

ANALYSIS OF NOTIFICATIONS & CIRCULARS – AUGUST 2025

(Income Tax, GST, Central Excise, Custom Duty, DGFT, SEBI, MCA, IBBI, RBI)

(Click the Link for Notification/ Circular as issued)



A. Income Tax

Exemptions to Credit Guarantee Fund Trust for Animal Husbandry and Dairying: Credit Guarantee Fund Trust for Animal Husbandry and Dairying, a Trust constituted by Central Government, as part of the Prime Minister's Atma Nirbhar Bharat Abhiyan stimulus package, has been notified under section 10(46) for exemption on its income arising from Guarantee fees, Income from Mutual Funds, Miscellaneous Income and interest on bank deposits.

(Link: [Income Tax Notification 139/2025 Dated 22/08/2025](#))

Exemptions to Karnataka State Building & Other Construction Workers Welfare Board: Karnataka State Building & Other Construction Workers Welfare Board, a board constituted by Government of Karnataka, has been notified under section 10(46) for exemption on its income arising from Government grants, Sums received from other sources, Cess, Fees, Subscriptions and interest on bank deposits.

(Link: [Income Tax Notification 138/2025 Dated 22/08/2025](#))

Exemptions to Kanpur Development Authority: Kanpur Development Authority, an authority constituted under the Uttar Pradesh Urban Planning and Development Act, 1973, has been notified under section 10(46A) for exemption on its income, provided the authority continues to operate for the specified purposes under Section 10(46A) (a) of the Act.

(Link: [Income Tax Notification 137/2025 Dated 21/08/2025](#))

Amendment in Income Tax Rules: CBDT has amended Rule 21AIA to align definition of 'Specified Fund' with Section 10(4D). The term "specified fund," will now carry the same meaning as given in the Explanation to section 10(4D) of the Income Tax Act.

(Link: [Income Tax Notification 135/2025 Dated 20/08/2025](#))



Exemptions to Tamil Nadu Electricity Regulatory Commission: Tamil Nadu Electricity Regulatory Commission, a body constituted by the Government of Tamil Nadu, has been notified under section 10(46) for exemption on its income arising from Government grants, Fees, Penalties and interest on bank deposits.

(Link: Income Tax Notification 134/2025 Dated 19/08/2025)

Amendment in Income Tax Rules for income limit for exemption of perquisites: Rules 3C and 3D has been inserted, which prescribe new income thresholds for claiming exemptions on perquisites. Rule 3C sets the salary income threshold at Rs. 4,00,000 for section 17(2)(iii)(c). It provides that 'Perquisite' include the value of any benefit or amenity granted or provided free of cost or at concessional rate, by any employer to an employee, whose income under the head 'Salaries, exclusive of the value of all benefits or amenities not provided for by way of monetary payment, exceeds (earlier limit fifty thousand rupees).

Rule 3D sets the gross total income threshold at Rs. 8,00,000 for clause (vi) of Proviso to section 17(2) (vi). This Proviso provides that 'Perquisite' does not include any expenditure incurred by the employer on medical treatment outside India, and travel and stay abroad including that of attendant, subject to the condition that the expenditure on travel shall be excluded from perquisite only in the case of an employee whose gross total income, does not exceed (earlier limit two lakh rupees).

Earlier, these limits were provided in the relevant sections of Income Tax Act itself. However, Finance Act 2025 amended these sections to provide 'such amount as may e prescribed'. Thus, these limits have now been prescribed in the Income Tax Rules, effective from Assessment year 2026-27 relevant to Financial year 2025-26.

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(Link: Income Tax Notification 133/2025 Dated 18/08/2025)

CBDT amends Income Tax Rules Form-7 (Notice of demand under section 156 of the Income-tax Act): In Appendix-II, in Form No. 7, in paragraph 1, for the words 'assessment year...a sum', the words 'assessment year..... or the block period.....', has been substituted.

(Link: Income Tax Notification 132/2025 Dated 14/08/2025)

Exemptions to Parambikulam Tiger Conservation Foundation: Parambikulam Tiger Conservation Foundation, a Trust constituted by Government of Kerala, has been notified under section 10(46) for exemption on its income arising from Fees receives for check post entry, visitor accommodation, halting, ecotourism packages, rent fees from canteens, Licence fees, Funds received from Government and NGOs, and interest on bank deposits.

(Link: Income Tax Notification 131/2025 Dated 12/08/2025)



Exemptions to Uttarakhand Pollution Control Board: Uttarakhand Pollution Control Board, a Board constituted under the (i) The Air (Prevention & Control of Pollution) Act 1981 and (ii) Water (Prevention & Control of Pollution) Act 1974, has been notified under section 10(46A) for exemption on its income, provided the authority continues to operate for specified purpose under section 10(46A)(a) of Act.

(Link: Income Tax Notification 130/2025 Dated 07/08/2025)

Exemptions to West Bengal Municipal Development Fund Trust: West Bengal Municipal Development Fund Trust, a Trust constituted by the State Government of West Bengal, has been notified under section 10(46) for exemption on its income arising from interest on bank deposits and interest on term loans to Urban Local Bodies.

[\(Link: Income Tax Notification 129/2025 Dated 01/08/2025\)](#)

Exemptions to All India Council for Technical Education, New Delhi: All India Council for Technical Education, New Delhi, a Council established by the Central Government, has been notified under section 10(46) for exemption on its income arising from Grants received from government, Regulatory charges, RTI and Examination fees, CMAT/GPAT fees, interest on bank deposits and miscellaneous receipts.

[\(Link: Income Tax Notification 128/2025 Dated 01/08/2025\)](#)

Exemptions to Haryana State Pollution Control Board: Haryana State Pollution Control Board, a Board constituted by the State Government of Haryana under the Water (Prevention and Control of Pollution) Act, 1974, has been notified under section 10(46) for exemption on its income arising from Grants received from government, Consent fees, Analysis or survey fees, Authorisation fees, Cess, interest on bank deposits and other specified incomes.

[\(Link: Income Tax Notification 127/2025 Dated 01/08/2025\)](#)

IIT Madras Research Park gets Income Tax approval for scientific research: The Principal Chief Commissioner of Income Tax (Exemptions), has approved IIT Madras Research Park, for 'Scientific Research' under section 35(1)(iia) read with rule 5F of Income Tax, for a period of five years, starting from the AY 2026-27.

It will enable the company to receive certain benefits, related to its scientific research activities.

[\(Link: Income Tax PCCI \(Exemptions\) Notification 01/2025 Dated 27/08/2025\)](#)

Income Tax Act 2025 notified, to apply from 1st April 2026: It will replace the over six-decade-old Income Tax Act 1961, aims to usher in a simpler, more transparent, and compliance friendly direct tax regime. The key changes include, Simplification of legislation, Introduction of Tax Year, Focus on Digital and Faceless administration, No change in tax rates, New tax regime for NPOs.

[\(Link: Income Tax Act 2025 Notification Dated 21/08/2025\)](#)

Taxation Laws Amendment Act, 2025: The Taxation Laws Amendment Act, introduces changes to the Income- tax Act, and the Finance Act, 2025. It provides for tax treatment of specific payments from the National Pension System Trust to subscribers of the Unified Pension Scheme, making certain lump-sum amounts tax-exempt. It extends tax exemptions to the Public Investment Fund of the Government of Saudi Arabia and its subsidiaries under certain conditions. It also amends section 80CCD regarding taxability of receipts from the Unified Pension Scheme, while also addressing transfers between different pension accounts. It also updates the Finance Act to revise the conditions under which tax assessment proceedings are considered abated during a search or requisition.

[\(Link: Taxation Law Amendment Act 2025 Notification Dated 21/08/2025\)](#)



CBDT amends Black Money Act, provide Rs. 20 Lakh asset exemption: The amended instructions relates to prosecution provisions under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015. The extant instructions provide that prosecution would not be initiated for foreign bank accounts with an aggregate balance of up to ₹5 lakh. The new instructions now provide that prosecution proceedings under Sections 49 and 50 of the BMA, 2015, will no longer be initiated for assets (excluding immovable property) where the total value does not exceed ₹20 lakh at any point during the relevant previous year.

[\(Link: CBDT Instructions Dated 18/08/2025\)](#)

SC, Proceedings under section 144C has to be concluded within limitation prescribed under section 153(3): Case of ACIT vs Shelf Drilling Ron Tappmeyer Ltd, SC Judgement Dated 8 th August 2025. The apex court held that time consumed for concluding the proceeding under section 144C (Reference to dispute resolution panel) has to be subsumed within the limitation prescribed under section 153(3) (Time limit for completion of assessment, reassessment and re-computation) of the Income Tax Act. If orders are not made within time stipulated under section 153(3), then there would be no final assessment order and return as filed by the assessee would have to be accepted.

[\(Link: SC Judgement Dated 08/08/2025\)](#)

HC, Consideration for use of computer software through EULAs/ distribution agreement is not royalty: Case of CIT International Taxation vs Xiacom (NZ) Ltd, HC Delhi Judgement Dated 12 th August 2025. HC held that consideration for the resale/use of computer software through EULAs (End User Licence Agreement) /distribution agreement is not Royalty for the use of copyright of the computer software and hence doesn't give rise to any taxable income in India. Hence, TDS under section 195 not deductible.

[\(Link: HC Delhi Judgement Dated 12/08/2025\)](#)

HC, TDS on CAM charges fall under section 194C not 194I: Case of CIT vs Diamond Tree, HC Delhi Judgement Dated 6 th August 2025. Common Area Maintenance (CAM) payment shall be liable to deduct TDS under Section 194C not under Section 194I. The CAM charges are essentially maintenance charges paid by a unit for proper maintenance of the common area.

