

**RNM ALERT**  
**AUGUST**  
**NEWSLETTER**

**VOL NO 199**

**Journey Through the Solar System**



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# EDITORIAL

## Dear Readers

During the month of August 2025 our CEO, Mr. Raghu Marwah was invited as a Speaker at the World Forum “New Era-New Ways” in Moscow, Russia organized by the International Organisation for Eurasian Cooperation. The event had over 1000 delegates from 50 participating countries with persons from industry, government, professionals and diplomats exchanging views. The presentations on India-Russian friendship and International Logistics given by Mr. Raghu Marwah was met by applause and followed by a very good Q&A session.

On the Direct Tax side, the new Income Tax Act, 2025 was notified on August 22, 2025. Amongst other changes, the new Act substantially increases the tax-free perquisites from Rs 50,000 to Rs 400,000 and the overseas medical treatment proviso from Rs 200,000 to Rs. 800,000 effective from current financial year 2025-26. In our view, this is a major boost to salaried class and will directly impact your financial health.

On the Indirect Tax Side, the Honorable Prime Minister had announced major changes in GST from the ramparts of Red Fort as part of his Independence Day speech. The 56<sup>th</sup> GST Council Meet expected to be held on 3-4 September is likely to formalize the relief announced, which includes major reduction in rates on most items.

On the Assurance Side, the ICAI has issued a new Technical Guide on Accounting for CSR Expenditure in July 2025 which provides detailed instructions for the recognition, measurement and disclosure of CSR expense in the financial statements

We would like to take this opportunity of wishing all our readers best wishes for Ganesh Chaturthi on 27 August. On this day we celebrate the remover of obstacles, the god of wisdom and the patron of new beginnings.

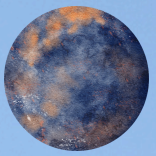
**U N Marwah**  
**Chairman - RNM India**



# Direct Tax

**Mercury – The Speedy Planet**





## **1. NOTIFICATION G.S.R. 555(E) [NO. 133/2025/F. NO. 370142/27/2025-TPL], DATED 18-8-2025**

The CBDT notifies monetary limits for salary u/s 17(2)(iii) & tax-free medical treatment abroad.

- For the purposes of item (c) of sub-clause (iii) of clause (2) of section 17 of the Act, the prescribed income under the head "Salaries" shall be **four lakh rupees**.
- For the purposes of clause (vi) of Proviso to clause (2) of section 17 of the Act, the prescribed gross total income shall be **eight lakh rupees**."

## **2. INSTRUCTION NO. F. NO. 285/46/2021-IT (INV.V)/88, DATED 18-8-2025**

The CBDT amends instruction to not initiate prosecution in cases where penalty under Black Money Act isn't imposed or imposable in relation to assets covered under the proviso to aforesaid sections i.e. an asset or assets (other than immovable property), where the aggregate value of such asset or assets does not exceed a value equivalent to Rs.20 lakh at any time during the relevant previous year.

### **Important Judicial Precedents**

#### **1. Land not used for any agricultural purpose couldn't be treated as agricultural land; SLP dismissed**

***[2025] 176 taxmann.com 1006 (SC) Prashant Jaipal Reddy vs. Income-tax Officer***

SLP dismissed against order of High Court that where assessee sold a plot of land and claimed that it was an agricultural land and, thus, not a capital asset, since land in question was not used for any agricultural purpose and was embedded with commercial opportunity and viability for commercial exploitation, income derived from sale of such land was chargeable to tax.

#### **2. No sec. 68 additions on outstanding loan balance if assessee proved creditworthiness of loan creditor: ITAT**

***[2025] 177 taxmann.com 70 (Delhi - Trib.) ITO vs. Mansarover Exim (P.) Ltd***

Where assessee had taken unsecured loan from third party and had produced documents such as confirmation copy of account statement, bank statement of lender, audited financial statement, tax audit report, copy of ITR etc. to prove identity, creditworthiness of lender and genuineness of transaction, impugned addition made by Assessing Officer under section 68 treating said loan as bogus was to be deleted.

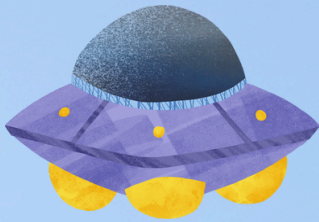
#### **3. SLP dismissed against HC order that AO's reopening based on GSTR data was unjustified as assessee had furnished GST details**

***[2025] 177 taxmann.com 684 (SC) Income -tax Officer vs. Parmukh Exports***

SLP dismissed against order of High Court that where Assessing Officer issued reopening notice on ground that as per information available in GSTR data, assessee had made sales and purchases of huge amount but it had not furnished sales and purchase register, since assessee had placed on record details of Form GSTR-I wherein all details of sale and purchase as submitted to GST department were provided to Assessing Officer, impugned reopening notice was unjustified.







**4. No reassessment to tax housewife in whose name flat was purchased by husband from his own funds: HC**

***[2025] 177 taxmann.com 470 (Bombay-HC) Hetal Vipul Shah vs. ITO***

Where assessee explained that she was a housewife and purchase of flat was done entirely by her husband from his own funds/sources and not by her and she had not contributed anything towards purchase of said flat and her name was added only for sake of convenience, impugned reopening notice issued against assessee on ground that she had not disclosed correct income in her return was unjustified.

**5. Common Area Maintenance charges not considered rent; Sec. 194C applies: HC**

***[2025] 177 taxmann.com 477 (Delhi-HC) CIT vs. Diamond Tree***

Assessing Officer treated assessee as 'assessee-in-default' for not having deducted TDS at rate of 10 per cent as prescribed under section 194-I on common area maintenance charges - Tribunal held that payments towards common area maintenance charges were in nature of contractual payments that were made for availing certain services/facilities and not for use of any premises/equipment, thus, same would be subjected to deduction of tax at source under section 194C - Whether CAM charges could not be construed as payment of rent for occupying premises in question, thus, same would be covered under provisions of section 194C - Held, yes [Para 7][In favour of assessee]

**6. Statements recorded during survey have no evidentiary value; ITAT deleted additions made on basis of such statements**

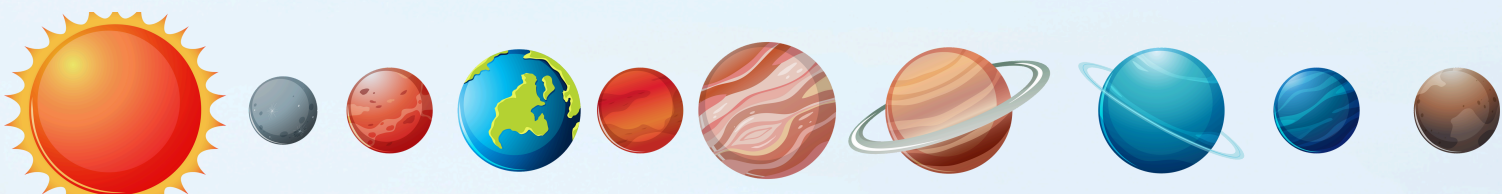
***[2025] 177 taxmann.com 5 (Jaipur - Trib.) Pushpa Vidya Niketan Samiti vs. ACIT***

Where Assessing Officer made addition in hands of assessee-school on basis of statement of accountant that lower fee collection had been disclosed as compared to actual fee collected by assessee, since documents in question were not found or impounded from assessee's premises but in course of survey conducted against a third party, presumption set out in section 292C would not apply to assessee and thus, impugned addition was to be deleted.

