

NOTIFICATIONS & CIRCULARS ISSUED DURING WEEK (12TH-18TH MAY 2025)

A. Income Tax

Exemptions to Telangana State Pollution Control Board:

The Telangana State Pollution Control Board, a Board constituted by the State Government of Telangana under Water (Prevention and Control of Pollution) Act, 1974 has been notified under section 10(46) for exemption on its income arising from Income from consent fees, analysis fees, reimbursements from CPCB, authorisation fees, cess, grants, interest on loans and advances, tender fees, penalties and interest on bank deposits. [\(Link: Income Tax Notification 47/2025 Dated 13/05/2025\).](#)

Indian Railway Finance Corporation Ltd (IRFC) Zero Coupon Bond notified under section 2(48): Central Government specifies the Ten year Zero Coupon Bond of IRFC as zero coupon bond under section 2(48) Income Tax Act. The duration of the bond is ten years, to be issued on or before the 31st day of March, 2027, the amount to be paid on maturity or redemption of the bond is Rs.1,00,000/- for each bond, the discount is Rs. 49165.10/- per bond, i.e. issue price is Rs. 50834.90/- per bond, the number of bonds to be issued is ten lakhs.

-- A Zero Coupon Bond (ZCB) is a financial instrument that does not pay periodic interest (coupon) during its tenure. Instead, it is issued at a discount and redeemed at its face value upon maturity. The difference between the issue price and face value represents the return for investors. If held beyond 12 months, the long term capital gains will attract a 12.5% tax rate. If sold before 12 months, the short term capital gains will be taxed as per the bondholder's income tax slab.

[\(Link: Income Tax Notification 48/2025 Dated 14/05/2025\).](#)



B. GST

Advisory on appeal withdrawal with respect to waiver scheme:

When Withdrawal application (APL 01W) for appeal is filed before issuance of final acknowledgment (APL 02) by the appellate authority, then the system automatically withdraws the appeal application (APL 01). However, if withdrawal application is filed after issuance of final acknowledgment, then the withdrawal of such appeal is subjected to the approval of the appellate authority. Once the appellate authority approves the withdrawal application, the status of the Appeal application changes from "Appeal submitted" to "Appeal withdrawn".

-- While filing Waiver application or in the already filed waiver application, taxpayers need to upload the screenshot of the appeal case folder showing status as "Appeal withdrawn".

[\(Link: GSTN Advisory Dated 14/05/2025\).](#)



Advisory on reporting values in Table 3.2 of GSTR-3B: As per the earlier advisory dated April 11, 2025, it was communicated that the auto-populated values in Table 3.2 of Form GSTR-3B would be made non-editable starting from the April 2025 tax period (i.e., for the return to be filed in May 2025). These details relate to interstate supplies made to unregistered persons, composition taxpayers and UIN holders.

-- In view of representations and grievances from taxpayers, it has been decided that Table 3.2 shall remain editable for the time being. Taxpayers are advised to report or amend the auto populated entries, if required and furnish their returns accurately, ensuring the correctness of the disclosed information.

(Link: [GSTN Advisory Dated 16/05/2025](#)).



AAR, Sada Tambaku pre-mixed with Lime classifiable under HSN 24039910, taxable at 28% GST: Case of Zen Tobacco Private Limited, AAR Gujarat Dated 30th April 2025. AAR concluded that mixing tobacco with lime paste in a mixer results in the emergence of a new product – tobacco mixed with lime – which possesses a distinct name, character (chewable), and use (direct consumption). This transformation, making it ready for end use where the original form was not, was held to constitute 'manufacture' under the GST law. It ruled that the goods i.e. 'sada tambaku' pre-mixed with lime' is leviable to GST at the rate of 28% in terms of serial No. 15 of Schedule IV of notification No. 1/2017 dated 28th June 2017 and applicable compensation cess. The product is classifiable under HSN 24039910.

(Link: [AAR Gujarat Ruling Dated 30/04/2025](#)).



AAR, denies GST ITC on imported parts where foreign supplier paid tax: Case of Enerzi Microwave Systems Pvt Ltd, AAR Gujarat Ruling Dated 30th April 2025. AAR ruled that the applicant is not eligible for IGST on imports of parts paid by the foreign supplier in terms of section 16 of the CGST Act. The ruling clarifies that even if imported goods are received by a registered person and used in their business, the benefit of ITC on import tax is contingent upon the registered person being the one who bore the tax burden and the value of those inputs being included in their subsequent taxable outward supplies.

(Link: [AAR Gujarat Ruling Dated 30/04/2025](#)).

AAR, No ITC admissible for construction-related supplies and services for factory building: Case of HMSU Rollers (India) Pvt Ltd, AAR Gujarat Ruling Dated 30th April 2025. AAR held that Input Tax Credit (ITC) is not admissible on the goods and services used for constructing an integrated factory building, including a Pre-Engineered Building (PEB) structure designed to support an overhead crane. The authority classified such construction as immovable property, falling under the blocked credit provisions of the GST law. It ruled that no proportionate ITC is admissible for supply of the following goods and services:

-- Steel, Cement and other consumables etc., to the extent of their actual usage in the execution of works contract service when supplied for construction of immovable property, in the form of the factory which is an Integrated Factory Building with Gantry Beam, which in turn is used for mounting across the pre-cast concrete beams, poles over which the crane would be operated;

-- Installation and Erection Services of the PEB when supplied for construction of immovable property, in the form of the factory which is an Integrated Factory Building with Gantry Beam, which in turn is used for mounting across the pre-cast concrete beams, poles and over which the crane would be operated;



-- Other capital goods like rails, electrification, etc. installed or erected for smooth operation of the crane.

(Link: AAR Gujarat Ruling Dated 30/04/2025)

AAR, Chaff Cutter Blades (Agricultural Machine Part) attract 18% GST:

Case of Neel Kamal Gera, AAR Rajasthan Ruling Dated 23rd April 2025. AAR ruled that the blades used as spare parts in agricultural chaff cutter machines are classifiable under HSN Heading 8208 4000, attracting a Goods and Services Tax (GST) rate of 18%.

(Link: AAR Rajasthan Ruling Dated 23/04/2025)

AAR, Heating of Groundnuts with shell renders it ineligible for HSN 1202 classification:

Case of Sitaram Kumhar, AAR Rajasthan Ruling Dated 17th April 2025. HSN code 1202 covers "Ground-nuts, not roasted or otherwise cooked, whether or not shelled or broken," attract a 5% GST rate. AAR ruled that heating groundnuts with shell to reduce moisture for storage and transportation does indeed make them ineligible for classification under HSN 1202.

(Link: AAR Rajasthan Ruling Dated 17/04/2025)



AAR, Members diverge on GST classification of Tipper Body fabrication:

Case of Kamal Coachworks Pvt Ltd, AAR Rajasthan Ruling Dated 23rd April 2025. AAR, has highlighted a difference in interpretation regarding the GST classification of fabricating and mounting tipper bodies on chassis provided by a customer. The split decision by the two-member bench means the matter will now be referred to the Appellate Authority for clarity.

(Link: AAR Rajasthan Ruling Dated 23/04/2025)



SC, Section 5A of KGST and 7A of TGST is constitutionally valid:

Case of CT Kouchoseph vs State of Kerala, SC Judgement Dated 9th May 2025. The apex court held that legislations do not levy the purchase tax to tax the transaction of the sale and purchase twice. It levies purchase tax only where no sales tax was payable on the sale. Accordingly, constitutional validity of section 5A of Kerala General Sales Tax Act, 1963 and section 7A of Tamil Nadu General Sales Tax Act, 1959 is upheld.

(Link: SC Judgement Dated 09/05/2025)

C. Central Excise

No Notifications/ Circular during the week.

D. Custom Duty

Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver:

CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 16th May 2025. The tariff value for crude palm oil is set at USD 987 per metric ton, while gold and silver have tariff values of USD 1028 per 10 grams and USD 1065 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 6970 per metric ton.

(Link: [Custom Notification 34/2025](#) (NT) Dated [15/05/2025](#)).



Anti-Dumping Duty on imports of "Titanium Dioxide" originating in or exported from China:

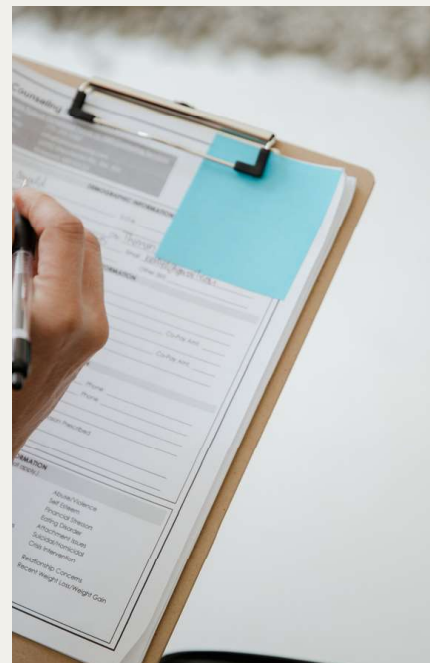
Notification No. 12/2025 imposes Anti-Dumping Duty (ADD) on imports of "Titanium Dioxide" originating in or exported from China. It is levied only for specified end uses, and excludes from its scope Titanium Dioxide for use in products covered under its description relating to food, pharma, skin-care, textile, fibre, or nano or ultra fine titanium dioxide. To facilitate smooth clearance, a facility is being introduced in Bill of Entry to make an electronic declaration for those importers importing for use in such excluded products.