The said charges are contributed towards expenditure on cleanliness, utilities and maintenance. These charges are shared expenses for common works and utilities. The said charges cannot, by any stretch, be construed as payment of rent for occupying the premises in question.

[\(Link: HC Delhi Judgement Dated 06/08/2025\)](#)

HC, Prosecution in ₹700 Cr Accommodation Entry Case upheld: Case of Raj Kumar Kedia vs ITO, HC Delhi Judgement Dated 23 rd July 2025. The accused modus operandi involved manipulating share prices of listed companies through dummy entities, routing unaccounted cash, and charging a commission for these services. The Income Tax Department estimated that he dealt with over Rs. 700 crores in unaccounted transactions, earning undisclosed commission income of approximately Rs. 14 crores. The court upheld prosecution for accommodation entry racket to proceed. The prosecution for tax offences can proceed independent of completion of assessment.

[\(Link: HC Delhi Judgement Dated 23/07/2025\)](#)

HC, Arbitral award for Offshore Supplies is Business Income, not taxable under DTAA: Case of CIT vs Fujitsu Limited, HC Delhi Judgement Dated 8 th July 2025. High Court has upheld the decision of ITAT, declaring that an arbitral award received by respondent, a Japan-based tax resident, for non- payment of offshore supplies constitutes business income and is therefore not taxable in India under Article 7 of the India-Japan Double Taxation Avoidance Agreement (DTAA).

[\(Link: HC Delhi Judgement Dated 08/07/2025\)](#)



B. GST



Extension of GSTR-3B due date in few districts of Maharashtra: In view of the natural calamity caused by heavy rains, the due date of GSTR-3B for the July-2025 tax period has been extended from 20th August, 2025 to 27th August, 2025 for Mumbai (City), Mumbai (sub-urban), Thane, Raigad and Palghar districts of Maharashtra.

([Link: CGST Notification 12/2025 Dated 20/08/2025, GSTN Advisory Dated 21/08/2025](#))

GST Advisory, System Enhancement for Order-Based Refunds: As per the available functionality, taxpayers could claim refunds under the category “On _____ account of Assessment/Enforcement/Appeal/Revision/Any Other Order” (ASSORD).

The following changes have been implemented in the system:

- Refunds can now be claimed irrespective of the Demand ID status.
- Refunds are allowed even when the cumulative balance is positive or zero, provided any minor head has a negative balance.
- Only negative balances will be auto-populated in the refund application (Form RFD-01), taxpayers cannot claim any refund for the positive amounts within the demand.

- **Order Number Suggestions:** The system automatically suggests the most recent demand order associated with a negative balance such as order-in-original, rectification order or appellate order etc.

- **Tooltips:** Clear guidance is provided near the Order No. and Demand ID fields to help taxpayers enter the correct details.

A comprehensive user manual and FAQs will be shared shortly.

([Link: GSTN Advisory Dated 28/08/2025](#))

GST NIC Advisory, Updated Aggregate Annual Turnover (AATO) on NIC-IRP Portal: It is informed that Aggregate Annual Turnover (AATO) information maintained on NIC e- Invoice Portals (einvoice1.gst.gov.in and invoice2.gst.gov.in) is being aligned with the turnover data computed in GST system. Accordingly, AATO as per GST system records would be reflected on the NIC e - Invoice portals with effect from 1st September 2025. In case of any discrepancies in your AATO as displayed on the IRP portal after the said date, you may raise the matter with GST Grievance Redressal Portal or GST Helpdesk.

([Link: NIC Advisory Dated 11/08/2025](#))



E-Way Bill Portals Get Enhanced Interoperability: The National Informatics Centre (NIC) has announced an enhancement of interoperable services between the E-Way Bill 1 and E-Way Bill 2 portals. At present, these services only allow for updating Part B and getting E-Way Bill details. The new functionalities include the first-time updating of Part B for Part A slips, allowing users to complete a bill's details regardless of the portal it was initiated on. It also now enables the extension of an E-Way Bill's validity and the updating of transporter details from either portal.

(Link: [GST NIC Advisory Dated 05/08/2025](#))

AAAR declares I-Tech Plast Advance Ruling void for Non-Disclosure: Case of I-Tech Plast India Limited, AAAR Gujarat Ruling Dated 31 st July 2025. The Appellate Authority has dismissed an appeal, upholding the Gujarat Authority for Advance Ruling's (GAAR) decision to declare an earlier GST advance ruling void. The authority concluded that the company had failed to disclose material facts in its application.

(Link: [AAAR Gujarat Ruling Dated 31/07/2025](#))

AAAR allows ITC on Vertical continuous (VCV) Tower Construction: Case of KEI Industries Limited, AAAR Gujarat Ruling Dated 31 st July 2025. The Appellate Authority set aside the Gujarat Authority for Advance Ruling's (GAAR), and held that the applicant is eligible to avail ITC on inputs and input services used for construction of concrete tower to support and erect VCV lines at the factory of the applicant, for manufacture of EHV cables.

(Link: [AAAR Gujarat Ruling Dated 31/07/2025](#))

AAR, GST on PVC Raincoats classified under HSN 392620 at 18% GST: Case of Waterproof Products Manufacturers & Traders Welfare Association, AAR West Bengal Ruling Dated 22 nd August 2025.

AAR ruled that the HSN code for raincoat made of PVC sheet is 392620. The GST tax rate on supply of PVC raincoat will be covered by Entry no. 111 of Schedule III and tax rate will be 9% CGST + 9% SGST.

(Link: [AAR West Bengal Ruling Dated 22/08/2025](#))

AAR Clarification of GST on Hotel American/ Continental plans and restaurant services: Case of Orsino Hotels & Resorts LLP, AAR West Bengal Ruling Dated 22 nd August 2025. AAR ruled that under the American Plan (AP) or Continental Plan (CP), the food component will have no separate treatment for the purpose of taxation, since it is clearly a case of "composite supply". If the total value of the combined supply (accommodation and food) exceeds Rupees Seven thousand five hundred it will be taxable under serial no. 7(vi) and the tax rate will be 9% CGST + 9% SGST

-- In the case the separate restaurant services provided in the hotel premises to walk-in guests will be taxable under serial no. 7 (ii), since the hotel premises is not a 'specified premises' for financial year 2025-26 as per data furnished by the applicant. In that case the tax rate will be 2.5% CGST + 2.5% SGST subject to the condition prescribed in column 5 of the table in the said notification for financial year 2025-26.

(Link: [AAR West Bengal Ruling Dated 22/08/2025](#))

AAR, GST Rate on accommodation services provided to RBI Staff: Case of Orsino Hotels & Resorts LLP, AAR West Bengal Ruling Dated 22 nd August 2025. AAR ruled that the accommodation services provided by the applicant to RBI having room tariff of less than Rs.7500 per day per unit, as part of the contract for providing accommodation (rooms) services to RBI staff, are taxable at the rate of 12% under GST.

(Link: [AAR West Bengal Ruling Dated 22/08/2025](#))



AAR, Non-Edible Castor Oil classified under HSN 1518, IGST @5%: Case of Vinayak Agro Industries, AAR Gujarat Ruling Dated 22 nd August 2025. AAR ruled that the output of applicant is Castor Oil (non-edile), classifiable under HSN 1518 and is leviable to IGST @ 5% in terms of serial no 90 of Schedule I of notification 1/2017 Dated 28th June 2027.

([Link: AAR Gujarat Ruling Dated 22/08/2025](#)).

AAR, Employee Dormitory accommodation is not supply, ITC allowed: Case of Suzuki Motor Gujarat Pvt Ltd, AAR Gujarat Ruling Dated 22 nd August 2025. AAR ruled that GST is not liable to be discharged on the portion of amount recovered by the applicant from its permanent employees towards the accommodation facilities provided to them. GST is liable to be discharged on the portion of amount recovered by the applicant from student trainees towards the accommodation facilities provided to them.

-- The applicant is eligible to avail ITC in respect of GST charged by the ASP for the accommodation facilities provided to permanent employees. The ITC is restricted to the extent of cost borne by the applicant. The applicant is also eligible to avail ITC in respect of GST charged by the ASP for accommodation facilities provided to student trainees.

([Link: AAR Gujarat Ruling Dated 22/08/2025](#)).

AAR, Diagnostic Kits manufactured by the applicant are classifiable under HSN 3002, subject to 5% GST rate: Case of Beacon diagnostics Pvt Ltd, AAR Gujarat Ruling Dated 22 nd August 2025. AAR ruled that three specific diagnostic test kits manufactured by Beacon Diagnostics P Ltd. are classified under HSN 3002, a category for pharmaceuticals, and are subject to a 5% GST rate. The ruling stemmed from a dispute over whether the kits should be classified under HSN 3002 (Agglutinating Sera) or HSN 3822 (diagnostic kits and reagents), which carries a higher tax rate.

([Link: AAR Gujarat Ruling Dated 22/08/2025](#)).



AAR, Freedeem App Vouchers not supplies, TCS collection under GST required: Case of DSoft Innovations LLP, AAR Gujarat Ruling Dated 22 nd August 2025. AAR ruled that Freedeem App is an electronic commerce operator under GST and must obtain mandatory registration. RCM does not apply for restaurant services through the platform. It further clarified that voucher transactions via Freedeem App are neither supply of goods nor services, but TCS collection under section 52 is required.

([Link: AAR Gujarat Ruling Dated 22/08/2025](#)).

AAR, ITC not allowed on Electrical Works for factory expansion: Case of Shibaura Machine Private Limited, AAR Tamil Nadu Ruling Dated 18 th August 2025. AAR ruled that the taxes under GST paid on the electrical installation work carried out for expansion of factory for manufacturing activity is not eligible for availment of Input Tax Credit (ITC) by the applicant, as it is blocked under Sections 17(5)(c) and 17(5)(d) of the CGST Acts.

