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May 2025

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Goods & Services Tax ('GST')



GST revenue collection for April 2025 Rs. 2,36,716 crore (12.6% higher than GST revenue in April 2024)

IGST (Integrated Goods and Services Tax)	Rs. 115,259 Crore
CGST (Central Goods and Services Tax)	Rs. 48,634 Crore
SGST (State Goods and Services Tax)	Rs. 59,372 Crore
Compensation cess	Rs. 13,451 Crore
Total	Rs. 236,716 Crore

The gross GST collection for April 2025 stood at Rs. 2.36 lakh crore, representing a 12.6% year-on-year growth, driven by a consistent increase in domestic transactions (10.7%) and strong increase in imports (20.8%). After considering refunds, the net GST revenue for April 2025 stands at Rs. 2.09 lakh crore, reflecting a growth of 9.1 % compared to the same period last year. Please [Click Here](#) to read the revenue report dated 1 May 2025 released by the GST Network.



Goods & Services Tax Network (GSTN) issues advisory on reporting values in Table 3.2 of Form GSTR-3B (summary return)

Background

Table 3.2 of Form GSTR-3B (summary return) captures inter-state outward supplies made to:

- Unregistered persons
- Composition scheme taxpayers
- UIN (Unique Identification Number) holders

These values are drawn from the corresponding entries in Table 3.1 and 3.1.1 of the same return form.

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Dashboard > Returns > GSTR-3B > Inter-state SuppliesEnglish

3.2 Of the supplies shown in 3.1(a) and 3.1.1(i), details of inter-state supplies made to unregistered persons, composition taxable persons and UIN holdersHelp ?

Supplies made to Unregistered Persons

	Place of Supply (State/UT)	Total Taxable value (₹)	Amount of Integrated Tax (₹)
	Select ▾	0.00	0.00

ADD

REMOVE

Supplies made to Composition Taxable Persons+

Supplies made to UIN holders+

CANCEL

CONFIRM



Goods and Services Tax

Government of India, States and Union Territories

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English

GSTR-3B - Monthly Return

Facilitation in filing GSTR-3B

GSTIN -	Legal Name -	Status - Filed
FY - 2024-25	Return Period - March	Due Date - 20/04/2025

[Click here](#) for system generated summary status for GSTR-3B.[Help Manual](#)**3.1 Tax on outward and reverse charge inward supplies**

Integrated Tax	Central Tax
₹-89,407.00	₹0.00
State/UT Tax	CESS (₹)
₹0.00	₹0.00

3.1.1 Supplies notified under section 9(5) of the CGST Act, 2017

Integrated Tax	Central Tax
₹0.00	₹0.00
State/UT Tax	CESS (₹)
₹0.00	₹0.00

3.2 Inter-state supplies

Taxable Value	Integrated Tax
₹0.00	₹0.00

Advisory issued on reporting values in Table 3.2 of Form GSTR-3B

As per the earlier advisory dated 11 April 2025, it was communicated that the auto-populated values in Table 3.2 of Form GSTR-3B would be made non-editable starting from the April 2025 tax period (i.e., for the return to be filed in May 2025).

Reportedly, several representations and grievances have been received by GSTN regarding this change. These concerns are currently being examined and will be suitably addressed in due course.

In the interest of taxpayer convenience and to facilitate smooth filing, it has been decided by GSTN that Table 3.2 shall remain editable for the time being. Taxpayers have been advised to report or amend the auto populated entries if required and furnish their returns accurately, ensuring correctness of the disclosed information.

Taxpayers would be duly informed through a separate communication once the proposed changes are implemented on the GST portal.

Please [Click Here](#) to read the advisory dated 16 May 2025 issued by GSTN.

GSTN issues advisory on appeal withdrawal with respect to amnesty scheme for waiver of interest & penalties

Background

For reducing tax disputes and to provide relief to taxpayers, GST Council in its 53rd meeting held on 22 June 2024 had recommended waiver of interest and penalties in the demand notices or orders issued u/s 73 of the CGST Act, 2017 (i.e. cases not involving fraud, suppression or wilful misstatement, etc.) for the Financial Years 2017-18, 2018-19 and 2019-20. To avail this waiver, the condition is that the full tax demanded must have been paid on or before 31 March 2025.

In view of the above, Rule 164 of CGST rules, 2017 was notified through Notification no. 20/2024 dated 8 October 2024, effective from 1 November 2024 onwards. This rule provides procedural guidelines for the said waiver scheme. As per the waiver scheme, if a notice or order is issued u/s 73 for the FYs 2017-18, 2018-19 and 2019-20, the taxpayer is required to file an application in Form GST SPL-01 or Form GST SPL-02, respectively on the common portal within 3 months from notified date, i.e., 31 March 2025.