(Link: [Custom Circular 16/2025](#) Dated [11/05/2025](#)).

Revision of Arrest Report and Incident Report (where arrest not made):

The instruction highlights that details of the DIGIT ID are now mandatory components of both the Arrest Report (revised Annexure-I) and the Incident Report (revised Annexure-II). These updated reports are required to be submitted via email to specified addresses.

(Link: [Custom Instructions 10/2025](#) Dated [13/05/2025](#)).



Port restriction on import of certain goods from Bangladesh to India:

Refer notification dated 17th May 2025, whereby a new Para 19 under 'General Notes Regarding Import Policy' has been inserted. For ready-made garments, import from Bangladesh shall not be allowed from any land port, however, it is allowed only through Nhava Sheva and Kolkata seaports. For some specific items imports from Bangladesh shall not be allowed through any LCSs/ICPs in Assam, Meghalaya, Tripura and Mizoram; and LCS Changrabandha and Fulbari, in West Bengal. These restrictions shall not apply to Import of Fish, LPG, Edible Oil, and Crushed Stone to India from Bangladesh. These restrictions shall also not apply to Bangladesh exports to Nepal/Bhutan transiting through India. Necessary action be taken to sensitize officers in this regard.

(Link: [Custom Instructions 11/2025](#) Dated [17/05/2025](#)).

SC, Crude Soybean Oil deemed manufactured product, eligible for customs duty exemption:

Case of Noble Resources and Trading India Pvt Ltd vs Union of India, SC Judgement Dated 14th May 2025. The primary question before the court was whether crude degummed soybean oil, derived from soybeans through a series of processes, could still be classified as an agricultural product. The Court noted that crude degummed soybean oil is not simply a processed form of soybean but a distinct marketable product with its own identity. The apex court allowed the appeal, ruling that crude degummed soybean oil is a manufactured product and not an agricultural product. This classification makes it eligible for customs duty exemption under the relevant notification.

([Link: SC Judgement Dated 14/05/2025](#)).



HC, Gold Kada worn by sikh man is personal effect, court orders release:

Case of Daljeet Singh vs Commissioner of Customs, HC Delhi Judgement Dated 28th April 2025. High Court has ruled that a gold kada worn by the petitioner was a personal effect and ordered its release. The petitioner was traveling from Dubai when a 22 carat gold kada weighing 60 grams, which he stated he always wore as a personal effect, was detained by the Customs Department at New Delhi.

([Link: HC Delhi Judgement Dated 28/04/2025](#)).

E. Directorate General of Foreign Trade (DGFT)

Amendment in Export-Import norms for Di-Octyl Phthalate

production: The export product description for Standard Input Output Norms SION A-1303, which was previously listed as "Di-Octyl Phthalate (DOP)," has been amended to "Di-Octyl Phthalate (DOP) (PVC Plasticizer)." Also, the import quantity of '2- Ethylhexanol (Octanol)' has been reduced from the existing allowance of 0.700 kg to 0.680 kg for every 1 kg of the export product. The quantity permitted for the other import item, Phthalic Anhydride remains unchanged at 0.400 kg.

([Link: DGFT Public Notice 07/2025 Dated 16/05/2025](#))

F. Securities and Exchange Board of India (SEBI)

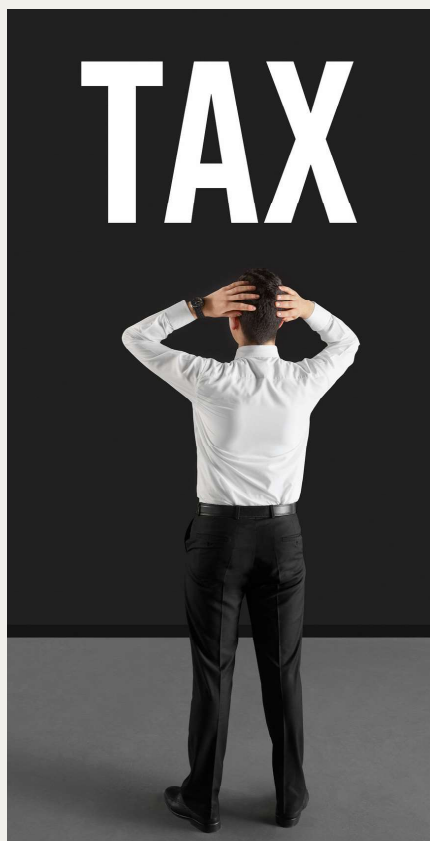
Review of provisions pertaining to Electronic Book Provider (EBP) platform for debt securities:

The key changes include mandatory use of the EBP platform for private placements of debt securities, non-convertible redeemable preference shares (NCRPS), and municipal debt securities with issue sizes of Rs 20 crore or more (including cumulative tranches). Issuers such as REITs, SM REITs, and InvITs may also opt to use the platform voluntarily.

-- Issuers must now submit the Placement Memorandum and term sheet at least two or three working days before the issue opens, depending on their prior use of the platform. New disclosures include details on green shoe options, anchor investor allocations (with percentage limits based on credit ratings), and pro-rata allotment methods. Timelines for obtaining in-principle approvals and completing the listing process have been standardized.

([Link: SEBI Circular Dated 16/05/2025](#)).





Extension of timeline for disclosures for Offshore Derivative Instruments (ODIs) and Foreign Portfolio Investors (FPIs) with segregated portfolios: These provisions were originally outlined in paragraphs 2.2 to 2.7 of an earlier SEBI circular dated 17th December 2024. The specified paragraphs were scheduled to take effect five months after issuance. However, based on representations from stakeholders, the implementation deadline has been extended to 17th November 2025.

(Link: [SEBI Circular Dated 16/05/2025](#)).

Rating of Municipal Bonds on the Expected Loss (EL) based Rating Scale:

The circular permits Credit Rating Agencies (CRAs) to use the Expected Loss (EL) based Rating Scale for rating Municipal Bonds. It noted that EL ratings, when used alongside standard or Probability of Default (PD) ratings, could provide a clearer reflection of the recovery prospects for municipal bonds. As that these bonds are frequently issued by Urban Local Bodies and Municipalities primarily to finance infrastructure development, extending the EL-based scale, previously permitted for the infrastructure sector, was considered appropriate.

(Link: [SEBI Circular Dated 15/05/2025](#)).



Composition of the Internal Audit team for Credit Rating Agencies (CRAs):

Previously, the internal audit team for a CRA needed to include at least a Chartered Accountant and a professional with a Certified Information Systems Auditor (CISA) or Diploma in Information Systems Auditor (DISA) qualification. Under the revised norms, the internal audit team must now comprise at least a Chartered Accountant or a Cost Accountant (holding ACMA or FCMA qualifications from the Institute of Cost Accounts of India). Additionally, the information systems audit requirement can now be met by a professional holding CISA, DISA, or a Diploma in Information System Security Audit (DISSA) from the Institute of Cost Accounts of India.

(Link: [SEBI Circular Dated 14/05/2025](#))

Investor Charter for Registrars to an Issue and Share Transfer Agents (RTAs):

The updated charter reflect recent market developments such as the introduction of the Online Dispute Resolution (ODR) platform and SCORES 2.0. Registered RTAs are now required to display the revised charter on their websites, offices, and via email to shareholders. The RTAs must disclose monthly complaint data on their websites. The revised charter outlines key services, expected timelines for service delivery, investors' rights, and a clear grievance redressal mechanism.

(Link: [SEBI Circular Dated 14/05/2025](#)).

Extension of timeline for complying with the certification requirement for the key investment team of the Manager of AIF:

The regulation mandates that the key investment team of an Alternative Investment Fund (AIF) Manager must include at least one member with the specified certification, i.e. 'NISM Series-XIX-C: Alternative Investment Fund Managers Certification Examination'. In view of industry representations, SEBI now extended the compliance deadline to 31st July 2025.

(Link: [SEBI Circular Dated 13/05/2025](#)).

Streamlining of Request for Quote (RFQ) Platform pricing and enhancement of Corporate Bond data:

It has been decided to simplify the yield to price computation on the RFQ platform. The cash flow dates for interest, dividend, or redemption payments will be based on the scheduled due date as per the cash flow schedule, without adjustment for day count convention. Also, to centralize information, issuers are now required to disclose the cash flow schedule, including due dates and payment dates as per day count convention, in the centralized corporate bond database upon ISIN activation and update it within one working day of any changes.

(Link: [SEBI Circular Dated 13/05/2025](#)).

Consultation Paper on proposal to facilitate relaxation in regulatory compliances for FPI applicants investing only in Indian Government Bonds:

The key proposals include aligning the Know Your Customer (KYC) review cycle for these FPIs (termed IGB-FPIs) with the timelines prescribed by the Reserve Bank of India for regulated entities, which are less frequent than current FPI requirements. Also, IGB-FPIs may be exempted from providing investor group details, as the investment limits relevant to such grouping do not apply to their IGB investments under Voluntary Retention Route (VRR) and Fully Accessible Route (FAR). It also suggests permitting unrestricted contribution and control by Non-resident Indians (NRIs), Overseas Citizens of India (OCIs), and Resident Individuals (RIs) in the corpus of IGB-FPIs, noting that NRIs and OCIs can already invest in specified IGBs without limits under FAR. The comments/ suggestions from stakeholders are invited.

