



# UNION BUDGET

2025



### A Budget for Growth by 'mon A.M.I.E.' (My Friend)

The Hon'ble Finance Minister, Ms. Nirmala Sitharaman, presented her 8<sup>th</sup> consecutive Union Budget, reaffirming the Government's commitment to fiscal prudence, economic growth, and inclusive development. This budget strategically addresses key sectors, with a strong focus on Agriculture, MSMEs, Investment, and Exports (A.M.I.E.), while also providing direct tax relief to individuals and businesses.

In response to recent economic headwinds and sluggish consumption, the government has reinforced capital expenditure (capex) and infrastructure investments to drive long-term growth. A significant emphasis has been placed on simplifying compliance procedures and ensuring that more disposable income remains in the hands of taxpayers, fostering both consumption and savings.

Recognizing the crucial role of MSMEs and startups in the economy, the budget doubles the credit guarantee cover, facilitating easier access to finance. This move is expected to enhance manufacturing capacity, improve working capital cycles, and enable MSMEs to scale operations in alignment with increasing consumer demand.

On the fiscal front, the Government is striking a delicate balance between deficit reduction and economic expansion. The fiscal deficit estimate for FY 2024-25 has been revised to 4.8%, down from the previous 4.9%, with a targeted reduction to 4.4% in FY 2025-26. This trajectory reflects a disciplined approach towards fiscal consolidation while sustaining growth momentum.

Additionally, the budget introduces rationalized tax deduction at source (TDS) and tax collected at source (TCS) provisions, aiming to ease compliance and improve transparency. The long-anticipated Direct Tax Bill shall be tabled to replace the existing tax framework, reducing complexity and ensuring a more streamlined taxation system. Decriminalization of several tax provisions further strengthens investor confidence, fostering an environment of trust and business ease.

A key highlight of this year's budget is the continued development of the IFSC (International Financial Services Centre) in GIFT City, positioning India as a global financial hub. With incentives for international businesses and financial institutions, this initiative is expected to boost foreign investments and enhance India's standing in global financial markets.

Overall, this budget prioritizes economic resilience, fiscal discipline, and growth-oriented reforms. By focusing on tax simplification, capital expenditure, MSME empowerment, and global financial integration, it lays a strong foundation for a robust and self-reliant India in the years ahead.

Thank you 'Mon AMIE' (my friend)

CA Hareesh K. Chheda

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*All the amendments mentioned below are proposed in The Finance Bill, 2025 and will take effect from FY 2025-2026 (i.e. AY 2026-2027) unless otherwise specifically stated, subject to passing by both the houses of the Parliament and assent by the Hon'ble President.*

*This document summarizes the Union Budget 2025 and the recent policy changes. It has been prepared for the privileged use of our clients. We recommend you to seek professional advice before taking action on specific issues.*



# Key Highlights

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### DIRECT TAX PROPOSALS

- Tax rates for Individual, Hindu Undivided Family (HUF), Association of Person AOP (other than co-operative), Body of Individual (BOI) and Artificial Jurisdiction Person (AJP) under new regime for FY 2025-2026 are proposed as under –

Total Income	Applicable Tax Rate
Upto INR 4,00,000	Nil
From INR 4,00,001 - to INR 8,00,000	5%
From INR 8,00,001 - to INR 12,00,000	10%
From INR 12,00,001 - to INR 16,00,000	15%
From INR 16,00,001 - to INR 20,00,000	20%
From INR 20,00,001 - to INR 24,00,000	25%
Above INR 24,00,000	30%

- The limit of Income for claim of rebate to resident individual increased to INR 12 Lakhs from INR 7 Lakhs and consequently rebate claim has been increased to INR 60,000 from INR 25,000 under new regime. Further the rebate shall not be available for income chargeable at special rate (capital gains, lottery etc).

- TDS Rate for Income payable by Securitization Trust to Investor to be reduced from 25% (in case of Individual or HUF) and 30% (other than Individual or HUF) to 10% for all assessee.
- Threshold limit for TDS on Interest other than interest on Securities for senior citizens increased from INR 50,000/- to INR 1,00,000/-.
- Threshold limit for TDS on Rent increased from INR 2,40,000/- to INR 6,00,000/-.
- Capital Gains earned by Business Trust from investment in equity shares, equity oriented fund or business trust subject to STT are proposed to be taxed at 12.5%.
- Definition of Capital Asset to include securities held by category I or category II AIF as regulated by SEBI.
- Extension of timeline for tax benefits to eligible startups from 1<sup>st</sup> April 2025 to 1<sup>st</sup> April 2030.
- Penalty order u/s 275 can not be passed after expiry of 6 months from the end of quarter in which proceedings are completed.
- Removal of higher rate of Tax Deduction at Source TDS/TCS for non-filers return on Income.





## KEY HIGHLIGHTS

- Carry forward of losses in case of amalgamation:- To ensure clarity and prevent perpetual carry forward of losses, the carry forward of accumulated losses (deemed as losses of the successor entity) to a maximum of 8 assessment years from the year the loss was first computed for the original predecessor entity.
- Benefits of Tonnage Tax scheme extended to Inland Vessels registered under Inland Vessels Act 2021 has been extended.
- Introduction of presumptive taxation benefit to non resident providing service of electronics manufacturing facility.
- Definition of VDA has been expanded to include crypto-assets, which are digital representations of value secured by cryptographic technology, regardless of whether they were already covered under the existing VDA definition.
- Capital Gains earned by FPI's on securities, other than equity shares, equity oriented funds or business trust subject to STT are proposed to be taxed at 12.5% as against current 10%.
- Threshold for TCS on Liberalized Remittance Scheme (LRS) to be increased from INR 7,00,000/- to INR 10,00,000/-.
- Threshold for TCS on remittance for foreign education is excluded from TCS on loan taken from specified Financial Institution.
- Removal of TCS on sale of specified goods.
- Time limit for period of registration of small charitable trust and Institution (having gross total income of INR 5 crore before exemption) increased from 5 years to 10 years.
- Two self occupied property can be claimed as NIL, if owner occupies it for his own residence or cannot actually occupy it due to any reason.
- Time limit for filling of Updated return for any Assessment Year has been proposed to increase from 24 months to 48 months .
- Sections 271C, 271CA, 271D, 271DA, 271DB, and 271E of the Income-tax Act will allow the AO to levy penalties instead of the JCIT. However, if the penalty amount exceeds the specified limit, the AO will need to obtain prior approval from the Joint Commissioner before issuing the penalty order.
- To ensure parity for non-residents availing life insurance from IFSC insurance offices versus other foreign jurisdictions, are exempted proceeds from such policies without the condition on maximum premium payable.



## INDIRECT TAX PROPOSAL



### Customs:

- Rationalization of rates of Custom Duty across sectors.
- Agricultural Infrastructure and Development Cess (AIDC) is introduced on certain goods.
- Changes in Rules of Import of Goods at a Concessional Rate of Duty for Manufacture of Excisable goods.



### GST:

- Retrospective amendment is proposed to nullify the Supreme Court ruling in M/s Safari Retreats Pvt. Ltd.
- Amendment mandates ITC reversal by the recipient, for the supplier to reduce tax liability on a credit note.
- Track and Trace Mechanism introduced for certain specific goods.

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New tax regime for Individual, HUF, AOP (other than co-operative), BOI and AJP is default tax regime. An individual/ HUF /AOP/ BOI/ AJP shall **have an option** to opt for old tax regime described below:

### I. Tax Rates in Old Regime

Tax Rates for Individuals, HUF, AOP (Other than Co-Operative Society) , BOI & AJP				
Status →	Individual, HUF, AOP, BOI & AJP	Senior Citizen (60 years & above)	Very Senior Citizen ( 80 years & above)	Notes
Taxable Income (INR)				<ul style="list-style-type: none"> <li>Surcharge @ 10% if income exceeds INR 50 Lakhs but not exceeding INR 1 Crore.</li> <li>Surcharge @ 15% if income exceeds INR 1 Crore but not exceeding INR 2 Crores.</li> <li>Surcharge @ 25% if income exceeds INR 2 Crores but not exceeding INR 5 Crores.</li> <li>Surcharge @ 37% if income exceeds INR 5 Crores.</li> <li>In case of AOP consisting of only companies as its members, the rate of surcharge shall be restricted to 15%, even if total income exceeds INR 2 Crores.</li> <li>In case of STCG u/s 111A, LTCG and dividend, the rate of surcharge shall be restricted to 15%, even if total income exceeds INR 2 Crores.</li> <li>Health and Education Cess @ 4% of Tax + Surcharge.</li> <li>Maximum rebate of INR 12,500 available to resident individuals with net taxable income up to INR 5,00,000.</li> <li>AMT shall be applicable in case of taxpayer claiming specified deduction.</li> </ul>
Upto – 2,50,000	NIL	NIL	NIL	
2,50,001 – 3,00,000	5%	NIL	NIL	
3,00,001 – 5,00,000	5%	5%	NIL	
5,00,001 –10,00,000	20%	20%	20%	
Above 10,00,000	30%	30%	30%	



## II. Tax Rates u/s 115 BAC in New Regime (For Individuals, HUF & Others)

Tax Rates for Individuals/ HUF/ AOP (Other than Co-Operative Society)/ BOI & AJP				
Existing Slabs	Existing Tax Rates	Proposed Slabs	Proposed Tax Rates	Notes
Net Taxable Income (INR)	Slab Rate	Net Taxable Income (INR)	Slab Rate	<ul style="list-style-type: none"> <li>Surcharge @ 10% if income exceeds INR 50 Lakhs but not exceeding INR 1 Crore.</li> <li>Surcharge @ 15% if income exceeds INR 1 Crore but not exceeding INR 2 Crores.</li> <li>Surcharge @ 25% if income exceeds INR 2 Crores.</li> <li>Health and Education Cess @ 4% of Tax + Surcharge.</li> <li>Maximum rebate of INR 60,000 available to resident individuals with total income up to INR 12,00,000.</li> <li>Rebate not available on Capital Gain (LTCG,STCG)</li> </ul>
Up to 3,00,000	NIL	Up to 4,00,000	NIL	
3,00,001 – 7,00,000	5%	4,00,001 – 8,00,000	5%	
7,00,001 – 10,00,000	10%	8,00,001 – 12,00,000	10%	
10,00,001 – 12,00,000	15%	12,00,001 – 16,00,000	15%	
12,00,001 – 15,00,000	20%	16,00,001 – 20,00,000	20%	
Above 15,00,000	30%	20,00,001 – 24,00,000	25%	
		Above 24,00,000	30%	

### Note 1:

- In case of short term capital gains u/s 111A, long term capital gains u/s 112 & 112A and dividend, the rate of surcharge shall be restricted to 15%, even if total income exceeds INR 2 Crores. The option u/s 115BAC can be opted every year in case of person not having business income. In other case, once such option is exercised it can be withdrawn only once in subsequent year unless such person ceases to have Business Income.
- AMT will not be applicable if one opts for Section 115BAC.



