

**N. D. KAPUR & CO.  
CHARTERED ACCOUNTANTS**

**Monthly Updates**

**OCTOBER 2025**

<b>S. No.</b>	<b>Particulars</b>	<b>Page number</b>
<b>(I)</b>	<b>CORPORATE LAW</b>	<b>1-4</b>
<b>(II)</b>	<b>INDIRECT TAXATION</b>	<b>5-7</b>
<b>(III)</b>	<b>DIRECT TAXATION</b>	<b>8</b>

**(I) CORPORATE LAW**

**MCA ISSUES THE INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY (ACCOUNTING, AUDIT, TRANSFER AND REFUND) AMENDMENT RULES, 2025.**

The Ministry of Corporate Affairs (“MCA”), by way of Notification No. G.S.R. 733(E) dated 01.10.2025, has issued the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2025 (“IEPF Amendment Rules”)7 to amend the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“Principal Rules”). They shall come into force with effect from 06.10.2025.

A key change introduced through the IEPF Amendment Rules is the substitution of Form No. IEPF-5, which is the application made to the Investor Education and Protection Fund (“IEPF”) Authority for claiming unpaid dividends and shares out of the IEPF. Under Section 125(2)(c) of the Companies Act, 2013 (“Companies Act”), the company is required to transfer the amounts in its unpaid dividend account to the IEPF. The shareholders of the company need to file e-Form IEPF-5 under Section 125(3)(a) of the Companies Act and Rule 7(1) of the Principal Rules, along with other requisite documents, as may be specified from time to time, to claim their unpaid dividend amount transferred to the IEPF.

The revised Form No. IEPF-5 introduces several structural and procedural changes compared to the earlier version. The new form begins with two fresh requirements, disclosure of whether an entitlement letter has been issued by the company or bank, and an option for filing through an authorised representative, supported by a signed authority letter. The question relating to Rule 7(8) and 7(9) of the Principal Rules has been clarified to cover both transfer and transmission cases, and the claim type options now specifically list “Shares,” “Amount,” or “Amount and Shares.” The new form introduces a dedicated section for Depository details, requiring the name of the depository (NSDL or CDSL) and a demat account with both DPID and Client ID. Refund account details are now auto filled and include an additional MICR code field. Attachment requirements have been updated: “Proof of entitlement” has been replaced with “Securities Certificate.” The declaration section has been expanded to include separate undertakings by authorised representatives, detailing their authorisation number, date, and professional credentials, while the claimant’s declaration remains largely unchanged. The list of documents to be physically submitted to the company’s Nodal Officer now includes a signed authority letter if filed through an authorised representative.

**MCA EXTENDS DEADLINE FOR DIR-3 KYC FILING TO 31.10.2025**

The MCA, via General Circular No. 05/2025 dated 15.10.2025, has extended the timeline for filing e-form DIR-3-KYC and web-form DIR-3-KYC-WEB without payment of additional fees up to 31.10.2025. This circular follows the earlier extension granted through General Circular No. 04/2025 dated 29.09.2025.

Directors who have not yet completed their annual KYC compliance may now file the forms without incurring late fees until the extended date.

### **MCA GRANTS FEE-RELAXATION PERIOD FOR FY 2024-25 ANNUAL FILINGS**

The MCA has issued General Circular No. 06/2025 dated 17.10.2025 extending the time for companies to file their annual financial statements and annual returns for FY 2024-25 without additional fees. Due to the recent deployment of revised e-forms (MGT-7, MGT-7A, AOC-4 series including Ind AS and XBRL variants) on the MCA-21 V3 portal, companies may submit these filings up to 31.12.2025 without incurring extra charges.

This relaxation does not extend the statutory deadline for holding annual general meetings. Companies failing to hold AGMs within the prescribed time remain liable for action under the Companies Act, 2013. Filings made after 31.12.2025 will attract normal and additional fees as per the Companies (Registration Offices and Fees) Rules, 2014.

### **MCA GRANTS WAIVER OF ADDITIONAL FEES FOR CRA-4 FILINGS FOR FY 2024-25 UNTIL 31.12.2025**

The MCA has issued General Circular No. 07/2025 dated 27.10.2025 granting relaxation from payment of additional fees for filing Form CRA-4 (Cost Audit Report in XBRL format) for the financial year ended 31.03.2025. Filing of CRA-4 for this period made up to 31.12.2025 will not attract additional fees, given the deployment of the revised form on the MCA V3 portal. Filings submitted after 31.12.2025 will attract normal and additional fees as per the Companies (Registration Offices and Fees) Rules, 2014, from the original statutory due date under Rule 6(6) of the Companies (Cost Records and Audit) Rules, 2014.