(Link: [SEBI Consultation Paper Dated 13/05/2025](#)).



G. Ministry of Corporate Affairs (MCA)

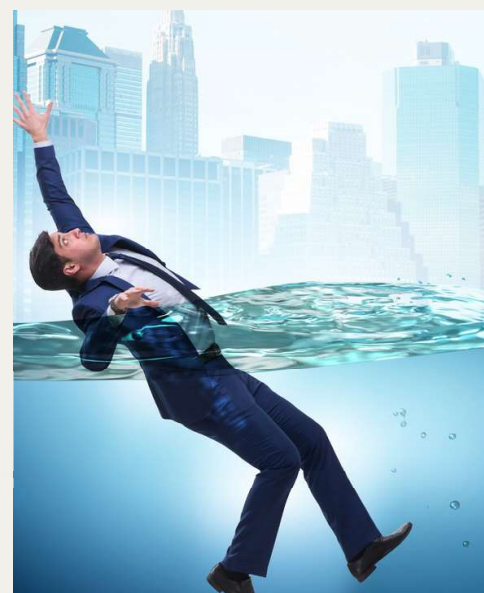
No Notifications/ Circular during the week.

H. Insolvency and Bankruptcy Board of India (IBBI)

SC, Non-implementation of resolution plan by JSW for about two years since its approval is not justifiable:

Case of Kalyani Transco vs Bhushan Power and Steel Ltd, SC Judgement Dated 2nd May 2025. The apex court rejects resolution plan of JSW since Successful Resolution Applicant (JSW) did not implement the Resolution Plan for about two years since its approval by the NCLAT, though there was no legal impediment in implementing the same. Such flagrant violation of the terms of the Resolution Plan, has frustrated the very object and purpose of the Code.

(Link: [SC Judgement Dated 02/05/2025](#)).



HC quashes Income Tax reassessment Post IBC plan, Clean Slate Policy:

Case of Surya Manufacturing Private Limited vs ACIT, HC Delhi Judgement Dated 24th April 2025. High Court has quashed the reassessment order and notice issued by the Income Tax Department against Surya Manufacturing Private Limited. The court's decision reinforces the "Clean Slate Theory" in the context of the Insolvency and Bankruptcy Code (IBC), holding that once a resolution plan is approved, pre-existing liabilities not included in the plan are extinguished.

([Link: HC Delhi Judgement Dated 24/04/2025](#)).

NCLAT, Rejection of Resolution Plan without hearing violates natural justice:

Case of Essar (India) Ltd vs Prabhat Technologies, NCLAT Delhi Judgement Dated 6th May 2025. The appellate tribunal held that rejection of approved resolution plan on account of alleged fraud without giving an opportunity to resolution applicant to explain its position is against the principle of natural justice. Accordingly, matter remanded back.

([Link: NCLAT Delhi Judgement Dated 06/05/2025](#)).

IBBI suspends Mr Viswanathan Rajagopalan IP for lapses in his duties under IBC and related regulations:

The multiple lapses include delays in appointing an Authorized Representative for homebuyers, failing to include critical agendas such as the appointment of registered valuers, and issuing an Invitation for Expression of Interest without requisite approvals. The Disciplinary Committee suspended his registration for two years.

([Link: IBBI Order Dated 15/05/2025](#)).

I. Reserve Bank of India (RBI)

Exim Bank's Line of Credit (LOC) for USD 700 million to Govt of Mongolia for financing construction of Crude Oil Refinery Plant in Mongolia:

The LoC facilitates the export of eligible Indian goods and services in alignment with the Foreign Trade Policy of India, subject to approval by Exim Bank. The disbursement period is up to 48 months following the scheduled completion date of the related contract. Exporters must declare shipments under the LoC in accordance with existing RBI procedures and are not entitled to agency commission payments from the LoC funds.

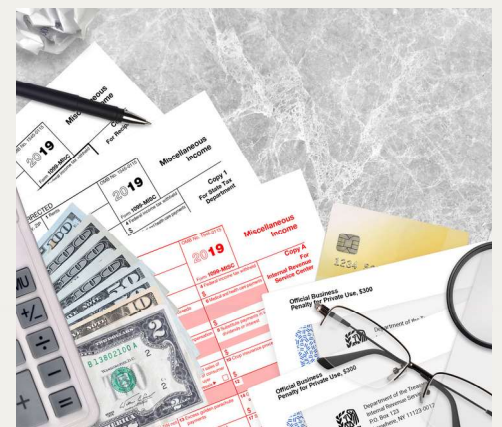
([Link: RBI Notification 37/2025 Dated 16/05/2025](#)).

J. Miscellaneous

SC, Dispute Arbitrable even after signing discharge voucher and accepting amount:

Case of Arabian Exports Pvt Ltd vs National Insurance Company Ltd, SC Judgement Dated 6th May 2025. The issue before the court was whether a dispute raised by an insured after giving a full and final discharge voucher to the insurer can be referred to arbitration. The court had upheld the concept of economic duress and held that notwithstanding signing of the discharge voucher and accepting the amount offered, the dispute is still arbitrable. The question as to whether the appellant was compelled to sign the standardized voucher/advance receipt forwarded to it by the respondent out of economic duress and whether arbitration claim was sustainable or not were clearly within the domain of the arbitral tribunal. Thus, setting aside the impugned order of the High Court and allowing the appeal, the Bench appointed the sole arbitrator.

([Link: SC Judgement Dated 06/05/2025](#)).



SC, Compensation on mother's death denied to married daughter due to loss of dependency:

Case of Deep Shikha vs National Insurance Company Ltd, SC Judgement Dated 13th May 2025. The apex court held that a married daughter may be considered a legal representative, but, she will not be eligible for loss of dependency compensation unless it is proven by the daughter that she was financially dependent on the deceased. Accordingly, compensation was denied due to lack of dependency.

([Link: SC Judgement Dated 13/05/2025](#)).

HC, Registered Trademark holder can't override prior user rights:

Case of Goethe Institute EV vs Abhishek Yadav, HC Delhi Judgement Dated 6th May 2025. High Court held that section 34 of the Trade Marks Act, recognizes the rights of a prior user and protects its rights. The rights of prior user are recognized as superior than that of the registration and that even the registered trademark holder cannot disturb/interfere with the rights of the prior user.

([Link: HC Delhi Judgement Dated 6th May 2025](#)).

Disclaimer:

The contents of this article are for informational purposes only. The user may refer to the relevant notification/ circular/ decisions issued by the respective authorities for specific interpretation and compliances related to a particular subject matter)



CMA Yash Paul Bhola

Ex-Director
(Finance), NFL.

NOTIFICATIONS & CIRCULARS ISSUED DURING WEEK (5TH- 11TH MAY 2025)

A.Income Tax

ITR Form-V and Acknowledgement forms notified for AY 2025-26:

The notification amend the Income Tax Rules. Form ITR-V and Form ITR-Acknowledgement have been replaced with new forms in Appendix-II of the existing rules. The updated Form ITR-V is meant for taxpayers who have filed their income tax returns (ITR-1 to ITR-5 and ITR-7) but have not verified them electronically. Verification can be done electronically using Aadhaar OTP, Net Banking, EVC from a validated bank/demat account, or by sending a signed physical copy to the Centralized Processing Centre in Bengaluru via speed post. The revised Form ITR-Acknowledgement applies to returns that have been filed and verified. It records transmission and verification details, including IP address and verification mode. (Income Tax Notification 45/2025 Dated 07/05/2025).

ITR Form-7 notified for AY 2025-26: The notification amend the Income Tax Rules. Form ITR-7 (For persons including companies required to furnish return under sections 139(4A) or 139(4B) or 139(4C) or 139(4D) only) has been replaced

with new form in Appendix-II of the existing rules. It is used by entities such as charitable trusts, religious institutions, political parties, research associations, and other institutions that claim exemption under various sections of the Income-tax Act including section 11, 12, 10(23C), and 13A. The amendment update the structure and reporting requirements of this form, in line with evolving compliance standards and digital filing protocols. (Income Tax Notification 46/2025 Dated 09/05/2025).



ITR Form-6 notified for AY 2025-26:

The notification amend the Income Tax Rules. Form ITR-6 (For Companies other than companies claiming exemption under section 11) has been replaced with new form in Appendix-II of the existing rules. Section 11 relates to exemptions from tax for income derived from property under charitable trusts and institutions.

-- The Schedule for Capital Gains has been split to separately report gains earned before and after 23rd July 2024. Provisions have also been added to allow capital losses on share buybacks under specific conditions for income arising post 1st October 2024. A reference to Section 44BBC concerning the cruise business has been included. The Schedule BP (Business Profits) has been updated aligning it with Rule 10TIA, requiring profits from the sale of raw diamonds to be reported as 4% or more of gross receipts. Changes have been made to accurately capture deductions under Section 24(b) for interest on housing loans. The form now mandates reporting the specific TDS section code in the relevant schedule. (Income Tax Notification 44/2025 Dated 06/05/2025).

ITR Form 5 notified for AY 2025-26:

The notification amend the Income Tax Rules. FORM ITR- 5 (for persons other than Individuals, HUF, Company and persons filing ITR-7) has been replaced with a new form in Appendix-II of the existing rules. (Income Tax Notification 42/2025 Dated 01/05/2025).