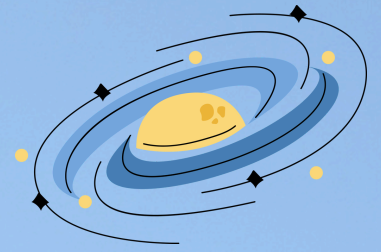
**7. Revaluation of assets of firm not taxable in hands of partners as perquisite under section 28(iv) : ITAT**

***[2025] 177 taxmann.com 316 (Chennai - Trib.) ITO vs. Damayanti Ramachandran***

Where assessee-HUF, partner in two firms, received certain amount on account of goodwill on revaluation of firms, since no benefit or perquisite arose to partner in course of business carried on, section 28(iv) could not be applied to bring sum in question to tax in hands of partners of firm.







**7. Reassessment quashed as AO failed to establish nexus between info & belief of bogus LTCG claim: ITAT**

***[2025] 176 taxmann.com 182 (Jaipur - Trib.) Dinesh Kumar Sharma vs. Income-tax Officer***

Where Assessing Officer issued notice under section 148 on basis of information received from DDIT(Inv.) that assessee had claimed bogus Long Term Capital Gain (LTCG) of certain amount, since assessee had purchased and sold shares through recognized stock exchange and duly submitted details regarding sale and purchase of shares along with supporting documents such as copy of purchase and sales bills, copy of sauda summary, copy of bank statements, copy of balance sheet and profit and loss account, impugned reassessment proceeding was to be quashed.





# Indirect Tax

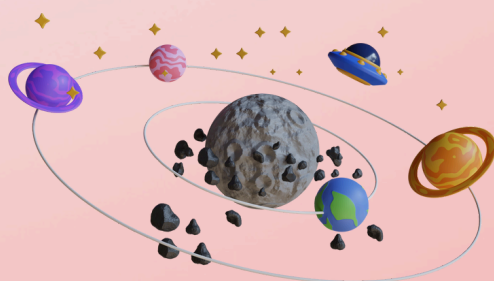
**Venus – The Hottest Planet**



## GST Calendar –Compliances for the month of August 2025.



Nature of Compliances	Due Date
GSTR-7 (Tax Deducted at Source 'TDS')	September 10, 2025
GSTR-8 (Tax Collected at Source 'TCS')	September 10, 2025
GSTR-1	September 11, 2025
IFF- Invoice furnishing facility (Availing QRMP)	September 13, 2025
GSTR-6 Input Service Distributor	September 13, 2025
GSTR-2B (Auto Generated Statement)	September 14, 2025
GSTR-3B	September 20, 2025
GSTR-5 (Non-Resident Taxable Person)	September 20, 2025
GSTR-5A (OIDAR Service Provider)	September 20, 2025
PMT-06 (who have opted for QRMP scheme)	September 25, 2025





## **Madras High Court - Validity of order passed without appreciating CA certificate produced by the taxpayer**



### **Facts:**

The assessee could not obtain a certificate from its supplier as required under CBIC Circular dated 27.12.2022. Instead, it furnished a certificate from its own Chartered Accountant confirming supply of goods, receipt of payment, and discharge of GST. The tax authorities ignored this evidence and proceeded to pass an order under Section 74.

### **Issue:**

Whether the order is legally sustainable when the CA certificate submitted by the assessee was not examined or discussed by the authorities.

### **Held:**

The High Court observed that the authorities failed to apply their mind and mechanically ignored the certificate and supporting records. Such an order under Section 74 was held unsustainable. The matter was remanded back, with a direction to treat it as a proceeding under Section 73 and to duly consider the certificate furnished by the assessee.

## **Authority for Advance Ruling (AAR)- Eligibility of Input Tax Credit (ITC) on goods and services used to construct a Freshwater Storage Tank and Guard Pond**

### **Facts:**

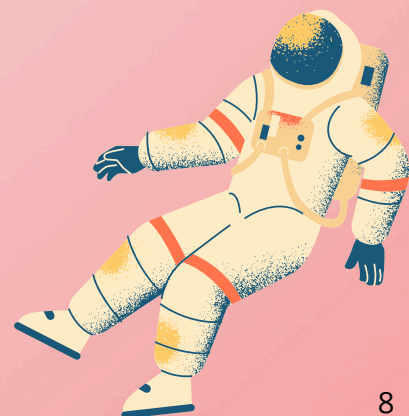
Nitta Gelatin India Ltd. constructed two facilities – a Freshwater Storage Tank and a Guard Pond (effluent storage tank) – to ensure continuous production and adequate storage for water and effluents. The company capitalised these assets under “Plant and Machinery” in its accounts and sought to claim ITC on inputs and services used for their construction.

### **Issue:**

Whether ITC can be availed on goods and services used for constructing storage tanks and ponds, considering the restriction under Sections 17(5)(c) and 17(5)(d) of the CGST Act, which normally blocks credit on works contracts relating to immovable property.

### **Held:**

The Kerala AAR ruled that although the tanks and ponds are immovable, they qualify as ‘plant and machinery’ since they perform essential, process-integrated roles in manufacturing. They are functional production equipment, not mere civil structures. Applying the “functionality test” and relying on the Safari Retreats precedent, the authority held that such assets are core to production and not ornamental or administrative. Accordingly, ITC is allowed on goods and services used for constructing the Freshwater Storage Tank and Guard Pond, provided they are capitalised as plant and machinery and utilised in furtherance of taxable business activity.







## **Authority for Advance Ruling (AAR), Kerala- Input Tax Credit (ITC) eligibility on solar power plant installed for operating common facilities in a commercial mall.**

### **Facts:**

Grand Centre Mall had set up a solar plant consisting of panels, inverters, and related equipment. The electricity generated was used to run the mall's shared facilities—such as lifts, escalators, central air conditioning, UPS, surveillance cameras, and lighting. The cost of running these facilities was recovered from tenants under Common Area Maintenance (CAM) charges, which were subject to GST.

### **Issue:**

Can the mall claim ITC on the goods and services used for constructing and installing the solar power plant, considering it is used to generate electricity for taxable CAM services?