([Link: AAR Tamil Nadu Ruling Dated 18/08/2025](#)).

AAR, M-Sand, Blue Metal & Bricks purchases not liable to GST under RCM: Case of Amman Blue Metals, AAR Tamil Nadu Ruling Dated 18 th August 2025. AAR ruled that purchase of M-Sand, P-Sand, Boulders, Blue Metals and Bricks, Hollow Bricks from unregistered person are not liable to reverse charge mechanism as per Section 9(3) or 9(4) of the CGST Act.

([Link: AAR Tamil Nadu Ruling Dated 18/08/2025](#)).

AAR, Classification of various models of ACER Interactive flat Panels with additional features: Case of Acer India Private Limited, AAR Tamil Nadu Ruling Dated 12 th August 2025. The applicant in the course of its business, undertakes supply of various models of 'Acer' Interactive Flat Panels within India either after importing them as finished goods or getting them manufactured on contract basis through third parties. AAR ruled that various models of ACER Interactive flat Panels with additional features are still classifiable under 85285900 (Monitors and Projectors, not incorporating television reception apparatus). The applicable rate of GST is 28%.

([Link: AAR Tamil Nadu Ruling Dated 12/08/2025](#)).

AAR, GST Advance Ruling cannot decide classification of Imports: Case of Sundaram Industries Private Limited, AAR Tamil Nadu Dated 4th August 2025. The company, which manufactures defence equipment, sought to clarify the classification for goods it imports. The AAR determined that its jurisdiction is limited to providing rulings on the classification of outward supplies, i.e. goods or services sold by the applicant, as per Section 95(a) of CGST.

[\(Link: AAR Tamil Nadu Ruling Dated 04/08/2025\)](#)

The supply of the product of the applicant being marketed as Cattle feed, which is ready for direct consumption as cattle feed, but used as an ingredient for higher nutritive value is not eligible for exemption.

[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

AAR clarifies GST on Artificial Turf and Sports Flooring: Case of New Horizon Development Company Private Limited, AAR Karnataka Ruling Dated 28th July 2025.



AAR, Cake Gel is miscellaneous edible preparation & attracts 18% GST: Case of AB Mauri India Private Limited, AAR Karnataka Ruling Dated 28th July 2025. AAR ruled that the product 'Cake Gel' merits classification under HSN 21069099 and thus is exigible to GST @18%, in terms of entry number 23 of Schedule III to notification 01/2017 (Rate) dated 28th June 2017.

[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

AAR clarifies GST Exemption for Cattle Feed Supplies: Case of Bhageerathi Foods, AAR Karnataka Ruling Dated 28th July 2025. AAR ruled that the supply of the product of the applicant being marketed as Cattle feed, which is supplied for directly feeding to animal (i.e. supply to end user as Cattle Feed/Direct consumption as Cattle Feed) is eligible for exemption in terms of serial number 102 of notification No. 2/2017 (Rate), dated 28th June 2017.

AAR ruled that the pure supply of Artificial Turf/Artificial Grass and other sports flooring merits classification under chapter heading 5703 and attracts 12% GST in terms of entry number 144 of notification 1/2017 (Rate) dated 28th June, 2017. The supply and installation of Artificial Turf/Artificial Grass and other sports flooring in the nature of works contract merits classification under SAC 9854 and is exigible to GST @18% in terms of entry 3(xii) of the Notification 11/2017 (Rate) dated 28th June 2017.

[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

AAR, Classification of Motor Vehicle Seat Parts Under GST: Case of Fine Tools India Pvt Ltd, AAR Karnataka Ruling Dated 28th July 2025. AAR ruled that the parts of Seats of a kind used for motor vehicles are classifiable under Tariff heading 9401 (Specifically under Tariff Heading 9401 90 00) and attract GST rate of 18%, in terms of entry number 435A of Schedule III to the Notification 1/2017 (Rate) dated 28th June 2017.

[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

AAR, GST on Skill Development Services: Case of Ethuns Consultancy Services Private Limited, AAR Karnataka Ruling Dated 28 th July 2025. AAR ruled that the exemption under entry number 72 of Notification 12/2017 (Rate) dated 28 th June 2017 is not applicable to the applicant. The income earned from Karnataka Skill Development Corporation by implementing skill development program “Kalike Jothage Kaushalye” under the CMKKY scheme of Govt. of Karnataka, is a taxable supply of services.

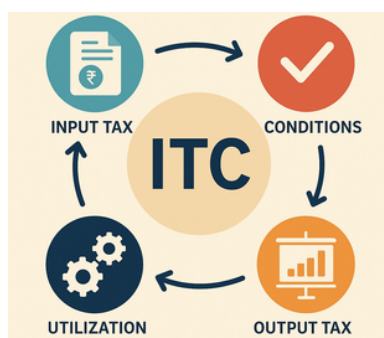
[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

AAR, GST Exemption for Kalvi Career Education Services: Case of Kalvi Career Education Pvt Ltd, AAR Karnataka Ruling Dated 28 th July 2025. AAR ruled that the applicant is eligible for exemption under entry no. 69 of Notification 12/2017 (Rate), dated 28 th June 2017, on the services provided by the applicant to the students at Kalvium campus/ at Partner Universities’ campus in relation to the “Market led Pee-based Services Scheme” implemented by National Skill Development Corporation.

[\(Link: AAR Karnataka Ruling Dated 28/07/2025\)](#)

SC, Mobile telecom towers to be ‘plant and machinery’, thereby allowing input tax credit (ITC) under GST: Case of Commissioner CGST vs Bharti Airtel, SC Judgement Dated 08th August 2025. The crux of the dispute was whether telecom towers, often affixed to land or rooftops, qualify as immovable property, which is blocked from ITC under Section 17(5) of the CGST Act, 2017, or as plant and machinery, which is specifically excluded from the definition of blocked credit. The Delhi HC had earlier ruled in favour of Bharti Airtel and other petitioners, holding that telecom towers fall within the scope of plant and machinery and are eligible for ITC. The apex court upheld decision of HC.

[\(Link: SC Judgement Dated 08/08/2025\)](#)



SC, GST Parallel proceedings, summons not trigger section 6(2)(b) bar: Case of Armour security (India) Ltd vs Commissioner, SC Judgement Dated 14th August 2025. The apex court has provided crucial clarity on the interpretation of Section 6(2) (b) of the CGST Act. It addresses the persistent ambiguity surrounding the “initiation of proceedings” and “same subject matter” in the context of parallel investigations and/ or proceedings by the Central and State tax authorities. The Court held that summons issued under Section 70 will not amount to “initiation of proceedings” within the meaning of Section 6(2)(b) of the CGST Act.

[\(Link: SC Judgement Dated 14/08/2025\)](#)

SC, CGST Provisional attachment not renewable after one year: Case of Kesari Nandan Mobile vs AC State Tax, SC Judgement Dated 14 th August 2025. Section 83(1) of the CGST Act authorizes the Commissioner to attach property provisionally if it is deemed necessary to protect the revenue, but section 83(2) explicitly states that such provisional attachment shall cease to have effect after the expiry of one year from the date of the order. The apex court held that the revenue did not have legal authority to re-issue or renew provisional attachment orders after the initial order had lapsed by operation of law. Consequently, the attached bank accounts must be de-frozen, and the appellant should be permitted to operate them.

[\(Link: SC Judgement Dated 14/08/2025\)](#)

SC upholds mandatory pre-deposit for appeals: Case of Triveni Engineers vs Assessing Authority CT and GST, SC Judgement Dated 4 th August 2025. The apex court upheld the dismissal of appeal due to the appellant failure to comply with the mandatory pre-deposit requirement. The Petitioner had filed an appeal against an assessment order but had failed to deposit the mandated 20% of the disputed tax as required under GST Act.

[\(Link: SC Judgement Dated 04/08/2025\)](#)

SC, Supreme Court confirms 5% GST for Flavoured Milk: Case of Union of India vs Heritage Foods Limited, SC Judgement Dated 17 th July 2025. The apex court has dismissed the Union of India plea to levy a 12% GST on flavoured milk, upholding the existing 5% rate. The court referenced its prior dismissal of a similar petition (SLP(C) No. 17602 of 2025 on May 9, 2025). The court confirmed that flavoured milk should be classified under Item 04030000, attracting a 5% tax.

[\(Link: Supreme Court Judgement Dated 17/07/2025\)](#)



HC, Provisional attachment of bank accounts unsustainable once statutory appeal with pre-deposit filed: Case of Benito Operations and Technologies Pvt Ltd vs Dy Excise and Taxation Commissioner, HC Delhi Judgement Dated 18 th August 2025. The Court noted that Section 107(7) of CGST Act provides an automatic stay of the recovery of the balance demand upon filing of an appeal with the prescribed pre-deposit. Since the respondent admitted that an appeal was filed and pre-deposit made, there was no justification to maintain the attachment of the petitioner's bank accounts.

(Link: HC Delhi Judgement Dated 18/08/2025)

HC, SCN Limitation under Section 73 GST is 3 Months, Not 90 Days: Case of Tata Play Limited vs Sales Tax Officer, HC Delhi Judgement Dated 29 th July 2025. High Court has ruled on the interpretation of the limitation period for issuing a Show Cause Notice (SCN) under Section 73 of the CGST Act. The court held that Limitation Period for issuance of SCN be interpreted as '3 Calendar Months' and not as 90 days.

(Link: HC Delhi Judgement Dated 29/07/2025)

HC, Allows adjustment of GST Cash Ledger deposits towards tax liability in liquidation: Case of Satyadevi Alamuri vs AC of GST and CE, HC Madras Judgement Dated 28 th July 2025. The Court observed that there was no dispute that the petitioner had deposited the amounts contemporaneously with tax liability for the disputed period.