Advisory issued by GSTN

GSTN has issued following clarification in respect of appeal withdrawal process pursuant to filing an application for settlement of dues under the GST Amnesty Scheme, provided u/s 128A of the CGST Act, 2017:

- If the application for withdrawal of appeal (Form GST APL-01W) is filed before the issue of final acknowledgement (Form GST APL-02) by the appellate authority, then the system automatically withdraws the appeal.
- In other cases, the withdrawal of appeal is subject to the approval of the appellate authority. Once the appellate authority approves the withdrawal application, the status of the appeal would change from 'Appeal submitted' to 'Appeal withdrawn'.

Please [Click Here](#) to read the advisory dated 14 May 2025 issued by GSTN.

GSTN issues advisory on updates in refund filing process for various refund categories

GSTN has updated the refund filing process in respect of the following categories:

- Export of services with payment of IGST
- Supplies made to Special Economic Zone (SEZ) unit / SEZ developer with payment of IGST; and
- Deemed export supplies

In respect of the aforesaid categories of refund applications, the requirement to select a specific tax period ('From' and 'To') has been done away with.

Further, the below refund categories have been changed from '*Tax Period based filing*' to '*Invoice based filing*'. Taxpayers can upload eligible invoices and claim refund in the following statements:

- Export of services with payment of tax (Statement 2)
- SEZ supplies with payment of tax (Statement 4)
- In case of Deemed Exports, the application by supplier (Statement 5B)

The invoices once uploaded with a refund application will be locked for any further amendment and will not be available for any subsequent refund claims. The said invoices will be unlocked only if the refund application is withdrawn or a deficiency memo is issued.

Taxpayers must ensure that all the returns (Form GSTR-1, outward supply return; GSTR-3B, etc.) due till the date of refund application, are duly filed.

Please [Click Here](#) to read the advisory dated 8 May 2025 issued by GSTN.

GSTN issues advisory on updates in refund filing process for recipients of deemed export

GSTN has made the following changes in the refund filing process under the category 'On account of Refund by Recipient of deemed export':

- Refund applications under this category are no longer need to be filed in chronological order of Tax Period which means Taxpayers are not required to select 'From Period' and 'To Period' while filing refund application
- Taxpayers must ensure that all the returns (Forms GSTR-1, GSTR-3B etc) due till the date of refund application, are duly filed
- Under the afore said category, the table ['Amount Eligible for Refund'](#) has been modified. The columns of the revised table are explained hereunder:
 - ✓ Col. 1 'Balance in Electronic Credit Ledger (ECL) at the time of filing of refund application'. This column will reflect the balance available under various heads in ECL at the time of filing of application. It will be auto populated
 - ✓ Col. 2 'Net Input Tax Credit (ITC) of Deemed Exports (as per uploaded invoices)', in this column the amount of claimed ITC, under respective major Heads will be auto populated based on invoices furnished in Statement 5B
 - ✓ Col. 3 'Refund amount as per the uploaded invoices' reflects the sum of the amount of ITC claimed under all major Heads (IGST/CGST/SGST/UT) as per the invoices uploaded by the taxpayer in Statement 5B and shall be downward editable
 - ✓ Col. 4 'Eligible Refund Amount'. In this column, maximum amount of ITC which is available for refund claim will be auto populated. It will be auto-calculated based on the order of debit specified in Circular No. 125/44/2019-GST dated 18 November 2019
 - ✓ Col. 5 'Refund amount not eligible as insufficient balance in the ECL (5)'. This column reflects the difference between the total amount of claimed ITC and the total amount of ITC available in ECL under various major heads
- Functionality has been improved to maximize the amount of refund a taxpayer can claim in terms of uploaded invoices, irrespective of the fact whether sufficient balance is available in the respective head of ECL or not. Here, the total amount of claim under various heads (IGST, CGST,SGST) will be compared with total amount of ITC available under various heads in ECL
- Taxpayers have been advised to note these changes and if any problem is faced while filing of refund application, grievance may be raised on the GST portal.

GSTIN/UIN/Temporary ID :

Legal Name :

Trade Name :

Select the Refund type:

Indicates Mandatory Fields

<input type="radio"/>	ITC accumulated due to Inverted Tax Structure [clause (ii) of first proviso to section 54(3)]
<input type="radio"/>	Exports of Goods/Services - without Payment of Tax (accumulated ITC)
<input type="radio"/>	Export of Services - with Payment of Tax
<input type="radio"/>	Supplies made to SEZ Unit/SEZ Developer with Payment of Tax
<input type="radio"/>	Supplies made to SEZ Unit/SEZ Developer without Payment of Tax
<input type="radio"/>	On account of Refund by Supplier of deemed export
<input type="radio"/>	On account of Refund by Recipient of deemed export

GST RFD-01

On account of Refund by Supplier of deemed export

Statement 5B

Click to fill the details of documents of outward supplies in case refund is claimed by supplier

Indicates Mandatory Fields

Download Offline Utility

Note: Invoices used in a refund application will be locked and will not be available to be added in any subsequent refund application/amended in return unless a Deficiency memo is issued, or the application is withdrawn.