### **Held:**

The Kerala AAR held that: The solar plant is directly linked to taxable outward supplies (CAM services) and therefore qualifies for ITC. It is treated as “capital goods” under Section 2(19) of the CGST Act. Since the plant can be dismantled without material damage, it does not amount to immovable property and is outside the ITC restrictions under Section 17(5). As the electricity is entirely used for taxable CAM charges and not supplied as an exempt good, the limitations under Section 17(2) do not apply. Accordingly, ITC on goods, services, or capital goods used in setting up the solar power system is admissible to the taxpayer.

## **No RCM Liability on Purchase of Sand, Blue Metal, and Bricks from Unregistered Suppliers: AAR Tamil Nadu**

### **Facts:**

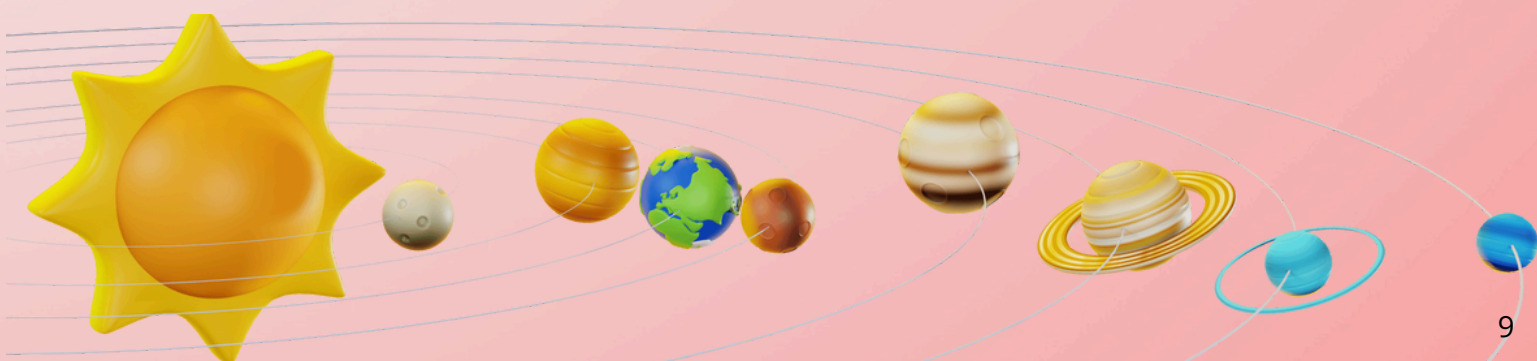
The applicant was engaged in real estate development and procured sand, blue metal, and bricks from unregistered dealers. The Department contended that such purchases would attract liability under the Reverse Charge Mechanism (RCM).

### **Issue:**

Whether the applicant is required to pay GST under RCM on the purchase of sand, blue metal, and bricks from unregistered suppliers.

### **Held:**

The Authority for Advance Ruling (AAR), Tamil Nadu, held that these goods are outside the ambit of notified supplies covered under RCM. Since sand, blue metal, and bricks are not notified for RCM purposes, no GST liability arises on the applicant under reverse charge.





# Corporate Finance

Earth – Our Home Planet



## **Macquarie Raises Capital For India EV Platform Vertelo**

Macquarie Asset Management has raised \$405 million (around INR 3,570 crores) for its fleet electrification platform, Vertelo, to accelerate investments in India's growing EV market. Backed by global investors including the Green Climate Fund, Allianz Global Investors, and Australian Ethical Investment, Vertelo aims to deploy \$1.5 billion (around INR 13,223 crores) over the next decade towards charging infrastructure, vehicle leasing, and energy management. The platform, launched in April 2024, marks Macquarie's largest commitment to Asia's EV sector and its first blended finance partnership with GCF. It has already partnered with leading OEMs like Tata Motors, Eicher Volvo, and Switch Mobility, aligning with Macquarie's plan to double its India exposure by 2030. The initiative reflects a strong push to build critical EV infrastructure and promote sustainable mobility solutions. With India emerging as a key EV hub, the platform is positioned to play a pivotal role in driving the country's energy transition.

(Source: VC Circle, 22<sup>nd</sup> August 2025)

## **Private Equity**

### **The Sleep Company Raises Series D Funding**

The Sleep Company has raised \$54.7 million (around INR 475 crores) in a Series D round led by ChrysCapital, with participation from 360 ONE Asset. Existing investor Fireside Ventures made a partial exit. Founded by Priyanka and Harshil Salot, the comfort-tech brand offers sleep and seating products and has expanded to over 150 offline stores since 2022. The funds will be used for manufacturing expansion, offline retail growth in metro and tier I cities, R&D, new product development, and strengthening core teams across product, tech, and operations.

(Source: VC Circle, 06<sup>th</sup> August 2025)

### **ChrysCapital Sweetens Consumer Portfolio With Theobroma Buyout**

ChrysCapital has acquired an approximately 85% stake in Theobroma Foods Pvt Ltd, marking its first buyout in the consumer sector. While financial terms were not disclosed, the bakery chain was reportedly valued between \$193-\$262 million (around INR 1,698 crores and 2,305 crores). Theobroma's founders will retain a board presence and minority stake. Founded in 2004 by sisters Kainaz Messman Harchandrai and Tina Messman Wykes, Theobroma has grown from a single café in Colaba to a nationwide desserts brand.

(Source: VC Circle, 13<sup>th</sup> August 2025)



### **Pantomath's Asset Management Arm Invests \$52 Mn In Amnex InfoTech**

The Wealth Company Asset Management (formerly Pantomath Capital Management) has invested \$52 million (around INR 460 crores) in Ahmedabad-based Amnex Info Technologies through its Bharat Value Fund, marking Amnex's first institutional funding round. Founded in 2008, Amnex offers proprietary tech platforms across mobility, utilities, mining, logistics, smart cities, and agriculture. The company posted FY24 revenue of \$30.3 million (around INR 266 crores) and net profit of \$2.9 million (around INR 25 crores), growing at a 75% CAGR over the past three years. BVF, a Category II AIF, has recently backed firms including Haldiram Bhujawala and Prisma Global.

((Source: VC Circle, 18<sup>th</sup> August 2025)





## WestBridge Picks Up Minority Stake In Mutual Fund Arm Of Edelweiss

WestBridge Capital has invested \$51 million (around INR 450 crores) for a 15% stake in Edelweiss Mutual Fund, valuing the business at 57x P/E. The investment aims to unlock value for Edelweiss Financial Services while strengthening the growth path of its MF arm. Nomura advised EFSL on the deal. WestBridge, which manages \$7B+ (around INR 61,700 crores) in AUM, continues to expand its BFSI portfolio following recent stake adjustments in Aptus and AU Small Finance Bank.