- In order to opt for old regime, individual, HUF & others shall have to opt for the same and file the return of income within the due date prescribed u/s 139(1).
- In case of new regime, the individual, HUF & others will not be able to set-off any loss carried forward or additional depreciation attributable to exemptions/deductions mentioned in Note 2 below. [Though set-off of loss of earlier years on account of unabsorbed depreciation is not allowed, corresponding adjustment in WDV of such block of assets is allowed].

### Note 2:

Under the new tax regime, the following exemptions and deductions cannot be claimed:

- Leave travel concession u/s 10(5)- applicable for persons in employment
- House rent allowance u/s 10(13A) - applicable for persons in employment
- Allowances u/s 10(14) - applicable for persons in employment other than:
  - Transport allowance to divyang employee commuting between residence and office
  - Conveyance allowance to meet expenses during conveyance on duty
  - Allowance to meet cost of travel on tour or transfer
  - Daily allowance on account of absence from normal place of duty

- Deduction for entertainment allowance and profession tax u/s 16 against salary income
- Allowances to MPs/MLAs u/s 10(17)
- Allowance for income of minor u/s 10(32)
- Exemption for SEZ units u/s 10AA
- Interest on loan taken for self-occupied or vacant property u/s 24
- Additional depreciation u/s 32(1)(iia)
- Donations or expenditure on scientific research u/s 35(1)(ii), 35(1)(iia), 35(1)(iii), 35(2AA)
- Deductions u/s 32AD, 33AB, 33ABA, 35AD, 35CCC applicable to business income
- Deductions under Chapter VIA such as life insurance premium, PPF, ELSS, repayment of housing loan, mediclaim, donations, profit linked deductions.

### Note 3:

Following deductions shall be available under both regimes.

- Deduction u/s 80CCD(2) (NPS contribution by employer), 80CCH (Agniveer Corpus Contribution by CG), 80JJAA (New Employees) will continue to be available .
- Standard deduction u/s 16(i) of Rs. 50,000/- under old regime and Rs. 75,000/- under new regime for Income from Salary will be allowed as deduction.
- Family pension u/s 57 (iia) will also be allowed as deduction.



### Amendment in Rebate u/s 87A

- In order to provide relief to the middle class individuals, it is proposed to enhance the eligible limit of rebate wherein no tax shall be payable upto the total income of INR 12 Lakhs. However the said amendment shall be applicable only for person under new tax regime. Thus the limit for rebate under new regime has been enhanced now from INR 25,000 to INR 60,000.
- Further the above benefit shall not be available with regard to income chargeable at special rate.
- Further, there is no change with regard to rebate provision in case of individual opting for old tax regime.





## Tax Rates for Firms (including LLPs)

Particulars	Basic Tax	Surcharge	Cess	Total	Notes
Income upto INR 1 Crore	30%	-	4%	31.20%	Health and Education Cess @ 4% of Tax + Surcharge
Income exceeding INR 1 Crore	30%	12%	4%	34.94%	

## Tax Rates for Domestic Companies

Particulars	Company opting for Sec 115BAA	Company opting for Sec 115BAB	Other Company
Business of the Company	Any Business	Manufacturing/Production	Any Business
Eligibility Criteria	No specific requirement	Set up and registered on or after 1 <sup>st</sup> October, 2019 (manufacturing / production to commence by 31 <sup>st</sup> March, 2024)	No specific requirement
Basic Tax Rate	22%	15%	25%/30% (Refer note 1)
Surcharge	10%	10%	0%/7%/12% (Refer note 2)
Cess	4%	4%	4%
Effective Tax Rate	25.17%	17.16%	26% to 34.94%
Minimum Alternate Tax	Not applicable	Not applicable	Basic Rate =15% of Book profits plus applicable surcharge and cess
Other Conditions	Prescribed exemptions /deductions are not allowed (Refer Note 7)		N.A.



### Notes:

1. Basic rate of Tax is 25% if turnover in FY 2023-24 is not more than INR 400 Crores.
2. Surcharge Rates for Other Company
3. The option of Section 115BAA can be exercised in any year but before the due date specified u/s 139(1) for filing return of income for that year. This option once exercised cannot be withdrawn subsequently.
4. The option of section 115BAB needs to be exercised before the due date specified u/s 139(1) for filing 1<sup>st</sup> Return of Income of the Company.
5. The option u/s 115BAB, once exercised, cannot be withdrawn subsequently. However, if the company fails to satisfy the conditions of Section 115BAB it can opt for Section 115BAA. However, if the violation is discovered subsequently after the due date u/s 139(1), it may be doubtful to opt for such an option.
6. Companies formed by restructuring or splitting up of existing business or using old plant & machinery more than 20% of total plant and machinery or using building used previously as hotel or convention centre are not eligible for opting for u/s 115BAB.

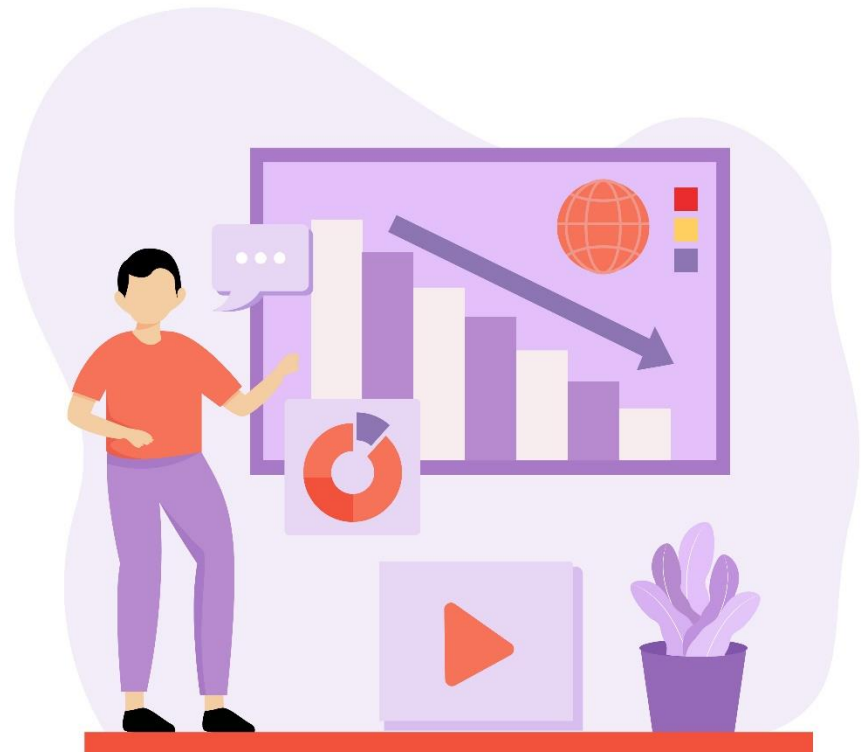
Total Income	Applicable Surcharge
Upto INR 1 Crore	0%
INR 1 Crore < To ≤ INR 10 Crores	7%
More than INR 10 Crores	12%







7. Prescribed exemptions/deductions includes:
- Section 10AA : Units in Special Economic Zone
  - Section 32(1)(iia) : Additional depreciation allowance
  - Section 32AD : Deduction for investment in new plant and machinery in notified backward States.
  - Section 33AB : Tea/ coffee/ rubber development allowance
  - Section 33ABA : Site restoration fund.
  - Section 35(1)(ii), (iia), (iii) and 35(2AA), (2AB) : certain scientific research expenditure.
  - Section 35AD : Deduction in respect of expenditure on specified business (e.g Cold Storage, cross country gas line, etc.)
  - Expenditure on agricultural extension project.
  - Section 35CCD : Expenditure on skill development project.
  - All the deductions under Chapter VIA except section 80JJAA (deduction in respect of new employees) and section 80M (receipt of dividend).
8. Set-off of any loss carried forward from earlier years to the extent that such loss is attributable to any of the deduction mentioned above. Though set off of loss on account of unabsorbed additional depreciation is not allowed, corresponding adjustment in WDV of such block of assets shall be allowed.





