

DEVMANTRA TIMES

OCTOBER EDITION

Issue No.55, Dated 1st October, 2025

Dear Readers,

We welcome you to the Fifty fifth edition of DevMantra Times for the month of October 2025. This edition of our newsletter, where we bring you the latest developments shaping India's dynamic business and innovation landscape. Amazon has finalized its acquisition of Indian non-bank lender Axio, securing a direct lending license and enabling it to offer credit products and develop innovative financial solutions for customers and small businesses. Meanwhile, GST 2.0 and Navratri e-commerce sales drove a record surge in digital payments, with transactions reaching ₹11.31 lakh crore, led by RTGS transfers for high-value items. The National Financial Reporting Authority (NFRA) launched outreach programs and its "Audit Firms Survey 2025" to enhance audit quality and governance, while the government plans to fast-track regulatory reforms to foster the growth of domestic "Big Four" accounting and consultancy firms. In the startup and fintech space, Groww filed revised IPO papers worth ₹6,000-7,000 crore, Evera is negotiating to lease 1,000 vehicles from Gensol, PhonePe reported a 40% revenue jump to ₹7,115 crore and narrowed its losses, and Titan Capital launched a startup programme offering seed funding and mentorship. Additionally, FirstCry

faced a ₹2 lakh crore penalty from the CCPA for misleading pricing and GST misrepresentation but has since rectified its platform.

Industry & Economic Updates

Amazon completes Axio acquisition, secures access to direct lending business in India

EDITORIAL NOTE: Amazon has finalized its acquisition of Axio, an Indian non-bank lender, securing a direct lending license in India. This acquisition marks a significant step in Amazon's expansion into the financial services sector in India, enabling the company to offer credit products directly on its platform, including checkout loans, and to develop innovative credit solutions tailored for customers and small businesses. Under this arrangement, Axio will continue to operate as a separate entity while leveraging Amazon's technology and ecosystem, allowing for enhanced customer experience and broader financial inclusion. The move underscores Amazon's commitment to strengthening its fintech presence in India and diversifying its service offerings beyond e-commerce.

GST 2.0 'tap' dance: ePayments leap 10x to Rs 11.3 lakh cr on Day 1

EDITORIAL NOTE: Navratri e-commerce sales, combined

with substantial GST reductions on major consumer goods, have driven an unprecedented surge in digital transactions across India. Data shows that electronic payments nearly increased tenfold, reaching ₹11.31 lakh crore, reflecting strong consumer sentiment, attractive festive discounts, and heightened online shopping activity. Among the various payment modes, RTGS transactions recorded the highest growth, indicating a rise in spending on high-value items such as cars, consumer durables, and luxury products. Analysts suggest that the convergence of festival-driven demand, targeted tax incentives, and broader adoption of digital payment platforms contributed to this exceptional growth, highlighting the growing role of e-commerce and digital finance in driving consumption and economic activity.

NFRA to start outreach programmes from September 26 to improve audit ecosystem

EDITORIAL NOTE: The National Financial Reporting Authority (NFRA) is set to conduct outreach programs across multiple cities, starting with Hyderabad and Indore, to strengthen engagement with audit professionals. These initiatives aim to provide a platform for auditors to share feedback, clarify

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regulatory expectations, and promote best practices in auditing public interest entities, thereby enhancing transparency, compliance, and audit quality. Concurrently, NFRA has launched its "Audit Firms Survey 2025" to collect insights from audit firms, identify gaps, and address recurring audit quality issues. By combining direct engagement through outreach and data-driven analysis from the survey, NFRA seeks to reinforce auditing standards, improve governance, and bolster investor confidence in India's public interest sector.

Plan afoot to fast-track review of rules to help build domestic 'Big Four'

EDITORIAL NOTE: The government is set to accelerate a comprehensive review of regulations that currently limit the growth and scalability of domestic accounting and consultancy firms. The initiative aims to create an environment that encourages the formation of larger, more competitive entities capable of operating at both national and global levels. By addressing regulatory bottlenecks, the government seeks to level the playing field for Indian firms, enabling them to expand their service offerings, attract international clients, and compete effectively in the global auditing and consultancy market.

The move is expected to strengthen the domestic professional services ecosystem, enhance skill development, and position India as a hub for high-quality accounting and consultancy services.