### **NOMINATION PROVISIONS UNDER BANKING LAWS (AMENDMENT) ACT, 2025 TO TAKE EFFECT FROM 1 NOVEMBER 2025**

The Ministry of Finance has notified that key provisions relating to nomination under the Banking Laws (Amendment) Act, 2025 will come into force on 1.11.2025, advancing depositor protection and operational transparency in the banking sector.

The Amendment Act, originally notified on 15.04.2025, introduces significant changes across five core financial statutes, the Reserve Bank of India Act, 1934; Banking Regulation Act, 1949; State Bank of India Act, 1955; and the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980. In total, 19 amendments have been enacted to strengthen governance, elevate audit and supervisory practices, and bolster depositor and investor safeguards.

Certain provisions of the Act became effective on 01.08.2025, and the newly notified Sections 10, 11, 12 and 13 which specifically govern nomination rights and procedures will now operationalise from 01.11.2025.

## **MCA INDICATES FORTHCOMING FEE-WAIVER IMPLEMENTATION FOR FY 2024-25 ANNUAL FILINGS**

The MCA has noted that the additional fee-waiver changes for filing financial statements and annual returns for FY 2024-25, as announced vide Circular No. 06/2025, are currently under development and expected to be operational by the middle of next week. Companies whose due dates have already lapsed or fall within this interim period are advised to take note of the forthcoming relaxation measures and plan their filings accordingly.

## **CRA-4 FILING – ADDITIONAL FEE WAIVER MEASURES UNDER CIRCULAR NO. 07/2025**

The MCA has announced that changes relating to the waiver of additional filing fees for Form CRA-4 (for financial year ending 31.03.2025), pursuant to Circular No. 07/2025, are currently under development. The upgraded filing facility will be made available shortly. Companies whose CRA-4 filing due dates have expired or fall during this interim period are advised to take note of the forthcoming relaxation and plan their filings accordingly.

## **MCA RE-NOTIFIES JURISDICTION OF REGISTRARS OF COMPANIES UNDER COMPANIES ACT, 2013 EFFECTIVE 01.01.2026**

The MCA has issued Notification dated 23.10.2025 reorganising the territorial jurisdictions of Registrars of Companies (“RoCs”) under Section 396(1) and (2) of the Companies Act, 2013. The notification establishes ten RoC offices across Delhi/NCR, Haryana, Uttar Pradesh, Maharashtra, and West Bengal to administer company registration and related functions. Two RoCs have been designated for the National Capital Territory of Delhi, two for Uttar Pradesh (Kanpur and Noida), three across Maharashtra (Mumbai-I, Mumbai-II and Nagpur), one for Haryana, and two for Kolkata (city and rest of West Bengal). The revised jurisdictional structure will take effect from 01.01.2026.

## **MCA NOTIFIES NEW REGISTRAR OF COMPANIES JURISDICTIONS FOR LLP MATTERS, EFFECTIVE 01.01.2026**

The MCA, vide Notification dated 23.10.2025, has restructured the RoC system for administration of Limited Liability Partnerships (“LLPs”) under Section 68A of the LLP Act, 2008. The notification establishes dedicated RoCs with specified territorial jurisdiction across India for LLP registration and compliance functions. Ten RoC offices have been notified, two for Delhi/NCR, two for Uttar Pradesh, three across Maharashtra (Mumbai-I, Mumbai-II and Nagpur), and one each for Haryana, Kolkata (with separate jurisdiction for Sikkim and West Bengal), and NOIDA. Each RoC has been assigned defined district-wise jurisdiction to improve efficiency, streamline processing, and strengthen oversight of LLP regulatory matters. The reorganisation will come into force from 01.01.2026.

**MCA RECONSTITUTES REGIONAL DIRECTORATES UNDER COMPANIES ACT; NEW JURISDICTION STRUCTURE EFFECTIVE 01.01.2026**

The MCA has issued Notification dated 23.10.2025 restructuring the Regional Directorates under Section 396(1) of the Companies Act, 2013. The notification supersedes the earlier 2015 framework and establishes ten Regional Directors across the country, each assigned specific territorial jurisdiction for administering functions under the Act and delegated matters. The revised structure covers Northern, North-Western, Western, Southern, South-Western, Eastern, North-Eastern and South-Eastern Regions, ensuring streamlined oversight of corporate compliance. While Uttar Pradesh and Delhi fall under New Delhi HQ, Haryana, Punjab, Himachal Pradesh, Uttarakhand and related UTs come under the Chandigarh office. Separate directorates have been designated for Mumbai and Navi Mumbai, alongside directorates in Ahmedabad, Chennai, Bangalore, Kolkata, Guwahati and Hyderabad. The Regional Directors will also continue to exercise functions under the Companies Act, 1956 for provisions still in force. The new jurisdictional framework will come into effect from 01.01.2026.