## Tax Rates for Foreign Companies

Particulars	Tax	Surcharge	Cess	Total	Notes:
Income upto INR 1 Crore	35%	-	4%	36.40%	Health and Education Cess @ 4% of Tax + Surcharge
Income exceeding INR 1 Crore but not exceeding than INR 10 Crores	35%	2%	4%	37.13%	
Income exceeding INR 10 Crores	35%	5%	4%	38.22%	





## Tax Rates for Cooperative Societies

Particulars	Resident Co-operatives opting for Sec 115BAD	Resident Co-operatives opting for Sec 115BAE	Other Cooperatives
Business of Cooperative Society	Any Business	Manufacturing / Production	Any Business
Eligibility Criteria	No specific requirement	Set up and registered on or after 1 <sup>st</sup> April, 2023, and has commenced manufacturing or production of an article or thing on or before the 31 <sup>st</sup> day of March, 2024	No specific requirement
Basic Tax Rate	22%	15%	10%/ 20%/ 30% (Note – 1)
Surcharge	10%	10%	0%/ 7%/ 12% (Note - 2)
Cess	4%	4%	4%
Effective Tax Rate	25.17%	17.16%	10.4% to 34.94%
Alternate Minimum Tax	Not applicable	Not applicable	Basic Rate =15% of Book profits plus applicable surcharge and cess
Other Conditions	Note - 3	Note – 4	N.A.

Note 1 – Basic Rate Total Income	Applicable Tax Rates
Upto INR 10,000	10%
INR 10,000 < To ≤ INR 20,000	20%
Exceeding INR 20,000	30%

Note 2 – Surcharge Rates Total Income	Applicable Surcharge
Upto INR 1 Crore	0%
INR 1 Crore < To ≤ INR 10 Crores	7%
More than INR 10 Crores	12%



### Note No 3- Concessional rate of tax for Co-operative society u/s 115BAD

- In line with provisions related to domestic companies, co-operative society, resident in India, shall have the option to pay tax at effective rate of @ 25.17% (inclusive of surcharge and cess), subject to fulfilment of following conditions:
  - No deduction to be claimed in respect of:
    - Section 10AA : Units in Special Economic Zone
    - Section 32(1)(ia) : Additional depreciation allowance
    - Section 32AD : Deduction for investment in new plant and machinery in notified backward States.
    - Section 33AB : Tea/ coffee/ rubber development allowance
    - Section 33ABA : Site restoration fund.
    - Section 35(1)(ii), (ia), (iii) and 35(2AA): certain scientific research expenditure.
    - Section 35AD: Deduction in respect of expenditure on specified business (e.g. Cold Storage, cross country gas line etc)
    - Section 35CCC: Expenditure on agricultural extension project.
    - All the deductions under Chapter VIA except section 80JJAA (deduction in respect of new employees) and section 80LA (income from IFSC Unit).
  - Set-off of any loss carried forward from an earlier year to the extent that such loss is attributable to any of the deduction mentioned above shall not be allowed. Though set off of loss on account of unabsorbed depreciation is not allowed, corresponding adjustment in WDV of such block of assets shall be allowed.
  - AMT will not be applicable if one opts for Section 115BAD.
  - Rest of the provisions are in line with the condition applicable to companies as per section 115BAA.





### Note 4 - 15% concessional tax to promote new manufacturing co-operative society

- Newly set-up domestic manufacturing companies can opt for concessional tax rate of 15% without availing specified incentives/ deductions.
- In line with provisions related to domestic companies, co-operative societies which are resident in India, shall have the option to pay tax at the rate of 15% applicable for any previous year relevant to the assessment year beginning on or after the 1<sup>st</sup> day of April, 2024 without availing certain deductions.
- Conditions for claiming the benefit:
  - the cooperative society has been set-up & registered on or after the 1<sup>st</sup> day of April, 2023, & has commenced manufacturing or production of an article or thing on or before the 31<sup>st</sup> day of March, 2024 and the business is not formed by splitting up, or the reconstruction, of a business already in existence;
  - The co-operative society shall not be engaged in any business other than the business of manufacture or production which shall include the business of generation of electricity, but not include certain specified businesses.
  - Remaining all the conditions are similar to the conditions provided u/s 115BAB of the Income Tax Act.





## Rates of Tax Deduction at Source

Section	Nature of Payments made to Resident	Threshold Limits		Payee		With Effect from	Notes
				Company, Partnership Firm / LLP / Co-op Society / Local Authority	Individual, HUF, AOP & BOI		
		Present (INR)	Proposed (INR)	Rates	Rates		
192	Salary	N.A.		N.A.	Refer Note 15		15
192A	Payment of accumulated balance due to an employee by RPF	50,000	50,000	N.A.	10%		1
193	Interest on Securities	-	10,000	10%	10%	01.04.2025	2
194	Dividends for individual shareholder	5,000	10,000	10%	10%	01.04.2025	N.A.
194-A	Other Interest	5,000	10,000 / 50,000 / 1,00,000	10%	10%	01.04.2025	3 & 4
194-B	Winning from Lotteries or crossword puzzle, etc	Aggregate >10,000	10,000 in respect of single transaction	30%	30%	01.04.2025	N.A.
194-BA	Winnings from online games (w.e.f. 1 <sup>st</sup> July 2023)	N.A.	N.A.	30%	30%		N.A.
194-BB	Winnings from Horse races	Aggregate >10,000	10,000 in respect of single transaction	30%	30%	01.04.2025	N.A.
194-C	Payment to Contractors / Sub-Contractors	Single Transaction > 30,000 Aggregate > 1,00,000	Single Transaction > 30,000 Aggregate > 1,00,000	2%	1% / 2%		3 & 5
194-D	Insurance Commission	15,000	20,000	10% (company) 2% (other than company)	2%	01.04.2025	N.A.





## Rates of Tax Deduction at Source

Section	Nature of Payments made to Resident	Threshold Limits		Payee		With Effect from	Notes
				Company, Partnership Firm / LLP / Co-op Society / Local Authority	Individual, HUF, AOP & BOI		
		Present (INR)	Proposed (INR)	Rates	Rates		
194-DA	Payment in respect of Life Insurance Policy (other than amount in section 10(10D))	1,00,000	1,00,000	2%	2%		6
194-E	Income arising to a Non-Citizen, Non-Resident Entertainer or Sportsmen	NIL	NIL	N.A	20%		N.A.
194-EE	Payment in respect of deposits under NSS	2,500	2,500	10%	10%		N.A
194-G	Commission etc. on the sale of lottery tickets	15,000	20,000	2%	2%	01.04.2025	N.A.
194-H	Commission/Brokerage	15,000	20,000	2%	2%	01.04.2025	3
194-I	Rent of machinery, plant or equipment	2,40,000	50,000 pm or part of month	2%	2%	01.04.2025	3
194-I	Rent of land, building, or Furniture	2,40,000		10%	10%		3
194-IA	Payment on transfer of certain immovable property other than agricultural land	50,00,000	50,00,000	1%	1%		19
194-IB	Payment of Rent by Individuals/HUF (other than covered by Section 44AB)	50,000 p.m.	50,000 p.m.	2%	2%		No TAN required
194-IC	Payment under Specified Agreement for Joint Development	NIL	NIL	10%	10%		N.A.



# RATE CHARTS – TAX DEDUCTED AT SOURCE (TDS)

Rates of Tax Deduction at Source

Section	Nature of Payments made to Resident	Threshold Limits		Payee		With Effect from	Notes
				Company, Partnership Firm / LLP / Co-op Society / Local Authority	Individual, HUF, AOP & BOI		
		Present (INR)	Proposed (INR)	Rates	Rates		
194-J	Professional Fees	30,000	50,000	10% / 2%	10% / 2%	01.04.2025	3,7 & 8
194-K	Payment to resident for income in respect of units of Mutual fund or Administrator of Specified Undertaking or Specified Company	5,000	10,000	10%	10%	01.04.2025	9
194-LA	Compensation or Consideration for Compulsory Acquisition of Immovable Property (other than agricultural land)	2,50,000	5,00,000	10%	10%	01.04.2025	10
194-LBA	Incomes from units of Business Trust.	NIL	NIL	5% / 10%	5% / 10%		11
194-LBC	Income from securitization trust	NIL	NIL	10% (Earlier 30%)	10% (Earlier 25%)	01.04.2025	
194-LC	Interest Income paid to Non-Residents by Specified Companies or Business Trust	NIL	NIL	9%/ 5% / 4%	5% / 4%		12
194-LD	Interest income paid to Non-Residents by certain Bonds and Government Securities.	NIL	NIL	5%	5%		13



## Rates of Tax Deduction at Source

Section	Nature of Payments made to Resident	Threshold Limits		Payee		With Effect from	Notes
				Company, Partnership Firm / LLP / Co-op Society / Local Authority	Individual, HUF, AOP & BOI		
		Present (INR)	Proposed (INR)	Rates	Rates		
194-M	Payment for contract /professional services by individual/ HUF. (other than those covered under 194C and 194J).	50,00,000	50,00,000	2%	2%		No TAN required
194-N	Cash Withdrawn from bank, co-operative bank and post office.	1,00,00,000/ 3,00,00,000	1,00,00,000/ 3,00,00,000	2%	2%		14
194-O	Payment made by E-commerce operator to E-commerce Participant	NIL (Refer Note 18)	NIL (Refer Note 18)	0.1%	0.1%		17
194P	TDS by specified bank to specified senior citizen	N.A.	N.A.	N.A.	Refer Note 15		N.A.
194Q	Purchase of goods	50,00,000	50,00,000	0.10%	0.10%		18
194R	TDS on benefit of perquisite in respect of Business or Profession	20,000	20,000	10%	10%		3
194S	Payment on transfer of Virtual Digital Asset	Specified persons = 50,000 Others = 10,000	Specified persons = 50,000 Others = 10,000	1%	1%		No TAN required
194T	Payment of salary, remuneration, interest, bonus or commission by partnership firm to partners	20,000	20,000	10%	N.A	01.04.2025	