Startup Updates

Groww files revised IPO papers for Rs 6,000-7,000 crore issue

EDITORIAL NOTE: The upcoming offering will consist of a fresh issue of ₹1,060 crore, complemented by an offer-for-sale (OFS) of 574 million shares, collectively valued at approximately ₹5,000-6,000 crore. The OFS will see participation from prominent existing shareholders, including Peak XV Partners, Y Combinator, Ribbit Capital, Tiger Global, and Kauffman Fellows Fund. The fresh issue will help the company raise additional capital to support growth initiatives, while the OFS allows existing investors to partially liquidate their holdings. This dual structure balances capital infusion for business expansion with providing liquidity to early investors, reflecting strong investor confidence and creating a platform for enhanced market participation.

Electric cab startup Evera in talks with Gensol to lease 1,000 car

EDITORIAL NOTE: Gensol had

initially considered selling its idle vehicles to recover funds, but Evera has proposed an alternative approach of leasing the vehicles instead. The Interim Resolution Professional (IRP), Keshav Khaneja, in consultation with the Committee of Creditors (CoC), is currently reviewing both options to determine the most financially and operationally viable course of action. Timely deployment of the vehicles is critical, as prolonged idling could lead to depreciation in their market value and potential deterioration, rendering them unserviceable. The decision will not only impact asset recovery under the ongoing resolution process but also affect the company's ability to optimize returns from its vehicle fleet, balancing short-term liquidity needs against long-term operational considerations.

PhonePe narrows loss in FY25 as revenue jumps 40% to Rs 7,115 crore

EDITORIAL NOTE: PhonePe, backed by Walmart, reported a reduction in its net loss for fiscal year 2025, reflecting improved operational efficiency and strong growth in its core business segments. The fintech firm also recorded a significant increase in revenue, with payment services contributing the largest share, driven by widespread adoption of digital payments across India. The

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Reserve Bank of India has authorized PhonePe to operate as an online payment aggregator, enabling the company to expand its payment offerings and facilitate secure, seamless transactions for consumers and merchants. With a large and active user base, PhonePe processes millions of transactions daily, demonstrating robust transaction volumes and a strong foothold in the Indian fintech ecosystem. The combination of regulatory approvals, growing transaction volumes, and revenue diversification positions PhonePe for sustained growth and deeper penetration into the digital payments market.

Titan Capital rolls out startup programme as H-1B visa uncertainty continues

EDITORIAL NOTE: According to the venture capital firm founded in 2015 by Kunal Bahl and Rohit Bansal, the programme is designed to provide early-stage startups with seed funding, structured mentorship, and access to an extensive network of over 500 founders. Through this initiative, participating entrepreneurs will gain strategic guidance, operational support, and opportunities for collaboration within the startup ecosystem. Titan Capital's portfolio includes high-profile

listed companies such as Urban Company, Razorpay, and Ola, highlighting its track record in identifying and nurturing high-growth ventures. The programme reflects Titan Capital's commitment to fostering innovation, accelerating business growth, and strengthening the Indian startup ecosystem by leveraging both financial resources and experiential knowledge from successful entrepreneurs.

Mahindra-backed FirstCry faces Rs 2 lakh penalty for misleading ads, drip pricing

EDITORIAL NOTE: The Central Consumer Protection Authority (CCPA) has imposed a penalty of ₹2 lakh crore on FirstCry for deceptive pricing practices. The company misrepresented prices on its platform and charged GST on discounted prices, thereby misleading consumers about the actual final cost. These actions were deemed unfair trade practices under consumer protection regulations. Following the enforcement action, FirstCry has rectified its platform, ensuring that all prices now include applicable taxes and that any additional charges are clearly disclosed to consumers.

Why this Volume of Newsletter is important for reader?

Through the series of this

newsletter, we aim at covering all relevant Income Tax, Goods & Service Tax and Companies Act, Start-up Update, notification, circulars and case laws which may directly or indirectly impact our readers.

At DevMantra, it is our utmost priority to help our readers to be informed with respect to the changes in relevant laws for a smoother compliance.