Refund Amount Claimed (in INR)

Integrated Tax (₹)	Central Tax (₹)	State/UT Tax (₹)	Cess (₹)	Total (₹)
₹0.00	₹0.00	₹0.00	₹0.00	0.00

Click to view Electronic Liability Ledger

Note: You may view the Electronic Liability Register that displays your liabilities/ dues of Returns and other than Returns. Hence, you may save this Refund Application and navigate to the dashboard to settle the dues first, or may proceed here to submit the application. Please note that the recoverable dues shall be deducted from the Refund Amount claimed by the Proper Officer while processing the Refund.

Bank Account Number

Select Account Number

Select

Note: In case you want refund in another preferred bank account which is not appearing in the drop down list, please add that bank account by filing amendment of registered (Form 16A) form. Please be

Please [Click Here](#) to read the advisory dated 8 May 2025 issued by GSTN.

GSTN issues advisory on invoice-wise reporting functionality in Form GSTR-7 (tax deduction at source under GST) on GST portal

Background

Central Board of Indirect Taxes and Customs vide Notification no. 09/2025 dated 11 February 2025 has amended Form GSTR-7 to capture invoice-wise reporting with effect from 1 April 2025 onwards.

Advisory issued by GSTN on 6 May 2025

Taxpayers have been informed that development and testing of the Invoice-wise reporting functionality is underway. The implementation of invoice-wise reporting in Form GSTR-7 on GST portal will be deployed on GST portal soon. Users would be duly informed once the changes are made live on the portal.

The screenshot displays the GSTN portal interface. At the top is a navigation bar with links: Dashboard, Services, GST Law, Downloads, Search Taxpayer, Help and Taxpayer Facilities, e-Invoice, and News and Updates. Below this, the 'File Returns' section is visible, featuring dropdown menus for 'Financial Year' (set to 2018-19) and 'Return Filing Period' (set to May), along with a 'SEARCH' button. A red asterisk indicates mandatory fields. A 'Help' section follows, stating that filing a 'NIL' GSTR-7 is not mandatory under specific conditions. Below the help text, there are two boxes: 'Return for Tax Deducted at Source GSTR7' with a 'Due Date - 10/06/2018' and buttons for 'PREPARE ONLINE' and 'PREPARE OFFLINE'; and an 'Important Message' box titled 'Prepare Online :-' which states that deductors with 500 or fewer records can use this facility and lists the steps to be taken: clicking 'Prepare Online', filling TDS details and amendments, clicking 'Compute Liabilities', and clicking 'Proceed to File'.

Please [Click Here](#) to read the advisory dated 6 May 2025 issued by GSTN.



Central Board of Indirect Taxes & Customs (CBIC) issues grievance redressal mechanism for processing of applications for GST registration assigned to central jurisdiction

CBIC vide Instruction no. 04/2025-GST dated 2 May 2025 has introduced a structured Grievance Redressal Mechanism aimed at addressing difficulties faced by taxpayers during the GST registration process. This move comes as a result of growing stakeholder concerns over delays in processing of GST registration applications and the absence of clear escalation pathways.

As per instructions issued by CBIC, Grievance Redressal Committees will be established at the zonal level to handle and resolve issues related to registration applications that remain pending beyond the prescribed timelines. The primary aim of this mechanism is to facilitate faster and more equitable resolution of grievances concerning GST registration.

Additionally, reference has been made to Instruction no. 03/2025 dated 17 April 2025 issued by CBIC, which provides guidance on the processing of GST registration applications. Applicants whose Application Reference Numbers (ARNs) fall under central jurisdiction and who encounter grievances such as queries raised in contravention of the instruction or concerns regarding grounds for rejection may seek redressal by approaching the jurisdictional Zonal Principal Chief Commissioner or Chief Commissioner.

In order to provide a quick and effective grievance redressal mechanism to applicants, the following instructions have been issued.

- Principal Chief Commissioner / Chief Commissioner of CGST Zones may publicize an email address on which the applicants can raise their grievances. Wide publicity may be given to this email id.
- The applicants may send grievances containing ARN details, jurisdiction details (Centre/State) and issue in brief on that email address
- In case where grievance received pertains to state jurisdiction, the office of Principal Chief Commissioner/Chief Commissioner shall forward the same to the concerned state jurisdiction and a copy endorsed to the GST Council Secretariat
- Principal Chief Commissioner / Chief Commissioner may ensure timely resolution of grievances received by them and intimate the applicants regarding the same. In case where queries raised by the officer are found to be proper, the applicants may be suitably advised
- Principal Chief Commissioner / Chief Commissioner may submit a monthly report on the status of grievance redressal to Directorate of GST who would compile the same and put up for perusal of CBIC

Please [Click Here](#) to read Instruction no.04/2025 dated 2 May 2025 issued by CBIC.