### Notes:

1. TDS provisions u/s 192A applies when withdrawal of accumulated balance in RPF is to be included in the total income. In case PAN is not available, TDS shall be at 20% instead of MMR.
2. Threshold limit for interest paid on debentures is INR 5,000. Threshold limit for interest on 7.75% GOI Savings (Taxable) Bonds, 2018 is INR 10,000. Threshold Limit for interest paid on Floating Rate Savings Bonds (FRSB) 2020 (Taxable) is INR 10,000 w.e.f 1<sup>st</sup> Oct 2024. Tax will be deducted on interest on securities which is listed on recognised stock exchange.
3. The provisions of following TDS / TCS Sections shall apply if the Gross Receipts / Turnover is INR 1 Crore or more for Business and INR 50 Lakhs or more for Profession of deductor being Individual or HUF in relation to deduction under following sections:
  - Section 194A, 194C, 194H, 194I, 194J, 194R and
  - Section 206C
4. The threshold limit for TDS on interest income from Bank and Post office deposits for Senior Citizens is INR 1,00,000 and in any other cases INR 50,000.
5. TDS is to be deducted @ 2% if the payee is an AOP or BOI. No TDS is applicable on payment to Contractor during the course of plying, hiring or leasing of goods carriages, where such contractor owns 10 or less goods carriages during the FY and furnishes declaration along with PAN.
6. Applicable only where amount is not exempt u/s 10(10D).
7. a. Rate of TDS is 2% instead of 10% if the payee is engaged only in the business of operation of call centre.  
b. TDS on Remuneration to Director which is not in the nature of Salary to be deducted @ 10%.
8. TDS under section 194J for payment of fees for technical services (except professional services) is to be deducted @ 2% & for professional services is to be deducted @ 10%.
9. Units of Mutual Fund have been specified under section 10(23D) of Income Tax Act, 1961. “Administrator”, “specified company” and “specified undertaking” are specified u/s 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002.
10. No tax will be deducted if payment is made in respect of any award or agreement which has been exempted from levy of income-tax u/s 96 of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
11. Interest payment from a SPV and Distribution of dividend by a Business Trust, to Resident unit holders shall be liable for TDS @ 10%. Whereas, in case of Non-Resident payee, TDS on dividend shall be @ 10% & that on interest payment shall be @ 5%.



### Notes:

12. The period of concessional rate of TDS of 5% is for borrowing made till 01<sup>st</sup> July 2023 from existing 01<sup>st</sup> July 2020. The rate of TDS was reduced to 4% in case of interest payable to a Non-Resident on borrowings in foreign currency from a source outside India, by way of issue of any long term bond or Rupee Denominated Bonds on or after 01<sup>st</sup> April, 2020 but before 01<sup>st</sup> July, 2023 and which is listed only on a recognised stock exchange located in any IFSC. The rate of TDS will be 9% if the above borrowings is made on or after 01<sup>st</sup> July 2023.
  13. In case of FPI and QFI, the lower TDS rate of 5% has been extended for borrowing made till 01<sup>st</sup> July, 2023. The said concessional TDS rate shall also be applied to FII and QFI in respect of investment made in Municipal Bonds.
  14. The threshold limit of INR 1 Crore is for aggregate cash withdrawn from an account during the FY. However, if recipient is cooperative society, then threshold limit will be INR 3 Crore.
  15. At the rates applicable to particular slab of income including applicable Surcharge and Health & Education Cess.
  16. In case payee does not furnish PAN then TDS shall be deducted at higher of the following rates
    - Rates specified in relevant provisions of the Act or
    - Rates in force or
    - 20%
  17. TDS @ 0.1% to be deducted by e-commerce operator on the gross amount of sales or services or both made by the e-commerce participant and facilitated through its digital or electronic platform.
    - E-commerce operator is required to deduct tax at the time of credit of amount of sale or service or both to the account of e-commerce participant or at the time of payment thereof to such participant by any mode, whichever is earlier.
    - Tax also to be deducted by e-commerce operator where payment is made by purchaser of goods or recipient of services directly to e-commerce participant.
    - If the gross amount of sales or services or both of e-commerce participant, being an individual or HUF, through e-commerce operator during the previous year does not exceed INR 5 Lakhs and such e-commerce participant has furnished his PAN or Aadhaar number to the e-commerce operator then TDS will not be required to be deducted on the same.
    - In case the PAN of the e-commerce participant is not available then the rate of TDS shall be 5%.
    - Transaction covered under this section shall not be liable for TDS under any other provisions.
- In case of payment by E-Commerce Operator to E-Commerce Participant, 5% TDS shall apply instead of 20%.



### Notes:

18. TDS on goods purchased from any resident, being seller, in following case

Nature of payment made to resident	Person Responsible to deduct tax	Rate of TDS (PAN is Provided)	Rate of TDS (PAN is Not Provided)	Exceptions
Purchase of goods (value or aggregate of value of goods purchased > INR 50 Lakhs during the FY)	Person being buyer whose total sales, gross receipts or turnover from the business carried on by him > INR 10 Crores during the FY immediately preceding the FY in which goods were purchased	0.10%	5%	<ul style="list-style-type: none"><li>Tax is deductible under any other provision of the Act</li></ul>

- Notified category of persons will be exempt from deducting tax on above mentioned transaction.
- It is proposed to remove Section 206C(1H) from 1<sup>st</sup> April 2025, thereby there will be no requirement to collect TCS by seller

19. TDS on transfer on immovable property is to be deducted on sale consideration or stamp duty value of such property, whichever is higher provided either of the two exceeds INR 50 lakhs.

20. Form 15G/15H can be given wherever applicable.





## Rates of Tax Collection at Source

Section	Nature of Receipt by seller	Threshold Limits		Rate	
		Existing (INR)	Proposed (INR)	Existing	Proposed
206C(1)	Alcoholic Liquor for human consumption	N.A.	N.A.	1%	1%
206C(1)	Timber obtained under a forest lease	N.A.	N.A.	2.5%	2.5%
206C(1)	Timber obtained by any other mode	N.A.	N.A.	2.5%	2%
206C(1)	Any other forest produce not being a timber or tendu leave (Refer Note 3)	N.A.	N.A.	2.5%	2%
206C(1)	Scrap	N.A.	N.A.	1%	1%
206C(1C)	Grant of license, lease, etc. of parking lot	N.A.	N.A.	2%	2%
206C(1C)	Grant of license, lease, etc. of toll plaza	N.A.	N.A.	2%	2%
206C(1C)	Grant of Mining and quarrying	N.A.	N.A.	2%	2%
206C(1)	Tendu leaves	N.A.	N.A.	5%	5%
206C(1)	Minerals being coal or lignite or iron one	N.A.	N.A.	1%	1%
206C(1F)	TCS on Purchase of Motor Vehicle and Luxury Goods	10,00,000	10,00,000	1%	1%
206C(1G)	TCS on remittance under LRS for purchase of overseas tour program package (w.e.f 1 <sup>st</sup> April 2025)	Upto 7,00,000	Upto 10,00,000	5%	5%
		In excess of 7,00,000	In excess of 10,00,000	20%	20%
206C(1G)	TCS on remittance under LRS for purpose other than educational loan or medical treatment (w.e.f 1 <sup>st</sup> April 2025)	In excess of 7,00,000	In excess of 10,00,000	20%	20%
	TCS on remittance under LRS for educational loan taken from financial institutions	In excess of 7,00,000	NA	0.5%	Nil



# RATE CHARTS – TAX COLLECTED AT SOURCE (TCS)

Rates of Tax Collection at Source

Section	Nature of Receipt by seller	Threshold Limits		Rates	
		Existing (INR)	Proposed (INR)	Existing (%)	Proposed (%)
206C(1G)	TCS on remittance under LRS for the purpose of education (other than financed by loan) or for the purpose of medical treatment	In excess of 7,00,000	In excess of 10,00,000	5%	5%
206C(1H)	TCS on sale of goods	In excess of 50,00,000	No TCS	0.1%	No TCS

### Notes:

1. Seller means any company or firm or co-operative society, central Government, State Government or any local authority and includes an individual and HUF whose total sales or gross receipt/turnover exceeds 1 crore in case of business or 50 Lakhs in case of profession during the FY immediately preceding the FY in which the goods are sold.
2. In case buyer does not furnish PAN then TCS shall be collected at higher of the following rates
  - Twice the rate specified in relevant provisions of the Act or
  - 5%

The above provision are not applicable for non-resident who does have permanent establishment in India.

3. It is proposed to widen the scope of present provision of TCS Collection and include forest lease with effect from 1<sup>st</sup> April 2025





### Removal of TCS on sale of specified goods

- Presently under Section 206C(1H) of the Income Tax Act, a seller is required to collect tax at source (TCS) at 0.1% on the sale of goods exceeding INR 50 lakhs in a financial year, subject to certain conditions.
- As per Circular No. 13/2021 dated 30<sup>th</sup> June, 2021, if a transaction falls under both Section 194Q (TDS on purchase of goods) and Section 206C(1H) (TCS on sale of goods), tax is required to be deducted under Section 194Q. Once the buyer deducts TDS, the seller is not required to collect TCS under Section 206C(1H) on the same transaction.
- However, if the seller collects TCS before the buyer deducts TDS, the buyer is not required to deduct tax again on the same transaction.
- In order to promote ease of doing business and reduce the compliance burden on taxpayers, it is proposed to remove Section 206C(1H), whereby there will be no requirement to collect TCS by seller.
- However, provisions relating to TDS @0.1% by purchaser on purchase of goods shall continue to operate, if such purchases from a supplier exceed INR 50 lakhs during any financial year.

### Removal of higher TDS/TCS for Non-filers of Income Tax return

- Presently the provision mandates, tax deduction at a higher rate if the recipient of money, on which tax is deductible (deductee), is a non-filer of income tax returns. Similarly, TCS provision requires tax collection at a higher rate from similar non-filers (payees). This is subject to other conditions specified in both of these sections. With this deletion, the compliance of the provisions contemplated u/s 206AA continues to be observed.
- To reduce compliance burden for the tax deductor/ collector, it is proposed to do away with the higher deduction/ collection due to difficulties in getting information of such non-filers.