**MCA RESTRUCTURES LLP ADMINISTRATION; NEW REGIONAL DIRECTORATES NOTIFIED EFFECTIVE 01.01.2026**

The MCA vide Notification dated 23.10.2025, has established 10 new Regional Directorates under Section 68A of the Limited Liability Partnership Act, 2008 to oversee LLP-related functions across India. Each Directorate has been assigned a specific jurisdiction, covering all States and Union Territories. Under the new framework, two Northern Directorates will operate from New Delhi and Chandigarh, while other regions will be headquartered at Ahmedabad, Mumbai, Navi Mumbai, Chennai, Bengaluru, Kolkata, Guwahati, and Hyderabad. The notification will come into effect from 01.01.2026

## **(II) INDIRECT TAXATION**

### **WITHDRAWAL OF GST CIRCULAR DATED JUNE 26, 2024**

The Central Board of Indirect Taxes & Customs (“CBIC”) has withdrawn Circular No. 212/6/2024-GST dated 26.06.2024, which prescribed procedures for furnishing evidence of compliance with conditions under Section 15(3)(b)(ii) of the Central Goods and Services Tax Act, 2017 (“CGST Act”) relating to post-supply discounts.

With effect from 01.10.2025, the procedure earlier mandated for proving fulfilment of such conditions is no longer required. Field formations have been instructed to ensure uniform implementation, and trade notices are to be issued accordingly. Any implementation issues are to be escalated to the Board.

### **ASSIGNMENT OF OFFICER UNDER SECTION 74A , 75(2) AND 122 OF CGST ACT, 2017**

The CBIC assigned proper officers for key GST enforcement provisions including Section 74A (determination of tax not paid/short paid/ITC wrongly availed for FY 2024-25 onwards), Section 75(2) (re-determination of tax under Section 73 where fraud not established in a Section 74 case), and Section 122 (penalties for specified offences), along with Rule 142(1A) (pre-SCN intimation in DRC-01A). Additional/Joint Commissioners, Deputy/Assistant Commissioners and Superintendents of Central Tax have been designated as proper officers for these provisions with defined monetary thresholds for issuance of SCNs and adjudication

Superintendents up to INR 10 lakh (CGST)/INR 20 lakh (IGST), Deputy/Assistant Commissioners above INR 10 lakh up to INR 1 crore (CGST)/INR 2 crore (IGST), and Additional/Joint Commissioners above INR 1 crore (CGST)/INR 2 crore (IGST) without limit. Combined CGST+IGST amount will determine jurisdiction; if a subsequent statement increases tax beyond an officer’s limit, the matter must be transferred to a higher authority.

The same adjudicating officer must pass fresh orders under Section 73 when higher forums hold Section 74 inapplicable.

### **PROVISIONAL SANCTION OF REFUND CLAIMS ON THE BASIS OF IDENTIFICATION AND EVALUATION OF RISK BY THE SYSTEM**

The CBIC issued operational guidelines for provisional sanction of 90% GST refund claims based on automated risk-based evaluation under amended Rule 91(2) of CGST Rules, 2017, effective 01.10.2025. Low-risk refund applications (zero-rated supplies and, as an interim facilitation measure, inverted duty structure refunds) identified by the system must receive 90% provisional refund post-acknowledgment in RFD-02, unless the proper officer records written reasons for detailed scrutiny. Applicants notified under Notification No. 14/2025-CT or failing statutory conditions (including prior prosecution bar) remain ineligible. Provisional refunds are not to be adjusted/withheld; instead, officers must expeditiously process final refund and recover any excess. Provisional refund should not be denied merely on presumptions; the exception is to be applied sparingly. In cases where issues are pending before appellate forums or prior

refund matters remain unresolved, provisional refund may be withheld and final refund processed directly. It is further stated that functionality for provisional refund in IDS cases is enabled by GSTN.

### **CBIC NOTIFIES MECHANISM FOR VOLUNTARY POST-CLEARANCE REVISION OF ENTRIES IN IMPORT/EXPORT DOCUMENTS**

The CBIC has operationalised Section 18A of the Customs Act, 1962 permitting voluntary revision of entries in Bills of Entry, Shipping Bills and Bills of Export after clearance of goods. Vide Notifications dated 30.10.2025 and Circular dated 31.10.2025, the Customs (Voluntary Revision of Entries Post Clearance) Regulations, 2025 have been issued, effective 01.11.2025. The framework prescribes the procedure and conditions for seeking revision, designates the jurisdictional Deputy/Assistant Commissioner as the verifying officer, specifies exceptions where revision will not be allowed, and mandates a fee of INR 1,000 per application. Refund-related provisions linked to such revisions have also been set out.

### **CBIC EXTENDS GSTR-3B FILING DUE DATE FOR SEPTEMBER 2025**

The CBIC, vide Notification dated 18.10.2025, has extended the due date for filing GSTR-3B for the month of September 2025 to 25 October 2025. The same extended deadline applies for quarterly filers under the QRMP scheme for the July–September 2025 quarter.