GSTN issues advisory on reporting of Harmonized System of Nomenclature (HSN) codes in Table 12 & list of documents in Table 13 of Form GSTR-1 (outward supply return) / GSTR-1A (amendment to GSTR-1)

CBIC issued Notification no. 78/2020-CT dated 15 October 2020, mandating taxpayers to report minimum 4 digits or 6 digits of HSN Code in Table-12 of Form GSTR-1, depending on their Aggregate Annual Turnover (AATO) in the previous financial year. To ease the transition, these requirements are being rolled out in phases on the GST portal. Phase 2 of this implementation became effective on the portal from 1 November 2022 onwards.

In continuation of the phase wise implementation, Phase-3 of reporting of HSN codes in Table 12 of Forms GSTR-1 & 1A is being implemented from May 2025 return period onwards. The changes implemented are detailed in the table below.

Phase	Taxpayers with AATO ≤ INR 5 crore	Taxpayers with AATO > INR 5 crore
Phase 2	<p>Taxpayers are required to mandatorily report 4-digit HSN codes for goods & services.</p> <p>Manual user entry is allowed for entering HSN or description and warning or alert message shall be shown in case of manual HSN. However, taxpayers will be able to file Form GSTR-1 after manual entry</p>	<p>Taxpayers are required to mandatorily report 6-digit HSN codes for goods & services.</p> <p>Manual user entry is allowed for entering HSN or description and warning or alert message shall be shown in case of incorrect HSN code. However, taxpayers will be able to file GSTR1 after manual entry.</p>
Phase 3	Mandatorily reporting 4-digit HSN codes for goods & services.	Mandatorily reporting 6-digit HSN codes for goods & services.
	<ol style="list-style-type: none"> 1. Manual user entry of HSN will not be allowed. 2. HSN code can be selected from drop down only. 3. A customized description mentioned in HSN master will auto-populate in a new file called 'Description as per HSN Code'. 	
Phase 4	To be communicated in due course.	

Apart from above, the following additional enhancement have been made in Table-12 of Form GSTR1/ 1A:

- Table 12 of Form GSTR-1 / 1A is now bifurcated into two tabs, namely, 'B2B Supplies' & 'B2C Supplies'. Taxpayers need to enter HSN summary details of B2B Supplies and B2C Supplies separately under respective tab.
- A new button has been introduced in Table 12, 'Download HSN Codes List'. Upon clicking of this button, taxpayer would be able to download an excel file with the updated list of HSN & SAC codes for goods and services along with their description.
- The button for 'Product Name as in My Master' has now been made searchable. Taxpayer can search the description provided by them in My HSN Master and upon selection of the same, the HSN code, Description as per HSN Code etc. shall be auto-populated. This is an optional functionality.

Dashboard	Services ▾	GST Law	Downloads ▾	Search Taxpayer ▾	Help and Taxpayer Facilities	e-Invoice	News and Updates
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Dashboard > Returns > GSTR-1/IFF > HSN
English

12 - HSN - wise summary of outward supplies
HELP ⓘ ↺

Note:

1. In case there are no suggestions for any HSN, then after typing the required HSN; click on description/UQC to enable other fields.
2. Please select HSN from the search results dropdown only. In case HSN entered is not available, you can enter HSN manually
3. Kindly click on save button after any modification(add, edit) to save the changes

Add/Edit Details

DOWNLOAD HSN EXCEL

HSN * <input type="text" value="Enter Product Name as in Master/HSN Code"/>	Description <input type="text"/>	Product name as in Master * <input type="text"/>
UQC * <input type="text" value="Select"/>	Total Quantity * <input type="text"/>	Total taxable value (₹) * <input type="text"/>
Rate (%) * <input type="text" value="Select"/>	Integrated tax (₹) * <input type="text"/>	Central tax (₹) * <input type="text"/>
State/UT tax (₹) * <input type="text"/>	Cess (₹) <input type="text"/>	

RESET

ADD

IMPORT HSN DATA FROM E-INVOICES

Reporting in Table 13 of Form GSTR-1 / 1A:

In Table 13 of Form GSTR 1 / 1A, which requires taxpayers to provide details of documents issued, is now mandatory from May 2025 return period. Taxpayers will no longer be able to leave this table blank and proceed with filing their return. If B2B or B2C supplies are reported in any table of Form GSTR-1 or Form GSTR-1A, an error message will appear if Table 13 has not been filled.

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DashboardReturnsGSTR-1/IFFDocuments IssuedEnglish

13 - Documents issued during the tax period

Note: Kindly click on save button after any modification(add, edit, delete) to save the changes

1. Invoices for outward supply

No.	Sr. No. *		Total number *	Cancelled *	Net issued *	Action
	From	To				
There are no documents to be displayed.						

ADD DOCUMENT

2. Invoices for inward supply from unregistered person

No.	Sr. No. *		Total number *	Cancelled *	Net issued *	Action
	From	To				
There are no documents to be displayed.						

ADD DOCUMENT

Please [Click Here](#) to read the advisory dated 1 May 2025 issued by GSTN.