ITR Form 3 notified for AY 2025-26:

The notification amend the Income Tax Rules. FORM ITR- 3 (for Individuals and HUFs having Income from profits and gains of business or profession) has been replaced with a new form in Appendix-II of the existing rules. The key changes include a split in the Schedule- Capital Gain for gains before and after 23rd July 2024. Capital loss on share buyback is now allowed if the corresponding dividend income is reported under "Income from Other Sources" for transactions post 1st October 2024. The asset and liability reporting threshold has been increased to Rs 1 crore of total income. Additionally, Section 44BBC (specific to cruise business) has been incorporated, along with enhanced reporting requirements for deductions under Sections 80C and 10(13A), and a mandate to report the TDS section code in Schedule- TDS. (Income Tax Notification 41/2025 Dated 30/04/2025).

ITR Form-2 notified for AY 2025-26:

The notification amend the Income Tax Rules. Form ITR-2 (For Individuals and HUFs not having income from profits and gains of business or profession) has been replaced with new form in Appendix-II of the existing rules. The Schedule for Capital Gain now distinguishes gains before and after 23rd July 2024. It permits claiming capital loss on share buyback if corresponding dividend income is declared under other sources post 1st October 2024. The reporting threshold for assets and liabilities has been raised to Rs 1 crore of total income, with enhanced reporting requirements for deductions such as 80C and 10(13A). The form also mandates reporting of TDS section codes in Schedule TDS. (Income Tax Notification 43/2025 Dated 03/05/2025).

SAHAJ (ITR 1) and SUGAM (ITR-4) notified for FY 2025-26: The notification amend the Income Tax Rules. FORM ITR- 1 and ITR-4 will be replaced with new forms in Appendix-II of the existing rules.

-- ITR-1 SAHAJ is for individuals being a resident (other than not ordinarily resident) having total income up to Rs.50 lakh and having Income from Salaries, one house property, other sources (Interest etc.), long-term capital gains under section 112A up to Rs 1.25 lakh, and agricultural income up to Rs 5 thousand. It is not for

an individual who is either Director in a company or has invested in unlisted equity shares or in cases where TDS has been deducted under section 194N or if income tax is deferred on ESOP or has assets (including financial interest in any entity) located outside India.

-- ITR-4 SUGAM is for Individuals, HUFs and Firms (other than LLP) being a resident having total income up to Rs.50 lakh and having income from business and profession which is computed under sections 44AD, 44ADA or 44AE, and having long-term capital gains under section 112A up to Rs. 1.25 lakh. It is not for an individual who is either Director in a company or has invested in unlisted equity shares or if income tax is deferred on ESOP or has agricultural income more than Rs. 5000 or has assets (including financial interest in any entity) located outside India. (Income Tax Notification 40/2025 Dated 29/04/2025).



HC, Bandwidth Charges Not Royalty Under Income Tax Act:

Case of PCIT International Taxation vs Bharti Airtel Ltd, HC Delhi Judgement Dated 22nd April 2025. The HC upheld the view that payments made for bandwidth to overseas telecom operators do not constitute 'royalty' under Section 9(1)(vi) of the Income Tax Act. (HC Delhi Judgement Dated 22/04/2025).

B. GST

Advisory, Invoice-wise reporting functionality in Form GSTR-7 (TDS monthly return) on the portal:

Vide Notification No. 09/2025, Form GSTR-7 has been amended to capture invoice-wise reporting with effect from 01.04.2025 i.e. the return period for April 2025 onwards. In this regard it is informed that development and testing of the same is underway. The enhanced functionality shall be deployed shortly, and users will be duly informed once the changes are made live on the portal. (GSTN Advisory Dated 06/05/2025).

Advisory, Updates in refund filing process for various refund categories: The important changes has been made in the refund filing process under the following categories:

- 1.Export of Services with payment of tax (statement 2).
- 2.Supplies made to SEZ Unit/SEZ Developer with payment of tax (statement 4)
- 3.On account of Refund by Supplier of Deemed export (statement 5B)

The said refund categories are changed from 'Tax Period based filing' to 'Invoice based filing'. Taxpayers must ensure that all the returns (GSTR-1, GSTR-3B etc) due till the date of refund application, are filed. The taxpayers can upload eligible invoices and claim refund. The invoices once uploaded with a refund application will be locked for any further amendment and will not be available for any subsequent refund claims. The said invoices will be unlocked only if the refund application is withdrawn or a deficiency memo is issued. (GSTN Advisory Dated 08/05/2025).



Advisory, Updates in refund filing process for recipients of deemed export: The refund applications under this category is no longer need to be filed in chronological order of Tax Period. Taxpayers must ensure that all the returns (GSTR-1, GSTR-3B etc) due till the date of refund application, are filed. The table "Amount Eligible for Refund" has been modified. The columns of the revised table are:

Col. 1 'Balance in ECL at the time of filing of refund application'. It will be auto populated.

Col. 2 'Net Input Tax Credit (ITC) of Deemed Exports (as per uploaded invoices)'. It will be auto populated based on invoices furnished in Statement 5B.

Col. 3 'Refund amount as per the uploaded invoices' reflects the sum of the amount of ITC claimed under all major Heads (IGST/CGST/SGST/UT) as per the invoices uploaded by the taxpayer in Statement 5B.

Col. 4 'Eligible Refund Amount'. The maximum amount of ITC which is available for refund claim will be auto populated.

Col. 5 'Refund amount not eligible as insufficient balance in the ECL'.

The taxpayers are advised to note these changes. (GSTN Advisory Dated 08/05/2025).



Timely production of records/information for audit:

The CAG Audit Report 7 of 2024 report highlighted instances where field formations failed to fully or promptly provide records required for GST audits. It emphasized the constitutional mandate under Article 149, which grants the C&AG authority to audit government accounts and entities receiving government funding. It directed all records and information maintained be promptly provided to C&AG audit teams. Where requested documents are with taxpayers, officers should issue formal letters to those taxpayers and follow up as necessary to ensure timely compliance. (CGST Instructions 05/2025 Dated 02/05/2025).

SC, upholds 5% GST on badam flavoured milk:

Case of AC Central Tax vs Sri Vijaya Vishakha Milk Producers Company, SC Judgement Dated 9th May 2025. Fresh milk and pasteurised milk are fully exempt from GST. Further, milk products like curd, lassi, buttermilk, and paneer are also exempt from GST if sold loose, but attract 5 per cent GST when sold in pre-packaged and labelled form. Ultra-High Temperature (UHT) milk also attracts 5 per cent GST. Additionally, a GST of 12 per cent applies to condensed milk, flavoured milk, butter, ghee, and

cheese. The apex court upheld AP HC judgement which classified 'flavoured milk' with almonds (badam) under Entry 0402 9990, attracting GST at 5 per cent. (SC Judgement Dated 09/05/2025).

HC, GST ITC block limited to one year under Rule 86A:

Case of Sai Ram Enterprises vs DGGI Gurugram, HC Delhi Judgement Dated 28th April 2025. The HC has held that the credit ledger cannot be blocked beyond the period of one year, as stipulated under Rule 86A of the CGST Rules. This is however independent of any other action that the adjudicating authority may have taken, in accordance with law, against the Petitioner. (HC Delhi Judgement Dated 28/04/2025).

AAAR, Value of Free Silver Includible in Battery Taxable Value for GST:

Case of High Energy Batteries (India) Ltd, AAAR Tamil Nadu Ruling Dated 25th April 2025. The appellant authority has upheld AAR ruling stating that the value of silver supplied free of cost by Naval formations to must be included in the taxable value of the batteries manufactured and supplied back to the Naval formations for the purpose of GST. (AAAR Tamil Nadu Ruling Dated 25/04/2025).

AAR, Supply of medicines as composite In-Patient healthcare service exempt from GST:

Case of Maha Critical Speciality Division, AAR Tamil Nadu Ruling Dated 29th April 2025

AAR ruled that supply of medicines and consumables used in the course of providing health care services to In-patients by pharmacy unit of Maha Critical Speciality Division, having common registration within Tamil Nadu for diagnosis or medical treatment or procedures till discharge is a composite supply of in-patient healthcare service as defined in Para 2(zg) of Notification 12/2017 and the same is exempted from GST as per Serial No 74 of the above notification. (AAR Tamil Nadu Ruling Dated 29/04/2025).

AAR, IIIT housekeeping services taxable under GST: Case of Srinacss Enviro Private Limited, AAR Tamil Nadu Ruling Dated 29th April 2025. AAR ruled that the house-keeping/cleaning service provided to Indian Institute of Information Technology, Design and Manufacturing (IIITDM) Kancheepuram, by the applicant is not exempted from payment of GST. The work assigned to the applicant by IIITDM is nothing but an activity in relation to house-keeping/cleaning services, and not in relation to sanitation or solid waste management. It will not be lawful on the part of the applicant to raise invoice without GST, in the instant case. (AAR Tamil Nadu Ruling Dated 29/04/2025).



AAR, GST exempt on Weekly Market Fee Collection by Panchayat:

Case of Kannivadi Town Panchayat, AAR Tamil Nadu Ruling Dated 30th April 2025. The activity of leasing, to the tender contractor, the right to collect entry fees, for sell vegetables, fruits, birds and animals for venders/ farmers/ public in the open space / temporary tents on the days fixed for weekly market days would be covered under the function entrusted to Panchayat under Article 243G of the Constitution as a local authority engaged as public authority. Notification No. 14/2017 as amended, issued in terms of Section 7(2)(b) of CGST Act, is very much available to claim as the activity is 'neither supply of goods nor supply of services'. (AAR Tamil Nadu Ruling Dated 30/04/2025).