DevMantra was founded based on the unalterable premise of excellence, acuity, integrity and an unwavering commitment to delivery. These principles continue to form the edifice of our approach as an organization, to our clients, our professionals and our community, and this has served us well in our journey so far. This approach has allowed DevMantra to work with and advise the very best clients, both in India and internationally. We encourage our people to strive for excellence and innovation within a meritocratic working environment and support their entrepreneurial spirit. It is our consistent endeavor with our people, to ensure that they imbibe the culture of the firm and form part of the weft and weave of the fabric of DevMantra. Our core values remain the guiding principles for everything we do, and we would like to emphasize

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“Knowledge” as one of the fundamental beliefs which drive the success of our operations. As we keep on reiterating, Knowledge is our number one priority. We don’t count time when it comes to gain any new knowledge or to reinstate the earlier one. Our clients trust our expertise and putting countless hours in keeping ourselves up to date on the subject we are advising on, deserve their trust.

Regards & Best Wishes,
Editorial Team



GST JUDICIAL UPDATES

Recommendations of the 56th Meeting of the GST Council

EDITORIAL NOTE: The 56th meeting of the GST Council, chaired by Union Finance and Corporate Affairs Minister Smt. Nirmala Sitharaman in New Delhi, put forth a series of wide-ranging recommendations aimed at making the GST framework more streamlined and taxpayer-friendly. The proposals include rationalization of GST tax rates, measures designed to provide

relief to individuals, the common man, and the aspirational middle class, along with initiatives to facilitate trade and improve compliance efficiency. By addressing key industry concerns such as working capital blockages, refund delays, and litigation challenges, the Council’s recommendations seek to balance revenue objectives with taxpayer relief while furthering the government’s vision of ease of doing business in India.

GST 2.0 Council Announces Major Rate Rationalization and Trade Facilitation Measures

EDITORIAL NOTE: The GST Council, in its 56th meeting on 3 September 2025, announced a major overhaul of the GST rate structure. The existing four-tier tax system has been simplified into two main slabs: a standard rate of 18% and a reduced merit rate of 5%. Additionally, a special de-merit rate of 40% has been introduced for select luxury and sin goods, such as high-end vehicles, casinos, and carbonated drinks. This reform aims to simplify compliance, reduce disputes, and make the tax regime more progressive by taxing luxury and non-essential items at a higher rate while easing the burden on essential goods. These changes are set to take effect from 22 September 2025.

Goods Sector Reforms

The goods sector sees significant relief for essential items and targeted taxation for luxury products. Food items like UHT milk, pizza bread, khakhra, chapathi, paratha, and other Indian breads will now attract nil GST, providing relief to households. Other consumables such as butter, cheese, jams, biscuits, chocolates, and ice cream will see their GST reduced to 5%, making everyday products more affordable. Conversely, luxury and sin goods such as aerated drinks, carbonated beverages, and high-end automobiles will move to the 40% slab, aligning taxation with their luxury status. Agricultural equipment including sprinklers, drip irrigation systems, and tractors will now attract 5% GST, alongside renewable energy devices like solar water heaters and fuel cell motor vehicles, promoting sustainable practices. Consumer essentials like soaps, shampoos, hair oil, and footwear under ₹2,500 will also enjoy the 5% rate, reducing the cost of basic necessities.

Services Sector Updates

In the services domain, the Council has introduced targeted reforms to balance revenue and consumer affordability. Air travel outside economy class will now attract 18% GST, keeping

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premium services moderately taxed. Cinema tickets priced below ₹100 will fall under the 5% slab, making entertainment more accessible. Health and life insurance premiums are exempted from GST, providing relief to individuals. High-end leisure activities such as casinos and race clubs will attract the 40% de-merit rate, reflecting their luxury nature. Beauty and wellness services will benefit from a reduced rate of 5% (without ITC), encouraging consumer participation in these sectors.

Trade Facilitation Measures

To ease compliance and liquidity pressure on businesses, the Council has introduced several trade-friendly measures. A risk-based provisional refund mechanism will allow 90% of refund claims related to zero-rated supplies and inverted duty structure cases to be disbursed upfront, improving working capital for businesses. This provision will be implemented from 1 November 2025. Additionally, the refund threshold of ₹1,000 for export claims has been removed, ensuring all eligible exporters can receive timely refunds. The GST registration process will be simplified for low-risk applicants, enabling approval within three working days. Small suppliers operating through e-commerce

platforms across multiple states will no longer be required to maintain principal places of business in each state, reducing administrative hurdles.