The inability to debit the ledger and file returns was due to procedural/technical restrictions, not deliberate default. Under Section 49 of CGST Act, cash ledger deposits are akin to Govt receipts from the moment of deposit. The Court directed department to appropriate amounts already deposited in Electronic Cash Ledger towards petitioner's tax dues.

(Link: HC Madras Judgement Dated 28/07/2025)

HC, Interest on delayed refunds under Section 56 is automatic and statutory: Case of Xilinx India technology Services vs AC State Tax, HC Delhi Judgement Dated 28 th July 2025. The Court held that Section 56 of the CGST Act clearly mandates payment of interest on delayed refunds if refunds are not granted within 60 days of the date of receipt of the refund application. The interest under Section 56 is automatic and statutory, it does not depend upon the taxpayer's explicit claim for interest in the refund application. The Court directed the respondents to calculate and pay interest at the statutory rate of 6% per annum from the day immediately after expiry of the 60 day period from the refund application date until the date the refund amount was credited to the petitioner's bank account.

(Link: HC Delhi Judgement Dated 28/07/2025)

C. Central Excise



SC, Pre-Deposit mandatory for Excise appeal, Financial hardship no excuse: Case of Altafhusen Mayuddin Khatri vs Union of India, SC Judgement Dated 8 th August 2025. The apex court held that Pre-Deposit is must to file appeal and financial hardship cannot be a valid reason to waive or reduce mandatory pre-deposit required for filing an appeal.

([Link: SC Judgement Dated 08/08/2025](#)).

D. Custom Duty



Customs Duty exemption on Raw Cotton extended till 31st Dec 2025: The notification extends the period of customs duty exemption on imported raw cotton to 31st December 2025, allowing continued duty-free import of raw cotton for an additional three months.

(Link: Customs Notification 36/2025 (T) Dated 28/08/2025)

Exemption to Cotton Imports from Customs Duty: The notification provides exemption on the import of cotton until 30 th September 2025. It exempts all forms of cotton falling under heading 5201 of the First Schedule to the Customs Tariff Act, from the full customs duty and the Agriculture Infrastructure and Development Cess (AIDC).

(Link: Customs Notification 35/2025 (T) Dated 18/08/2025)

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. 30 th August 2025. The tariff value for crude palm oil is set at USD 1060 per metric ton, while gold and silver have tariff values of USD 1097 per 10 grams and USD 1257 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 7463 per metric ton.

(Link: Customs Notification 52/2025 (NT) Dated 29/08/2025)

Customs revises Duty Drawback Rates for Gold & Silver Jewellery/Articles: The notification revises the Assessable Indian Rate (AIR) for specified tariff items in Chapter 71. For tariff item 711301 (Articles of jewellery and parts thereof, made of gold), the duty drawback figure has been increased from Rs 335.50 per gram to Rs 466.76 per gram. Similarly, for tariff items 711302 and 711401 (Articles/ Jewellery of Silver), the figures have been revised from Rs 4468.10 per Kg to Rs 5234.00 per kg. These changes are intended to update the drawback amounts payable to exporters of gold and silver jewellery seeking duty drawback benefits.

(Link: Customs Notification 51/2025 (NT) Dated 25/08/2025)



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. 15 th August 2025. The tariff value for crude palm oil is set at USD 1030 per metric ton, while gold and silver have tariff values of USD 1083 per 10 grams and USD 1246 per kilogram, respectively. The tariff value for areca nuts is fixed at USD 7463 per metric ton.

(Link: Custom Notification 50/2025 (NT) Dated 14/08/2025)

Extension of Anti-Dumping Duty on Fluoroelastomers (FKM) Imports: The notification extends the anti-dumping duty on imports of Fluoroelastomers (FKM) from China until 26 th February 2026. The review process is underway.

(Link: Customs Notification 29/2025 (ADD) Dated 19/08/2025)

Extension of Anti-Dumping Duty on Toluene Di-isocyanate (TDI) Imports: The notification extends the anti- dumping duty on Toluene Di-isocyanate (TDI) imports from the European Union and Saudi Arabia until 1 st March 2026. The review process is underway.

(Link: Customs Notification 28/2025 (ADD) Dated 19/08/2025)

Anti-Dumping Duty on Flax Fabric extended: The notification extends the anti- dumping duty on ,Woven Fabric', also known as 'Flax Fabric', imported from China PR and Hong Kong. The review has been conducted under the Customs Tariff Act. The anti-dumping duty shall remain in effect until 9 th February 2026.

(Link: Customs Notification 27/2025 (ADD) Dated 06/08/2025)

Anti-dumping Duty on 'Black Toner in powder form' originating in or exported from China, Malaysia and Taiwan: Anti-dumping Duty has been imposed on imports of 'Black Toner in powder form' originating in or exported from China, Malaysia and Taiwan and imported into India. The anti-dumping duty shall be effective for a period of five years.

(Link: Customs Notification 26/2025 (ADD) Dated 04/08/2025)

Customs Settlement Commission Chairman, Vice Chairman and Members cease to hold office: The notification specifies the date as 1 st August 2025, on which the Chairman, Vice-Chairman, or Member of the Commission will cease to hold office. It formalizes the end of tenure for these officials, in alignment with the third proviso of rule 7 of the Customs and Central Excise Settlement Commission (Recruitment and Conditions of Service of Chairman, Vice-Chairmen and Members) Rules, 2015.

(Link: Custom Notification 02/2025 Dated 01/08/2025).

Customs Instruction regarding duties on gifts and personal imports through Courier and Postal mode: There is widespread public and trade grievances and confusion about the duty structure for gifts and personal imports, as well as the required Know Your Customer (KYC) documentation. CBIC has instructed all Customs Zones to create and publish a Frequently Asked Questions (FAQ) document on their websites. This FAQ must clarify the duty calculation, applicable fees, KYC requirements, and the grievance redressal mechanism.

(Link: Customs Instructions 28/2025 Dated 27/08/2025).

Validation of BIS registration at time of clearance: The instruction mandate all customs officers to verify the validity of Bureau of Indian Standards (BIS) registration for certain imported goods before clearing them. They must now check the BIS-CRS website to confirm that the registration number is valid. They are also required to verify that the manufacturer's name, model number, and manufacturing location match the details on the website. This new procedure applies to all items that fall under the Compulsory Registration Order.

(Link: Customs Instructions 27/2025 Dated 26/08/2025).

Guidelines regarding export of items suspected to be covered under SCOMET: Due to the technical nature of Special Chemicals, Organisms, Materials, Equipment and Technologies (SCOMET) items, exporters and field formations often face difficulties in determining their classification. The guidelines clarifies that the DGFT has an Inter-Ministerial Working Group (IMWG) responsible for making the final determination on SCOMET classifications.

To streamline the process, the CBIC has created an online repository of SCOMET clarifications and instructs customs officers to refer to it first. If a classification remains ambiguous, the matter should be referred to the Customs-III section in the Customs Policy Wing.

(Link: Custom Instructions 26/2025 Dated 14/08/2025).

Customs notifies Authorised Officers and entry points for Food Imports: The new instruction update the list of authorized officers and entry points for food imports. These are based on recent notifications from the Food Safety and Standards Authority of India (FSSAI). The FSSAI has reviewed its policy and added six new entry points for food imports. These new points include LCS Darrangain in Assam, SEZ- MEPZ in Chennai, ICD Raipur in Chhattisgarh, two SEZs in Bharuch, Gujarat (Jubilant and HBS Panoli), and Bhubaneswar Air Cargo in Orissa. The authorized officers at these locations will include FSSAI officials as well as customs personnel e.g. Superintendents, Appraisers, Inspectors, and Examiners.

(Link: Customs Instructions 25/2025 Dated 06/08/2025).



SC sets aside redemption fine for No breach of Bonded Warehouse Licence conditions: Case of Commissioner of Customs vs Ganesh Benzoplast Limited, SC Judgement Dated 14 th August 2025. The Revenue had alleged violations, including the storage of non-bonded goods, non-reporting of expired bonds, and a lack of proper audit trails. However, the CESTAT had previously set aside these penalties, noting that all of the company's actions were conducted with explicit permissions from customs authorities and under their supervision. The Bombay High Court affirmed the same, stating that no substantial question of law existed to challenge the CESTAT's factual findings. SC affirmed the judgments, reinforcing that penalties and fines cannot be imposed when a company operates in accordance with permissions granted by the very authority.

(Link: SC Judgement Dated 14/08/2025).