### TCS under LRS

#### INCREASE IN THRESHOLD

- Presently the provision mandates that Authorised Dealers collect TCS when receiving funds under the Liberalised Remittance Scheme (LRS) or when a Tour Package Seller collects payment for an overseas travel package when the amount exceeds INR 7 Lakhs.
- It is now proposed to increase the threshold amount for requirement to collect TCS to INR 10 Lakhs.



### LOANS FOR THE PURPOSE OF EDUCATION

- Currently, the Authorised Dealer was required to collect TCS at 0.5%, if the remittance made by the buyer is out of loan obtained from specified Financial Institution for the purpose of any education and the amount exceeded seven lakh rupees during the FY.
- It is now proposed that no TCS shall be collected by the seller if the amount being remitted out of the loan obtained from any specified Financial Institution for the purpose of pursuing any education.

### ALIGNMENT WITH TIME LIMITS UNDER SECTION 153 TO EXCLUDE THE PERIOD STAYED BY COURTS

- The existing provisions of the Act stipulated that no person shall be deemed to be 'Assessee in Default' after the expiry of – six years from the end of the FY in which tax was collectible or two years from the end of the FY in which Correction statement was filed, whichever is later.
- However, the said provisions were not aligned with the time limits prescribed for court stays, etc. and thus, at times TCS default cases were dismissed due to procedural delays.
- Now, it is proposed to align the time limits for deeming a person to be an 'Assessee in default' with the provisions concerning the time limits for court stays, etc. by higher authorities.
- Thus, now the standard six year or two year limit will now exclude period where proceedings were delayed due to stay granted by

courts, etc. and hence, ensuring no TCS default cases are dismissed by procedural delays.

- This amendment will be effective from AY 2025-26.





### Deduction under section 80CCD for contributions made to NPS Vatsalya.

- The NPS Vatsalya Scheme, officially launched on 18<sup>th</sup> September 2024, enables parents/guardians to start a NPS account for their children. This savings-cum-pension scheme is designed exclusively for minors and will be operated by the guardian for the exclusive benefit of the minor till they attain majority. When a minor attains 18 years, the account will continue to be operational, transferred to the child's name with the accumulated corpus and will be shifted into the NPS-Tier 1 Account (All Citizen Model) or other non-NPS scheme account.
- It is proposed to extend the tax benefits available to the NPS under section 80CCD of the Act to the contributions made to the NPS Vatsalya accounts, as follows:
  - Parents/guardians who contribute to NPS Vatsalya accounts for minors can claim deduction under section 80CCD(1B) subject to overall cap of INR 50,000/-.
  - The amount of deduction claimed under section 80CCD(1B) along with any amount accrued thereon, will be charged to tax when such amount is withdrawn on account of closure or opting out. However, if amount is received upon the closure of the account due to the minor's death, it shall not be taxable.

- This scheme allows partial withdrawal for specific situations like education, treatment of specified diseases and disability (of more than 75%) of the minor and it is proposed that it shall be exempt from tax under section 10(12BA) for withdrawal upto 25% of the total amount contributed.

### Exemption to withdrawals by Individuals from National Savings Scheme from taxation

- 80CCA provided tax benefit to the extent of amount deposited in National Savings Scheme to (NSS) an individual or a Hindu Undivided Family
- However, as per 2<sup>nd</sup> proviso to section 80CCA no benefit of this deduction was available to amounts deposited after 01<sup>st</sup> April, 1992
- Further, any amount on which such deduction had been previously availed or any interest accrued was withdrawn such amount would be taxable in the hands of such person.
- The Department of Economic Affairs, had via notification declared that no interest would be provided to National Savings Scheme after 01<sup>st</sup> October, 2024.
- This forced the taxpayers to withdraw the balance lying in the National Saving Scheme accounts as a result triggering an income tax implication.



- Thus, to provide relief it is proposed an amendment to provide exemption to the withdrawals made by individuals from these deposits.
- This relief shall only be allowed to deposits made before 01<sup>st</sup> April, 1992 and interest thereon, on which deduction was availed by the respective tax payer and withdrawn after 29<sup>th</sup> August 2024
- This amendment will be retrospectively effective from 29<sup>th</sup> August 2024





### Annual value of the self-occupied property simplified

- Presently, if the owner occupies the house for residence or cannot occupy it due to employment, business or profession being carried on at any other place, the annual value of such house property upto maximum of two houses properties shall be taken as Nil.
- For simplifying the provisions, it is proposed to remove the condition that the non occupancy should be due to employment, business or profession. Thus if the owner occupies it for his residence or cannot occupy it due to any other reason also the annual value will be considered as NIL for upto 2 house properties.
- The proposed amendment will be effective from AY 2025-26.





### Bringing clarity in income on redemption of ULIP

- Presently, an ULIP is treated as capital asset if exemption u/s 10(10D) is not applicable to said ULIPs on account of it being purchased on or after 01<sup>st</sup> February 2021 and is having premium payable exceeding INR 2,50,000/- in any year. However, there were certain ULIPs though not having premium value exceeding sum of INR 2,50,000 was not covered u/s 10(10D) on account of its premium value exceeding 10% of sum assured. As regards to taxability of such ULIP's there is no clarity under which head it was taxable.
- Thus, it is now proposed that all the Unit Linked Insurance Policy to which the exemption u/s 10(10D) is not applicable will be treated as capital asset.
- Further, such ULIP will be treated as an equity-oriented fund. Consequently, any long-term capital gains from such ULIPs will be taxed u/s 112A at a rate of 12.5% and any short term capital gains will be taxed u/s 111A at a rate of 20%

### Securities held by Category I & II AIF treated as capital Asset

- It is proposed to amend definition of capital assets to include securities held by Investment Fund in accordance with SEBI regulations. Thus, the securities shall be treated as capital assets and income as capital gains.
- Investment Fund means a fund established or incorporated in India, either as a trust, Company, LLP, or body corporate, and registered as Category I or II Alternative Investment Funds under SEBI or IFSC Regulations.







## Scheme of presumptive taxation extended for Non-Resident Providing Services to Electronics Manufacturing Facility

- A Non-Resident engaged in providing services or technology in India for setting up electronics manufacturing facility or in connection with manufacturing or producing electronic goods, article or things to a resident company that is establishing or operating an electronics manufacturing facility, or a connected facility for manufacturing or producing electronic goods, article or things in India, under a scheme notified by the CG upon satisfying the prescribed conditions will be eligible for presumptive taxation.
- Instead of calculating actual profits, 25% of total payment received / receivable for such services will be treated as taxable income.
- The assessee will not be allowed to set off unabsorbed depreciation or brought forward losses for any previous years.
- This results in an effective tax rate of less than 10% on gross receipts.

## Harmonization of Significant Economic Presence with Business Connection

- Income through or from any business connection in India or from Significant Economic Presence in India (which is considered as business connection) is considered as income deemed to be accrued or arising in India.

- Presently, income arising through or from operations which are confined to the purchase of goods in India for the purpose of export is not considered as accrued or arising in India as it does not constitute business connection in India. However, such activities are not specifically excluded from scope of Significant Economic Presence.
- It is now proposed that the transactions or activities of a non-resident in India which are confined to the purchase of goods in India for the purpose of export shall not constitute Significant Economic Presence in India.

## Rationalisation of taxation of capital gains for FII & Specified Funds

- The Finance (No. 2) Act, 2024 amended tax rate on LTCG for all taxpayers to 12.5%.
- However, FII & certain Specified Funds continue to pay 10% tax on long term capital gains on transfer of securities excluding listed equity shares, equity oriented mutual funds and units of business trust satisfying certain conditions and securities purchased in foreign exchange.
- It is proposed to amend the tax rate on LTCG for FIIs and certain specified funds from 10% to 12.5% on all securities.



### Rationalization of transfer pricing provisions for carrying out multi-year arm's length price determination

- In order to remove compliance burden on assessee's and administrative burden on the TPOs due to repetitive nature of determination of ALP for similar international transactions or SDT every year, it is proposed to introduce the scheme of TP assessment in block.
- It is proposed to provide the option to assessee's for determination of the ALP in relation to an international transaction or SDT for any previous year to the similar international transaction or SDT for the two consecutive PY immediately following such PY subject to certain conditions as prescribed.
- AO cannot refer the case to TPO if for computation of ALP, TPO has declared above option as valid.
- Any reference made before or after the option is declared as valid by TPO shall have effect as if no reference is made for such transaction.
- The above provisions shall not apply to any proceedings under Chapter XIV-B (Search assessment)
- Section 155 is also amended to provide power to AO to re-compute the total income of the assessee on the basis of the ALP determined by TPO for such two consecutive years by amending the order of assessment or any intimation or deemed intimation under sub-section (1) of section 143 within three months from the end of month in which assessment is completed.

### Regulatory Simplification & Enhanced Flexibility for Fund Managers

- Non-resident funds managed by an eligible fund manager situated in India does not constitute business connection in India, subject to certain conditions.
- In order to simplify the regime it is proposed that the calculation of the 5% limit for determining the aggregate participation in the fund by persons resident in India, either directly or indirectly, shall be determined as of 1<sup>st</sup> April and 1<sup>st</sup> October of the previous year. However, if the condition is not satisfied on either dates, a grace period is provided to satisfy the same condition within 4 months of the said dates.
- Further all other conditions except above can be relaxed for an eligible investment fund where the date of commencement of operations by its eligible fund manager located in IFSC is on or before 31<sup>st</sup> March, 2030.
- These amendments will take effect from AY 2025-26.



