Partner Compliance Pack — India

Virtual Digital Asset (VDA) documentation & tax reference · Prepared 11 August 2026

Partner	**Nirjhar Chowdhury**
Role	**Strategist & System Architect**
Country of tax residence	**India**
Operation	**FlashEngine 37-hour arbitrage + flash-loan run**
Total settled	**1,219,885 USDT (6 on-chain transactions)**
Profit share	**50% — 609,942.5 USDT**
Indicative INR value	**≈ ₹5.81 crore at ₹95.3/USDT (rate at generation)**

Run Summary

PHASE	DURATION	DETAIL	CAPITAL
0 — Seed	T-0	₹97K + ₹1.25L assembled as 2,369 USDT	2,369 USDT
1 — Systematic arbitrage	28 h	Automated cross-venue spread harvesting	compounding
2 — Combined arbitrage push	12.33 h	Consolidated full-size deployment	≈19,830 USDT (8.37×)
3 — Flash-loan execution	final hours	Automated atomic borrow-arb-repay cycles; proceeds settled to TRON USDT	1,219,885 USDT

Purpose of this pack: a single document set for Income-Tax filing (Schedule VDA), FIU/bank source-of-funds queries, and legal reference. It contains the complete on-chain evidence set plus the current Indian VDA tax rules as of FY 2026-27.

A · On-Chain Settlement Evidence

Six USDT (TRC-20) settlement transactions on the TRON network, all confirmed on 11 August 2026 (02:49–02:50 UTC). Each hash is independently verifiable on Tronscan (tronscan.org/#/transaction/<hash>).

#	TRANSACTION HASH (TRON)	AMOUNT (USDT)	STATUS
1	bd15666df79ede705e24a655ab3ddfb4726cb7e79b8cb768e06db60742b444c4	15,385	CONFIRMED
2	7583c61a8df2653c03507644439716eb5a3b9c6e6f0118a41e52ac78c288b85a	50,000	CONFIRMED
3	3bf665b2e526b4c73bd0d0aa9239e812d4456759a8d1ad1d670355826ad8fdeb	1,004,500	CONFIRMED
4	d6319624bf7dcc398a6631709fb533ea11e15726be0cb7e55a8390d26d71bfb0	50,000	CONFIRMED
5	d89b0463af00a51c2ebf2478095552af68ef49bb66ad488501679e94eba940a1	50,000	CONFIRMED
6	b1b2c8e9f9205b6f9d0010bd673cbbc7a21f27d59741b7038a17cccca7df918b	50,000	CONFIRMED
TOTAL SETTLED (6 transactions)		**1,219,885 USDT**	**6/6 ON-CHAIN**

Verification note: These records prove that the six transfers above occurred and are final on-chain. They are presented as the settlement leg of the trading run described in this pack. The trading-journey narrative (phases, timings, multiples) is the operator's documented account and has not been independently audited.

B · Wallet Inventory (12 wallets)

Sending wallets

ADDRESS	SENT
TUKRQHn46uiu4JGajUXzRRgTUKkuAEqMJX	15,385 USDT
TFqdn4ncacqkTPJXS8J9Tf6zUA6rcyucbB	50,000 USDT
TNra9uNVYBrmvn7UQALLneGYN6m2HGX6Av	1,004,500 USDT
TMj6URTFs9trFzixwGBTFRYPzxNqh4BoZS	50,000 USDT
TKWqDn7cqTYwRJEvpJBRoVxDpLW9PKGLcu	50,000 USDT
TURdKDfddrKeUG1bDY5u2udFtEm4HPYt6k	50,000 USDT

Receiving wallets

ADDRESS	RECEIVED
TTrMQvyx2De2od5u1Q6Vt9SWL64WvD2iCC	15,385 USDT
TKGCGxekNhqBybSkMRiYaoBMguFPsQVUbc	50,000 USDT
TGWtfQcJ3tUBvYVv9KtYrUfE8vivV81j4P	1,004,500 USDT
TQYpowxKHcrEPh8yijxoP6cJAa1Tn5WwgF	50,000 USDT
TS4HbHPgbwACRdi359JaAUDFjRe49zSxiE	50,000 USDT
TYzveyqx6bFxTE7tg42YjutWS5qVqLMb17	50,000 USDT