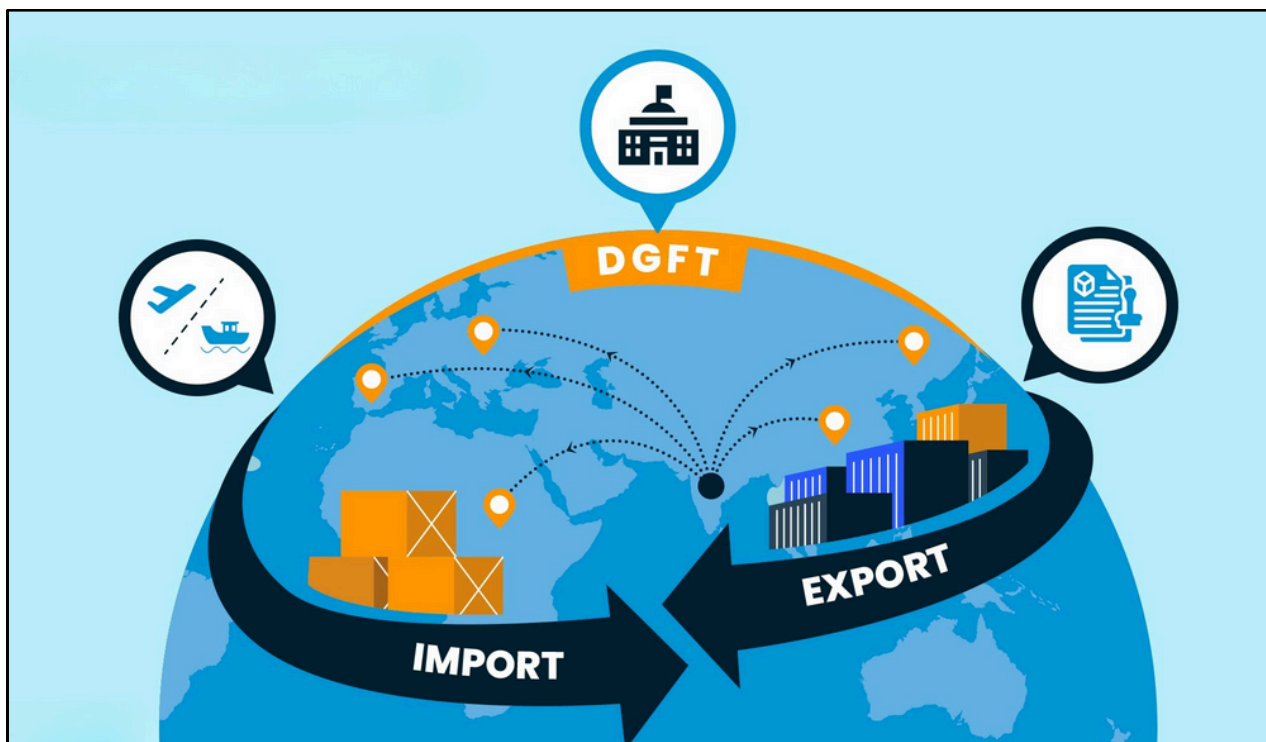
HC upholds CA certificate for Customs Duty Refund: Case of Principal Commissioner of Customs vs Nokia India Sales Pvt Ltd, HC Delhi Judgement Dated 7 th July 2025. High Court affirmed that an Adjudicating Authority cannot decline a refund of excess customs duty if a Chartered Accountant's certificate is provided, attesting that the duty's incidence was not passed on to the consumers.

([Link: HC Delhi Judgement Dated 07/07/2025](#)).

Amendment of Minimum Export Price (MEP) on export of Honey: The Minimum Export Price (MEP) on export of Natural Honey is revised from USD 2000 Per Metric Tonne to USD 1400 Per Metric Tonne till 31 st December 2025.

([Link: DGFT Notification 27/2025 Dated 22/08/2025](#)).

E. Directorate General of Foreign Trade (DGFT)



Extension of Export Obligation period for Advance Authorisation imports: The notification relates to imports with Advance Authorisation (AA) that are subject to mandatory Quality Control Orders (QCOs), specifically those from the Department of Chemicals & Petrochemicals (DCPC). Previously, these businesses had a 180 days (six month) deadline to fulfill their export obligations after the imported goods were cleared. The amendment extends the export obligation period to 18 months.

([Link: DGFT Notification 28/2025 Dated 28/08/2025](#)).

Amendment in Import Policy condition, imposes minimum price on paper board imports: The notification imposes a Minimum Import Price (MIP) of INR 67,220 per metric ton on the Cost, Insurance, and Freight (CIF) value for the import of Virgin Multi-layer Paper Board (VPB). It applies to specific HS codes within Chapter 48, including 48059100, 48059200, 48059300, 48109200, and 48109900. This import condition will remain in effect until 31st March 2026.

([Link: DGFT Notification 26/2025 Dated 22/08/2025](#)).

Amendment in Diamond Import Authorization policy: Directorate General of Foreign Trade (DGFT) has issued a notification amending the Foreign Trade Policy (FTP) to modify regulations for the Diamond Imprest Authorization. The amended rules provide that, exporters applying for the authorization can now submit a Chartered Accountant's certificate if their latest Income Tax Return (ITR) is not yet finalized, provided they submit proof of the ITR by 31 st December of the application year. It also removes the exemption from Integrated Tax and Compensation Cess for imports under this authorization. Imports will continue to be exempt from various other duties, including Basic Customs Duty and Anti-dumping Duty.

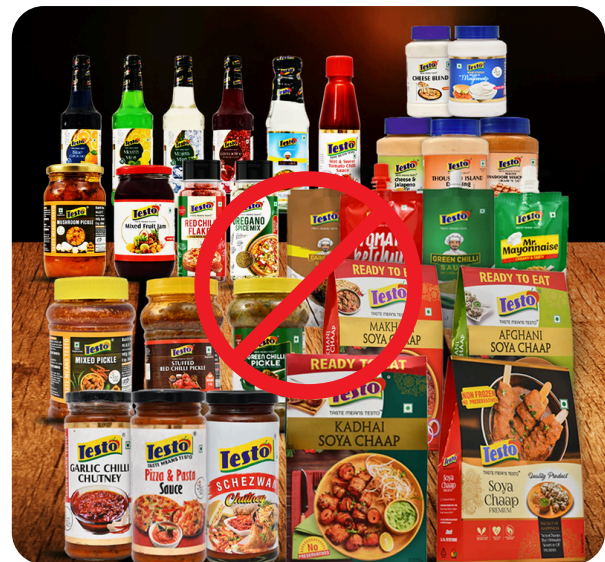
([Link: DGFT Notification 25/2025 Dated 19/08/2025](#)).

Port restriction on import of certain goods from Bangladesh to India: Under this new provisions, the import of certain jute-related products, including bleached and unbleached woven fabrics, twine, cordage, ropes, and sacks, will no longer be permitted through any land port on the India-Bangladesh border. Instead, these goods can only be imported through the Nhava Sheva Seaport.

([Link: DGFT Notification 24/2025 Dated 11/08/2025](#)).

Suspension of SIONs pertaining to food products: The Public Notice suspends the Standard Input Output Norms (SIONs) for a list of specific food products, ranging from various confectionery and biscuits to rice, refined mustard oil, and several starches and food ingredients. Entities that export these products can no longer use the suspended SIONs to determine the quantity of duty-free inputs they can import for export production. Instead exporters can apply for benefits under the Advance Authorisation scheme by utilizing alternative methods to fix their input-output norms. These include either submitting a self-declaration based on specific consumption or getting a fixed norm from the relevant Norms Committee.

([Link: DGFT Public Notice 20/2025 Dated 26/08/2025](#)).



Fixation of new SIONs No. A- 3693 & A-3694

under Chemical and Allied Product: DGFT has introduced two new Standard Input Output Norms (SIONs) under the 'Chemical and Allied Product' category. SION A-3693 specifies the raw material quantities for the export of Minoxidil Topical Aerosol 5% (Foam), allowing for the import of 3.06 grams of Minoxidil USP per one number of the finished product. SION A-3694 sets the norms for Benfotiamine, permitting the import of 0.922 kg of Thiamine Hydrochloride (Vitamin B1 HCL) for every 1 kg of the export product..

([Link: DGFT Public Notice 19/2025 Dated 22/08/2025](#)).

Allocation of quantity 5,841 MT of Sugar by EU for export from India under TRQ: The quantity of 5,841 MT Sugar to be exported to European Union (EU) from India under Tariff Rate Quota (TRQ) for the year 2025-26 (Oct 2025 to Sep 2026) has been notified.

([Link: DGFT Public Notice 18/2025 Dated 01/08/2025](#)).

Revision of Active SIONs pertaining to food items: It has been observed that some existing SIONs of food items, contain generic input descriptions, while in other cases, the quantities of alternative inputs are not specified clearly. The Norms Committee, considering the sensitivity of food related exports and imports, has decided to review specific SIONs including E-1, E-4, E-5, E-7, E-38, E-46, E-75, E-76, E-77, E-100, E-101, E-102, E-127, E-132, and E-133, along with the general notes associated with them. The comments/ feedback from stakeholders are invited.

([Link: DGFT Trade Notice 11/2025 Dated 27/08/2025](#)).

F. Securities and Exchange Board of India (SEBI)



Amendment to SEBI Foreign Portfolio Investors Regulations: The amendments introduce exemptions for a specific category of FPIs. Those FPIs that invest exclusively in Government Securities will be exempt from certain compliance requirements under Regulation 4 and Regulation 22 of the original regulations, thus encouraging more foreign capital flow into India's government debt market.

(Link: SEBI Notification Dated 11/08/2025)

Amendments to SEBI Research Analysts Regulations: The amendments alter the requirements for deposits maintained by research analysts. It replaces Regulation 8(2), mandating that the form and manner of the deposit be specified by the Board. A new sub-regulation (3) is also inserted, which requires that this deposit be marked with a lien in favour of a body or corporate entity recognized by SEBI for the administration and supervision of research analysts.

The deposit can be utilized if a research analyst fails to pay dues arising from arbitration or conciliation proceedings under an Online Dispute Resolution Mechanism or other specified mechanisms.

(Link: SEBI Notification Dated 04/08/2025)

Amendments to SEBI Investment Advisers Regulations: The notification amends Regulation 8, which deals with the deposits that investment advisers are required to maintain. It provides that the deposit must now be held in a form or manner specified by SEBI. Further, a new sub-regulation (3) has been added, which mandates that the deposit must be marked with a lien in favour of a SEBI-recognized body responsible for the administration and supervision of investment advisers. This deposit can be used to pay for any dues that an investment adviser fails to settle, particularly those arising from online dispute resolution or other specified mechanisms.

(Link: SEBI Notification Dated 04/08/2025)

Master Circular for Debenture Trustees: It consolidates all existing circulars regarding regulation of Debenture Trustees into a single document. It supersedes previous individual circulars, but any actions taken under those rescinded circulars remain valid. It outlines the procedures for online registration and payment, including digital payment methods. It details the process for obtaining prior approval for a change in control, clarifying that certain transfers of shares among immediate relatives or through transmission will not be considered a change in control. It also clarifies the process for the transfer of business between legal entities and the voluntary surrender of a certificate of registration.