### Extension of sunset dates for several tax concessions pertaining to IFSC

- The sunset date for commencement of operations of IFSC units for several tax concessions, or relocation of funds to IFSC is proposed to be extended to 31<sup>st</sup> March, 2030 for the following:
  - Deductions in respect of certain income on transfer of aircraft or ship leased by IFSC unit.
  - Exemption to certain incomes including income on transfer of assets by non-resident on recognized stock exchange in IFSC.
  - Exemption to income of a non-resident by way of royalty or interest, on account of lease of an aircraft or a ship, paid by a unit of IFSC.
  - Exemption to income of a non-resident or a unit of IFSC, engaged primarily in the business of leasing, by way of capital gains arising from the transfer of equity shares of domestic company, being a unit of IFSC.
  - Relocation regime of specified funds to IFSC.
- This amendment will take effect from AY 2025-26.

### Exemption on life insurance policy from IFSC Insurance offices

- It is proposed to exempt any sum received under a life insurance policy issued by the IFSC insurance intermediary office, including the

sum allocated by way of bonus on such policy without any condition on the premium amount (i.e. INR 2.5 lakhs for unit-linked insurance policies and INR 5 lakhs for other life insurance policies). However, premium payable for any year during the term of policy should not be more than 10% of actual capital sum assured.

- This amendment will take effect from AY 2025-26.

### Relaxation from Deemed Dividend for treasury centres in IFSC

- Treasury centre of group enables it to centralize and concentrate cash & risk management to gain economics of scale, process efficiency of scale, process efficiency and tighter control of cash flow in the group.
- It is proposed to exclude any payment by way of advance or loan between two group entities from the scope of deemed dividend if:
  - One of the group companies is a Finance company or Finance unit in IFSC set up as a global or regional corporate treasury for undertaking treasury activity or services, and
  - The parent or the principal entity of such group is listed on stock exchange in a country or territory outside India, other than the country or territory outside India as maybe specified.
- This amendment will take effect from AY 2025-26.



### Exemption to capital gains and dividend for ship leasing units in IFSC

- Presently, certain exemption on capital gains and dividend is available to non residents/IFSC units engaged in aircraft leasing.
- It is now proposed to extend the benefit of exemption :
  - On capital gain tax to non-residents or IFSC units engaged in ship leasing on the transfer of shares of domestic companies that are also units of IFSC and engaged in ship leasing which has commenced operations on or before 31<sup>st</sup> March, 2030.
  - On dividend paid by a company being a unit of IFSC engaged in ship leasing to a unit of IFSC engaged in the same business.
- These amendments will take effect from AY 2025-26.

### Inclusion of Retail schemes and Exchange Traded Funds (ETFs) in the existing relocation regime of funds of IFSCA

- Relocation of original fund or of its wholly owned special purpose vehicle that is overseas to a resultant fund in India is tax neutral subject to certain conditions.
- It is proposed to expand the definition of resultant fund to include Retail schemes and Exchange Traded Funds (ETFs) regulated under IFSCA (Fund Management) Regulations 2022.

### Exemption to non resident for income from FPI IFSC unit:

- It is proposed to extend tax exemption to non-resident on income from transfer of non-deliverable forward contracts, offshore derivative instruments, over-the-counter derivatives, and distribution of income on offshore derivative instruments, entered into with Foreign Portfolio Investors being a unit of IFSC.





### Extension of Time Limit for Filing Updated Tax Return

- The concept of Updated Return was introduced to promote voluntary tax compliance by allowing taxpayers to rectify omissions or errors in their original return or file new return. It enables taxpayers to furnish an updated return within a specified time frame by paying additional income-tax.
  - An updated return can be filed by all the assessee's whether the original return or belated return or revised return was filed or not. It could be furnished within 24 months from the end of the relevant assessment year.
  - It is proposed to extend the time limit for filing updated return from 24 months to 48 months from the end of the relevant assessment year.
  - The additional income tax payable is as follows:
- It is further proposed that no updated return shall be filed by any assessee if a notice to show cause under Section 148A of the Act has been issued in their case after 36 months from the end of the relevant assessment year.
  - However, if a subsequent order is passed under Section 148A(3) determining that it is not a fit case for issuing a notice under Section 148 of the Act, the taxpayer will still be allowed to file an updated return within 48 months from the end of the relevant assessment year.
  - This amendment will be applicable from AY 2025-26.

Time period from the end of assessment year	Rate of Additional Tax
Within 12 months	25% of aggregate of tax and interest payable
After 12 months and upto 24 months	50% of aggregate of tax and interest payable
After 24 months and upto 36 months	60% of aggregate of tax and interest payable
After 36 months and upto 48 months	70% of aggregate of tax and interest payable



### Amendment in provisions of block assessment in cases of Search

- The concept of block assessment was introduced Vide Finance (No. 2) Act, 2024 where a search u/s 132 of the Income Tax Act, 1961 is initiated or requisition under section 132A of the Act is made, on or after 01<sup>st</sup> September, 2024.
- With Finance Bill 2025, It is proposed to widen the scope of “undisclosed income” so as to include “virtual digital asset” that is crypto currency to the definition of undisclosed income.
- Now, unreported holdings or transaction in VDA’s discovered during search operations will be taxed under block assessment rules.
- Further It is proposed that, in case of proceedings initiated under search are annulled (i.e found invalid) by virtue of any appeal or any other legal proceeding then assessment or reassessment shall “revive” with effect from the date of receipt of the order of such annulment by the PCIT or CIT. This means that if a tax assessment was canceled (abated) due to a search, and later it needs to be restarted, not just assessments and reassessments but also re-computations, references, and orders will now be included in the process. w.e.f 1<sup>st</sup> February 2025.
- Further it also proposed that where any assessment is pending in the case of an assessee and a subsequent search is initiated, or a requisition is made, then such pending assessment shall be duly completed first, and then the assessment in respect of subsequent search or requisition shall be made.
- Further, various clarification have been issued for computation of Total Income which are as under:-
  - The term "total income disclosed" will be replaced with "undisclosed income“
  - If a person has already declared income in their tax return (before the search happens), that income will be counted in the block period, and tax credit will be given accordingly.
  - The word "total" will be removed from "total income" in some clauses to avoid confusion
  - Further, If the financial year has ended, but the due date for filing the return has not passed before the search, then the income recorded in books for that period will be taxed under normal tax rules instead of block assessment
- Presently, if tax authorities find evidence of international or specific domestic transactions during a search, that income is not included in the block assessment. Instead, it is assessed separately under normal tax rules because it's difficult to assess arm’s length price of part period transactions. However, this process still has irregularities and hence it is proposed to change, Instead of considering the evidence for international or specific domestic transactions, only a reference to such income will be made.



- Presently time-limit for completion of block assessment is 12 months from end of the month in which the last of the authorizations for search has been executed.
- But, Search and Seizure cases often involve multiple related entities, requiring coordinated investigation and assessment. However, the current time limits create strict deadlines for the assessing officer, making it challenging to conclude group cases effectively
- Hence it is proposed that the time-limit for completion of block assessment is proposed to be increased to 12 months from end of the quarter in which the last of the authorizations for search or requisition has been executed.
- The Proposed changes shall be effective from the 1<sup>st</sup> February, 2025.

### Change in Search and Seizure Rules

#### TIME LIMIT FOR RETENTION OF SEIZED DOCUMENTS

- Presently, seized books/documents could be retained for 30 days from the date of assessment/reassessment/re-computation order.
- However, in group search cases, assessments for different individuals may happen at different times, making it difficult to separate seized records. Additionally, documents from completed cases might still be needed for ongoing assessments. Since approval deadlines vary case by case, the Assessing Officers were required to constantly track multiple time limits leading to an unnecessary administrative burden.

- Hence, to avoid the said burden, it is now proposed to change the time limit for retention to one month from the end of the quarter in which the assessment/ reassessment/ re-computation order is passed.
- The proposed amendments will be effective from AY 2025-26.

### Clarification regarding exclusion of period where stay is granted by the Court

- Presently, under various sections of the Income Tax Act (like Section 144BA, Section 153, Section 158BE etc.), if proceedings are stayed due to Court's order or injunction, such period of the stay is to be excluded from the time limit for completing the pending proceedings. However, there was confusion about when the stay period actually begins and ends.
- It is now proposed to clarify that the period of stay should be computed from:
  - The commencement date: The date on which Court issues the stay.
  - The end date: The date on which certified copy of order vacating stay order is received by the concerned jurisdictional Principal Commissioner or Commissioner or approving panel in the case of Section 144BA.
- The proposed amendments will be effective from AY 2025-26



### Amendments in Transfer Pricing and Faceless Schemes

- The Government has removed the deadline for implementing faceless schemes related to transfer pricing assessments (Section 92CA), Dispute Resolution Panel (DRP) proceedings (Section 144C), Income Tax Appellate Tribunal (ITAT) appeals (Section 253), and ITAT functioning (Section 255). Previously, these faceless schemes had to be notified by 31<sup>st</sup> March, 2025. Now, the Government has the flexibility to notify them beyond this date.
- This change allows for continuous improvements in faceless assessment, appeal, and dispute resolution processes. It also provides the Government with the ability to introduce future digital tax reforms without being restricted by a fixed timeline.
- The proposed amendments will be effective from AY 2025-26







### Relaxation from Prosecution in case of delayed payment of TCS

- Presently, if a person fails to pay TCS to the credit of CG within the time limit prescribed, then he is punishable with imprisonment for a term which shall not be less than 3 months but may extend to 7 years along with fine.
- It is now proposed to relax the prosecution provisions in cases where the payment of TCS has been made to the credit of CG at any time before the time prescribed for filing the TCS statement of such quarter in which tax is collected.
- The proposed amendment will be effective from AY 2025-26.