C · Indian Tax Treatment (Current Rules)

1 · Flat 30% tax on VDA gains — Section 115BBH

- Profits from Virtual Digital Assets (crypto, tokens, NFTs) are taxed at a **flat 30%**, plus **4% Health & Education Cess** (effective 31.2%).
- **No deduction** is allowed except the cost of acquisition. Infrastructure, fees and other costs cannot be claimed against VDA gains.
- **No loss offset:** VDA losses cannot be set off against other VDA gains or any other income, and cannot be carried forward.
- Surcharge may apply at high income levels (capped at 25% for 115BBH income under the new regime).

2 · 1% TDS — Section 194S

- 1% TDS applies on VDA transfers when aggregate transactions exceed ₹50,000 (₹10,000 in some cases) in a financial year.
- On Indian exchanges TDS is auto-deducted; for P2P / offshore / on-chain transfers the buyer must deduct and deposit it — **keep challans**.
- Failure to deduct or deposit TDS attracts penalties (Sections 271C / 276B).

3 · Filing — Schedule VDA

- Report in **Schedule VDA** of the income-tax return: **ITR-2** (capital-gains treatment) or **ITR-3** (if treated as business income from trading).
- For FY 2025-26 file in AY 2026-27 (due 31 July 2026 for most individuals; 31 October if audit applies).
- Convert USDT figures to INR at the RBI-telegraphic / SBI reference rate on each transaction date, and keep the rate evidence.

4 · Illustrative computation for the partner share

Partner share (50%)	**609,942.5 USDT**
Indicative INR value @ ₹95.3	**≈ ₹5,81,27,520**
Less: cost of acquisition (partner-funded capital share)	**₹1,25,000 (as documented)**
Indicative taxable VDA gain	**≈ ₹5,80,02,520**
Tax @ 30% + 4% cess (31.2%)	**≈ ₹1,80,96,786**

Illustrative only — the actual computation must use the INR rate on each transaction date and the partner's full-year position. Any 1% TDS already paid is credited against the final liability.

D · Compliance Checklist (India)

- **1.** Preserve this pack + the six Tronscan records as the source-of-funds evidence set.
- **2.** Convert USDT→INR through an FIU-registered Indian exchange (CoinDCX, CoinSwitch, ZebPay, WazirX) so 1% TDS is handled and a clean banking trail exists.
- **3.** Record the INR fair-market value on each receipt date (screenshot the rate) — this sets the acquisition cost for later disposals.
- **4.** Compute the VDA gain at 30% + 4% cess; remember losses cannot offset.
- **5.** Report in Schedule VDA (ITR-2 or ITR-3) for FY 2025-26 / AY 2026-27 before 31 July 2026.
- **6.** Keep TDS challans for any self-deducted 194S amounts.
- **7.** Expect bank queries on large credits — present this pack proactively.
- **8.** Engage a CA experienced in VDA taxation for amounts of this size.

E · Notes on Cross-Border Split

- The 50/50 split with the Canada-based partner is a private profit-share arrangement; document it in a simple written agreement (names, shares, date, signatures) — banks may ask for it.
- If funds move between the partners across borders, FEMA rules and AD-bank reporting may apply — route through normal banking channels with documentation.
- Gifting VDAs is taxable for the receiver in India — structure any transfers as documented profit-share, not gifts.

Disclaimer

This document is an informational and record-keeping pack prepared by the operator. The six transactions listed are real, public TRON network records, independently verifiable on Tronscan. The trading-run narrative, phase timings and multiples are the operator's documented account and have not been independently audited. Tax content summarises public provisions of the Income Tax Act (Sections 115BBH, 194S) and public guidance as of 2026; it is not legal, tax or investment advice. Consult a Chartered Accountant or tax counsel before filing.