((Source: VC Circle, 22<sup>nd</sup> August 2025)



## Brookfield Offloads 50% Stake In India Real Estate Asset To 360 ONE

Brookfield Asset Management has sold a 50% stake in Pune's Bluegrass Business Park to Mumbai-based 360 ONE Asset for \$280 million (around INR 2,468 crores). The 6.1-acre mixed-use project in Kalyani Nagar includes 1.9M sq. ft. of office space, with Tower A housing Mastercard's largest global capability centre. Brookfield will continue to manage and lease the property. The deal highlights 360 ONE Asset's push into institutionally managed real estate, while Brookfield remains focused on scaling its India investments to \$100B (around INR 881,667 crores) over the next five years.

((Source: VC Circle, 25<sup>th</sup> August 2025)

## Venture Capital

### SixSense Raises \$8.5M to Expand AI Platform for Semiconductor Manufacturing

SixSense, an AI-powered platform for semiconductor manufacturing, has raised \$8.5 million (around INR 75 crores) in a round led by Peak XV's Surge, with participation from Alpha Intelligence Capital, Febe, and others. Founded by engineers Akanksha Jagwani and Avni Agarwal, the platform transforms raw production data into real-time factory insights to detect defects, enhance yield, and prevent issues in chip fabrication. The funding will support SixSense's expansion into Malaysia, Taiwan, and the US, partnerships with AI-driven inspection equipment makers, and further R&D investment.

((Source: VC Circle, 01<sup>st</sup> August 2025)

### ILine.ai Raises \$500K to Scale EV Delivery Platform in Tier II Cities

ILine.ai Solutions, an EV-focused last-mile delivery platform founded by Prakarsh Dwivedi, has raised \$500,000 (around INR 4.4 crores) in an angel round led by climate-tech and mobility investors. Launched in April 2025, the platform offers real-time tracking, carbon analytics, and OTP-secured drop-offs. The funding will support expansion into 12 tier II cities, onboard 20,000 EV drivers, enhance AI integration, and establish two regional hubs, with a goal of reaching 30,000 daily orders by Q4 2026.

((Source: VC Circle, 01<sup>st</sup> August 2025)



### SuperGaming Raises \$15 Mn In Series B Round

SuperGaming, the studio behind Indus Battle Royale, has raised \$15 million (around INR 132 crores) in an oversubscribed Series B round led by a16z Speedrun, Bandai Namco 021 Fund, LOUD.GG, and others, with strong Web3 investor participation. The funds will support Indus' global launch, expansion of its SuperPlatform for game developers, new IP development, and deeper Web3 integration through initiatives like B3 GameChain.

((Source: VC Circle, 06<sup>th</sup> August 2025)

### **Japanese Firm Backs Fintech Startup Zype In Series B**

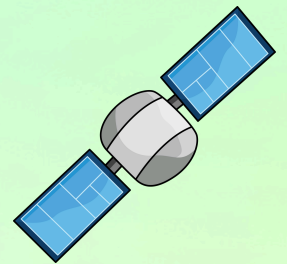
Fintech startup Zype has raised \$10.2 million (around INR 90 crores) in a Series B round led by UNLEASH Capital Partners, with participation from Xponentia Capital. Founded in 2022 by Yogi Sadana, Zype offers a credit-led financial platform for salaried individuals. The company, already profitable, will use the funds to expand its lending and payment solutions, enhance AI-driven operations, and maintain strong risk and governance standards. This follows a \$16.6 million (around INR 146 crores) Series A round led by Xponentia in 2022.

(Source: VC Circle, 06<sup>th</sup> August 2025)

### **Accel, Peak XV Lead Truemed's \$85 Mn Series C Round**

Truemed's, an online pharmacy and telehealth platform focused on chronic care, has raised \$85 million (around INR 749 crores) in a Series C round completed in two tranches—led by Accel and Peak XV Partners. Existing investors WestBridge Capital and Info Edge Ventures also participated. The funds will be used to strengthen Truemed's national presence by expanding fulfillment centers in high-demand non-metro areas, enhancing engineering and product capabilities, and establishing a new tech hub in Bengaluru.

(Source: VC Circle, 11<sup>th</sup> August 2025)



## **Mergers & Acquisitions**

### **Italian Major Guala Closures' Indian Arm Buys Unit From Oricon Enterprises**

Guala Closures India Pvt Ltd, the Indian arm of Italy's Guala Closures, has acquired Oricon Enterprises' metal closure unit in a slump sale for \$4.85 million (around INR 42.7 crores). The unit contributed ~21% of Oricon's business with FY25 revenue of \$12.5 million (around INR 110.5 crores). The deal will strengthen Guala's India presence, where revenues stood at \$65.4 million (around INR 576.9 crores) in FY24. Singhi Advisors advised Guala on the transaction. Shares of Oricon Enterprises closed 1.4% higher at ₹54.29 on the BSE.

(Source: VC Circle, 08<sup>th</sup> August 2025)

### **Wipro To Buy Harman Connected Services For \$375 Mn**

Wipro Ltd has agreed to acquire the Digital Transformation Solutions (DTS) unit of Samsung-owned Harman International in a cash deal worth up to \$375 million (around INR 577 crores). The acquisition, expected to close by Dec 31, 2025, will see over 5,600 DTS employees across 14 countries transition to Wipro. The move will bolster Wipro's engineering and digital capabilities, with DTS' expertise in connected products, software platforms, and digital engineering set to integrate into Wipro's Engineering Global Business Line.

(Source: VC Circle, 21<sup>st</sup> August 2025)







## Neo Asset's Infra Fund Makes Maiden Renewable Acquisition

Neo Asset Management's Neo Infra Income Opportunities Fund (NIIOF) has made its first renewable energy acquisition, buying SolarArise India Projects Pvt Ltd for an enterprise value of \$159 million (around INR 1,400 crores). SolarArise owns 433.5 MWp of operational solar assets across five states, backed by 25-year PPAs. The acquisition follows NIIOF's recent \$408.4 million (around INR 3,600 crores) deal with HG Infra Engineering for five highway assets. Having closed at \$260.9 million (around INR 2,300 crores) in July, the fund aims to deploy 85% of its corpus in road assets and the rest in renewables, targeting 18–20% returns with an InvIT exit by 2030.

(Source: VC Circle, 25<sup>th</sup> August 2025)

## PVP Ventures To Take Majority Stake In Dialysis Chain 7Med

PVP Ventures Ltd will acquire a majority stake in dialysis services provider 7 Med India Pvt Ltd and its Epitome Group of hospitals. The company will initially purchase 41.23% for \$14.4 million (around INR 127 crores) and raise its holding to 76% over time, subject to performance milestones. The move marks PVP's strategic shift from real estate to healthcare, supported by \$226.9 million (around INR 2,000 crores) cash flows expected from monetising legacy assets. 7Med, with 22 dialysis centres and four super-speciality hospitals, is projected to grow EBITDA from \$1.14 million (around INR 10 crores) to \$5.67 million (around INR 50 crores) in four years with the infusion.