### Non-applicability of Section 271AAB

- Presently, penalty shall be levied in addition to tax payable by taxpayer if search has been initiated on or after 15<sup>th</sup> December, 2016.
- Although provisions clearly specifies that raid conducted post 01<sup>st</sup> September, 2024 are outside its purview, but in order to avoid any ambiguity regarding its applicability to searches conducted on or after 01<sup>st</sup> September 2024, It is proposed to specify that the penalty under this section will not apply to taxpayers in whose case a search has been initiated under section 132 on or after 01<sup>st</sup> September 2024.
- The said amendment is applicable w.e.f. 01<sup>st</sup> September, 2024

### Certain penalties to be imposed by the Assessing Officer

#### Penalties by Joint Commissioner:

- Hitherto penalty under sections 271C, 271CA, 271D, 271DA, 271DB, and 271E of the Income Tax Act, could only be imposed by the **Joint** Commissioner of Income Tax, even though the tax assessment was done by the Assessing Officer.
- It is now proposed to amend the provisions of Sections 271C, 271CA, 271D, 271DA, 271DB, and 271E so as to shift the penalty levying authority from the Joint Commissioner of Income Tax to Assessing Officer.
- In cases where the penalty amount exceeds Rs.10,000 as the specified in section 274(2), the Assessing Officer will need to take prior approval from the Joint Commissioner before passing the penalty order.
- The amendments will come into effect from AY 2025-26.



### Extending the processing period of application seeking immunity from penalty and prosecution

- The Government has extended the time limit for processing immunity applications. Presently, the Assessing Officer had only 1 month from the end of month in which application was received to review and decide on an application for immunity from penalty and prosecution. Now, it is proposed to extend it to 3 months from the end of the month in which the application is received. This change allows tax authorities more time to carefully assess each application, reducing the chances of rejections due to procedural delays. It also ensures a fairer process for taxpayers seeking immunity, giving them a better opportunity to present their case effectively.
- The Proposed amendment will come into effect from AY 2025-26.

### Time limit to impose penalties rationalised

- Presently provision, prescribes the time limit for passing penalty orders. However, there was ambiguity regarding the exact timeframe for imposing penalties in different scenarios. To eliminate this uncertainty, an amendment is proposed introducing a uniform time limit. Under the revised provision, the penalty order must be passed within 6 months from the end of the quarter in which the relevant proceedings are completed. This amendment aims to bring clarity, consistency, and efficiency to the penalty imposition process.
- The proposed amendment will be effective from AY 2025-26.





### Rationalisation of 'specified violation' for cancellation of registration of trusts or institutions

- If a trust or institution has been registered and later, the authorities find any "specified violations", the Principal Commissioner or Commissioner are empowered to cancel the registration of Trust/Institution.
- Currently, even a procedural error of filing incomplete application for registration under section 12A(1)(ac) is considered as "specified violation". Thus even minor default can lead to serious consequence of cancellation of registration.
- However, the proposed amendment states that an incomplete application will NOT be considered a violation anymore.
- The amendment will take effect from AY 2025-26.

### Period of registration of smaller trusts or institutions

- Section 12AB provides registration of trust or institution for a period of 5 years or provisional registration (where activities have not commenced at the time of filing application for registration) for a period of 3 years.
- At the expiry of such registration or provisional registration, or in cases of entities having provisional registration, if the activities of the trust or institution have commenced, the trust or institution is required to make an application for further registration.

- The further registration is granted only for 5 years. To reduce the compliance burden for small trusts or institutions, it is proposed to increase the period of validity of registration of trust or institution from 5 years to 10 years in cases where –
  - The application is made under sub-clause (i) to (v) of section 12A(1)(ac)
  - The total income of the trust or institution does not exceed INR 5 crores during each of the two previous years, preceding to the previous year in which application is made.
- The amendment will take effect from AY 2025-26.

### Rationalisation of persons specified under sub-section (3) of section 13 for trusts or institutions

- Section 13 of the Income Tax Act says that a trust or institution will lose its tax exemptions (under Sections 11 or 12) if it uses its income or property to benefit certain person, either directly or indirectly. The "persons" specified u/s 13(3) besides others includes –
  - any person who has made a total contribution of more than INR 50,000/- to Trust/Institution till the end of the relevant previous year;
  - any relative of person mentioned in point above



- any concern in which any such person mentioned in point above has a substantial interest.
- There are difficulties in furnishing details of relatives and concerns.
- It is, therefore, proposed to amend the provision to provide that,—
- (i) persons, shall now include any person whose total contribution to the trust or institution, during the relevant previous year exceeds INR 1 lakh rupees, or, in aggregate up to the end of the relevant previous year exceeds INR 10 lakh rupees,
- (ii) relative of any such person as mentioned in (i) above, and any concern in which any such person as mentioned in (i) above has a substantial interest, shall not be included in specified persons.
- The amendment will take effect from AY 2025-26.





## Carry Forward of Losses on account of Amalgamation and Business Reorganizations

- The existing provisions of the Act provides that the accumulated losses and unabsorbed depreciation of the predecessor entity shall be deemed to be the accumulated losses and unabsorbed depreciation of the successor entity of the Previous year in which such Amalgamation or Business reorganization takes place.
- In order to prevent indefinite rollovers of losses through successive mergers, an amendment has been proposed which clarifies that any losses of the predecessor entity inherited by the successor entity shall be utilized within eight years from when such losses were computed for the original predecessor entity.
- The proposed amendment will be applicable in following situations:
  - Amalgamation of one company into another;
  - Conversion of Firm or proprietary concern into company;
  - Conversion of Private or Unlisted company into LLP
- which is effected on or after 01<sup>st</sup> April, 2025

## Extension of timeline for tax benefits to start-ups

- Presently, a deduction of 100% of the profits derived from eligible business by an eligible start-up is available for any 3 consecutive years out of first 10 years beginning from **incorporation**, if the eligible start-up is incorporated after 01<sup>st</sup> April, 2016 but before 01<sup>st</sup>

April, 2025, subject to satisfying other conditions prescribed.

- It is proposed to amend the aforesaid section to extend the benefit to eligible start-up incorporated before 01<sup>st</sup> April, 2030.
- This amendment will take effect from AY 2025-26.

## Rationalisation in taxation of Business trusts.

- In 2014, the Government introduced a special tax mechanism for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InVITs) to make funding for real estate and infrastructure projects easier. These trusts invest in companies (SPVs) that own properties or infrastructure projects.
- Under the current tax provisions (Section 115UA), these trusts do not pay tax on certain incomes like Interest and dividends received from the companies they invest in and Rental income from real estate (for REITs). Instead, this income is taxed in the hands of investors (unit holders) when they receive it.
- However, as per section 115UA(2) trust's total income shall be taxed at highest rate, except for the dividend income and interest income earned from the respective SPV's along with capital gains u.s. 111A and 112



- However, there was no mention of capital gains under section 112A which deal with long term capital gains on listed stocks and mutual funds.
- To set things in order, the Government is amending the law to include Section 112A, so that long-term capital gains is charged at the applicable tax rates and not at Maximum Marginal Rate.
- This amendment shall be effective from the AY 2025-26.

### Tonnage Tax Scheme extended to Inland Vessels

- Tonnage Tax Scheme is an option available for shipping companies operating qualifying sea-going ships, to compute their profits on presumptive basis.
- It is proposed to extend the benefits of this scheme to Inland Vessels registered under the Inland vessels Act, 2021.
- Qualifying shipping companies can opt for the tonnage tax regime by making an application to the JCIT.
- It is proposed to increase the time limit available for JCIT to pass an order granting or refusing the approval of application received on or after 01<sup>st</sup> April, 2025 from earlier 1 month to 3 months from the end of the quarter in which such application is received.

### Amendment in Scope of VDA and Obligation to furnish information in respect of crypto-asset

- Presently, transfer of VDAs is taxed at a rate of 30%, with no deductions allowed (other than the cost of acquisition).
- Additionally, to capture VDA transaction details, section 194S was introduced to mandate the deduction of 1% tax at source (TDS) on payments made for the transfer of VDAs, including cases where the transaction occurs in kind or is partly in cash.
- It is now proposed to insert **section 285BAA** in the Act, which introduces an obligation to furnish information on crypto-assets. This provision aims to ensure greater transparency and tracking of crypto-asset transactions.
- Further it is also proposed to **amend and widen the scope of definition of Virtual Digital Asset (VDA's)**. The proposed amendment widens to include crypto-assets as any digital representation of value that relies on a cryptographically secured distributed ledger (such as blockchain) or a similar technology to validate and secure transactions.



# Indirect Tax Proposals

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### Taxability on Vouchers to be eliminated

- The provisions regarding the time of supply for vouchers are proposed to be removed. This amendment aims to treat vouchers as a medium of exchange rather than considering them as a direct supply of goods or services. The Notes to Finance Act, 2025 clarify that vouchers are neither goods nor services by themselves.
- On account of this proposal, tax liability will now arise only when an actual goods or services are supplied. Simply issuing or purchasing a voucher will not create a tax liability.
- This amendment has been proposed in accordance with the circular issued by CBIC in 2024.

### Track and Trace Mechanism for specified goods and persons to be implemented

- A new section has been proposed to be inserted to establish a Track and Trace Mechanism for certain specified goods and person dealing in such specified goods which shall be notified by the government at a later date. This mechanism aims to monitor and control the supply of specific goods effectively.
- A system for affixing unique identification marks and storing related information electronically is proposed to be provided.
- A section to define "Unique Identification Mark" as a secure, non-removable mark that facilitates the Track and Trace Mechanism is also proposed to be inserted

- Further, a new penalty provision is also proposed to be introduced to impose fine of ₹1 lakh or 10% of the tax payable, whichever is higher, for non-compliance in relation to the above provisions.

