investments: Navigating the DTAA and FEMA

By CA Rahul V. Shah

Introduction

India and the Netherlands have long shared an important commercial relationship. Dutch companies continue to invest across sectors such as manufacturing, logistics, pharmaceuticals, financial services, and technology, while many Indian groups use the Netherlands as a base for wider European expansion. This makes the India-Netherlands Double Taxation Avoidance Agreement and the Foreign Exchange Management Act, 1999 highly relevant in practice.

For advisers, the key point is simple. Tax law and exchange-control law must be read together. A structure may work under the treaty but still fail under FEMA, and a FEMA compliant transaction may still not receive treaty benefits if the commercial substance is weak or the treaty conditions are not met.

Capital gains under Article 13

Article 13 of the India-Netherlands DTAA allocates taxing rights in respect of capital gains according to the nature of the asset transferred. In practice, this provision becomes especially important when a Dutch company acquires or disposes of shares in an Indian company.

The Andhra Pradesh High Court in *DIT (International Taxation) v. Vanenburg Facilities BV* (2017) 397 ITR 425 (AP) held that capital gains on sale of shares by a Dutch company were not taxable in India under Article 13(5). The ruling is frequently cited in Indo-Dutch structuring discussions because it shows how treaty language can restrict India's taxing rights.

In *Elsevier BV, In re* (2020) 432 ITR 251 (AAR), subscription receipts for access to online databases were treated as business income rather than royalty. The decision is useful because it shows that treaty characterization depends on the actual nature of the payment and not on broad assumptions.

The lesson is that treaty protection applies only when the transaction genuinely fits the treaty language. Structures created mainly to obtain tax advantages without real commercial activity may be denied benefits under the Principal Purpose Test, where applicable.

Royalties and FTS

The India-Netherlands DTAA narrows the scope of taxation in certain cases compared to domestic law. That is particularly important in relation to royalties and fees for technical services.

One of the most important concepts under the treaty is the “make available” requirement. Merely rendering technical or consultancy services does not automatically constitute FTS. The service should enable the recipient to apply the technical knowledge or skill independently in future. If specialised advice is provided without transferring the underlying know-how, the treaty may not treat the payment as FTS.

TECHNICAL CORNER

In *Raymond Ltd. v. DCIT* (2003) 80 TTJ 120 (Mum.), the Tribunal observed that treaty language must be interpreted on its own terms and cannot simply be expanded by domestic law. Similar reasoning appears in *Raytheon Ebasco Overseas Ltd. v. DCIT* 68 taxmann.com 133 (Mum.) and *Hyva Holding BV v. DCIT* 106 taxmann.com 24 (Mum.), where managerial or support services were analysed in light of the treaty definition

Royalty issues require similar care. The treaty excludes payments for the use of industrial, commercial or scientific equipment from the royalty definition, which can matter in leasing and infrastructure transactions. In *CIT v. Van Oord ACZ Equipment BV* 51 taxmann.com 356 (Mad.) and *New Skies Satellite BV v. CIT* (2016) 382 ITR 114 (Del.), the courts applied a treaty-based analysis rather than allowing domestic amendments to widen the scope of royalty. The Supreme Court in *Engineering Analysis Centre of Excellence Pvt. Ltd. v. CIT* (2021) 432 ITR 471 (SC) reaffirmed that treaty provisions prevail where they are more beneficial to the taxpayer.

Beneficial ownership

Reduced treaty rates for dividends, interest and royalties are generally available only where the recipient is the beneficial owner of the income. Courts look beyond legal title to examine commercial substance.

A Tax Residency Certificate is important, but it is not enough by itself. Revenue authorities increasingly look at management functions, board decision-making, financial independence, assumption of commercial risk and the economic role played by the Dutch entity.

In *ADIT v. Universal International Music B.V.* the Bombay High Court accepted treaty benefits after examining beneficial ownership and the supporting facts. The Supreme Court's decision in *Vodafone International Holdings B.V. v. Union of India* (2012) 341 ITR 1 (SC) is also relevant because it recognised that genuine commercial structures should ordinarily be respected.

Accordingly, multinational groups should ensure that Dutch holding companies possess genuine management functions, personnel and economic presence if treaty benefits are to be claimed with confidence.