(Source: VC Circle, 28<sup>th</sup> August 2025)



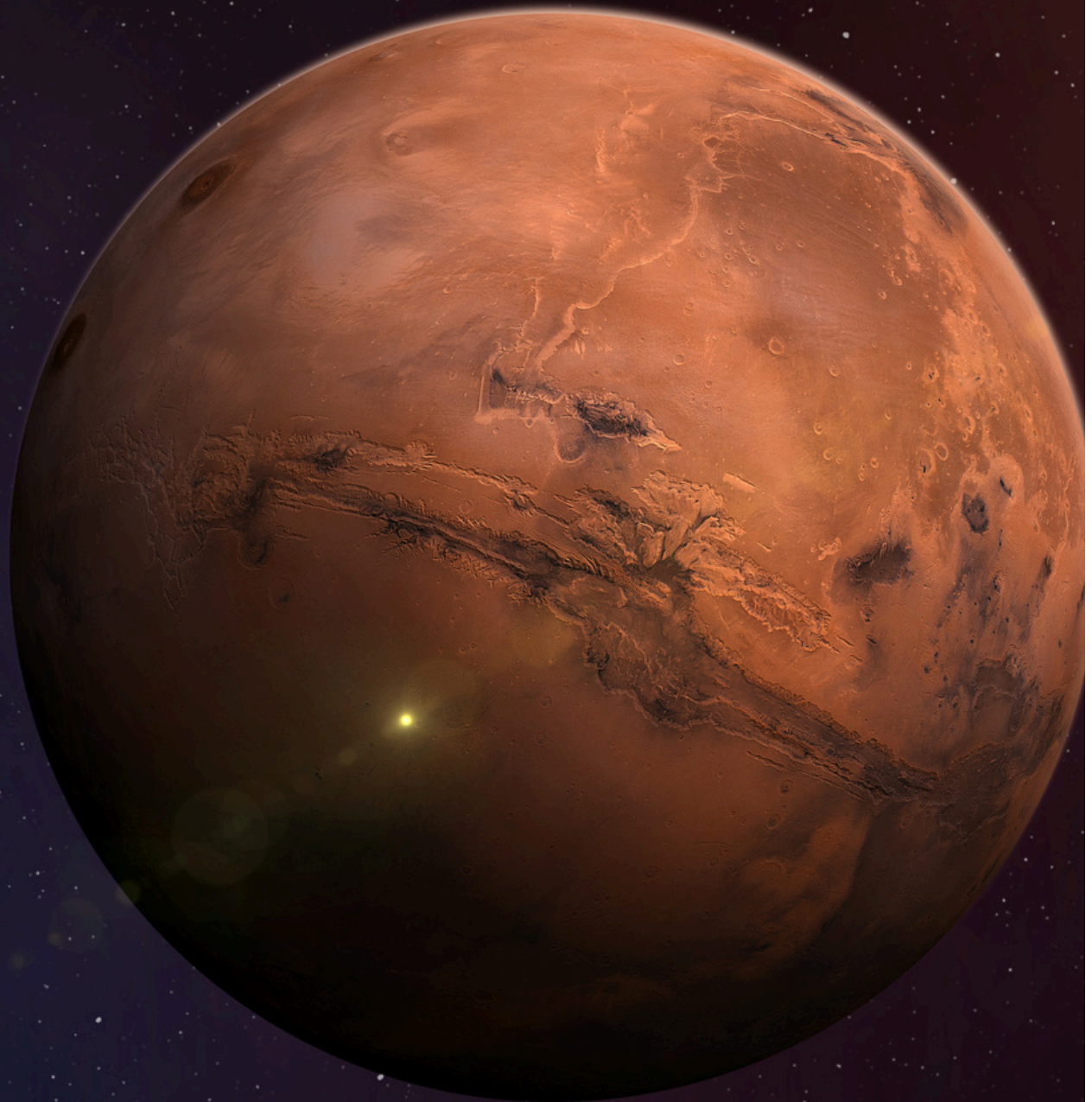
## Samvardhana Motherson To Acquire Japanese Auto Parts Firm From Honda For \$184 Mn

Samvardhana Motherson International Ltd (SMIL) will acquire a majority stake in Japan's Yutaka Giken Co Ltd from Honda Motor for \$184 million (around INR 1,622 crores) via its subsidiary, with completion expected by Apr–Jun 2026. The deal strengthens SMIL's partnership with Honda, expands its Japanese OEM reach, and adds Yutaka's \$2.4 billion (around INR 21,158 crores) FY25 revenue and 13 global plants to its portfolio. SMIL will also fully acquire Yutaka Autoparts India, take 11% in Shinnichi Kogyo, and raise its stake in Youngshin Motherson Auto Tech to 100% for \$ 0.74 million (around INR 6.54 crores).

(Source: VC Circle, 29<sup>st</sup> August, 2025)

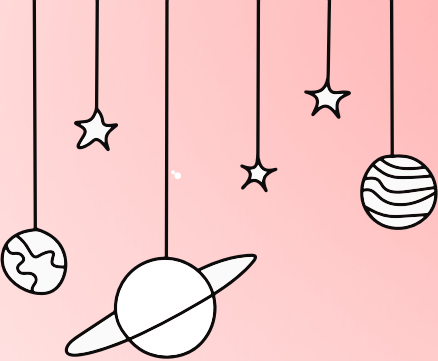


# **Transaction & Regulatory Advisory Services**



**Mars – The Red Planet**





## Key Regulatory & Legal Updates in August 2025

### 1. Ministry of Corporate Affairs (MCA)

- **Companies (Incorporation) Second Amendment Rules, 2025:** On August 26, the MCA introduced this amendment to the 2014 Rules. It replaces the current Form RD-1 with a revised version. The change will take effect on September 15, 2025.

**Read More:** <https://www.mca.gov.in/content/mca/global/en/home.html>

- **Companies (Indian Accounting Standards) Second Amendment Rules, 2025:** Announced on August 28, this amendment requires disclosure of supplier finance arrangements starting from FY 2025-26. This aims to improve transparency and accountability in corporate financial reporting.

**Read More:** <https://www.mca.gov.in/content/mca/global/en/home.html>

### 2. Reserve Bank of India (RBI)

- **Simplifying Legal Heir Access:** The RBI announced plans to make it easier for legal heirs to claim funds and valuables from deceased account holders. The goal is to lessen paperwork and standardize processes across banks.