Other Key Changes

Several procedural reforms have been introduced to resolve longstanding ambiguities. The place of supply for intermediary services will now be based on the location of the recipient, eliminating disputes over the export status of such services. Post-sale discounts have been simplified: pre-agreed contracts are no longer required, and discounts can be processed using credit notes with corresponding ITC reversals, streamlining compliance and reducing paperwork for businesses.

GST Appellate Tribunal (GSTAT)

The long-pending GST Appellate Tribunal (GSTAT) is expected to be operational by the end of September 2025, with hearings commencing by December 2025. This tribunal will provide a dedicated forum for resolving GST disputes. The deadline for filing backlog appeals has been fixed at 30 June 2026, ensuring taxpayers have adequate time to approach the tribunal and clear pending issues. This development is a key step toward

strengthening the GST dispute resolution framework and providing certainty to taxpayers.

CBIC bars provisional refunds under GST for specific taxpayers: Notification

EDITORIAL NOTE: The Central Board of Indirect Taxes and Customs (CBIC) has issued a notification clarifying that, with effect from 1 October 2025, provisional refunds will not be admissible in certain cases. Specifically, taxpayers who have not completed Aadhaar authentication as required under Rule 10B of the CGST Rules, 2017, will be ineligible for such refunds. In addition, persons engaged in the supply of specified goods, including areca nuts, pan masala, tobacco and its substitutes, and essential oils, will also be excluded from the benefit of provisional refunds. This measure is intended to strengthen the risk-based refund framework, curb revenue leakages, and ensure that the provisional refund facility is available only to compliant and low-risk taxpayers.

Govt. notifies GST amendment on ITC, credit notes, returns, appeals and track-and-trace from 01-10-2025: Notification

EDITORIAL NOTE: The Central Board of Indirect Taxes and Customs (CBIC) has issued a notification stating that, with

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effect from 01-10-2025, certain provisions of the Finance Act, 2025, namely Sections 121(ii) & (iii), 122, 123, 124, and 126 to 134, shall come into force. These provisions introduce amendments to various aspects of GST law, including definitions, time of supply, input tax credit on plant and machinery, return filing, and appeal procedures.

CBIC exempts small taxpayers from filing annual GST return (GSTR-9): Notification

EDITORIAL NOTE: The Central Board of Indirect Taxes and Customs (CBIC) has issued a notification granting exemption from filing annual returns under GST to registered persons whose aggregate turnover in any financial year does not exceed ₹2 crore. This relief will apply for the financial year 2024–25 onwards. The measure is aimed at reducing the compliance burden on small taxpayers and furthering the Government's objective of simplifying GST procedures, thereby enabling businesses with lower turnover to focus more on operations rather than extensive tax compliance requirements.

Services provided to foreign university for student enrolment not intermediary services; refund allowed: HC

EDITORIAL NOTE: In cases where the petitioner, a subsidiary of an Australian company, provided services related to student placements in foreign universities under a bipartite arrangement, and had no involvement in the final admission process, nor any contractual relationship with the foreign universities or the students, the petitioner cannot be regarded as an intermediary. Consequently, the services provided by the petitioner qualify as export of services.

GSTN issues advisory on filing pending GST returns before expiry of three-years

EDITORIAL NOTE: The GSTN has issued an advisory highlighting that, in accordance with the Finance Act, 2023, GST returns—including GSTR-1, GSTR-3B, GSTR-4, GSTR-5, GSTR-5A, GSTR-6, GSTR-7, GSTR-8, and GSTR-9—cannot be filed after three years from their respective due dates. Starting from the October 2025 filing period, the GST portal will block returns that are overdue by more than three years (for example, GSTR-1/IFF for August 2022 or GSTR-9/9C for FY 2020-21). Taxpayers are therefore urged to

reconcile and file their returns within the prescribed timelines to avoid blockage.

GSTN enables invoice-wise reporting in Form GSTR-7 from September 2025 tax period: Advisory

EDITORIAL NOTE: The GSTN has operationalised the functionality for invoice-wise reporting in Form GSTR-7 pursuant to Notification No. 09/2025–Central Tax. With effect from the September 2025 tax period, TDS deductors are required to furnish invoice-level details while filing Form GSTR-7. The due date for filing the September 2025 return is 10th October 2025. Deductors are advised to ensure that their data is prepared in accordance with the new requirements to facilitate timely and accurate filing.