Direct tax



Direct tax

Gross Direct Tax collection for Financial Year (FY) 2024-25 is Rs 27.03 lakh crore, 15.59% higher than gross collection for corresponding period last year

The Central Board of Direct Taxes has released the following statistics:

For the period 1 April 2024 till 31 March 2025	Amount (Rs.)	Remarks
Gross direct tax collection	Rs 27.03 lakh crore	15.59% higher than gross collection for corresponding period last year
Net direct tax collection (after adjustment of refunds)	Rs 22.26 lakh crore	13.57% higher than net collection for corresponding period last year
Refunds issued	Rs 4.77 lakh crore	26.04% higher than refunds issued for corresponding period last year

Please [Click Here](#) to read the Press Release dated 25 April 2025.



Direct tax

Central Board of Direct Taxes (CBDT) notifies Income-tax Return (ITR) forms for Assessment Year (AY) 2025-26

CBDT has notified following ITR forms for AY 2025-26:

ITR Form	Who can file	Who cannot file
ITR 1 Sahaj	<p>Resident individuals (ordinarily residents – ROR) having:</p> <ul style="list-style-type: none">• Total income \leq Rs. 50 lakh during the relevant FY, and• Income from salary, one house property, family pension income, agricultural income (up to Rs. 5000), and income from other sources, which includes:<ul style="list-style-type: none">✓ Interest from Savings Accounts✓ Interest from Deposits (Bank / Post Office / Cooperative Society)✓ Interest on Income-tax Refund✓ Interest received on enhanced compensation✓ Any other Interest Income	<p>An individual who has:</p> <ul style="list-style-type: none">• Total income $>$ Rs. 50 lakh during the relevant FY• Agricultural income exceeding $>$ Rs. 5000• Income from lottery, racehorses, legal gambling etc.• Taxable capital gains (short term and long term)• Invested in unlisted equity shares• Income from business or profession• Is a director in a company• Tax deduction u/s 194N of the Income-tax Act• Deferred Income-tax on Employee Stock Ownership Plan (ESOP) received from employer being an eligible start-up• Owns and has income from more than one house property• Is not covered under the eligibility conditions for Form ITR-1

Direct tax

ITR Form	Who can file	Who cannot file
ITR 2	Individuals and Hindu Undivided Families (HUFs) not having income from business or profession	Who is not eligible to file Form ITR-1
ITR 3	Individuals and HUFs having income from business or profession	Who is not eligible to file Forms ITR-1, ITR-2 or ITR-4
ITR 4	Resident individuals / HUFs / firms (except limited liability partnerships) having total annual income \leq Rs. 50 Lakh computed u/s 44AD, 44ADA, 44AE of the Income-tax Act, 1961 relating to presumptive taxation	<p>An individual who is either:</p> <ul style="list-style-type: none"> • Director in a company • Has held any unlisted equity shares at any time during the FY • Has any asset including financial interest in any entity located outside India • Has signing authority in any account located outside India • Has income from any source outside India • Is a person in whose case payment or deduction of tax has been deferred on ESOP • Who has any brought forward loss or loss to be carried forward under any head of income. • Has total income > Rs. 50 lakh a year
ITR 5	Firm, Limited Liability Partnership (LLP), Association of Persons (AOP), Body of Individuals (BOI), Artificial Juridical Person (AJP)	---
ITR 6	Companies other than companies claiming exemption u/s 11 of the Income-tax Act	---
ITR 7	Persons including companies who are required to furnish return u/s 139(4A) or u/s 139(4B) or u/s 139(4C) or u/s 139(4D)	---

In addition to above, CBDT has also notified Form ITR-U for filing Updated ITR u/s 139(8A) of the Income-tax Act, which allows a taxpayer to rectify any filing errors and update the previous ITR or file a missed return. Taxpayers can file / update their ITR within 4 years from the end of relevant AY.

Direct tax

ITR Form	Instances in which Updated ITR u/s 139(8A) can be filed	Instances in which Updated ITR u/s 139(8A) cannot be filed
ITR U	<ul style="list-style-type: none">Where return has not been filed previouslyWhen the income has not been reported correctlyIn case of wrong selection of head of incomeWhere wrong rate of tax has been appliedFor reduction of unabsorbed depreciationFor reduction of carried forward lossesFor the reduction of tax credit u/s 115JB and 115JC of the Income-tax Act	<ul style="list-style-type: none">The updated return is a return of the lossIncrease in refund / claiming of refund, resulting from updated returnIf the total tax liability is reduced from the return filed earlierAdditional losses are to be adjusted against the incomeSearch / survey / prosecution proceedings are initiatedAssessment / reassessment/ revision is pending or completed for the AYAssessing Officer has information against the taxpayer under the Prevention of Money Laundering Act (PMLA) or Black Money Act or Benami Property Transactions Act, or Smugglers and Foreign Exchange Manipulation Act, and the same has been intimated to the taxpayerIn the case of other persons to be notified by CBDT

Please [Click Here](#) to read Notification no. 40/2025 dated 29 April 2025 for Form ITR-1 Sahaj.