MFN clause

The Most Favoured Nation clause in the protocol to the India-Netherlands DTAA has been one of the most contentious issues in recent years. Earlier, the Delhi High Court in *Steria (India) Ltd. v. CIT* (2016) 386 ITR 390 (Del.) and *Concentrix Services Netherlands B.V. v. ITO* (TDS) (2021) 434 ITR 516 (Del.) accepted, in appropriate cases, that taxpayers could rely on the protocol for claiming benefits extended to other treaty partners.

That position has now been clarified by the Supreme Court in *Assessing Officer (International Taxation) v. Nestlé SA* (2023) 458 ITR 756 (SC). The Court held that the MFN clause does not operate automatically and that a notification under section 90 is required before the claimed benefit becomes enforceable in India. CBDT Circular No. 3/2022 reflects the same position.

For practitioners, the result is straightforward. Before relying on MFN, one must verify the exact wording of the protocol, the conditions for its application and the existence of the necessary notification.

TECHNICAL CORNER

Permanent establishment

For business profits, the first question is whether the Dutch enterprise has a permanent establishment in India. If there is no PE, Article 7 generally prevents India from taxing the business profits except to the extent the treaty provides otherwise.

The Supreme Court's decisions in *Morgan Stanley & Co. Inc. v. DIT* (2007) 292 ITR 416 (SC), *Formula One World Championship Ltd. v. CIT* (2017) 394 ITR 80 (SC) and *DIT v. E Funds IT Solution Inc.* (2017) 399 ITR 34 (SC) remain the leading authorities. Together, they show that PE analysis is fact-intensive and depends on control, disposal of premises, authority exercised in India and the actual conduct of business.

This matters for Dutch groups using Indian affiliates for support functions. Even a small change in how the functions are performed can change the PE position.

FEMA considerations

FEMA governs whether the transaction can be carried out and how funds may move. Inbound investment from the Netherlands is mainly covered by the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, while outbound investment by Indian residents is covered by the Foreign Exchange Management (Overseas Investment) Rules, 2022, together with the applicable RBI directions.

This part of the law is often underestimated. The investment route, sectoral caps, pricing, valuation, reporting, and remittance mechanics all matter. If these are handled badly, the structure may face regulatory issues even if the tax position is sound.

Cross-border mergers also require attention. The Foreign Exchange Management (Cross Border Merger) Regulations, 2018 provide a framework for inbound and outbound mergers, but they do not remove the need for tax, company-law and FEMA analysis before implementation.

Practical structuring

A simple Indo-Dutch investment should be tested at three levels. First, does it fit the treaty? Second, does it satisfy FEMA? Third, does it reflect genuine business substance? If the answer to all three is yes, the structure is much stronger.

For example, if an Indian technology company sets up a Dutch holding company to acquire a business in Europe, the arrangement may work from a treaty angle, but it still has to satisfy the overseas investment rules, reporting requirements and valuation norms. If the Dutch entity has no real commercial role, treaty benefit may also come under pressure.

That is why documentation matters so much. Board minutes, contracts, banking records, commercial rationale, tax residency evidence and transfer pricing support all help show that the structure is real and not merely a paper arrangement.

TECHNICAL CORNER

Non-discrimination

The treaty also contains a non-discrimination clause. In *Royal Bank of Scotland N.V. v. CIT* 162 taxmann.com 780 (Cal.), the Calcutta High Court held that a higher tax rate for foreign companies does not by itself violate the non-discrimination article because domestic and foreign companies are distinct classes. The ruling is useful because it shows the limits of treaty-based discrimination arguments.

Conclusion

The India-Netherlands DTAA remains useful, but it must now be applied with care. Indian courts have made it clear that treaty benefits depend on the text of the treaty, the facts of the case and the quality of the supporting substance.

FEMA adds another layer of discipline. It governs the mechanics of the investment itself, while the treaty governs the tax result. Advisers who read both together are in a far better position to design structures that are commercially workable and legally defensible.