INCOME TAX REGULATORY UPDATES

Digital marketing is business, not profession; audit not needed if cash under 5% turnover: HC

EDITORIAL NOTE: In the case where the assessee was engaged

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in digital marketing, the activity was to be treated as a business rather than a profession. Since the assessee's turnover did not exceed ₹5 crore and cash transactions constituted less than 5% of both receipts and payments, with all other transactions routed through bank accounts, the provisions requiring a tax audit under Section 44AB of the Income Tax Act were not applicable. Consequently, the assessee was not required to submit an audit report for the relevant assessment year.

CPC can't make any adjustment without issuing prior intimation to assessee: ITAT

EDITORIAL NOTE: While processing an income tax return under Section 143(1), the Centralized Processing Center (CPC) is statutorily required to issue a prior intimation to the taxpayer before making any adjustments. This requirement is set out in the first proviso to Section 143(1)(a) of the Income Tax Act. The purpose of this proviso is to ensure transparency and provide the taxpayer an opportunity to review and respond to any proposed modifications, such as adjustments to income, deductions, or tax credits. Any adjustment made by the CPC without issuing the mandated

intimation would not be in compliance with the statutory procedure and could be subject to challenge by the taxpayer.

HC reduces pre-deposit from 20% to 5% in stay of demand order in view of high-pitched assessment

EDITORIAL NOTE: In a case where the Revenue had already seized the assessee's bank account and immovable property, and the assessee's annual income was reported to be ₹19 lakhs, the condition imposed for hearing the appeal—requiring the assessee to pay ₹5 lakhs per month until 20% of the outstanding demand was discharged—was held to be unduly onerous. Such a condition caused disproportionate hardship to the assessee in pursuing the appeal against the impugned order. Consequently, it was directed that, until the appeal was decided by the appellate authority, the assessee should be allowed to comply with a more reasonable payment arrangement.

Govt. issues corrigendum to rectify a few errors in Income-tax Act, 2025

EDITORIAL NOTE: The Ministry of Law and Justice has issued a corrigendum to rectify certain inadvertent errors in the Income Tax Act, 2025. In a few provisions

of the Act, the term "previous year" was mistakenly used, whereas the correct terminology intended was "Tax Year." This correction is significant as it ensures consistency throughout the legislation and removes any potential ambiguity regarding the period of income assessment. By replacing "previous year" with "Tax Year," the corrigendum clarifies the reference period for income computation, aligning the provisions with the intended legislative framework and facilitating accurate compliance and interpretation by taxpayers and authorities alike.

CBDT modifies Circular 09/2022 on Sec. 10(23FE) exemption, incorporating FA 2025 time-limit extension

EDITORIAL NOTE: The Central Board of Direct Taxes (CBDT) has issued a modification to the guidelines under Section 10(23FE) through Circular No. 9 of 2022, extending the deadline for making eligible investments from 31st March 2025 to 31st March 2030. This extension provides taxpayers with additional time to take advantage of the exemptions available under Section 10(23FE), which are designed to encourage specified investments by companies in certain notified businesses or assets. By extending the investment window, the CBDT

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aims to facilitate compliance, promote long-term investment planning, and ensure that taxpayers can fully avail the benefits of the prescribed tax exemptions without facing time constraints.

ITAT slams AO for rejecting exemption claim due to clerical error in ITR; allows rectification

EDITORIAL NOTE: In a case where the assessee, an educational institution, was registered under Section 12AA and had been granted exemption under Section 10(23C)(vi), a clerical error during the year resulted in the deduction being claimed under Section 10(23C)(iiiad) instead of the correct Section 10(23C)(vi). In such circumstances, the revenue authorities ought to have rectified the inadvertent clerical mistake rather than rejecting the assessee's request for correction. The intent of the law is to allow genuine rectifications of errors that do not alter the substantive claim, and denial of such correction would be contrary to principles of fairness and equity.

Filing of audit report after filing of ITR but within extended due date couldn't be a reason to deny sec. 11 exemption: ITA

EDITORIAL NOTE: In a case where the assessee filed its return of income on 27-10-2018

and subsequently submitted the audit report in the prescribed Form No. 10B on 28-10-2018, within the extended due date of 31-10-2018 for filing the return, the authorities had held that filing the audit report after the return rendered the submission defective. This finding was set aside on appeal, with the appellate authority observing that the audit report was submitted within the extended statutory timeline and, therefore, the procedural requirement under Section 12A read with Form No. 10B was duly complied with. Consequently, the assessee was entitled to claim the exemptions under Sections 11 and 12 of the Income Tax Act. The decision underscores that minor chronological discrepancies in filing, when within the prescribed due dates, cannot be construed to deny substantive benefits granted to charitable or religious institutions.