**Read More :** <https://www.rbi.org.in/>

- **'Vostro' Account Investment Flexibility:** On August 12, the RBI allowed vostro accounts (foreign banks' accounts held with Indian banks) to invest all surplus funds in government securities. This move will improve liquidity and usefulness of these accounts.

**Read More:** <https://www.rbi.org.in/>

### 3. Securities and Exchange Board of India (SEBI)

- **Extension of Compliance Deadlines:** SEBI has extended the deadline to September 30, 2025, for regulated entities to submit compliance or action-taken reports. They also need to disclose the digital platforms used for investors. The previous deadline was August 30, 2025. Additionally, the requirement to appoint accessibility auditors certified under the IAAP has been pushed back from September 14 to December 14, 2025.

**Read More:** <https://www.sebi.gov.in/>

- **Master Circular for Debenture Trustees:** On August 13, SEBI released a Master Circular for Debenture Trustees (DTs). This document consolidates regulatory guidelines and expectations.

**Read More:** <https://www.sebi.gov.in/>





# **GIFT City Update**



**Jupiter – The Giant**



## **IFSCA press release (Aug 2, 2025) on the Expert Committee Report for positioning GIFT IFSC as a Global Commodity Trading Hub:**

- India, one of the world's largest commodity importers, is highly exposed to global price volatility and lacks strategic leverage in international commodity markets.
- Much of India's commodity trade is currently routed through offshore hubs (like Singapore, Dubai), leading to economic loss and reduced global influence.
- GIFT IFSC was created to "onshore the offshore" and serve as India's global financial hub.

### **Expert Committee (May 2024)**

- Tasked with recommending how GIFT IFSC can evolve into a **Global Commodity Trading Hub**.
- Consultations included benchmarking against global hubs and industry feedback.

### **Key Recommendations**

#### **1. Regulatory Enablement**

- Notify commodity trading (including merchanting) as "financial services" under IFSCA Act.
- Allow OTC derivatives, expand exchange-traded commodity derivatives, and permit re-invoicing in IFSC.

#### **2. Policy Alignment**

- Exempt IFSCA-regulated traders from RBI's merchanting restrictions.
- Amend FEMA to allow centralized hedging for Indian entities.
- Offer Right of First Refusal (ROFR) to IFSC entities for govt. procurement.
- Permit voyage charter-based shipping by IFSC traders.



#### **3. Banking & Tax Incentives**

- Amend Banking Regulation Act to allow banks in IFSC wider commodity trading.
- Extend tax holiday for IFSC units from 10 → 25 years (till 2047).
- Introduce concessional tax regime for overseas professionals in IFSC.

#### **4. Infrastructure & Logistics**

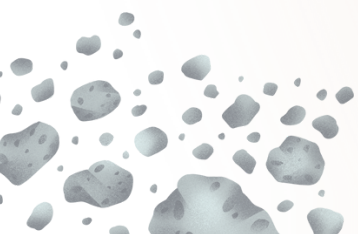
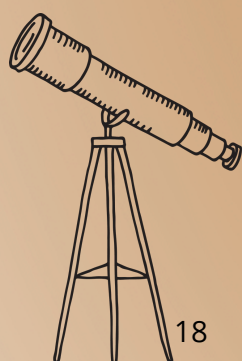
- Build warehousing/logistics near ports.
- Exempt IFSC entities from customs filings for offshore deals.

#### **5. Financial Innovation**

- Allow structured finance, securitization of commodity-linked assets, trade finance bond listings.
- Promote CBDC-based trade finance and commodity-backed funding.

#### **6. Ecosystem Development**

- Attract global banks & financial institutions.
- Engage Indian diaspora commodity traders.
- Create advanced trading platforms integrated globally.
- Invest in workforce development & training.



## **Strategic Vision**

- Aligns with India's "**Viksit Bharat 2047**" goal.
- Aims to transform GIFT IFSC into a **globally competitive hub**, driving growth across supply chains, logistics, exports, and finance.
- IFSCA will review and coordinate with the Government for implementation.

### **IFSCA press release** August 05, 2025 *IFSCA Issues Master Circulars for Capital Market Intermediaries in IFSC*

The International Financial Services Centres Authority (IFSCA) has released **Master Circulars** for seven categories of capital market intermediaries under the newly *notified IFSCA (Capital Market Intermediaries) Regulations, 2025* (effective April 11, 2025).

The categories covered are:

- Credit Rating Agencies
- Debenture Trustees
- Distributors
- ESG Rating & Data Product Providers
- Investment Advisers
- Investment Bankers
- Research Entities

The Master Circulars consolidate all relevant circulars and guidelines into a single reference point to **enhance ease of doing business** and provide **clarity on operational requirements**.

They cover aspects such as:

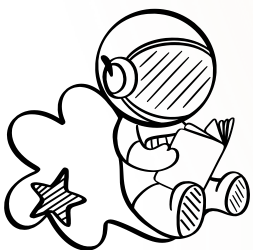
- Registration process & validity
- Permissible activities
- Governance & code of conduct
- KYC, AML, and CFT compliance
- Outsourcing & complaint handling
- Change in control & periodic reporting
- Cyber security & resilience
- Surrender of registration



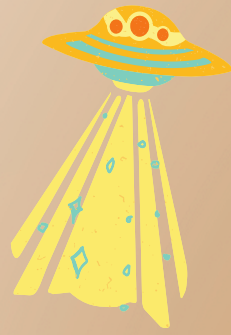
This initiative aims to strengthen the IFSC capital market ecosystem by ensuring fairness, efficiency, transparency, and streamlined regulation.

### **IFSCA press release** August 12, 2025: *IFSCA Unveils Revamped Framework for Global Market Access via IFSC*

The **International Financial Services Centres Authority (IFSCA)** has introduced a new regulatory framework aimed at strengthening the role of **India's IFSC as a gateway to global capital markets**. This initiative aligns with IFSCA's objective to facilitate cross-border capital flows, enabling investors to diversify portfolios, hedge risks, and explore arbitrage opportunities.







## Key highlights of the framework:

- **Global Market Access via IFSC:** Entities can now provide Indian investors, especially retail participants under the Liberalised Remittance Scheme (LRS), with regulated and transparent access to foreign stock exchanges.
- **Investor Protection:** Brokers and Global Access Providers operating physically within the IFSC will be regulated by IFSCA, safeguarding resident investors engaging in global markets.
- **Onshoring of Trading Activities:** The framework encourages foreign-based broker-dealers and proprietary trading entities to operate from the IFSC, consolidating cross-border trading within India.
- **Robust Regulatory Norms:** Comprehensive rules for Global Access Providers and Introducing Brokers aim to enhance market accessibility while ensuring investor protection, market integrity, and ease of doing business.

Overall, this framework positions the IFSC as a **competitive, globally aligned hub** for cross-border trading, strengthening India's capital market ecosystem.