Selected references

- *DIT (International Taxation) v. Vanenburg Facilities BV* (2017) 397 ITR 425 (AP).
- *Elsevier BV, In re* (2020) 432 ITR 251 (AAR).
- *Raymond Ltd. v. DCIT* (2003) 80 TTJ 120 (Mum.).
- *Raytheon Ebasco Overseas Ltd. v. DCIT* 68 taxmann.com 133 (Mum.).
- *Hyva Holding BV v. DCIT* 106 taxmann.com 24 (Mum.).
- *CIT v. Van Oord ACZ Equipment BV* 51 taxmann.com 356 (Mad.).
- *New Skies Satellite BV v. CIT* (2016) 382 ITR 114 (Del.).
- *Engineering Analysis Centre of Excellence Pvt. Ltd. v. CIT* (2021) 432 ITR 471 (SC).
- *ADIT v. Universal International Music B.V.*
- *Vodafone International Holdings B.V. v. Union of India* (2012) 341 ITR 1 (SC).
- *Steria (India) Ltd. v. CIT* (2016) 386 ITR 390 (Del.).
- *Concentrix Services Netherlands B.V. v. ITO (TDS)* (2021) 434 ITR 516 (Del.).
- *Assessing Officer (International Taxation) v. Nestlé SA* (2023) 458 ITR 756 (SC).
- *Morgan Stanley & Co. Inc. v. DIT* (2007) 292 ITR 416 (SC).
- *Formula One World Championship Ltd. v. CIT* (2017) 394 ITR 80 (SC).

CPE EVENTS



**UPSKILLING WITH AI
CONTROLLERS PERSPECTIVE**

CPE WEBINAR 1

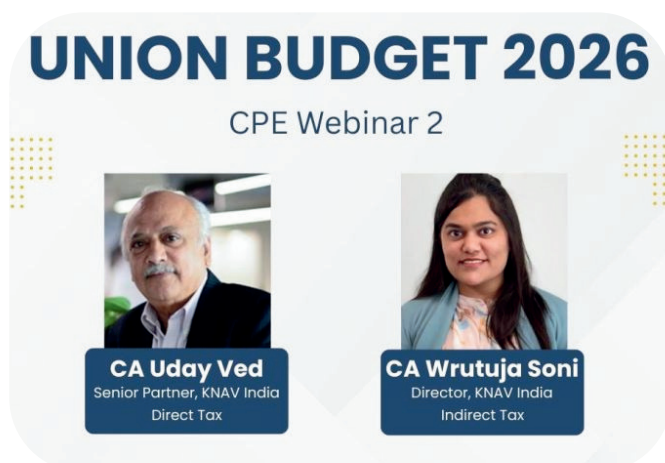
**FEBRUARY 14, 2026
SATURDAY, 4 PM CET**

CA. SRIMA RANGANATHAN
PAST CHAIR, ICAI DALLAS CHAPTER
CONTROLLER, RADISYS CORP, USA

www.icainl.org

The Netherlands (Amsterdam) Chapter of The Institute of Chartered Accountants of India hosted its first CPE webinar of 2026, “Upskilling with AI: Controller’s Perspective.” The session, led by CA Srima Ranganathan, explored how AI was redefining the role of financial controllers, shifting it from traditional reporting to strategic, data-driven leadership.

The webinar highlighted the growing importance of embracing AI to enhance decision-making, improve efficiency, and create greater value within the finance function. It reinforced the message that finance professionals must continuously upskill to remain relevant, competitive, and future-ready. Echoing the idea that “one must run to stay in the same place,” the session emphasised that upskilling with AI is no longer optional—it is essential.



UNION BUDGET 2026

CPE Webinar 2

CA Uday Ved
Senior Partner, KNAV India
Direct Tax

CA Wrutuja Soni
Director, KNAV India
Indirect Tax

The Union Budget 2026 webinar was held in February 2026 and featured insights from CA Uday Ved and CA Wrutuja Soni of KNAV India. The session covered key changes in direct taxes, updates on indirect taxes, and the implications for NRIs. It provided participants with a clear understanding of the major budget updates and their practical impact from both direct and indirect tax perspectives.



Speaker:
Mr. Sugyaan Lohia
(Sr. vice president - Motilal Oswal)

**Saturday
25th April 2026
9.30 a.m.CET**

Gift City:
India's Gateway to Global Finance

Webinar ID :- 894 2276 1300
Passcode: 776254

The ICAI Netherlands (Amsterdam) Chapter organised a webinar on “GIFT City: India’s Gateway to Global Finance” on 25 April 2026, attracting more than 50 members.

The webinar was led by Mr. Sugyaan Lohia, Senior Vice President, Motilal Oswal, who shared practical perspectives on GIFT City’s evolving role in connecting global investors with India’s financial markets, with a particular focus on investment opportunities for NRIs and tax-efficient investment structures.

