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INCOME TAX

1. Relaxation of time for processing ITR of AY 2023-24

The Board has relaxed the timeframe for processing the returns of AY 2023-24 filed under section 139, for which the date of sending intimation under section 143(1) has lapsed. The Board has directed that the intimation under section 143(1) shall be sent to the assessee concerned by November 30, 2025.

2. Notified 10-year zero-coupon bonds

The Central Government has notified the 10-year zero-coupon bond issued by the National Bank for Agriculture and Rural Development (NABARD) as eligible under section 2(48) of the Income-tax Act. These bonds totaling Rs. 19,500 crores, will be issued by March 31, 2027.

INCOME TAX

3. Guidelines for compulsory selection of returns for Complete Scrutiny

The Central Board of Direct Taxes (CBDT) issued detailed guidelines on the selection of income tax returns for compulsory scrutiny during the Financial Year 2025-26. The directions aim to ensure that tax returns are thoroughly examined in cases where there's a higher risk of tax evasion or non-compliance.

As per the directions, the returns under scrutiny shall include those of cancelled NGOs, trusts, taxpayers with a history of large income addition, and cases where input is received from investigative agencies during the financial year.

COMPANIES ACT

1. Relaxation for filing forms due to transition from V2 to V3

MCA via General Circular No. 01/2025 dated June 16, 2025, has granted a onetime relaxation in additional fees for filing 13 specific e-forms due to the transition of the MCA21 portal from Version 2 (V2) to Version 3 (V3). During the system migration period, from June 18, 2025, to July 13, 2025, these forms will be temporarily unavailable for submission. To ease the transition and avoid penalizing stakeholders, filings where the due date or resubmission date falls between June 18 and July 31, 2025, will be permitted without additional fees if submitted by August 15, 2025

COMPANIES ACT

2. Amendment in XBLR Filing

The Ministry of Corporate Affairs has amended Companies (Filing of Documents and Forms in XBRL) Rules. As per the amended provisions, companies that file their financial statements in XBRL format, are now required to additionally attach a signed copy of the financial statements in PDF format. This attachment must include the Board's Report, Auditor's Report, and any other related documents duly authenticated in accordance with Section 134 of the Companies Act, 2013. Also, changes have also been made to Annexure-I, which relates to the format of e-Form AOC-4 XBRL.



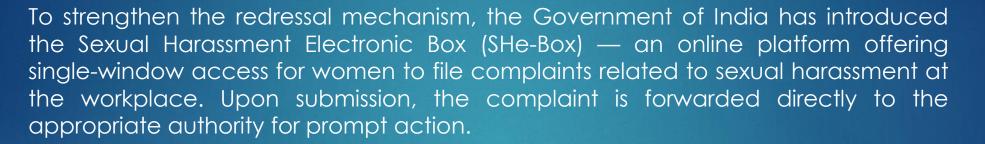
1. Advisory for Barring on Filing of GST returns on expiry of three years

From July 2025 tax period onwards, returns such as GSTR-1, GSTR-3B, GSTR-4, GSTR-5, GSTR-5A, GSTR-6, GSTR-7, GSTR-8, and GSTR-9 cannot be filed if the due date has lapsed by more than three years. The implementation of this on the GST portal was deferred till 2025, now the said restriction will be implemented on the GST portal from July 2025 tax period

MSME

India plans to come out with a dedicated scheme to assist micro, small and medium enterprises in registering their products overseas, commerce and industry minister said. MSME that needs to spend any amount of money to register their products anywhere in the world, particularly for new products, new markets, and new exporters, the government will fund the whole cost.

POSH



All the entities are mandated to register their organizational details on the SHe-Box portal to enable seamless complaint filing and resolution and for maintaining a repository for data at <u>https://shebox.wcd.gov.in</u>

CASE LAWS - INCOME TAX

1. Shri Halvad Yuvak Mandal v. CIT (Exemption)

It has been held that where Commissioner (Exemption) passed ex-parte order rejecting application of assessee for grant of registration under section 12AB and approval under section 80G(5)(iii) on ground that all documents required to be accompanying application were not furnished, one more opportunity was to be given to assessee to represent its case and, thus, matter was to be restored to Commissioner (Exemption) for fresh adjudication.

2. Samarpan Foundation v. CIT (Exemption)

It has been held that where assessee-trust opted for resolution under Direct Tax Vivad Se Vishwas Act, 2020 and refund was granted, since refund was paid belatedly, assessee was entitled to interest on same under section 244A

CASE LAWS - INCOME TAX

3. Suryakant Khodidas Panchal v. PCIT

It has been held that where assessee inadvertently omitted TDS refund amounts due to an oversight committed by his accountant while filing return of income and sought condonation of delay in filing return, since denial of interest on refund due to delay in filing return would not diminish assessee's substantive right to receive principal refund, delay in filing return was to be condoned.

4. Vandana Mathur C-101 v. ITO

It has been held that where assessee sold a residential flat and claimed indexed cost of improvement on account of furnishing expenses duly supported by bills and explanation, disallowance on ground that such items were not part of cost of improvement was unsustainable and addition was to be deleted.

CASE LAWS - INCOME TAX

5. Samarpan Foundation v. CIT (Exemption)

It has been held that where assessee-trust opted for resolution under Direct Tax Vivad Se Vishwas Act, 2020 and refund was granted, since refund was paid belatedly, assessee was entitled to interest on same under section 244A

CASE LAWS - INDIRECT TAX

1. Satyam Traders v. State of UP

It has been held that detention of goods and imposition of penalty under section 129(3) for absence of original invoice is not sustainable when photocopy of invoice was present alongwith goods and e-way bill was matching with invoice and negligible difference in weight of goods was due to rain and, thus, there was no intension to evade tax.

Greenhouse gas Emission Intensity (GEI) reduction targets for two years, beginning 2025-26

India's Ministry of Environment, Forest and Climate Change recently came out with a draft notification setting greenhouse gas emission intensity (GEI) reduction targets for two years, beginning 2025-26, covering 282 obligated entities in various sectors such as aluminium, cement, pulp & paper and chlor-alkali. GEI means Greenhouse Gases Emission Intensity in tCO2e/equivalent output or product.

Key Highlights of the Rules

<u>GEI Targets Calculation</u>: As per Bureau of Energy Efficiency's methodology, specific to each obligated entity as listed in the Schedule.

<u>Compliance Requirements for Obligated Entities</u>: They must meet GEI targets annually as per the Carbon Credit Trading Scheme, 2023.

May also purchase carbon credit certificates from the Indian Carbon Market (ICM) to offset shortfalls.

<u>Environmental Compensation</u>: To be imposed by the Central Pollution Control Board (CPCB), equal to twice of the average price at which carbon credit certificate is traded in the compliance year, payable within 90 days.

Legal Backing: Non-compliance or rule violations is addressed under the Environmental Protection Act, 1986. Objections or suggestions to the draft notification, if any, may be addressed to the Joint Secretary, Ministry of Environment,

Forest and Climate Change, Indira Paryavaran Bhawan, Jor Bagh Road, New Delhi - 110003, and may be sent to e-mail id: ccts.hsm-moefcc@gov.in

It may be noted that the said notification shall be taken into consideration on or after the expiry of a period of sixty (60) days from the date of publication of the draft in the official Gazette.

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