# UK Tax Update

Saturn – The Ringed Beauty





## **Resilience and Risk: The UK's Economic Outlook for Autumn 2025**

The UK economy grew modestly in the second quarter, performing better than many forecasters had expected. While government spending and construction provided support, household consumption remained weak and business investment fell back. Inflation is still above target, shaping cautious interest rate decisions, and consumer behaviour remains restrained. However, the mortgage market is showing signs of revival, with lending activity improving and arrears easing. The outlook is balanced: short-term resilience offset by persistent risks from global trade tensions and domestic cost pressures.

### **Economic Growth in Q2**

The UK economy expanded by 0.3 per cent in the second quarter of 2025, a slowdown from the 0.7 per cent growth recorded in the opening months of the year but still stronger than anticipated. After two months of weak output, activity rebounded in June, supported by robust construction growth and modest gains in manufacturing. The services sector, which makes up the bulk of economic activity, also contributed positively, though its pace of expansion has eased.

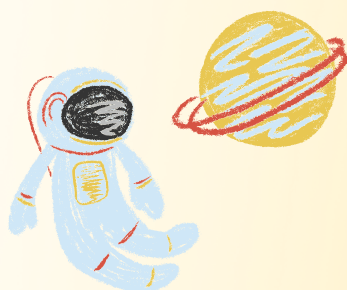
Government spending was an important driver, particularly in health and defence, while household spending provided only limited momentum. Net trade was broadly flat following an export surge earlier in the year, and business investment contracted after a brief pick-up in the spring. These patterns reflect broader global dynamics, with many economies experiencing similar slowdowns after frontloading activity ahead of US tariff changes.

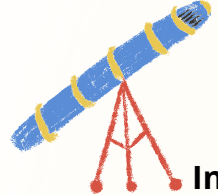
Looking ahead, trade policy uncertainty continues to dampen investment and exports, while businesses are also facing higher tax and cost burdens. Some relief may come from increased public spending and a slight improvement in consumer sentiment, which could support growth in the third quarter. Forecasters expect output to expand by around 0.5 per cent in Q3.

### **Consumer Spending Trends**

Household consumption remains a weak spot in the recovery. Expenditure increased by just 0.1 per cent in Q2, reflecting subdued retail sales. Card payment data shows that while the overall value of spending was little changed from last year, the number of transactions rose by around three per cent. This suggests households are making more frequent but smaller purchases, often in response to elevated prices for essentials such as food and drink.

The pattern highlights ongoing caution among consumers, many of whom have chosen to rebuild savings rather than increase discretionary spending. Although sentiment surveys show some improvement, the willingness to spend more freely has yet to translate into a sustained rise in demand.





## **Inflation and Interest Rates**

Monetary policy remains finely balanced. In August, the Bank of England cut Bank Rate to 4 per cent, marking the fifth reduction in a year. The decision split policymakers, with differing views on the risks of cutting too quickly versus holding firm to ensure inflation falls sustainably.

Recent forecasts suggest inflation will remain at 3.8 per cent through the third quarter, driven by higher costs for energy, food, services, and transport. July's figures confirmed an uptick in prices, with airfares, hotels, restaurants, and food contributing to the increase. Nonetheless, the longer-term outlook points to inflation gradually returning to the two per cent target by mid-2027, though considerable uncertainty remains.

Markets are cautious about expecting further rate cuts this year, given the diversity of opinion within the Monetary Policy Committee. Borrowers may need to wait until 2026 before seeing another reduction.

## **Mortgage Market Developments**

The housing finance market is showing encouraging signs of recovery after a difficult 2024. Residential mortgage lending is projected to grow by around ten per cent in 2025, supported by improving affordability and lower interest rates. The early part of the year was boosted by a rush of buyers seeking to complete purchases before Stamp Duty changes, but demand has held up since then.

By contrast, the buy-to-let sector continues to face headwinds from tax and regulatory changes, with lending expected to contract this year. Refinancing activity is stronger, however, with both internal product transfers and external remortgaging expected to grow as borrowers move off fixed-rate deals. Overall, gross mortgage lending is forecast to increase by more than ten per cent, while arrears are on track to fall as financial pressures ease and lenders provide ongoing support.