C. Central Excise

No Notifications/ Circular during the week.

D. Custom Duty

Customs Duty Exemption on Work of Art & Antiquities Import: The notification exempts works of art, statuary, pictures intended for public exhibition in museums or art galleries, public memorials, and registered antiquities imported into India from the whole of the basic

customs duty. For works of art and museum/gallery antiquities, the importing institution must be the purchaser or owner, provide an undertaking that the items are for public exhibition and will not be sold or traded, and furnish a certificate from an Authorized Officer confirming the institution is a publicly accessible museum or art gallery in a suitable building. (Custom Notification 29/2025 (T) Dated 09/05/2025).

Anti-dumping Duty on Glufosinate and its salt originating in or exported from China:

Anti-dumping Duty has been imposed on imports of Glufosinate and its salt originating in or exported from China and imported into India. The anti-dumping duty shall be effective for a period of five years. (Custom Notification 09/2025 (ADD) Dated 08/05/2025).

Anti-dumping Duty on Sodium Citrate originating in or exported from China:

Anti-dumping Duty has been imposed on imports of Sodium Citrate originating in or exported from China and imported into India. The anti-dumping duty shall be effective for a period of five years. (Custom Notification 10/2025 (ADD) Dated 08/05/2025).



Anti-dumping Duty on Textured Tempered Coated and Uncoated Glass originating in or exported from China:

Anti-dumping Duty has been imposed on imports of Textured Tempered Coated and Uncoated Glass originating in or exported from China and imported into India. The anti-dumping duty shall be effective for a period of five years. (Custom Notification 11/2025 (ADD) Dated 08/05/2025).

Anti-dumping Duty on Titanium dioxide originating in or exported from China:

Anti-dumping Duty has been imposed on imports of Titanium dioxide originating in or exported from China and imported into India. The anti-dumping duty shall be effective for a period of five years. (Custom Notification 12/2025 (ADD) Dated 10/05/2025).

Counter-veiling Duty on Textured Toughened (Tempered) Coated or Uncoated Glass originating in or exported from Vietnam:

Counter-veiling Duty has been imposed on imports of Textured Toughened (Tempered) Coated or Uncoated Glass originating in or exported from Vietnam and imported into India. The anti-dumping duty shall be effective for a period of five years. (Custom Notification 03/2025 (CVD) Dated 10/05/2025).

Closing of the Integrated Check Post, Attari for all types of incoming and outgoing passengers and movement of goods:

As per the revised directive, while the ICP remains closed for general movement, Pakistani nationals with valid Pakistani travel documents are now permitted to exit India, and Indian nationals with valid Indian travel documents are allowed to enter India through the Attari ICP. This limited movement will remain in effect until further orders. All relevant customs and immigration authorities have been instructed to implement this update accordingly. (Custom Instructions 08/2025 Dated 05/05/2025).

Closing of the Integrated Check Post, Attari for all types of incoming and outgoing passengers and movement of goods:

The instruction convey the Ministry of Home Affairs' direction to close the ICP for all passenger and goods movement. It highlights a one-time exemption, which permits the entry of 162 specified freight trucks carrying perishable agricultural goods for export from Afghanistan into India through Attari. (Custom Instructions 09/2025 Dated 09/05/2025).

E. Directorate General of Foreign Trade (DGFT)

Framework for Stock & Sale Authorization for export of SCOMET Items:

The amended Paragraph 10.10 of the Handbook of Procedures 2023, broadens the definition of an eligible 'Stockist' abroad to include a subsidiary, parent company, or affiliate of the Indian exporter, as well as Indian or Foreign Original Equipment Manufacturers (OEM), Electronic Manufacturing Services (EMS), and Contract Manufacturers (CM). Applications for bulk export authorization to these stockists for subsequent transfer to end users will be considered by the Inter-Ministerial Working Group (IMWG). The Indian exporter is required to submit an application with supporting documents, including proof of corporate relationship, an End Use Certificate from the stockist specifying intended countries for re-export, and an undertaking adherence to regulations concerning military or WMD end use. (DGFT Public Notice 04/2025 Dated 06/05/2025).



Reinstatement and amendment of Standard Input Output Norms (SION C-888) for Steel Washers Export:

This SION had previously been suspended since 14th January 2020. DGFT has now brought this norm back into effect with a modification, that for the export of 1.0 Kg of stainless steel washers, the allowed import quantity of Prime/Secondary Stainless Steel sheets, sheet cutting, coils, strips, or plates of the relevant grade and thickness will be 1.60 Kg. (DGFT Public Notice 05/2025 Dated 06/05/2025).



Amendments in Standard Input Output Norms (SION A-1294) for Di- Ethyl Phthalate (DEP):

The description of a key input material permitted for import, listed at serial number 2 has been changed, from 'Ethanol', to 'Denatured Ethyl Alcohol'. The quantity allowed for import against the export of one kilogram of DEP remains unchanged at 0.435 kilograms. (DGFT Public Notice 06/2025 Dated 07/05/2025).

F. Securities and Exchange Board of India (SEBI)

Amendments to SEBI Issue and Listing of Securitised Debt Instruments and Security Receipts Regulations:

The amendment relates to clause g(ii) of regulation 2(1). Under the new rule, any financial asset originated by an originator regulated by RBI qualifies, with conditions. It explicitly prohibits special purpose distinct entities (SPDEs) from engaging in certain securitisation activities or assuming particular exposures, particularly re-securitisation exposures. ([SEBI Notification Dated 05/05/2025](#)).



Publishing Investor Charter for KYC Registration Agencies (KRAs) on their Websites:

The circular require all KRAs to publish an Investor Charter on their websites and through other means to enhance investor awareness. The charter, outlines the various services provided by KRAs, the rights of investors dealing with them, specific actions investors should and should not take, and the available grievance redressal mechanisms. Key services provided by KRAs include facilitating KYC registration and modifications through intermediaries, online tracking of KYC status, processing solicited/unsolicited KYC feeds, sending alerts on KYC activity, verifying KYC attributes with official databases, and ensuring data protection. ([SEBI Circular dated 06/05/2025](#)).

Disclosure Norms for REITs

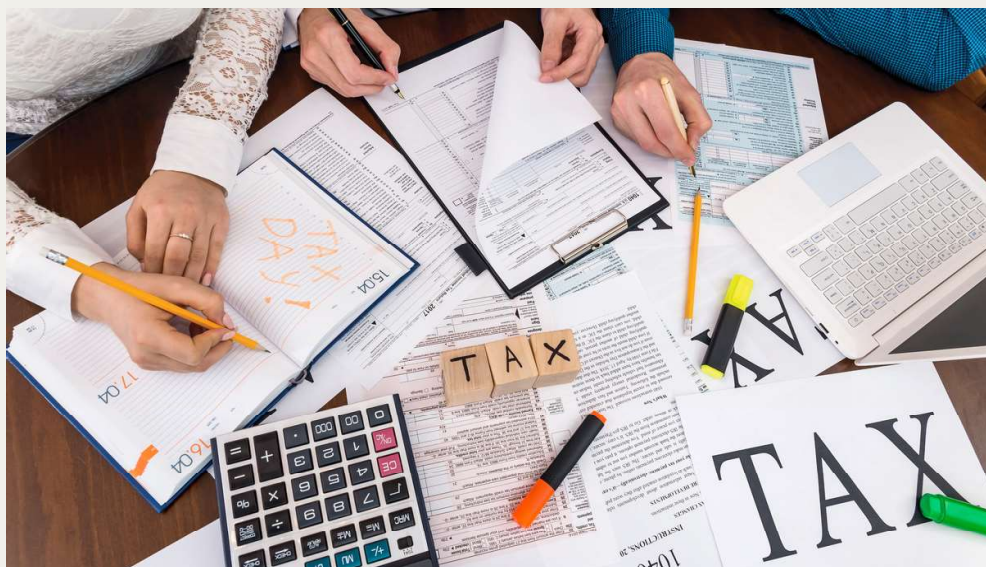
updated: The circular revise chapters 3 and 4 of its Master Circular for Real Estate Investment Trusts (REITs). It cover the disclosure of financial information in offer documents and ongoing disclosure and compliance obligations post-listing. The revised provisions require REITs to disclose certified proforma financial statements covering at least the last completed financial year and any applicable period, particularly in cases involving recent acquisitions or divestments. Disclosures may also reference previously published financials, provided links are included. These must be audited by the seller's auditor. ([SEBI Circular dated 07/05/2025](#)).

Financial Disclosure and Compliance Norms for InvIT

revised: The circular revise chapters 3 and 4 of its Master Circular for Infrastructure Investment Trusts (InvITs). The revisions relates to disclosure requirements, on the period and nature of financial statements to be included in offer documents and placement memorandums. It updates requirements for disclosing proforma financial statements in case of material acquisitions or divestments post the last disclosed financial period. ([SEBI Circular dated 07/05/2025](#)).

Consultation Paper on Separate carve out for the voluntary delisting of Public Sector Undertakings (PSUs):

The proposal relates to PSUs where promoter shareholding equals or exceeds 90%. It propose a simplified framework, eligible PSUs may be allowed to delist without complying with Minimum Public Shareholding norms, use a fixed price delisting method with at least a 15% premium over the floor price, and bypass the need for two-thirds public shareholder approval. It also outlined three options for setting exit prices for public shareholders, including using standard valuation rules or relying solely on an independent valuer. The stakeholders comments/ suggestions are invited. (SEBI Consultation Paper dated 06/05/2025).