The interactive session concluded with a Q&A, providing participants with practical insights into the opportunities and evolving landscape of GIFT City.

CPE EVENTS

The AI Workshop 2026, organised by the ICAI Netherlands (Amsterdam) Chapter in collaboration with Tata Consultancy Services – Europe, brought together over 50 Chartered Accountants for an engaging evening of learning, collaboration, and innovation.

Led by Mr. Shantanu Talukdar, the workshop explored how AI, Machine Learning, Generative AI, and Agentic AI were transforming the finance industry. Participants gained practical insights into AI-driven value creation, workflow automation, ethical AI governance, and the evolving role of finance professionals as they transition from AI literacy to AI leadership. The session also showcased real-world use cases, demonstrating how AI can enhance decision-making, improve productivity, and build future-ready finance functions.

The Chapter extends its sincere appreciation to Tata Consultancy Services (TCS) – Europe, TCS Financial Services & Insurance, CA Josu Devasia, Country Head, Mr. Shantanu Talukdar, Mr. Lalit Karwa, the TCS team, and all participants for their valuable support and active engagement in making the workshop a resounding success.



CPE EVENTS



Navigating India's New Tax Landscape

Key updates on Income Tax Act, 2025, GST and GIFT City

CPE Webinar 4



CA NIKHIL GOENKA
Eminent Expert,
Direct Taxes



CA NEERAJ MENON
Eminent Expert,
Indirect Taxes



MR. AVICHAL KHERA
CFO, GIFT City



Monday
June 29, 2026



2 PM – 4 PM
CET



Zoom Meeting &
Live Streaming

An online webinar titled "Navigating India's New Tax Landscape: Key Updates on Income Tax, GST and GIFT City" was held on 29 June 2026 for the Indian diaspora, attracting more than 90 participants.

Organised under the auspices of the Embassy of India and the ICAI Netherlands (Amsterdam) Chapter, the webinar featured expert speakers CA Nikhil Goenka, Partner at PwC, Direct Taxes, CA Neeraj Menon, Partner at EY, GST, and Mr. Avichal Khara, CFO, GIFT City, who shared valuable insights into the latest developments in Income Tax, GST, and GIFT City, with a particular focus on their implications for NRIs, professionals, and the wider Indian diaspora.

The session was also addressed by His Excellency Tuhin Kumar, the Ambassador of India to the Netherlands, whose remarks highlighted the importance of keeping the Indian diaspora informed about India's evolving economic and regulatory landscape. The interactive discussions and Q&A provided participants with practical guidance on navigating recent tax developments and investment opportunities through GIFT City.

The Chapter extends its sincere appreciation to the Embassy of India, the International Affairs Committee of ICAI, and all the distinguished speakers for their valuable support and contribution in making the webinar a success.



GET INVOLVED



If you would like to contribute articles to the next issue of the newsletter, feel free to submit them to icai.netherlands@gmail.com. The article must cover audit, accounting standards, regulatory updates, industry trends, or any other related topics to the profession. Anyone, whether experienced in writing or excited about a topic, is welcome.

SUDOKU

	2	4		3				
	6		2	5			3	1
		5				4		2
		6		4				3
5	9				3	8		
4		1	8	6		9	2	
	5			8	2	6	1	
6	1				5		9	
8			9			3		7

How to play

- Fill every empty cell with a number from 1 to 9
- Each number must appear only once in every row, every column, and every 3×3 box.

Share your completed solution with the MC Team via WhatsApp. The correct solution, along with the names of successful participants, will be published in the next edition.

UPCOMING EVENTS

The Institute of Chartered Accountants of India
The Netherlands (Amsterdam) chapter

Join us to celebrate
CA Day



with an unforgettable
Boat Party!
Food, drinks, music, dance
and spectacular views

July 3 at 5:00 PM

Centraal Station
Oosterdoksade 8
1011 AE Amsterdam

Please be at the venue by 4:45 PM

THE INSTITUTE OF THE CHARTERED ACCOUNTANTS OF INDIA
THE NETHERLANDS (AMSTERDAM) CHAPTER

IN-EU AND FTA

CPE SESSION 2 HRS



CA ASHOK DORAIRAJA
Chairman



CA VIKAS CHATURVEDI
Speaker

Join us for an engaging in-person session on the EU and Free Trade Agreements (FTAs), featuring expert insights and practical perspectives. The event will be followed by a special celebration of CA Day, offering an opportunity to connect, network, and celebrate together.