Please [Click Here](#) to read Notification no. 41/2025 dated 30 April 2025 for Form ITR-3.

Please [Click Here](#) to read Notification no. 42/2025 dated 1 May 2025 for Form ITR-5.

Please [Click Here](#) to read Notification no. 43/2025 dated 3 May 2025 for Form ITR-2.

Please [Click Here](#) to read Notification no. 44/2025 dated 6 May 2025 for Form ITR-6.

Please [Click Here](#) to read Notification no. 45/2025 dated 7 May 2025 for Form ITR-V (ITR verification where data has been filed in Forms ITR-1 Sahaj, ITR-2, ITR-3, ITR-4 Sugam, ITR-5, ITR-7 but not verified electronically).

Please [Click Here](#) to read Notification no. 46/2025 dated 9 May 2025 for Form ITR-7.

Please [Click Here](#) to read Notification no. 49/2025 dated 19 May 2025 for Form ITR-U.

Direct tax

CBDT extends due date till 15 September 2025 for filing ITRs which were due by 31 July 2025

In view of the extensive changes introduced in the ITR forms notified above and considering the additional time required for system readiness and rollout of ITR utilities for AY 2025-26, CBDT has extended the due date for filing ITRs, originally due on 31 July 2025, to *15 September 2025*. The extension is expected to mitigate the concerns raised by stakeholders and provide adequate time for compliance to Individuals (including expatriates) and non-corporates who are not liable for Tax Audit for FY 2024-25.

Please [Click Here](#) to read press release dated 27 May 2025.

Please [Click Here](#) to read Circular no. 06/2025 dated 27 May 2025.



Direct tax

Expenditure incurred to settle proceedings under following statutes not allowable as tax deduction u/s 37(1) of the Income-tax Act: (a) Securities & Exchange Board of India,1992, (b) Securities Contracts (Regulation) Act,1956, (c) Depositories Act,1996, (d) Competition Act, 2002

Background

Section 37 of the Income-tax Act, 1961 is a general or residuary provision that allows businesses to claim deductions for expenses that are not covered under any other specific section but are still incurred wholly and exclusively for the purpose of the business or profession.

Explanation 1 to Section 37(1) makes it explicitly clear that no deduction shall be allowed for any expenditure incurred for a purpose that constitutes an offence or is prohibited by law. As per Explanation 3(iv) thereof, expenditure incurred by a taxpayer to 'settle proceedings initiated in relation to contravention under such law as may be notified by the Central Government' is not allowable as a deduction.

Notification no. 38/2025 dated 23 April 2025 issued by CBDT

CBDT vide the captioned notification has mentioned that any expenditure incurred to settle proceedings arising from violations or defaults under the following laws will not be allowed as a deductible expense u/s 37:

- The Securities and Exchange Board of India Act,1992
- The Securities Contracts (Regulation) Act,1956
- The Depositories Act,1996
- The Competition Act, 2002

Form 3CD of the Income-tax Rules, 1962 has also been amended by CBDT vide Notification no.23/2025 dated 28 March 2025 to capture details pertaining to such expenses.

The amendment is effective from AY 2025-26 onwards.

Please [Click Here](#) to read Notification no. 38/2025 dated 23 April 2025 issued by CBDT.

Please [Click Here](#) to read Notification no. 23/2025 dated 28 March 2025 issued by CBDT.

Direct tax

CBDT notifies 10 luxury goods for collection of tax at source (TCS) @ 1%

Background

Section 206C(1F) of the Income-tax Act provides for TCS on sale of motor vehicle of value exceeding 10 lakh rupees. Vide Finance (No. 2) Act, 2024, section 206C(1F) was amended to provide that TCS will also be levied on any other goods of value exceeding 10 lakh rupees, as may be notified by the Central Government.

Notification no 36/2025 dated 22 April 2025 issued by CBDT

CBDT vide Notification no. 36/2025 dated 22 April 2025 has notified following goods of the value exceeding 10 lakh rupees for collection of tax at source as specified in 206C(1F) of the Act:

- Any wristwatch
- Any art piece such as antiques, painting, sculpture
- Any collectibles such as coin, stamp
- Any yacht, rowing boats, canoes, helicopters
- Any pair of sunglasses
- Any bag such as handbag, purse
- Any pair of shoes
- Any sportswear and equipment such as golf kit, skiwear
- Any home theatre system
- Any horse for horse racing in race clubs and horse for polo

TCS will be levied on sale of even a single item of above goods of which the value exceeds 10 lakh rupees. The new provisions are effective from 22 April 2025 onwards. Corresponding changes have also been made in Form 27EQ (TCS returns).