Draft Circular on Modification to Master Circular for listing obligations and disclosure requirements for Non-Convertible Securities, Securitized Debt Instruments and/ or Commercial Paper: The modifications specifically impact High Value Debt Listed Entities (HVDLEs). It outlines new formats and timelines for HVDLEs to submit their annual secretarial compliance reports and periodic corporate governance compliance reports. It also details the required half-yearly disclosures for related party transactions (RPTs) and specifies the information that must be presented to the Audit Committee, Debenture Trustee, and shareholders for reviewing and approving RPTs. The stakeholders comments/ suggestions are invited. (SEBI Draft Circular dated 09/05/2025).

Consultation paper on providing flexibility to AIFs to offer Co-Investment opportunities to investors: It proposes changes to the Alternative Investment Funds (AIF) Regulations. The paper notes difficulties faced by AIFs offering co-investment outside the fund structure, which limit investment in unlisted securities and affect aligning co-investor and AIF interests. The paper proposes the CIV model (Model C), where a separate AIF scheme would be launched for each co-investment. The proposals for this model include registering CIVs under Category I or II AIFs, filing a shelf Private Placement Memorandum (PPM) for the CIV with SEBI, launching a separate scheme per co-investment for accredited investors, and exempting CIVs from certain requirements like diversification norms, sponsor commitment, and minimum tenure. The stakeholders comments/ suggestions are invited. (SEBI Consultation Paper dated 09/05/2025).



Consultation Paper on use of liquid mutual funds for compliance with deposit requirement by Investment Advisers (IAs) and Research Analysts (RAs): It proposes that liquid mutual funds, considered relatively low-risk and offering digital accessibility, may serve as an alternative to fixed deposits. These units can be held in Statement of Account or demat form and must be lien marked in favour of the relevant Administration and Supervisory Body (ASB) for at least one year. The deposit value will be calculated based on the Net Asset Value (NAV) of the mutual fund, adjusted by a haircut and any applicable exit load, with annual reviews to ensure compliance. If the deposit falls below the required threshold due to changes in value or an increase in client numbers, additional units must be lien marked. The stakeholders comments/ suggestions are invited. (SEBI Consultation Paper dated 09/05/2025).



G.Ministry of Corporate Affairs (MCA)

Amendments to Companies Indian Accounting Standards

Rules: The amendments relates to Indian Accounting Standard (Ind AS)- 21, 'The Effect of Changes in Foreign Exchange Rates', clarify the concept of exchangeability between currencies, requiring assessment at the measured date for a specific purpose. If exchangeability is lacking, entities must estimate the spot exchange rate and disclose the impact. (MCA Notification Dated 07/05/2025).

H.Insolvency and Bankruptcy Board of India (IBBI)

SC, NCLAT not empowered to condone delay beyond prescribed period of 45 days: Case of Tata Steel Ltd vs Raj Kumar Banerjee, SC Judgement Dated 7th May 2025. The apex court held that NCLAT has no power to condone delay beyond prescribed period of 45 days to entertain appeal regardless of the reason for delay. Accordingly, order passed by NCLAT condoning delay is ultra vires and liable to be quashed. (SC Judgement Dated 07/05/2025).



NCLAT rejects HDFC Bank appeal to exclude mortgaged units from Resolution Plan:

Case of HDFC Bank vs Atul Kumar Kansal, NCLAT Delhi Judgement Dated 8th April 2025. The appellant tribunal has dismissed an appeal by HDFC Bank Ltd., which sought the exclusion of certain mortgaged units from the resolution plan of a Corporate Debtor undergoing the CIRP. It upheld the Adjudicating Authority's decision, ruling that the Appellant when is not the unit holder or any rights in the units except the mortgage right cannot be heard in asking to exclude the unit. The Adjudicating Authority has rightly observed that the Applicant bank has no locus to object to the resolution plan which already stand approved by the Committee of Creditors. (NCLAT Delhi Judgement Dated 08/04/2025).

I. Reserve Bank of India (RBI)

Investments by Foreign Portfolio Investors (FFPIs) in Corporate Debt Securities through the General Route, Relaxations:

At present, investments by FPIs in corporate debt securities through the General Route are subject to the short-term investment limit and the concentration limit as prescribed in the Master Direction. It has now been decided to withdraw the requirement to comply with the short-term investment limit and the concentration limit. (RBI Notification 35/2025 Dated 08/05/2025).

RBI Digital Lending Directions

2025: RBI has from time to time issued various directions and circulars on digital lending by Regulated Entities (REs). The consolidated directions on the subject have been prepared and issued. It includes instructions regarding Digital Lending, Transparency in Aggregation of Loan Products from Multiple Lenders. It also includes instructions regarding operationalization of the Public Directory of Digital Lending Apps (DLAs). (RBI Notification 36/2025 Dated 08/05/2025).

J. Miscellaneous

SC, Section 34, 47 and 58 of Consumer Protection Act, 2019 prescribing pecuniary jurisdictions are constitutionally

valid: Case of Rutu Mihir Panchal vs Union of India, SC Judgement Dated 29th April 2025. The apex court upholds constitutionality of Sections 34(1), 47(1)(a)(i) and 58(1)(a)(i) of the Consumer Protection Act, 2019 prescribing pecuniary jurisdictions of the district, state and national commissions on the basis of value of goods and services paid as consideration. (SC Judgement Dated 29/04/2025).

Disclaimer:



The contents of this article are for informational purposes only. The user may refer to the relevant notification/ circular/ decisions issued by the respective authorities for specific interpretation and compliances related to a particular subject matter)



CMA Yash Paul Bhola

Ex-Director
(Finance), NFL.

NOTIFICATIONS & CIRCULARS ISSUED DURING WEEK (28TH- 4TH MAY 2025)

A. Income Tax

SAHAJ (ITR 1) and SUGAM (ITR-4) notified for FY 2025-26:

The notification amend the Income Tax Rules. FORM ITR- 1 and ITR-4 will be replaced with new forms in Appendix-II of the existing rules. It include assesseees with only long-term capital gains under section 112A not exceeding Rs 1,25,000 and no brought forward or carry forward losses under that head. (Income Tax Notification 40/2025 Dated 29/04/2025).

ITR Form 3 (for Individuals and HUFs having Income from profits and gains of business or profession) notified for AY 2025-26:

The notification amend the Income Tax Rules. FORM ITR- 5 will be replaced with a new form in Appendix-II of the existing rules. The key changes include a split in the Schedule- Capital Gain for gains before and after 23rd July 2024. Capital loss on share buyback is now allowed if the corresponding dividend income is reported under "Income from Other Sources" for transactions post 1st October 2024. The asset and liability reporting threshold has been increased to Rs 1 crore of total income.



B. GST

Additionally, Section 44BBC (specific to cruise business) has been incorporated, along with enhanced reporting requirements for deductions under Sections 80C and 10(13A), and a mandate to report the TDS section code in Schedule- TDS. (Income Tax Notification 41/2025 Dated 30/04/2025).

ITR Form 5 (for persons other than Individuals, HUF, Company and persons filing ITR-7) notified for AY 2025-26:

The notification amend the Income Tax Rules. FORM ITR- 5 will be replaced with a new form in Appendix-II of the existing rules. (Income Tax Notification 42/2025 Dated 01/05/2025).

Grievance Redressal Mechanism for processing of application for GST registration:

Under the new instructions, applicants whose Application Reference Numbers (ARNs) fall under Central jurisdiction and who face grievances, such as queries raised in contravention of the set procedure or unjustified rejection, may now contact the Zonal Principal Chief Commissioner or Chief Commissioner. CGST Zone is instructed to publicize a dedicated grievance email ID. Applicants should submit grievances including their ARN, jurisdiction (Centre/State), and a brief description of the issue. The directive also requests the GST Council Secretariat to consider implementing a similar mechanism for State jurisdictions. (CGST Instructions 04/2025 Dated 02/05/2025).

Advisory, Reporting of HSN codes in Table 12 and list of documents in table 13 of GSTR-1/1A:

It is mandatory for the taxpayers to report minimum 4 digits or 6 digits of HSN Code in Table-12 of GSTR-1 on the basis of Aggregate Annual Turnover (AATO) in the preceding financial year. These changes are being implemented in a phase-wise manner on GST Portal. The Phase-3 of reporting of HSN codes in Table 12 of GSTR-1 & 1A shall be implemented from May 2025 return period. Further, Table 13 of GSTR-1/1A is also being made mandatory for the taxpayers from the said tax period. (GSTN Advisory Dated 01/05/2025).

Advisory on Biometric-based Aadhaar authentication and document verification for GST registration applicants of Sikkim:

CGST rule was amended which provide for identification of applicants on biometric-based Aadhaar authentication, which includes taking the applicant's photograph and verifying the original documents submitted with the application. The new functionality mandates that after submitting Form GST REG-01, applicants will receive an email with either a link for OTP-based Aadhaar Authentication or a link to book an appointment at a GST Suvidha Kendra (GSK).



It has been rolled out in Sikkim effective from 1st May 2025. (GSTN Advisory Dated 01/05/2025).