([Link: SEBI Master Circular Dated 13/08/2025](#)).

Extension of timelines for Compliance to Digital Accessibility: The Securities and Exchange Board of India (SEBI) has issued a circular to extend the compliance timelines. This decision was made in response to requests from various Regulated Entities (REs) who needed more time to meet the requirements. The circular extends several compliance deadlines for its Digital Accessibility Circular earlier issued on 31st July 2025. The submission of initial compliance reports and a list of digital platforms are extended to 30th September 2025. The deadline for appointing an accessibility professional as an auditor is extended to 14th December 2025. Audits for digital platforms now have a new deadline of 30th April, 2026. The deadline for remediating audit findings is now 31st July 2026. The circular also updates the reporting authority for Investment Advisers (IAs) and Research Analysts (RAs) from BASL and SEBI, respectively, to BSE Ltd.

([Link: SEBI Circular Dated 29/08/2025](#)).

Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs): The circular addresses various queries from REs and updates the guidelines to ensure a robust and clear implementation of the framework. A key part of the new circular is the introduction of the 'Principle of Exclusivity' and 'Principle of Equivalence' for entities that are regulated by multiple bodies, such as the SEBI and the Reserve Bank of India. These principles aim to streamline compliance by limiting the scope of the CSCRF to systems exclusively used for SEBI-related activities and by accepting equivalent cybersecurity measures followed under another regulator's framework.

It also updates the categorization thresholds for Portfolio Managers and Merchant Bankers.

([Link: SEBI Circular Dated 28/08/2025](#)).

Relaxation in timeline to submit net worth certificate by Stock Brokers to offer margin trading facility to their clients: The deadlines has been revised for stock brokers to submit their half-yearly net worth certificates. Previously, brokers offering margin trading facilities were required to submit auditor confirmed net worth certificates by 30th April and 31st October for the periods ending 31st March and 30th September, respectively. Under the new rules, the deadline for the certificate as of 31st March has been extended to 31st May, while the deadline for the certificate as of 30th September is now 15th November. This provides brokers with more time to complete the required certifications.

([Link: SEBI Circular Dated 26/08/2025](#)).

Extension of timeline for Margin Pledge System implementation: The circular regarding 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System', has a new implementation date of 10th October 2025. The depositories i.e. CDSL and NSDL, have requested for the extension of timeline to complete system developments, conduct thorough end-to-end testing, and ensure a seamless transition for all market participants and investors.

([Link: SEBI Circular Dated 18/08/2025](#)).

Use of Liquid MFs and Overnight MFs for compliance with deposit requirement by IAs and RAs: The circular allows registered Investment Advisers (IAs) and Research Analysts (RAs) to use units of liquid mutual funds and overnight mutual funds to meet their deposit requirements. The deposits must be marked with a lien in favour of the respective supervisory bodies, the IAASB or RAASB.

([Link: SEBI Circular Dated 12/08/2025](#)).





Review of Framework for conversion of Private Listed InvIT into Public InvIT: The modified framework align the minimum unitholding and lock-in periods for sponsors and their groups with the requirements specified in Regulations 12(3), 12(3A), and 12(5) of the InvIT Regulations. Further, the circular clarifies that the procedure and disclosure requirements for the public offering of units during this conversion process will now be the same as those for a follow-on offer.

([Link: SEBI Circular Dated 08/08/2025](#)).

Transaction Fees for Mutual Fund Distributors abolished: SEBI has abolished the transaction charges previously paid to Mutual Fund distributors. The rationale for the removal is the recognition that distributors, acting as agents, are entitled to be remunerated by the AMCs.

([Link: SEBI Circular Dated 08/08/2025](#)).

SEBI Mandates Joint Annual Inspections for MIIs: The circular mandate joint annual inspections of stock brokers and other market intermediaries by all Market Infrastructure Institutions (MIIs), including stock exchanges and depositories. It will reduce the frequency of separate inspections that disrupt routine operations. The circular also introduces a new set of criteria for selecting entities for inspection, focusing on the top 25 firms with high and recurring penalties, a high number of investor complaints, or a high-risk score under a risk-based supervision framework.

Entities not meeting these criteria will be inspected at least once every three years.

([Link: SEBI Circular Dated 07/08/2025](#)).

Review, Appeal or Waiver of penalty requests emanating out of actions taken by the Member Committee: The circular modify the procedure for handling requests for review, appeal, or waiver of penalties within Market Infrastructure Institutions (MIIs), which include stock exchanges, clearing corporations, and depositories. Under the revised framework, requests against penalties imposed by an Internal Committee (IC) or through pre-approved policies will continue to be reviewed by the Member Committee (MC). However, any requests for a review, appeal, or waiver of a penalty that was directly imposed by the MC itself will now be handled by a new mechanism established by the MII's Governing Board. This new body will consist of Public Interest Directors and/or Independent External Professionals who are not part of the MC.

([Link: SEBI Circular Dated 05/08/2025](#)).



G. Ministry of Corporate Affairs (MCA)



Amendment to Companies Incorporation Rules:

The key change by this amendment is the substitution of the current Form No. RD-1 with a new version of the form. The Form RD-1 is used for filing application to Central Government (Regional Director) under Incorporation Rules and Compromises, Arrangements and Amalgamations Rules.

(Link: [MCA Notification Dated 26/08/2025](#))

Amendment to Companies Indian Accounting Standards Rules:

The changes include revised application of Ind AS 101 for first-time adopters regarding lease classification. Ind AS 107 and Ind AS 7 include new disclosure requirements for supplier finance arrangements, allowing user to assess their impact on liabilities and cash flows. Ind AS 1 now contains refined criteria for classifying liabilities as current or non-current, specifically addressing the effect of covenants and the right to defer settlement. The amendments to Ind AS 12 introduce an exception for deferred tax related to Pillar Two income taxes from global tax reform and mandate new disclosures about a company's exposure to this tax.

(Link: [MCA Notification Dated 13/08/2025](#))

Companies Act, 2013 not applicable in Sikkim:

MCA has clarified that the Companies Act 2013, does not currently apply to the state of Sikkim. In Rajya Sabha debate in 2013, the then Corporate Affairs Minister committed to consulting the Sikkim government before implementing the new law. The Ministry has repeatedly sought consent from the Sikkim government to proceed, but a response has yet to be received. Contrary to the assumption that the 1961 Act has been diluted, it remains in effect in the state of Sikkim.

(Link: [MCA Reply to Rajya Sabha Question, Dated 19/08/2025](#))



H. Insolvency and Bankruptcy Board of India (IBBI)

Insolvency and Bankruptcy Board of India (IBBI)



Amendment to IBBI Continuing Professional Education (CPE) for Insolvency Professionals Guidelines: The key changes include an increase in the mandatory CPE credit hours to 30 per calendar year, a requirement that does not apply in the year an IP is registered. A new provision mandates that a minimum percentage of these credits must be earned through in-person learning programs, starting at 40% in 2026 and increasing to 60% by 2028. The amendments also introduce new ways to earn credit hours, such as publishing articles or books and passing professional examinations.

(Link: IBBI Notification Dated 13/08/2025)

SC, Acknowledgment of debt saves section 95 IBC plea, from limitation bar: Case of Vipin Shersingh Agarwal vs State Bank of India, SC Judgement Dated 8 th July 2025. The apex court agreed with the NCLAT's finding that acknowledgment of debt in the corporate debtor's balance sheets, coupled with a clause in the guarantee deed linking such acknowledgments to the guarantor, extended the limitation under Section 18 of the Limitation Act. Thus, the court dismissed the appeal challenging an application filed under Section 95 of IBC.

(Link: SC Judgement Dated 08/07/2025)

SC, Commercial wisdom of CoC must be given primacy during CIRP: Case of Sincere Securities Private Limited vs Chadrakant Khemka, SC Judgement Dated 5 th August 2025. The apex court held that the commercial wisdom of the CoC must, accordingly, be given primacy during the CIRP. Once CoC decides that retention of the possession of the subject property was not in the interest of the CIRP, that decision must be given the respect that is lawfully due to it.

(Link: SC Judgement Dated 05/08/2025)

SC, Entry in balance sheet amounts to valid acknowledgment of debt: Case of ILFS Financial Srvices Limited vs Adhunik Meghalaya Steels Private Limited, SC Judgement Dated 31 st July 2025. The apex court ruled that entry in a company's balance sheet amounts to a valid acknowledgment of debt under Section 18 of the Limitation Act, 1963 and allowed the plea of IL&FS for a default of Rs 55.45 crore.

(Link: SC Judgement Dated 31/07/2025)

NCLAT, Order set aside as reasonable and sufficient opportunity as required under NCLT Rules not granted: Case of Calcutta Cricket & Football Club vs Karan Sigh Grewal, NCLAT Delhi Judgement Dated 8 th August 2025.

The appellate tribunal held that NCLT order deserved to be set aside since it is unreasoned order, and further the reasonable and sufficient opportunity has not been granted as envisaged in Rule 37 of NCLT Rules (Deals with notice to opposite party), and hence the same is in violation of principles of natural justice.

(NCLAT Delhi Judgement Dated 08/08/2025).

NCLAT, Application by financial creditor under IBC maintainable for any default subsequent to section 10A period: Case of Mani Gupta vs HDFC Bank Ltd, NCLAT Delhi Judgement Dated 4 th August 2025. The appellate tribunal held that application under section 7 (Initiation of corporate insolvency resolution process by financial creditor) of the Insolvency and Bankruptcy Code is duly admissible since default occurred subsequent to section 10A (Suspension of initiation of corporate insolvency resolution process) period. Accordingly, order upheld and appeal dismissed.