Reassessment notice u/s 148 issued beyond surviving time held invalid: HC

EDITORIAL NOTE: In a case where the Assessing Officer issued a notice under Section 148 on 27-05-2022 during the extended period under the Taxation and Other Laws (Relaxation of Certain Provisions) Act, 2020 (TOLA, 2020), the notice was treated as issued

under Section 148A(b), allowing the assessee a 15-day period to file a response. Under the provisions of Section 148, the limitation period for issuing a valid notice expired on 17-06-2022, taking into account the extended timelines prescribed under TOLA, 2020. Consequently, any subsequent notice under Section 148, issued on 24-08-2022, fell outside the surviving statutory period. The appellate authority held that issuance of a notice beyond the prescribed limitation was legally untenable, and therefore, the subsequent notice was liable to be quashed. This decision reinforces the principle that extension of time under Section 148A(b) does not enlarge the limitation period for issuing notices under Section 148 and safeguards taxpayers from procedural lapses by the revenue authorities.

CBDT extends due date for filing tax audit report for AY 2025-26 to 31-10-2025

EDITORIAL NOTE: The Central Board of Direct Taxes (CBDT) has announced an extension of the due date for furnishing audit reports under any provision of the Income-tax Act, 1961, for the Assessment Year 2025-26. The due date has been extended to 31st October 2025. This extension

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provides taxpayers, including companies and other entities required to undergo a tax audit under Sections such as 44AB, additional time to prepare and submit their audit reports, ensuring compliance with the statutory requirements. The measure is intended to facilitate timely and accurate reporting, reduce the risk of procedural defaults, and accommodate practical challenges that may arise in the audit process.



CORPORATE LAW UPDATES

SEBI notifies Framework for 'Intraday Position Limits Monitoring for Equity Index Derivatives'

EDITORIAL NOTE: The Securities and Exchange Board of India (SEBI) has notified a framework for 'Intraday Position Limits Monitoring for Equity Index Derivatives.' Under this framework, SEBI will implement an entity-level intraday monitoring mechanism for index options to ensure market stability while supporting active participation by market participants, including liquidity

providers and market makers. The intraday net position limit has been set at ₹5,000 crore, while the intraday gross position limit has been fixed at ₹10,000 crore. This framework aims to strengthen risk management, maintain orderly market conditions, and safeguard the interests of investors.

SEBI amends Delisting Regulations, 2021; introduces norms for 'Delisting of Equity Shares of PSUs'

EDITORIAL NOTE: The Securities and Exchange Board of India (SEBI) has notified the SEBI (Delisting of Equity Shares) (Amendment) Regulations, 2025. A new Regulation 38B, titled 'Delisting of Equity Shares of Public Sector Undertakings,' has been inserted. Under this regulation, the equity shares of public sector undertakings (excluding banks, NBFCs, and insurance companies) may be delisted from all recognised stock exchanges, provided certain conditions are met. One key condition requires that the delisting be conducted through the fixed price process. This amendment aims to provide a clear framework for the strategic disinvestment of public sector entities while ensuring transparency and fairness in the delisting process.

SEBI streamlines process for voluntary and involuntary surrender of KRA registration

EDITORIAL NOTE: SEBI has issued a circular to streamline the process for the surrender of KYC Registration Agency (KRA) registration, whether voluntary or involuntary. The circular mandates that KRAs ensure a seamless transfer of KYC records to another SEBI-registered KRA, thereby safeguarding data integrity and ensuring uninterrupted investor services. KRAs are also required to establish a Standard Operating Procedure (SOP), approved by their board, and make it publicly available on their website within 90 days. Furthermore, Oversight Committees will supervise and monitor the winding-down process to ensure compliance and protect investor interests.