HC, Clarifies 'Any Person' under section 122(1A) of GST:

Case of Gurudas Malik Thakur vs CCGST, HC Delhi Judgement Dated 23rd April 2025. HC clarified the scope of liability under the GST framework, particularly concerning company directors involved in fraudulent Input Tax Credit (ITC) claims and tax evasion. The court ruled that the term "any person" under Section 122(1A) of the CGST Act includes both taxable and non-taxable persons. The ruling confirms that even non-taxable persons can be held accountable if they benefit from tax evasion or facilitate GST fraud. (HC Delhi Judgement Dated 23/04/2025).

C. Central Excise

SC, Reclassification unsustainable without furnishing relied upon test reports: Case of Oswal Petrochemicals Limited vs CCE, SC Judgement Dated 28th April 2025. The apex court held that re-classifying products based on the test report, which was leading to consequential differential duty demand, was not furnished to the appellant hence the same was in clear violation of principles of natural justice. Thus, order justifying re-classification cannot be sustained. (SC Judgement Dated 28/04/2025).

D.Custom Duty

Customs notification 50/2017 amended to update bank lists:

The notification revises bank names in the List 34A and List 34B in the annexure to the table of the principal notification. List 34A is for Import of Gold or Silver or both by banks. List 34B is for Import of Gold by banks. (Custom Notification 24/2025 (I) Dated 28/04/2025).

Customs tariff notifications aligned with Finance Act:

The notification amends 13 existing notifications to bring them into conformity with the changes made by the Finance Act, 2025. The modifications primarily involve the substitution or insertion of specific Harmonized System (HS) codes associated with goods, reflecting updated classifications or tariff structures. (Custom Notification 25/2025 (I) Dated 30/04/2025).



Custom notification 04/2025 rescinded by government:

The notification rescinds earlier notification 04/2025 dated 1st February 2025, which relates to exemptions from import duty on certain goods. The rescission will take effect on 1st May 2025. It will not affect any actions already taken or omitted before this date. (Custom Notification 26/2025 (I) Dated 30/04/2025).

Customs Duty Exemptions updated on Rice imports:

The notification amends two earlier notifications 27/2011 and 22/2024. It update the classification and duty exemptions on various categories of rice, especially concerning GI-tagged and milled varieties. A revised entry substitutes the earlier listing with "Parboiled Rice, GI recognised" attracting nil duty. A new entry has been added for "Other Parboiled Rice" also at nil duty. Another entry has been updated to cover "Other Rice, GI Recognised" at nil duty, and a new entry has been introduced for "Semi milled or wholly milled rice whether or not polished or glazed" at nil duty, excluding rice already classified under previous items. (Custom Notification 28/2025 (I) Dated 30/04/2025).

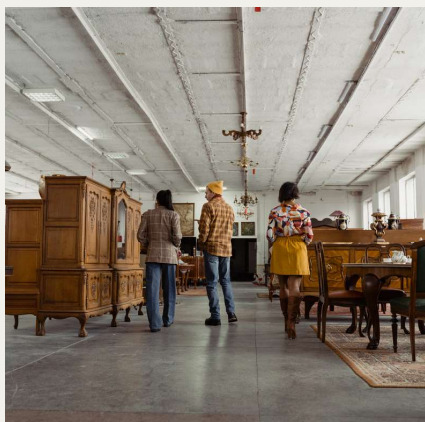
Export Duty on Rice, 20% on Parboiled & Other Varieties:

The notification levy an export duty of 20% on various categories of rice. Specifically, it substitutes the entry for Parboiled Rice, GI recognised, and inserts a new entry for Other Parboiled Rice, both at a 20% duty. Furthermore, it substitutes the entry for Other Rice, GI Recognised, with a 20% export duty and introduces a new entry for Semi-milled or wholly milled rice also with a 20% export duty. (Custom Notification 27/2025 (I) Dated 30/04/2025).



Adjudicating Authority appointed for SVB Provisional Assessment: CBIC has appointed a Common Adjudicating Authority to finalize the provisional assessment in the SVB case concerning M/s Murrplastik India Private Limited. (Custom Notification 31/2025 (NT) Dated 28/04/2025).

India Customs Cooperation and Mutual Administrative Assistance (CMAA) with New Zealand & Madagascar: The notification adds New Zealand and the Republic of Madagascar to the list of contracting states with whom India has such agreements or arrangements. (Custom Notification 32/2025 (NT) Dated 28/04/2025).



Fixation of Tariff Value of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver: CBDT notified the Tariff Values of Edible Oils, Brass Scrap, Areca Nut, Gold and Silver, which shall come into force w.e.f. 1st May 2025. The tariff value for crude palm oil is set at USD 1076 per metric ton, while gold and silver have tariff values of USD 1064 per 10 grams and USD 983 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 6970 per metric ton. (Custom Notification 33/2025 (NT) Dated 30/04/2025).



Customs ADD notifications amended to align with Finance Act: The notification amends three existing anti-dumping duty (ADD) notifications to bring them into conformity with the changes made by the Finance Act, 2025. (Custom Notification 08/2025 (ADD) Dated 30/04/2025).

Custom CVD notification 05/2024 amended to align with Finance Act: The notification amends previous counter-veiling duty (CVD) notification 05/2025 dated 11th September 2024, to bring it in conformity with the changes made by the Finance Act, 2025. (Custom Notification 02/2025 (CVD) Dated 30/04/2025).

Prohibition on import or transit of all goods originating in or exported from Pakistan: DGFT vide notification dated 2nd May 2025, has inserted a para 2.20A in Foreign Trade Policy, regarding prohibition on import from Pakistan stating that "Direct or indirect import or transit of all goods originating in or exported from Pakistan, whether or not freely importable or otherwise permitted, shall be prohibited with immediate effect, until further orders. This restriction is imposed in the interest of national security and public policy. Any exception to this prohibition shall require prior approval of the Government of India." Action may be taken to sensitize officers regarding the said matter. (Custom Instructions 07/2025 Dated 03/05/2025).

E. Directorate General of Foreign Trade (DGFT)

Prohibition on import or transit of all goods originating in or exported from Pakistan:

The notification inserts a new para 2.20A in Foreign Trade Policy, regarding prohibition on import from Pakistan stating that "Direct or indirect import or transit of all goods originating in or exported from Pakistan, whether or not freely importable or otherwise permitted, shall be prohibited with immediate effect, until further orders. This restriction is imposed in the interest of national security and public policy. Any exception to this prohibition shall require prior approval of the Government of India." (DGFT Notification 06/2025 Dated 02/05/2025).

Seek comments on alignment of Schedule-II (Export Policy) with amendments introduced by Finance Act 2025: The proposed amendments include changes to Chapter Notes, HS Codes, and Product Descriptions in the First Schedule of the Customs Tariff Act. The comments/suggestions from stakeholders are invited. (DGFT Trade Notice 04/2025 Dated 29/04/2025).



F. Securities and Exchange Board of India (SEBI)

Amendments to SEBI Infrastructure Investment Trusts Regulations: The change involves a revision to Regulation 18(4), specifically the proviso clause. The existing reference to 'and (v)' has been expanded and replaced with ', (v), (vi), (vii) and (viii)', indicating the inclusion of additional regulatory clauses or conditions. The Regulation 18 relates to Investment conditions and dividend policy. (SEBI Notification Dated 28/04/2025).

Amendments to Securities Contract - Stock Exchange and Clearing Corporation Regulations: The amended provisions allow non-independent directors to be appointed to another recognized stock exchange, clearing corporation, or depository after a cooling-off period specified by the governing board and with prior SEBI approval. Also, a public interest director can be reappointed for another three-year term in a different recognized entity (stock exchange, clearing corporation, or depository) after a cooling-off period set by the governing board and with SEBI's prior approval. (SEBI Notification Dated 30/04/2025).



Amendments to SEBI Depositories and Participants Regulations:

The amended provisions allow non-independent director on a depository's governing board can be appointed to a recognized stock exchange, clearing corporation, or another depository with SEBI's prior approval, but only after a cooling-off period specified by the appointing depository's governing board. Also a public interest director to be reappointed for a further three-year term in another depository, stock exchange, or clearing corporation after a cooling-off period determined by the appointing body, applicable specifically to appointments in competing depositories. [\(SEBI Notification Dated 30/04/2025\)](#).

Amendments to SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations:

The key amendment allows SCORES registration at the trustee level for all special purpose distinct entities they oversee in the case of securitized debt instruments. It also include new clauses 10 and 11, which mandate that special purpose distinct entities or their trustees must annually disclose to the stock exchange any outstanding litigations and material developments concerning the originator, servicer, or any other party involved in the transaction that could potentially harm investor interests. [\(SEBI Notification Dated 29/04/2025\)](#).

Timelines for collection of Margins other than Upfront Margins, alignment to settlement cycle:

The circular relates to collection of margins by Trading Members (TMs) and Clearing Members (CMs) in the cash segment, aligning the timelines with the settlement cycle. TMs and CMs are required to collect all margins (except VaR and ELM) by the settlement day itself, in accordance with the reduced T+1 settlement cycle for cash market transactions. The circular also mandates that TMs/CMs continue to collect upfront VaR margins and ELM before the trade. [\(SEBI Circular Dated 28/04/2025\)](#).

Extension of timeline on optional T+O settlement cycle for Qualified Stock Brokers (QSBs):

The initial circular had mandated that QSBs meeting the active client criteria as of 31st December 2024, should establish the necessary systems and processes for the T+O settlement by 1st May 2025. Based on feedback received from QSBs and subsequent discussions with stock exchanges, clearing corporations, and depositories, SEBI has decided to extend this deadline to 1st November 2025. [\(SEBI Circular Dated 29/04/2025\)](#).