(NCLAT Delhi Judgement Dated 04/08/2025).

NCLAT, Application under section 9 of IBC rejected due to pre-existing dispute arising out of contract termination: Case of Morex Corporation Limited vs Jindal Poly Films Ltd, NCLAT Delhi Judgement Dated 24 th July 2025. The appellate tribunal upheld that the dismissal of section 9 application under the Insolvency and Bankruptcy Code due to a case of pre-existing dispute arises out of termination of contract. Accordingly, the appeal rejected.

(Link: NCLAT Judgement Dated 24/07/2025).

NCLAT, Allowability of extended time to Liquidator beyond 90 days was justifiable due to external circumstances: Case of Sushil Jejani vs Pasad Dharap, NCLAT Delhi Judgement, Dated 18 th July 2025. Since there were compelling circumstances which constrained the Liquidator from securing the sale consideration of the auction land within 90 days such as special circumstances arising out of the conversion imbroglio, restraint orders of the Hon'ble Bombay High Court and IAs pending before the Adjudicating Authority. Thus, there was no infirmity in the order of the Adjudicating Authority in allowing further time to the SAP to make balance payment.

(Link: NCLAT Judgement Dated 18/07/2025).

NCLAT, Moratorium does not apply to any payment by co-applicant, direction of reversal of amount not sustained: Case of ICICI Bank Ltd vs Chanchal Dua, NCLAT Delhi Judgement Dated 16 th July 2025. The appellant tribunal held that amount having not been received from the corporate debtor, there was no applicability of Section 14 of the IBC and moratorium was not applicable with regard to any payment by co-applicant. Thus, direction of adjudicating authority for reversal of amount is not sustainable.

(Link: NCLAT Judgement Dated 16/07/2025).

NCLAT, CIRP of Corporate Debtor closed as possession of flats handed over to all homebuyers: Case of Satish Chander Verma vs Grand Reality Pvt Ltd, NCLAT Delhi Judgement Dated 15 th July 2025. The appellate tribunal closes the Corporate Insolvency Resolution Process (CIRP) of corporate debtor since construction of flats is completed and possession is handed over to all claimant homebuyers and there is no claimant left.

(Link: NCLAT Delhi Judgement Dated 15/07/2025).



NCLAT allows CIRP withdrawal amidst revival efforts: Case of Udit Harish Seth vs Bank of Baroda, NCLAT Delhi Judgement Dated 11 th July 2025. The appellant tribunal has permitted the withdrawal of Corporate Insolvency Resolution Process (CIRP) proceedings against M/s SE Transstadia Pvt. Ltd., acknowledging a government backed revival plan and the consensus among financial creditors. Thus, it halts the insolvency process initiated by the Bank of Baroda.

(NCLAT Delhi Judgement Dated 11/07/2025).

NCLAT dismisses appeal against CIRP admission, allows settlement via Section 12A: Case of Lal Chand Morani vs Satyendra Prasad Khamia, NCLAT Delhi Judgement Dated 2nd July 2025.

The appellate tribunal has dismissed an appeal filed by petitioner against an order that initiated the Corporate Insolvency Resolution Process (CIRP) against him. The tribunal, however, advised the appellant to seek a withdrawal of the insolvency proceedings by filing an application under Section 12A (Withdrawal of application admitted under section 7, 9 Or 10) of the Insolvency and Bankruptcy Code.

(NCLAT Delhi Judgement Dated 11/07/2025).



NCLAT, One Time Settlement (OTS) with Guarantors does not extinguish Debt of Corporate Debtor: Case of Puneet Resutra vs Jammu & Kashmir Bank Limited, NCLAT Delhi Judgement Dated 3rd July 2025. The Appellate Tribunal ruled that the liability of a corporate debtor is not discharged by releasing its guarantors, especially when the bank expressly reserves its right to proceed against the corporate debtor under the Insolvency and Bankruptcy Code (IBC). It found that the corporate debtor's liability remained due to the lack of a waiver or 'No Dues' certificate and that the guarantors' One-Time Settlement (OTS) was a private arrangement that did not extinguish the bank's claim against the main borrower.

(Link: NCLAT Judgement Dated 03/07/2025).

NCLAT vacates status quo, upholds corporate debtor's right to replace voluntary liquidator: Case of Vinod Singh vs Chandra Prakash Jain, NCLAT Delhi Judgement Dated 30th May 2025.

The appellate tribunal decisively settled the scope of judicial intervention under Section 59 (Voluntary liquidation of corporate persons) of the Insolvency and Bankruptcy Code. It held that once a corporate debtor has lawfully replaced a voluntary liquidator through a board resolution and shareholder approval, the Adjudicating Authority (NCLT) cannot impose a status quo order to retain the ousted liquidator. It held that the NCLT intervention was without jurisdiction and violative of the regulatory framework which confers full control of liquidator appointments and removals upon the corporate debtor itself.

(NCLAT Delhi Judgement Dated 30/05/2025).

NCLAT, No authorized correspondence stated settlement of cost incurred against license fee payable to Corporate Debtor: Case of Wakai Hospitality Private Limited vs Palak Desai, NCLAT Delhi Judgement Dated 28th May 2025. The appellate tribunal held that no authorized correspondence brought on record which states that there was agreement between appellant and corporate debtor to cost incurred by appellant would be settled against license fee payable to Corporate Debtor. Thus, argument of appellant rejected.

(Link: NCLAT Judgement Dated 28/05/2025).

IBBI suspended RP Chandra Prakash Jain for filing liquidation without compliance of CIRP Regulations: The DC noted that, RP failed to place statutory requirements before the CoC despite the CoC's decision to liquidate the Corporate Debtor. It ordered suspension of authorisation for assignments for six months.

(Link: IBBI DC Order Dated 20/08/2025).

IBBI reject RTI appeal on GVR Infra Resolution Plan: The appellant sought a copy of the final resolution plan for GVR Infra Projects Ltd., which was approved by the NCLT. The Central Public Information Officer (CPIO) had denied the request, citing that the resolution plan was confidential and exempt from disclosure under Section 8(1)(d) of the RTI Act due to it containing commercial and trade secret information. The First Appellate Authority (FAA) upheld the decision, stating that the resolution plan is confidential in nature and its disclosure could harm the competitive position of a third party.

(Link: IBBI FAA Order Dated 26/08/2025).

I. Reserve Bank of India (RBI)



Updates on UNSC Sanctions List Under UAPA Compliance: MEA has informed about the UNSC amendments on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities, which are subject to the assets freeze, travel ban and arms embargo. Regulated Entities (REs) are advised to take note for necessary compliance in terms of Master Directions on KYC.

(Link: RBI Notification 76/2025 Dated 25/08/2025).

RBI Know Your Customer (KYC) Directions ensure no rejection for Persons with Disabilities:

The amendment provides that no application for onboarding or KYC up dation is rejected for persons with disabilities, mandating that reasons for rejection must be officially recorded. It also clarifies that KYC verification is required for occasional international money transfers or any related transactions amounting to Rs. 50,000 or more. Furthermore, the amendments officially recognize Aadhaar Face Authentication as a valid method for customer identification. Liveness checks, which are part of the digital verification process, are also required to be non-exclusionary for individuals with special needs.

(Link: RBI Notification 75/2025 Dated 14/08/2025).

RBI mandates Alternative KYC verification methods for Disabled Customers: RBI has issued directions to comply with the Supreme Court's order dated April 30, 2025, in *Pragya Prasun vs Union of India* and *Amar Jain vs Union of India*. It focuses on ensuring accessibility in the digital Know Your Customer (KYC) process for persons with disabilities, particularly those with visual impairments or facial disfigurements. Customer due diligence and onboarding can be conducted using video-based customer identification processes (V-CIP) without mandatory eye-blinking requirements. Paper-based KYC must also continue as an accessible alternative for those unable to complete digital procedures.

(Link: RBI Notification 74/2025 Dated 14/08/2025).

Introduction of Continuous Clearing and Settlement on Realisation in Cheque Truncation System: RBI has announced a transition for the Cheque Truncation System (CTS) from its current batch processing model to a new "continuous clearing with settlement on realisation" system, to be implemented in two phases. Under the new system, there will be a single, continuous presentation session from 10:00 AM to 4:00 PM, during which banks will send scanned cheque images to the clearing house. Drawee banks will then have a continuous confirmation session from 10:00 AM to 7:00 PM to process and confirm or dishonour cheques.

The new rules specify an “Item Expiry Time” for each cheque, i.e. if confirmation is not provided by the drawee bank within this time, the cheque will be considered approved. Settlement will now occur hourly, from 11:00 AM onwards, based on positive confirmations. Presenting banks are then required to release funds to customers within one hour of successful settlement.

[\(Link: RBI Notification 73/2025 Dated 13/08/2025\).](#)

Investment in Government Securities by Persons Resident Outside India through Special Rupee Vostro account: RBI has allowed non-resident individuals and entities with Special Rupee Vostro Accounts (SRVAs) to invest their surplus funds in Central Government Securities, including Treasury Bills. This measure, effective immediately, is designed to facilitate international trade settlements in Indian Rupees.

[\(Link: RBI Notification 72/2025 Dated 12/08/2025\).](#)

International Trade Settlement in Indian Rupees (INR): RBI has issued directions to simplify international trade settlements conducted in Indian Rupees (INR). Authorised Dealer (AD) Banks are now permitted to open Special Rupee Vostro Accounts (SRVAs) for overseas correspondent banks without seeking prior approval from the RBI.