### Inclusion of Input tax credit in respect of inter-state supplies liable to reverse charge under ISD mechanism

- Starting from 1<sup>st</sup> April 2025, distribution of input tax credit as an Input Service Distributor is mandatory. The definition of Input Service Distributor (ISD) is proposed to be amended to include the distribution of Input Tax Credit (ITC) by the Input Service Distributor (ISD) in respect of inter-state supplies, where the tax is paid on a reverse charge basis.
- Corresponding amendment to explicitly provide for distribution of input tax credit by the Input Service Distributor in respect of inter-state supplies, on which tax is paid on reverse charge basis is also proposed to be carried out.

### Reversal of tax liability on account of Credit Notes to be allowed only if corresponding input tax credit is reversed

- The amendment explicitly states that a supplier can reduce their tax liability for a credit note only if the recipient has reversed the Input Tax Credit (ITC) associated with that credit note. The said provision is applicable for B2B transactions. In case of B2C, transactions, the old provisions exist.





- In simple terms, it is proposed that if the credit note that the supplier has reported in his GST returns, is not accepted by the recipient, then liability on account such credit note shall not be reduced from supplier's liability.
- Suppose a supplier charges INR 10,000 GST on a sale and issues a credit note later for a price reduction, effectively reducing the tax to INR 8,000. For the supplier to adjust and pay only INR 8,000, the buyer must reverse INR 2,000 of the ITC they originally claimed. If the buyer refuses or fails to do so, the supplier will still be required to pay the full INR 10,000 GST despite issuing the credit note.

### **Amendment to nullify the SC Ruling on allowability of input tax credit on "plant or machinery" in the case of Safari Retreats:**

- As per the existing provisions Input Tax credit in relation to construction of immovable property other than "Plant or machinery" is blocked under section 17 (5) (d). Whereas the Explanation to section provided for the definition only for "Plant and Machinery" which resulted in ambiguity.
- The Hon. Supreme court, in the case of Safari Retreat Private Limited has observed that the term "plant" in section 17 (5) (d) could not be restricted to the definition of "plant and machinery", which excludes land, buildings, or other civil structures. The court held that in certain cases, a building could be considered a plant, thereby making it eligible for input tax credit under section 17 (5) (d).

- The 55<sup>th</sup> GST Council recommended amending Section 17(5)(d) to replace "plant or machinery" with "plant and machinery". Considering the recommendation of GST Council, an amendment has been proposed to replace the phrase "plant or machinery" with "plant and machinery" retrospectively w. e. f. 01<sup>st</sup> July 2017.
- This thereby nullifies the effect of judgement by the Hon'ble Supreme Court in the case of Safari Retreats (P.) Ltd.

### **Pre-deposit for Appeal in cases pertaining to demand of penalty only**

- It is proposed to introduce a 10% pre-deposit of the penalty amount for appeals filed before the Appellate Authority and Appellate Tribunal, in cases where the demand is solely for a penalty and not for tax.

### **Enabling provision to be provided for introduction and implementation of Invoice Management System (IMS)**

- Provisions of sections 38 and 39 are proposed to be amended to prescribe other details to be made available in statement of input tax credit which will enable to provide for introduction and implementation of IMS



### Supply of goods stored in SEZ or FTWZ before clearance for DTA / export to be treated neither as supply of goods nor supply of services

- Schedule III is proposed to be amended to the effected that the supply of goods stored in an SEZ or Free Trade Warehousing Zone to any person, before being cleared for export or Domestic Tariff Area (DTA), will be considered neither a supply of goods nor a supply of services. This change is retrospective and is to be applied with effect from 1<sup>st</sup> July 2017.
- This aligns with the treatment of supply of warehoused goods as specified in existing provisions under paragraph 8(a) of Schedule III.
- Further, it is proposed that no refund is to be made for any tax already collected on transactions that would not have been taxed if the amended Schedule III had been in force at all material times.
- It is noteworthy that, no consequent amendment is proposed to Section 17(2) of the CGST Act, 2017 for reversal of ITC as is in the case for Paragraph 8(a) transactions.



The above amendments carried out in the Finance Bill, 2025 vis-à-vis Goods and Service Tax Act will come into effect from the date when the same will be notified, as far as possible, concurrently with the corresponding amendments to the similar Acts passed by the States and Union territories with legislature, until stated otherwise.



### Legislative Changes in Customs :

#### Voluntary Revision of Entry (Section 18A)

A new Section 18A is proposed to be introduced to allow importers / exporters to voluntarily revise entries post-clearance of goods. This is with a view to enable self-assessment for payment of duties or claiming refunds under Section 27. It also provides flexibility and rectification opportunities.

#### Time limit for Finalizing Provisional Assessment (Section 18):

A two-year time limit is proposed to be set for finalizing provisional assessment, extendable by one year by the Commissioner of Customs if sufficient cause is shown. For pending cases, the time limit starts from the date of assent to the Finance Bill, 2025.

#### Refund Claims (Section 27):

Clarification to provide that the period of limitation for claiming refunds due to revised entries under Section 18A is one year from the date of duty or interest payment is proposed.

#### Revised Tariff Rates:

With a view to streamline the structure and slab rates, tariff rates on certain industrial items are proposed to be revised from higher slabs like 150%, 70%, and 35% on various items to lower rates.

#### New Tariff Lines and Supplementary Notes:

178 new tariff entries are proposed to be added, and 63 entries deleted or substituted in Chapters 10, 20, 27, 28, 29, 38, and 71.

These changes align tariff lines with WCO (World Customs Organization) classification for better identification of goods.

### Exemptions and Concessions:

**Life-Saving Medicines:** 37 new drugs and 13 patient assistance programs are proposed to be added to the exemption list.

**Satellite and Launch Vehicle Goods:** Basic Customs Duty (BCD) exemption is proposed to be extended to imports for ground installations and spares related to satellites and launch vehicles.

### Trade Related Measures

#### Extension of Export Time

Extension in case of export time for handicrafts manufactured using duty free inputs extended from 6 months to 1 year with an additional 3 month extension is proposed

#### Simplification under IGCR Rules:

Time limit for fulfilling end-use is proposed to be increased from 6 months to 1 year. It is also proposed to replace monthly filings to Quarterly filings for such importers

**Amendments carried out through the Finance Bill, 2025, will come into effect on the date of its enactment or from 1<sup>st</sup> May 2025 or as may be specified.**

# Glossary

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Abbreviations	Full Forms
Act	Income Tax Act
AE	Associated Enterprises
AIF	Alternate Investment Funds
AJP	Artificial Juridical Person
ALP	Arm's Length Price
AMT	Alternate Minimum Tax
AO	Assessing Officer
AOP	Association of Persons
AIDC	Agricultural Infrastructure and Development Cess
AY	Assessment Year
BCD	Basic Customs Duty
BOI	Body of Individuals
BMA	Black Money Act
c/f	Carried Forward
CBDT	Central Board of Direct Taxes
CIT	Commissioner of Income Tax
CG	Central Government
CGST	Central Goods and Services Tax
COFEPSA	Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974
CVD	Countervailing duty

Abbreviations	Full Forms
DTAA	Double Tax Avoidance Agreement with foreign countries or specified territories / associations
EBITDA	Earnings before Interest, Taxation, Depreciation & Amortisation
EGR	Electronic Gold Receipt
EPF	Employee Provident Fund
FAR	Functions, Assets, Risk
FDI	Foreign Direct Investment
FEMA	Foreign Exchange and Management Act
FII	Foreign Institutional Investor
FMV	Fair Market Value
FPI	Foreign Portfolio Investors
FY	Financial Year
GDP	Gross Domestic Product
GOI	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code
IBU	IFSC Banking Unit
ICDS	Income Computation and Disclosure Standards
IFOS	Income from Other Sources



Abbreviations	Full Forms
IFSC	International Financial Services Centre
INR	Indian National Rupee
InvIT	Infrastructure Investment Trust
ITA	Income-Tax Authority
ITAT	Income-Tax Appellate Tribunal
ITR	Income Tax Return
JCIT	Joint Commissioner of Income Tax
LRS	Liberalised Remittance Scheme
LTC	Leave Travel Concession
LTCG	Long-Term Capital Gains
MAT	Minimum Alternate Tax
MLD	Market Linked Debentures
MMR	Maximum Marginal Rate
MRP	Maximum Retail Price
NBFC	Non-Banking Financial Company
NCLT	National Company Law Tribunal
NPS	National Pension Scheme
OBU	Offshore Banking Unit
OIDAR	Online Information Database Access and Retrieval Services
PAN	Permanent Account Number
PCIT	Principal Commissioner of Income Tax

Abbreviations	Full Forms
PMLA	Prevention and Money Laundering Act, 2002
RBI	Reserve Bank of India
REIT	Real Estate Investment Trust
RNOR	Resident but not Ordinarily Resident
RPF	Recognised Provident Fund
SAD	Special Additional Duty
SEBI	Securities and Exchange Board of India
SHEC	Secondary & Higher Education Cess
SPV	Special Purpose Vehicle
STCA	Short-Term Capital Asset
STCG	Short-Term Capital Gains
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TCS	Tax Collection at Source
TDS	Tax Deducted at Source
TP	Transfer Pricing
TPO	Transfer Pricing Officer
UAD	Unabsorbed Depreciation
ULIP	Unit Linked Insurance Plan
VDA	Virtual Digital Asset

‘न चोर हार्यं न च राज हार्यं न भात्रू  
भाज्यं न च भारकारि  
व्ययं कृते वर्धत एव नित्यं  
विद्यार्धनं सर्वधनप्रधानम’

**Knowledge is the Wealth that:**  
The **Thief** cannot **Steal**,  
The **King** cannot **Acquire**,  
The **Brothers** cannot **Share**,  
**Does not Weigh** on You,  
**Grows Forever** as you share ,  
Truly, **Knowledge is the Greatest Wealth.**

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