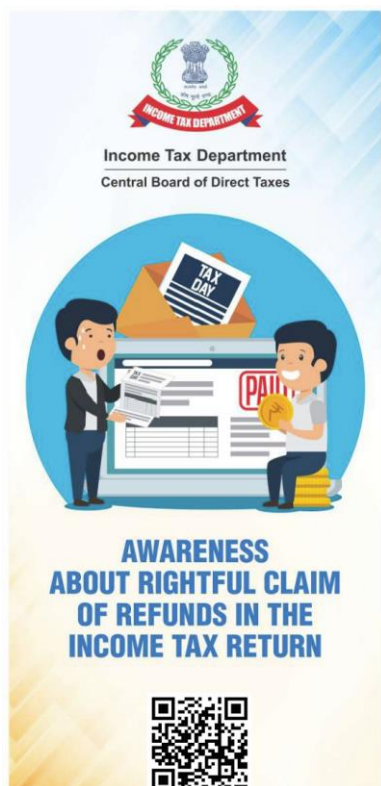
Please [Click Here](#) to read Notification no. 36/2025 dated 22 April 2025 issued by CBDT.

Direct tax

CBDT releases handbook for awareness about rightful claim of refunds in ITR

For the convenience of taxpayers, CBDT has released the captioned handbook capturing key points to be kept in mind while submitting ITRs. The handbook contains easy to understand language covering the below points:

- Filing of ITR
- New tax regime and Old tax regime
- TDS on salary income
- Wrongful claim of refunds in the ITR
- Tax Planning vs. Tax Evasion
- Use of artificial intelligence / machine learning / data analytics for risk analysis
- Adverse consequences of making wrongful claim of refunds
- Remedy available to avoid adverse consequences
- Key takeaways
- Illustration for comparison of tax liabilities under various scenarios



Please [Click Here](#) to read the handbook released by CBDT.

Corporate Law & Regulatory



Corporate Law & Regulatory

Ministry of Corporate Affairs (MCA) extends due date to 30 June 2025 for filing Corporate Social Responsibility (CSR) return in Form CSR-2 for FY 2023-24

Background

Section 135 of the Companies Act, 2013 provides the criteria for assessing CSR eligibility of a company, implementation and reporting of its CSR policies. According to the law, certain classes of profitable organizations are required to incur atleast 2% of the 3-year annual net profit towards CSR activities in a particular FY.

Companies having a minimum of following net-worth during the immediately preceding FY can make CSR expenditure u/s 135 of the Companies Act, 2013:

- Net worth \geq Rs. 500 Crore
- Turnover \geq Rs. 1000 Crore
- Net Profit \geq Rs. 5 Crore

A foreign corporation having its branch office or project office in India, which fulfills the above criteria can also make CSR.

Reporting of CSR activities with MCA needs to be done annually in Form CSR-2 by companies falling within the ambit of section 135 of the Companies Act.

Extension of due date for filing Form CSR-2 for FY 2023-24

Considering the operational delays faced by companies in meeting CSR obligations due to economic and policy uncertainties, few months back MCA had extended the due date for filing Form CSR-2 for FY 2023-24, from 31 December 2024 to 31 March 2025. Now, the said date of 31 March 2025 has again been extended to 30 June 2025.

The extended deadline provides companies with breathing space needed to streamline their CSR initiatives and related filings. By offering additional time, Government seeks to ensure that companies execute CSR activities effectively rather than rushing to meet deadlines, which could potentially compromise the quality of implementation.

Please [Click Here](#) to read the Notification dated 19 May 2025.

Corporate Law & Regulatory

India & United Kingdom (UK) sign Free Trade Agreement (FTA) & Double Contribution Convention (DCC), easing dual social security contributions

Currently, India has Social Security Agreements (SSAs) with 20 countries, but not with the UK. This has meant that Indian employees had to contribute to the UK National Insurance.

The Ministry of Commerce & Industry has issued a Press Release on 6 May 2025, announcing the successful conclusion of a mutually beneficial FTA between India and UK. Alongside the FTA, India and the UK have agreed to negotiate a reciprocal DCC, which is expected to come into force along with the FTA.

As per the Press Release, the DCC is a bilateral framework ensuring that Indian employees temporarily working in the UK for upto 3 years are not required to contribute to both countries' social security systems simultaneously.

The exemption from paying social security contributions in UK for Indian workers and their employers for upto 3 years is likely to lead to significant financial gains for Indian service providers, enhancing their competitiveness in the UK market and creating new job opportunities. Businesses with inbound assignees to India or outbound assignees to the UK should re-visit their assignment policies to take advantage of the potential benefits under the DCC.

Please [Click Here](#) to read the Press Release dated 6 May 2025 issued by the Ministry of Commerce & Industry.



Corporate Law & Regulatory

Electronic Bank Realization Certificates – Introduction of ‘Mode of Export of Services’ field for service exports, with effect from 1 May 2025 onwards

Background - What is Electronic Bank Realization Certificate?

It is a vital digital document used by Indian exporters to verify the receipt of foreign exchange against export of goods and services. Issued by banks and uploaded on Directorate General of Foreign Trade (DGFT) portal, an Electronic Bank Realization Certificate is essential for following purposes:

- Availing benefits under the Foreign Trade Policy
- Meeting regulatory compliance requirements
- Supporting export data monitoring and promotion

To enhance transparency and align with global trade standards as per the World Trade Organisation's General Agreement on Trade in Services (GATS), DGFT has progressively digitized the Electronic Bank Realization Certificate system, introducing features such as self-certification and bulk uploads.