[\(Link: RBI Notification 71/2025 Dated 05/08/2025\).](#)

RBI Non-Fund Based Credit Facilities Directions 2025: The RBI (Non-Fund Based Credit Facilities) Directions 2025, consolidate and harmonize guidelines for non-fund based (NFB) facilities like guarantees and letters of credit. The document outlines a comprehensive framework for issuing NFB facilities, requiring a robust credit policy, and establishes specific conditions for guarantees and co-acceptances, including a ban on guaranteeing inter-company deposits. A key inclusion is a detailed framework for Partial Credit Enhancement (PCE) to improve the credit ratings of corporate bonds, allowing regulated entities to participate in and broaden infrastructure financing.

[\(Link: RBI Notification 140/2025 Dated 06/08/2025\).](#)

RBI Co-Lending Arrangements Directions 2025: The RBI (Co-Lending Arrangements) Directions 2025 to provide a comprehensive framework governing co-lending between regulated entities (REs), including commercial banks (excluding SFBs, RRBs, LABs), All-India Financial Institutions, and NBFCs (including Housing Finance Companies).

-- It clarifies that co-lending involves formal agreements between an originating RE and a partner RE to jointly fund loan portfolios with risk and revenue sharing. The key provisions include a minimum 10% loan share to be retained by each RE, detailed disclosure of roles in loan agreements, adherence to KYC norms, and a mandatory escrow mechanism for fund flows. The co-lending loans will follow borrower-level asset classification rules, and any default by one RE must be mirrored in the partner RE's books. Digital lending remains governed by RBI's Digital Lending Directions, but if such loans involve co-lending, both frameworks apply.

[\(Link: RBI Notification 139/2025 Dated 06/08/2025\).](#)

Framework for Responsible and Ethical Enablement of Artificial Intelligence (FREE-AI) in the Financial Sector: RBI has published committee report from its Committee to develop a FREE-AI in the Financial Sector. The framework is built on seven core principles, or “sutras,” which include Trust, People First, Innovation over Restraint, and Fairness. The recommendations are organized under six pillars, i.e. Infrastructure, Policy, Capacity, Governance, Protection, and Assurance. For innovation enablement, it include establishing a shared data infrastructure, creating an AI Innovation Sandbox, and developing indigenous financial sector-specific AI models. For risk mitigation, it recommends that regulated entities (REs) create board-approved AI policies, enhance cybersecurity, and ensure robust governance frameworks throughout the AI lifecycle.

[\(Link: RBI Committee Report, Press Release Dated 13/08/2025\).](#)

Withdrawal of Rs 2000 Denomination Banknotes Status: The Reserve Bank of India (RBI) had announced the withdrawal of Rs 2000 denomination banknotes from circulation vide Press Release dated 19 th May 2023. These notes can be exchanged/deposited/ send through India Post from any post office in the country, to any of the 19 RBI Issue Offices for credit to their bank accounts in India. The ₹2000 banknotes continue to be legal tender. The total value of Rs 2000 banknotes in circulation, which amounted to Rs 3.56 lakh crore, has declined to Rs 6017 crore as at the close of business on December 31, 2023. Thus, 98.31% of the banknotes has since been returned.

[\(RBI Press Release Dated 01/08/2025\).](#)

J. Miscellaneous



Promotion and Regulation of Online Gaming Act, 2025: The Promotion and Regulation of Online Gaming Act aims to create a structured and secure legal framework for the online gaming sector. It distinguishes between different types of online games, such as e- sports, educational games, and online social games. It prohibits all forms of online money games and associated advertisements, as well as the facilitation of financial transactions related to them. It establishes an Authority on Online Gaming to oversee the sector, provide policy support, and ensure compliance. The Act is intended to protect vulnerable populations from financial and psychological harm, safeguard financial systems, and ensure public order and national security .

(Link: Online Gaming Act Notification Dated 22/08/2025)

EPFO hikes death relief fund ex-Gratia to Rs 15 lakh: The Employees' Provident Fund Organisation (EPFO) has raised the ex-gratia amount under the Death Relief Fund for Central Board employees from Rs 8.8 lakh to Rs 15 lakh, effective from April 1, 2025. This amount will be provided to the nominee or legal heirs of employees who die while in service and will be disbursed from the Staff Welfare Fund. Further, this ex-gratia amount shall be increased by 5% every year starting from 1 st April 2026.

(Link: EPFO Circular Dated 19/08/2025)

EPFO Simplifies Aadhaar Seeding and Correction in in UAN: The Employees' Provident Fund Organisation (EPFO) has simplified the process of seeding and correcting Aadhaar details within a member's Universal Account Number (UAN). When a member's name, gender, and date of birth in their UAN match their Aadhaar details, employers can directly seed the Aadhaar without needing separate approval from the EPFO. For cases with a mismatch or an incorrect Aadhaar number, employers can use a simplified Joint Declaration functionality to submit correction requests to the regional office for approval by an Assistant Provident Fund Commissioner (APFC). If an employer is unavailable or the company is closed, members can submit a physical Joint Declaration form, attested by a specified authority, to the nearest regional office.

(Link: EPFO Circular Dated 13/08/2025)

SC, Supreme Court issues directions on delayed High Court Judgments: Case of Ravindra Pratap Shahi vs State of UP, SC Judgement Dated 25 th August 2025. The apex court ordered, directing Registrar General of each High Court to furnish to the Chief Justice of the High Court, list of cases where judgment reserved is not pronounced within a time bound manner.

(Link: Supreme Court Judgement Dated 25/08/2025)

SC, Budgetary Support Scheme is Unit-Specific & not Ownership-Specific: Case of Union of India vs Zydus Wellness products Limited, SC Judgement Dated 28 th July 2025. The case centered on whether a manufacturing unit's eligibility for budgetary support is lost if its ownership or corporate identity changes. The apex court upheld High Court ruling that the Budgetary Support Scheme (BSS) is 'unit- specific'. The special leave petition filed by the Union of India is dismissed.

([Link: SC Judgement Dated 28/07/2025](#)).

SC, MSME must notify lending bank about eligibility to get benefit of framework: Case of Shri Swami Samarth Construction & Finance Solutions vs Board of Directors of NKGSB Coop Bank Ltd, , SC Judgement Dated 28 th July 2025. The apex court held that Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises does require MSME to notify the lending bank by producing authenticated and verifiable documents/material to show its eligibility to get the benefit of the said Framework.

([Link: SC Judgement Dated 28/07/2025](#)).

SC, Power-of-attorney holder who signs sale deed would become executant- matter referred to larger bench: Case of G Kalawathi ai vs G Shashikala, SC Judgement Dated 15 th July 2025. The apex court held that by merely signing a document on behalf of the principal, a power-of-attorney holder does not lose his status as an agent of that principal and become the 'executant' in his own right. However, it further ruled that the said issue requires to be addressed and conclusively settled by a larger Bench.

([Link: SC Judgement Dated 15/07/2025](#)).

HC, Legal representative of deceased guarantor liable to make pre-deposits under section 21 of RDB Act: Case of Suman Sirivastava vs Union Bank of India, HC Delhi Judgement Dated 24 th July 2025. The court held that liability of deceased guarantor to repay debt shall fall upon legal representative. Hence, petitioner being legal representative of deceased guarantor is liable to make pre- deposits as envisaged in section 21 of the Recovery and Debts and Bankruptcy Act, 1993 (RDB Act).

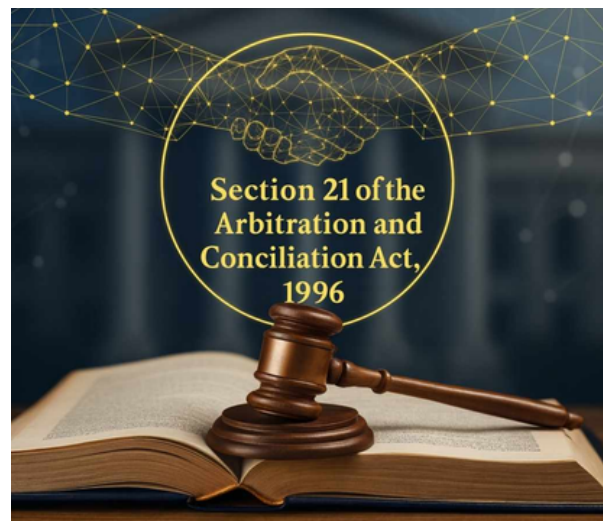
([Link: HC Delhi Judgement Dated 24/07/2025](#)).

HC, Criminal proceedings under section 138 of Negotiable Instrument Act does not extinguish with extinguishment of debt under IBC: Case of Charandeep Singh Jolly vs CB Healthcare, HC HP Judgement Dated 16 th July 2025. The court held that extinguishment of debt under IBC would not ipso facto apply to extinguishment of criminal proceedings under section 138 of the Negotiable Instruments Act (NI Act).

([Link: HC HP Judgement Dated 16/07/2025](#)).

HC, Unilaterally appointment of arbitrator by an interest party is vitiated: Case of Sandeep Mahajan vs Mahindra and Mahindra Financial Services, HC Delhi Dated 10th July 2025. The Court held that any award passed by an arbitrator unilaterally appointed by an interested party is vitiated. Accordingly, ex-parte arbitral award passed is liable to be set aside.

([Link: HC Delhi Judgement Dated 10/07/2025](#)).



HC, Notice sent under section 21 of Arbitration & Conciliation Act by invoking arbitration agreement is valid invocation: Case of Prism Johnson Limited vs Doosan Power Systems India Pvt Ltd, HC Delhi Judgement Dated 9 th July 2025. The court held that there was no requirement to resort to Clause 25(c) of General Terms and Conditions (GTC) to formally notify the Indian Council of Arbitration (ICA) for appointment of the Arbitrator and notice sent by invoking arbitration agreement under section 21 of the Arbitration and Conciliation Act, 1996 is valid invocation.

([Link: HC Delhi Judgement Dated 09/07/2025](#)).

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