Clarificatory and Procedural changes to aid and strengthen ESG Rating Providers (ERPs):

The circular clarifies the withdrawal process for ESG ratings. For subscriber-pays ERPs, ratings can be withdrawn if no subscribers exist, except for bundled ratings (e.g., indices like Nifty 50), and may also be withdrawn if the issuer lacks a BRSR. For issuer-pays ERPs, ratings of securities may be withdrawn after three years or half the tenure of the security (whichever is higher), with NOC from 75% of bondholders, issuer/entity ratings may be withdrawn after three years. [\(SEBI Circular Dated 29/04/2025\)](#).



Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for Regulated Entities (REs):

The circular details specific criteria and thresholds for each category of RE, such as the number of registered clients and trading volume for stockbrokers, and assets under management (AUM) for portfolio managers and AIFs/VCFs. The circular also mandates the use of a dedicated Hardware Security Module (HSM) for Market Infrastructure Institutions (MIIs) and Qualified REs, while allowing other REs to implement alternatives based on a board-approved risk assessment. (SEBI Circular Dated 30/04/2025).

Facilitation to SEBI registered Stock Brokers to undertake securities market related activities in GIFT- IFSC under SBU:

The circular simplify the process for undertaking securities market activities within the Gujarat International Finance Tech-city – International Financial Services Centre (GIFT-IFSC). The key change is the removal of the requirement for SEBI-registered stock brokers to obtain specific approval to operate in GIFT-IFSC. Instead, brokers can now establish a Separate Business Unit (SBU) within their existing entity to conduct these activities, or the branch itself can qualify as an SBU. To ensure segregation and ring-fencing of activities, stock brokers must maintain an arm's-length relationship between their Indian market operations and the SBU in GIFT- IFSC, keep separate accounts, and maintain distinct net worth. (SEBI Circular Dated 02/05/2025).



Draft Circular on Framework for Orderly Winding Down of Critical Operations and Services of a KYC (Know Your Client) Registration Agency (KRA):

It outline a framework for the orderly winding down of critical operations and services of KYC Registration Agencies (KRAs). The proposed guidelines address scenarios like insolvency, voluntary or involuntary cessation, and regulatory revocation, ensuring service continuity and seamless transfer of activities to a successor entity. KRAs will need to establish a structured mechanism, including identifying potential winding down scenarios, defining critical operations, and creating a standard operating procedure for the process. This SOP should cover record transfer, data security, and communication with stakeholders. The comments/suggestions from stakeholders are invited. (SEBI Consultation Paper Dated 29/04/2025).



Consultation paper on amendment to SEBI ICDR Regulations, proposes demat for IPO shareholders:

It aims to mandate the dematerialization of existing securities for a broader range of shareholders prior to an Initial Public Offering (IPO). The existing regulations require only promoters to hold their shares in demat form before an IPO. The proposed changes would expand this requirement to include promoter groups, selling shareholders, directors, key managerial personnel, senior management, qualified institutional buyers, domestic current employees, shareholders with special rights, registered stock brokers, and non-systemically important Non-Banking Financial Companies (NBFCs). The comments/ suggestions from stakeholders are invited. [\(SEBI Consultation Paper Dated 30/04/2025\)](#).

Consultation Paper on regulatory amendments for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs):

It provides clarification of the definition of "public" for minimum public unitholding, allowing adjustment of negative cash flows at the holding company level with distributions from Special Purpose Vehicles (SPVs) in Net Distributable Cash Flow (NDCF) calculation, and aligning timelines for various report submissions (quarterly reports to stock exchanges and trustees, and valuation reports) with the timelines for submitting quarterly and annual financial results. It also introduces the concept of an Investor Charter for REITs and InvITs. The comments/ suggestions from stakeholders are invited. [\(SEBI Consultation Paper Dated 02/05/2025\)](#).

Consultation Paper on Rationalize the Placement Document used in Qualified Institutions Placement (QIP):

The QIP is a key mechanism for listed companies to raise capital from institutional investors. It highlights that current QIP documentation, requires comprehensive disclosures, including financials, risk factors, and corporate details. However, since listed entities are already obligated to provide regular updates under SEBI LODR Regulations, much of this information is already publicly accessible. It suggests that duplication could be reduced by streamlining the required disclosures in the placement document. The comments/ suggestions from stakeholders are invited. [\(SEBI Consultation Paper Dated 02/05/2025\)](#).

G.Ministry of Corporate Affairs (MCA)

No Notifications/ Circular during the week.

H.Insolvency and Bankruptcy Board of India (IBBI)

SC, Arbitration award pronounced after approval of resolution plan cannot be sustained: Case of Electrosteel Steel Limited vs Ispat Carrier Private Limited, SC Judgement Dated 21st April 2025. The apex court held that arbitration proceeding culminating into award post approval of resolution plan by NCLT is not tenable in law since it loses its jurisdiction to proceed and pronounce arbitral award in view of approved resolution plan. (SC Judgement Dated 21/04/2025).

NCLAT, CIRP based on default falling within prohibited period under section 10A of IBC not maintainable: Case of Royal Construction vs Gannon Dunkerley Limited, NCLAT Delhi Judgement Dated 01/04/2025. The appellate tribunal held that no default falling within the prohibited period of Section 10A of the IBC can form basis for initiating CIRP. Accordingly, section 9 application rightly rejected. (NCLAT Delhi Judgement dated 01/04/2025).

NCLAT, IBC Section 9 application valid despite decree holder not being an operational creditor: Case of Venus Buildtech India Pvt Ltd vs Senbo Engineering Ltd, NCLAT Delhi Judgement dated 12th March 2025. The Adjudicating Authority (AA) had dismissed the application solely on the ground that, having obtained a decree from a civil court for the outstanding operational debt, it could no longer be considered an operational creditor under the IBC. NCLAT emphasised that IBC does not intend to create a separate class of 'decree holders' that would exclude them from being either financial or operational creditors based on the origin of the debt. It set aside the AA order, and revived the application. (NCLAT Delhi Judgement dated 12/03/2025).

NCLAT, CoC can seek multiple modifications to Resolution Plans: Case of Sagar Stone Industries vs Sajjan Kumar Dakania, NCLAT Delhi Judgement dated 28th March 2025. The appellate tribunal clarified that Regulation 39(1A) of the CIRP Regulations,

which restricts the Resolution Professional from permitting plan modifications more than once, does not bind the CoC. The CoC retains the unrestricted right to request revisions or negotiate with resolution applicants multiple times. It stated that the 'challenge mechanism' is an optional tool for the CoC to maximize value and its absence cannot be a valid ground to question the approval of a resolution plan. .(NCLAT Delhi Judgement dated 28/03/2025).

I. Reserve Bank of India (RBI)

Dispensation of Rs 100 and Rs 200 denomination banknotes through ATMs: RBI has issued a directive to all banks and White Label ATM Operators (WLAOs) to increase the availability of Rs. 100 and Rs.200 denomination banknotes through ATMs. The milestones require that 75% of all ATMs must dispense either Rs.100 or Rs.200 notes from at least one cassette by 30th September 2025 and 90% of all ATMs by 31st March 2026. (RBI Notification 33/2025 Dated 28/04/2025).

Processing of Regulatory Authorisations/ Licenses/ Approvals through PRAVAAH:

RBI directs all regulated entities, including banks, financial institutions, NBFCs, payment system operators, credit information companies, and primary dealers, to use the PRAVAAH portal for submitting applications for regulatory authorizations, licenses, and approvals. (RBI Notification 34/2025 Dated 28/04/2025).

Amendments to FEMA Foreign Currency Accounts Regulations:

The Schedule II of the principal regulations is amended in the Annex titled 'Application For Opening Diamond Dollar Account/s'. The amendment replaces the words and figures '2 Years' with 'Three Years' in the first paragraph of the application. (RBI Notification Dated 29/04/2025).

J. Miscellaneous

SC, Power of court to modify

Arbitral award: Case of Gayatri Balasamy vs ISG Novasoft Technologies Limited, SC Judgement Dated 30th April 2025. The apex court held that Indian courts have a "limited power" to modify arbitral awards. The Court delineated specific circumstances under which such modifications are permissible:

1. Severability: To sever the valid portion of an award from its invalid part.
2. Corrections: To rectify clerical, computational, or typographical errors.
3. Post-Award Interest: To adjust post-award interest in certain situations.
- 4.1. Plenary powers of the Court under Article 142: To exercise the Supreme Court's plenary powers under Article 142 of the Constitution to ensure complete justice.

The majority emphasized that while courts can intervene in these limited scenarios, they cannot re-evaluate the merits of the case or act as appellate bodies over arbitral tribunals. (SC Judgement Dated 30/04/2025).

SC, Government can cancel tender to protect state's financial interests:

Case of Principal Chief Conservator of Forest vs Suresh Mathew, SC Judgement Dated 25th April 2025. The apex court held that Government is the protector of financial resources of the state and has every right to cancel/call for fresh tender if it is in the nature of protecting the financial interests of the State. (SC Judgement Dated 25/04/2025).

Disclaimer:

The contents of this article are for informational purposes only. The user may refer to the relevant notification/ circular/ decisions issued by the respective authorities for specific interpretation and compliances related to a particular subject matter)



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