



Just 5 Minutes

TAXCON® INDIA PRIVATE LIMITED



INCOME TAX

1. Linking of PAN Aadhar by Dec 31, 2025

PAN with Aadhaar linking to be done before December 31, 2025. If PAN is found unlinked to Aadhaar by December 31, 2025, the PAN card will become inoperative and this will directly impact the income, investments, and tax refunds. PAN card will be deactivated from Jan 1 2026 and no ITR filing, no refunds and may impact your salary credit or SIPs

2. Extension of timelines for filing of various Income Tax Returns

The due date for furnishing the Income Tax Return (ITR) for Assessment Year 2025-26 (Previous Year 2024-25) for specific categories of assessee, corporate assessee or non-corporate assessee whose accounts must be audited, has been extended upto December 10, 2025.



INCOME TAX

3. *CPC given power to rectify AO orders for Accounting Errors*

The Commissioner of Income Tax, Centralized Processing Centre (CPC), Bengaluru, has been given concurrent statutory powers to rectify accounting errors, for all cases where assessment orders were passed using the interface between the Assessing Officer and the CPC. It includes the authority u/s 154, to rectify mistakes apparent from the record. This encompasses errors like incorrect computation of tax, refund, or demand; non-consideration of prepaid tax credit or eligible reliefs; and faulty interest calculation under Section 244A.



GST

1. GST Rules notified for GST Registration in 3 working days from November 01, 2025

The notification introduces Rule 9A, enabling electronic grant of GST registration within 3 working days based on data analysis and risk parameters. A new Rule 14A has been added to provide an option for electronic registration for taxpayers with a monthly output tax liability below ₹2.5 lakh. It specifies conditions, Aadhaar authentication requirements, withdrawal procedures, and eligibility criteria for registration and withdrawal.

2. Risk-based mechanism to provide 90% provisional GST Refunds in specified cases

The CBIC has issued instructions regarding the processing refund applications filed on account of zero-rated supplies and inverted Duty Structure (IDS). For refund applications relating to zero-rated supplies, the Board has directed that 90% of the claimed refund amount may be sanctioned on a provisional basis, subject to the risk score assigned by the system.



COMPANIES ACT

1. Extension of time for filing of CRA-4 (Cost Audit Report in XBRL format)

MCA has granted a relaxation from payment of additional fees for filing the Cost Audit Report (Form CRA- 4) in XBRL format for the financial year ended March 31, 2025. The companies and cost auditors can file CRA-4 for FY 2024-25 without incurring any additional fees if the submission is made on or before December 31, 2025.

2. Widens the class of companies eligible for fast-track mergers u/s 233

MCA has amended Companies (Compromises, arrangements and Amalgamations) Rules, 2026 which widens the class of companies eligible u/s 233. Along with start-up and small companies, it now covers unlisted companies within prescribed limits holding companies, subsidiary of the same holding company, as well as foreign companies with an Indian wholly owned subsidiary.



LABOUR LAWS

1. *Karnataka to allow mensural leaves*

Karnataka has become the first Indian state to implement a paid menstrual leave policy for all female employees across government and private sectors. Effective November 2025, women employees are entitled to 12 days of paid menstrual leave annually, with one day of leave allowed per month without the requirement of a medical certificate.

The policy was officially enforced on November 12, 2025, and applies to women working in factories, establishments, and various industries registered under the state labour laws.



CASE LAWS - INCOME TAX

1. *DCIT, circle 19(1) v. Ravi Integrated Logistics (India) Pvt. Ltd.*

It has been held that where assessee fails to claim TDS credit in the original return, and time to file revised return has expired, but the TDS is duly reflected in the audited financial statements and form 26AS, the credit of TDS should be allowed.

2. *Atul Kumar Gupta vs. ITO*

It has been held by the Delhi Income Tax Appellate Tribunal (ITAT) that the expenditure incurred by the taxpayer wholly and exclusively for the purpose of business and profession is an allowable expenditure against the remuneration received by him from a partnership firm.



CASE LAWS – INDIRECT TAX

1. *AAR, in RDB Reality and Infrastructure Limited,*

The Gujarat Authority for Advance Ruling (AAR) has held that transfer of the redevelopment project, along with all its assets and liabilities, qualifies as a “transfer of a going concern” and is therefore exempt from the Goods and Services Tax (GST).

2. *The Commissioner Trade and Tax, Delhi v. M/s Shanti Kiran India (P) Ltd.*

The Supreme Court of India has made a significant ruling in favor of purchaser-dealers, upholding their Input Tax Credit (ITC) benefits even when the selling dealer fails to deposit taxes. The court emphasized that bona fide purchasers should not suffer due to the default of the selling dealer. The court also directed that ITC benefits be granted after due verification of transactions.

Although the ruling pertains to the VAT regime, it is expected to impact interpretations and litigation under the Goods and Services Tax (GST) regime.

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

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

Compliance Requirements for Obligated Entities: 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.

Environmental Compensation: 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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