Trade Notice no. 02/2025-26 dated 21 April 2025 issued by DGFT

DGFT has introduced a new field titled ‘Mode of Export of Services’ in the Electronic Bank Realization Certificate format for the Services Export category, applicable for Certificates generated on or after 1 May 2025. Exporters certifying Electronic Bank Realization Certificates linked to Inward Remittance Messages will be required to indicate the relevant mode of export of service while completing the certification. The inclusion of this field is aimed at improving the granularity and accuracy of services export data. This reform also aligns India's data capture policy with international norms under WTO GATS.

Corporate Law & Regulatory

The new field 'Mode of Export of Services' corresponds to the four modes of services trade which have been mentioned under GATS, namely the below:

Mode	Definition	Examples
Mode 1: Cross-Border Supply	Services supplied from India remotely across borders without movement of individuals	IT services, remote consultancy, telemedicine
Mode 2: Consumption Abroad	Consumer travels to the service provider's country (i.e, India)	Tourism, medical treatment in India, education
Mode 3: Commercial Presence	Service supplier from India establishes a commercial entity abroad	Indian bank branches overseas, IT company subsidiaries
Mode 4: Presence of Natural Persons	Indian individuals travelling abroad to provide services	Engineers, doctors, IT professionals on assignment

For any assistance, exporters have been encouraged to contact the DGFT helpdesk through the toll-free number or raise a service ticket via DGFT website.

Please [Click Here](#) to read Trade Notice no. 02/2025-26 dated 21 April 2025 issued by DGFT.

Please [Click Here](#) to read the detailed step guide on how to apply for Electronic Bank Realization Certificate.

Please [Click Here](#) to read the detailed step guide on self-certification and generation of Electronic Bank Realization Certificate by exporter.

Please [Click Here](#) to read frequently asked questions on the new Self Certification process for exporters and banks.

Compliance calendar



Compliance calendar

Compliance calendar for the month of June 2025

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
7 th June	May 2025	TDS / TCS deposit	Non-Government Deductors
		Equalization Levy deposit	All Deductors
a) GSTR-7 (TDS return under GST) b) GSTR-8 (TCS return under GST)		a) Person required to deduct TDS under GST b) Person required to collect TCS under GST	
GSTR-1 (Outward supply return)		a) Taxable persons having annual turnover > Rs. 5 crore in FY 2024-25 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and not opted for Quarterly Return Monthly Payment (QRMP) Scheme	
GSTR-6 [Return by input service distributor (ISD)]		Person registered as ISD	
GSTR-5 (Return by Non-resident)		Non-resident taxable person (NRTP)	
Invoice Furnishing Facility - IFF (Details of outward supplies of goods or services)		Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and opted for QRMP Scheme	
Deposit of PF & ESI contribution		All Deductors	
15 th June		Jan-Mar 2025	Issue of TDS Certificate in Form 16A (other than salary)
	FY 2024-25	Issue of Annual TDS Certificate in Form 16 (salary)	
	Apr-Jun 2025	Deposit of 15% (1st Instalment) of Advance Tax for FY 2025-26	Taxpayers liable to pay advance tax

Compliance calendar

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
20 th June	May 2025	GSTR-3B (Summary return)	a) Taxable persons having annual turnover > Rs. 5 crore in FY 2024-25 b) Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and not opted for QRMP scheme
		GSTR-5A [Online Information Database Access and Retrieval (OIDAR) services return].	OIDAR services provider
25 th June		Form GST PMT-06 (payment of tax for QRMP filers)	Taxable persons having annual turnover ≤ Rs. 5 crore in FY 2024-25 and opted for QRMP scheme
30 th June	FY 2024-25	Filing of return of deposits / exempted deposits in Form DPT-3	All Companies
		Modification of Importer-Exporter Code (IEC) details with Directorate General of Foreign Trade (DGFT)	All entities having Importer-Exporter Code (IEC) Certificate
		Furnishing of Form-1 (Equalization Levy Statement).	All Deductors



About KrayMan

KrayMan Consultants LLP (KrayMan) is an accounting & consulting Firm headquartered in Gurugram & serving Clients across India for more than 13 years.

We were founded in 2012 by professionals from Big 4 accounting firms & industry background. We are a team of Chartered Accountants, Company Secretaries, Advocates & MBAs.

We specialize in India-Entry, Accounting, Taxation, Legal, Regulatory, Assurance, HR, Payroll, Loan staffing and Global Capability Center services. We provide services in the areas of Compliance, Advisory & Litigation.

We have been serving Domestic as well as International Clients from countries like USA, Japan, Australia, EU etc.

We have been Awarded under the category 'Small Business Award 2021' by the International Business Council of Australia. We are an ISO/IEC 27001:2022 compliant Firm.

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