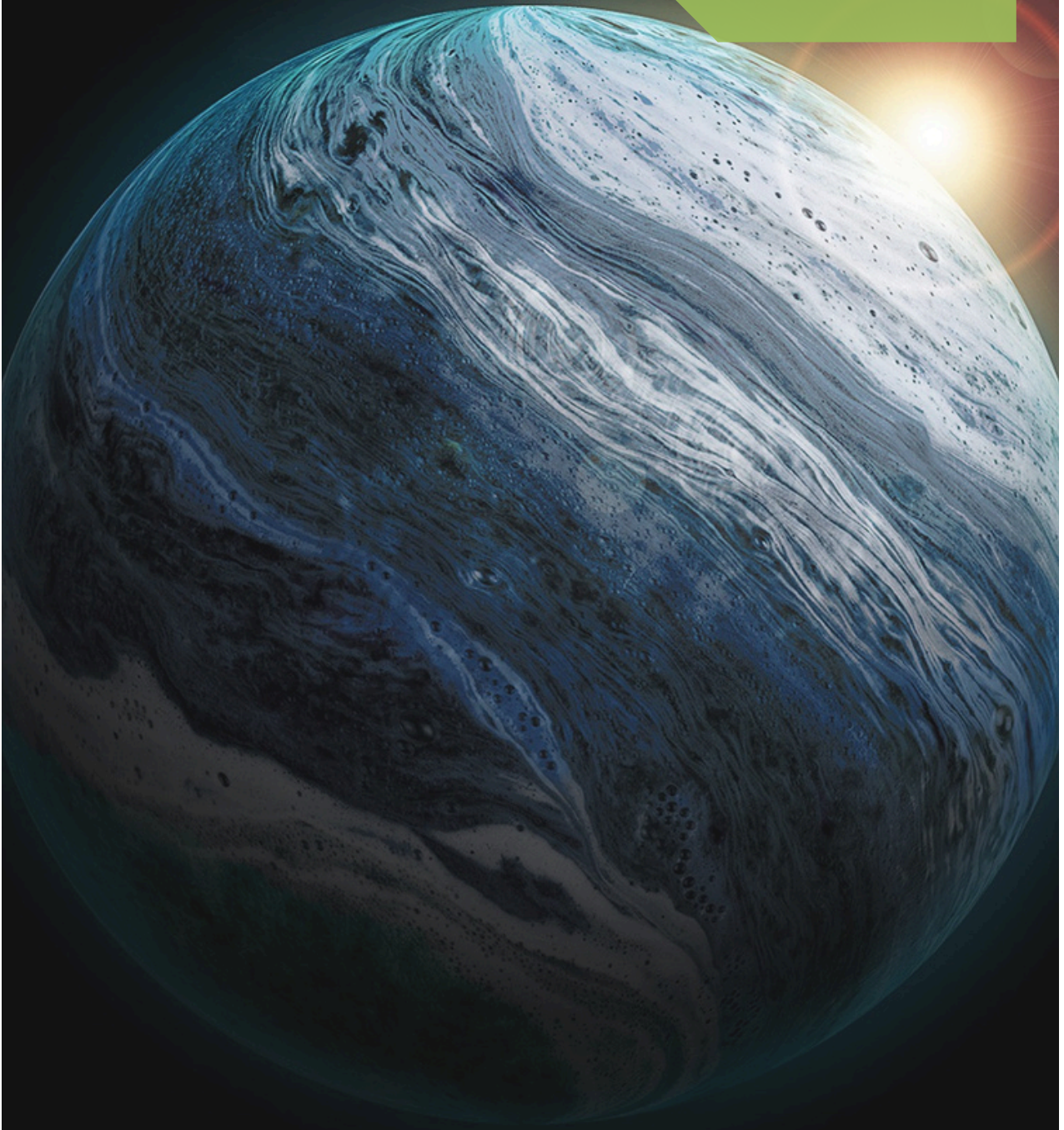
## **Conclusion**

The UK economy is navigating a delicate balance between resilience and fragility. Growth has slowed but not stalled, thanks to government spending and stronger construction activity, while consumer demand and business investment remain subdued. Inflation is still above target, limiting the scope for rapid interest rate cuts, and global trade tensions continue to cloud the outlook. Yet there are encouraging signs: consumer confidence is edging higher, mortgage lending is reviving, and arrears are declining. The coming months will be shaped by how well these tentative positives hold up against persistent global and domestic risks.





# Tax Calendar



**Uranus – The Tilted Planet**

# September 2025 - Tax Calendar

<b>7<sup>TH</sup> SEPTEMBER</b>	Due date for deposit of Tax deducted/collected for the month of August, 2025
<b>7<sup>TH</sup> SEPTEMBER</b>	Uploading of declarations received in Form 27C from the buyer in the month of August, 2025
<b>14<sup>TH</sup> SEPTEMBER</b>	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194-M & 194S in the month of July, 2025
<b>15<sup>TH</sup> SEPTEMBER</b>	2nd instalment of advance tax for the assessment year 2026-27
<b>15<sup>TH</sup> SEPTEMBER</b>	Return of income for the assessment year 2025-26 for all assessee other than (a) corporate-assessee or (b) non-corporate assessee (whose books of account are required to be audited) or (c) partner of a firm whose accounts are required to be audited or the spouse of such partner if the provisions of section 5A applies or (d) an assessee who is required to furnish a report under section 92E.
<b>15<sup>TH</sup> SEPTEMBER</b>	Furnishing of declaration by a taxpayer claiming deduction under section 80GG in respect of the rent paid for residential accommodation (if the assessee is required to submit return of income by July 31, 2025)
<b>15<sup>TH</sup> SEPTEMBER</b>	Furnishing of particulars for claiming relief under section 89 (if the assessee is required to submit return of income by July 31, 2025)
<b>15<sup>TH</sup> SEPTEMBER</b>	Exercising the option to opt-out from the new tax regime under section 115BAC (if assessee is required to submit return of income by July 31, 2025)
<b>15<sup>TH</sup> SEPTEMBER</b>	Exercising the option to opt for alternative tax regime under section 115BAD by co-operative society (if assessee is required to submit return of income by July 31, 2025)
<b>15<sup>TH</sup> SEPTEMBER</b>	Exercising the option to opt for alternative tax regime under section 115BAE by co-operative society (if assessee is required to submit return of income by July 31, 2025)
<b>15<sup>TH</sup> SEPTEMBER</b>	Furnishing of details of attribution of capital gain taxable under section 45(4) to the capital asset remaining with the firm, AOP, or BOI after reconstitution (if the firm, AOP, or BOI is required to furnish return of income by July 31, 2025)



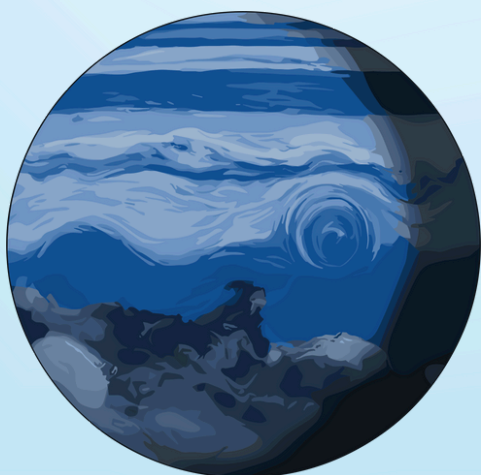
# September 2025 - Tax Calendar

<b>15<sup>TH</sup> SEPTEMBER</b>	Submission of a report from a Chartered Accountant for the previous year 2024-25 relating to arm's length price of the remuneration paid by an eligible investment fund to the fund manager (if the assessee is required to submit return of income by July 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB, 194-M & 194S in the month of August, 2025
<b>30<sup>TH</sup> SEPTEMBER</b>	Due date for filing of audit report under section 44AB for the assessment year 2025-26 in the case of a corporate-assessee or non-corporate assessee. (who is required to submit his/its return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Application in Form 9A for exercising the option available under Explanation to section 11(1) to apply income of previous year in the next year or in future (if the assessee is required to submit return of income on November 30, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Statement in Form no. 10 to be furnished to accumulate income for future application under section 10(21) or section 11(1) (if the assessee is required to submit return of income on November 30, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of Audit report in Form no. 10B/10BB by a fund or trust or institution or any university or other educational institution or any hospital or other medical institution
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE under section 35D(4) for the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of report of audit of the accounts of an assessee, other than a company or a co-operative society, in Form No. 3AE under section 35E(6) for the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of audit report in Form 3CE under section 44DA by non-resident and foreign company for the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of audit report relating to computation of capital gains in case of slump sale (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing report certifying the claim for additional employee cost under section 80JJAA during the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)



## September 2025 - Tax Calendar

<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing report under section 115JB for computing the book profits of the company during the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing report under section 115JC for computing Adjusted Total Income and Alternate Minimum Tax of the person other than company during the previous year 2024-25 (if the assessee is required to submit return of income on October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of Audit Report under clause (ii) of section 115VW for the previous year 2024-25
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of audit report by the specified fund, being the investment division of an offshore banking unit, for the purpose of exemption under section 10(4D) (if assessee is required to submit return of income by October 31, 2025)
<b>30<sup>TH</sup> SEPTEMBER</b>	Furnishing of certificate issued by Chartered Accountant certifying annual statement of exempt income of specified fund, being a category-III AIF, under section 10(23FF)







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