TBD
2026
TBD
TBD

ICAI
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

Beyond Borders - Connecting Ideas, Creating Opportunities

1ST ICAI INTERNATIONAL CONFERENCE - EUROPE

17TH JULY 2026
Venue: **GRIDX, Luxembourg**

A HISTORIC MILESTONE IN ICAI'S GLOBAL JOURNEY
Bringing together members, leaders and professionals from across Europe and beyond to connect, collaborate and create lasting impact.

ICAI CHAPTERS

- Amsterdam (Netherlands)
- Dublin (Ireland)
- Zurich (Switzerland)
- London (UK)
- ICAI Luxembourg (Host)

ICAI REPRESENTATIVE OFFICES

- Antwerp (Belgium)
- Copenhagen (Denmark)
- Eindhoven (Netherlands)
- Helsinki (Finland)
- Munich (Germany)
- Paris (France)
- Rotterdam (Netherlands)
- Stockholm (Sweden)

WHY ATTEND?

- GLOBAL NETWORKING**
Connect with fellow Chartered Accountants, leaders and professionals from across Europe and beyond.
- GLOBAL PERSPECTIVES**
Gain insights from industry experts on emerging trends, opportunities and regulatory developments.
- NEW OPPORTUNITIES**
Explore avenues for cross-border practice, business collaborations and professional growth.
- CELEBRATE OUR COMMUNITY**
Be part of a landmark event showcasing the strength, unity and global presence of ICAI.
- KNOWLEDGE EXCHANGE**
Engage in thought leadership sessions, panel discussions and interactive workshops.
- SHAPE THE FUTURE**
Contribute to building stronger partnerships and shaping the future of our profession.

BE PART OF THIS LANDMARK EVENT. CONNECT, COLLABORATE, CREATE OPPORTUNITIES.

REGISTER NOW
https://www.icai.nl/1st_eu_regional_conference_2026/?ref=2441

One Profession. Global Impact. For more information: icailuxembourg@gmail.com | www.icai.org

1ST ICAI EUROPEAN REGIONAL CONFERENCE 2026
Beyond Borders - Connecting Ideas, Creating Opportunities

17TH JULY 2026

TITLE SPONSOR
BNW DEVELOPMENTS
بن بى ان بى للتطوير العقاري

BUSINESS CONFERENCE
11:30 AM ONWARDS

- NETWORKING OPPORTUNITIES
- CONFERENCE SESSIONS
- INDUSTRY INSIGHTS

GALA DINNER
7:30 PM ONWARDS

- CELEBRITY FIRESIDE CHAT
- AWARD CEREMONY
- CHARITY AUCTION

FEATURING



CA Prasanna Kumar D
President, ICAI India



CA Mangesh P. Kinare
Vice President, ICAI India



Shri Vijay Krishnamurthy
Managing Director, ICAI India



Sunil Gavaskar
Former Indian Captain and Cricket Legend



Mike Gatting
Former England Captain and Cricket Legend



MURALI KARTIK
Former Indian Cricketer & Bollywood Actor

VENUE
GRIDX, 4-6 Rue des Trois Cantons, 3980
Wickrange Reckange-sur-Mess, Luxembourg

BOOK NOW
www.icailux.lu/events/

SPONSORS

- Official Partner: **GRIDX**
- Official Partner: **ACHIEVERS WELLD**
- Official Partner: **AASA**
- Official Partner: **VEDAS**
- Official Partner: **MELIA**
- Official Partner: **XNOTO**

SPONSOR PARTNER

- Official Partner: **ICAPL**
- Official Partner: **IBOCL**
- Official Partner: **ICAI**

ACKNOWLEDGEMENTS

Thank You!

In association with

Embassy of India, The Netherlands
International Affairs Committee, ICAI
Valuecent Group
India Business House
Tata Consultancy Services



Guest Contributors

CA (Dr.) Vikas Chaturvedi
CA Sunila Chanana
CA Rahul V Shah

Editorial Team

CA Ramyanitharshini Balaji
CA Meenakshi Sharma