### **SUPREME COURT ALLOWS INPUT TAX CREDIT TO BUYER, DESPITE SELLER'S FAILURE TO DEPOSIT TAX**

In a landmark ruling in the matter of *The Commissioner of Trade and Tax Delhi vs. Shanti Kiran India (P) Ltd. TS-691-SC-2025-VAT*, the Hon'ble Supreme Court has dismissed the Revenue's appeal against the Delhi High Court's judgment which had allowed the benefit of Input Tax Credit ("ITC") to the purchaser (Assessee), notwithstanding the seller's failure to deposit Value Added Tax ("VAT") and the subsequent cancellation of the seller's registration.

The Apex Court observed that there was no dispute regarding the seller's registration status at the time of transaction or the authenticity of the tax invoices and accordingly upheld the High Court's decision granting ITC to the Assessee.

#### **Background and Facts**

1. The Assessee, a trader in electrical products, purchased goods from suppliers on the basis of tax invoices and paid applicable VAT.
2. The VAT Officer ("VATO") disallowed the ITC on purchases from selling dealers whose registration stood cancelled subsequently and demanded tax, interest and penalty.
3. The VATO was of the opinion that the selling dealers operated for short periods and their turn-over was high in comparison to the tax deposited by them.

4. Assessee argued that the subsequent cancellation of the registration of the selling dealers could not be the basis for tax liability of a bona-fide purchaser who could not be held liable for seller's default. The Tribunal dismissed Assessee's appeal observing that Section 9(1) permits tax credit to a purchasing dealer to the extent the tax is actually deposited by the selling dealer.

The Delhi High Court allowed Assessee's appeal against Tribunal order and observed as below:

1. There is no mechanism enabling a purchasing dealer to verify deposit of tax by the selling dealer nor any notification to ascertain cancellation of dealer's registration post the supply transaction.
2. Clause (g) to Section 9(2) was not in existence during the period of dispute as it was introduced by an amendment, made effective, in 2010.
3. Tribunal's interpretation that there is statutory authority for granting ITC, only to the extent tax is deposited by the selling dealer, is unsound and places onerous burden on the purchasing dealer.

The Apex Court dismissed the Department's appeal and held that Revenue appeals lack merit and is dismissed as:

1. There is no dispute regarding the selling dealer being registered on the date of transaction and;
2. Neither the transactions nor invoices in questions have been doubted, based on any inquiry into their veracity.
3. There is no "good reason to interfere with the order of the High Court directing for grant of ITC benefit after due verification".

**(III) DIRECT TAXATION**

**THE GUJARAT HIGH COURT DIRECTS CBDT TO EXTEND ITR DUE DATE TO 30.11.2025**

The Gujarat High Court (order dated 13.10.2025 in SCA Nos. 13533/2025, 13582/2025 and 13589/2025) has held that the Central Board of Direct Taxes (“**CBDT**”) Circular No. 14/2025, which extended the “specified date” for filing tax audit reports for AY 2025-26 to 31.10.2025, must be followed by a corresponding extension of the income-tax return (“**ITR**”) due date under section 139(1).

Relying on Explanation (ii) to section 44AB and the Finance Act, 2020 amendments, the Court reiterated that tax audit filing must precede ITR filing by one month.

It noted that extending only the audit deadline, without extending the return filing due date, would render statutory provisions nugatory. The Court directed CBDT to issue a circular extending the Section 139(1) due date for audit-applicable assesseees to 30.11.2025.

**CBDT EXTENDS ITR FILING DUE DATE TO 10.12.2025; TAX AUDIT REPORT DEADLINE SHIFTED TO 10.11.2025**

CBDT vide Circular dated 31.10.2025, extended the due date for furnishing ITR for AY 2025-26 (assesseees covered by clause (a) of Explanation 2 to Section 139(1)) from 31.10.2025 to 10.12.2025, and consequently extended the “specified date” for furnishing tax audit reports under Section 44AB to 10.11.2025.

However, extension of due date of filing TP certificate (Form 3CEB) was missed out. As per section 92E of the Act, Transfer Pricing certificate is required to be filed one month before the due date of filing of ITR. Further, as per Section 139 (1) Explanation 2 clause (aa), the due date for filing ITR in TP cases is 30.11. Hence, specified date for furnishing TP certificate was 31.10.2025 and not extended.

*DISCLAIMER: This Newsletter is meant for information purposes only and does not purport to be an advice or opinion, legal or otherwise. The information provided herein is not intended to create an attorney client relationship or meant to be used for advertising or soliciting. N. D. Kapur & Co does not intend to advertise its service or solicit work through this Newsletter. N. D. Kapur & Co or its associates are neither responsible for any error or omission in this Newsletter nor for any action taken based on its contents.*