SEBI allows employees named as promoters in draft offer document to hold and exercise ESOPs, SARs & benefits

EDITORIAL NOTE: TSEBI has amended the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, through the insertion of Regulation 9A. Under this regulation, an employee identified as a 'promoter' or part of the 'promoter group' in the draft offer document filed for an IPO, who was granted stock

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options, Stock Appreciation Rights (SAR), or other benefits at least one year prior to filing, shall be eligible to continue to hold and/or exercise such benefits, subject to the provisions of these regulations and other applicable laws. This amendment provides clarity on the treatment of pre-IPO employee benefits for promoters and promoter-group employees.

SEBI exempts 1-yr holding for equity & converted shares from schemes u/s 230-234 of Cos Act 2013

EDITORIAL NOTE: SEBI has amended clause (b) of the third proviso to Regulation 8 of the SEBI (ICDR) Regulations, 2018. The revised clause extends the exemption from the one-year holding period to include not only equity shares but also shares arising from the conversion of fully paid-up compulsorily convertible securities. This exemption applies where such securities were acquired under a scheme approved by a Court, Tribunal, or the Central

Government under Sections 230-234 of the Companies Act, 2013. The amendment provides clarity and facilitates smooth implementation of court- or government-approved schemes without being constrained by the one-year holding requirement.

IFSCA extends deadline for compliance with revised net worth norms under CMI Regulations, 2025 till Dec 31, 2025

EDITORIAL NOTE: The International Financial Services Centres Authority (IFSCA) has extended the timeline for compliance with the revised minimum net worth requirements under the IFSCA (Capital Market Intermediaries) Regulations, 2025. Initially, entities were required to meet the revised net worth norms by 1st October 2025. Based on representations from market participants, the deadline has now been extended to 31st December 2025. The circular is effective immediately, providing entities additional time to align with the regulatory requirements.

MCA extends facility for AGMs/EGMs via VC/Other Audio Visual Means (OAVM) or postal ballot till further orders

EDITORIAL NOTE: The Ministry of Corporate Affairs (MCA) has allowed companies to continue conducting Annual General Meetings (AGMs) and Extraordinary General Meetings (EGMs) through Video Conference (VC) or Other Audio-Visual Means (OAVM), and to transact business through postal ballot, until further orders. This measure is intended to provide flexibility to companies in holding meetings amid operational challenges, ensuring shareholder participation without physical presence. However, the MCA has clarified that this relaxation does not constitute an extension of the statutory timeline for holding AGMs under the Companies Act, 2013. Companies must therefore continue to comply with the prescribed timelines for convening AGMs, while leveraging virtual modes or postal ballots to facilitate compliance and engagement with shareholders.

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COMPLIANCE CALENDAR

Tax Compliance Calendar for October 2025

Compliance Due Date	Concerned (Reporting) Period	Compliance Detail	Applicable To
Quarterly Compliance	October 2025	Hold Board Meeting for quarter October to December	Section 173 provides for holding at least four board meetings in a year in such manner that not more than 120 days shall intervene between two board meetings. Regulation 17(2) of SEBI (LODR) Regulations, 2015 provides for holding at least one board meeting in a quarter with the stipulation that maximum time between two board meetings should not exceed four months.
7th October		TDS Deposit for the month of September 2025	Deposit of Tax Deducted/Collected at Source for transactions made in September 2025.
11th October		GSTR-1 (Outward supply return)	Filing of outward supply details for September 2025 by taxpayers with a turnover more than ₹5 crore or who opted for monthly filing.
13th October		ISD Return	An Input Service Distributor is required to furnish monthly return of input tax distributed for the month of September, 2025
15th October		File Form ADT-1	Intimation of Auditor Appointment is to be filed by the Company, within 15 days of holding of AGM.
20th October		GSTR-3B (Summary return)	A regular taxpayer having aggregate turnover more than Rs. 5 crore in the preceding financial year is required to make payment of tax and furnish monthly return for the month of September, 2025.
22nd October		Monthly Return	A regular taxpayer having an aggregate turnover of upto Rs. 5 crore in the previous financial year, whose principal place of business is in category A States, is required to make payment of tax and furnish monthly return for the month of September, 2025
24th October		Monthly Return	A regular taxpayer having an aggregate turnover of upto Rs. 5 crore in the previous financial year, whose principal place of business is in category B States, is required to make payment of tax and furnish monthly return for the month of September, 2025

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29th October	File e-Forms AOC-4/AOC-4 XBRL/AOC-4 CFS	E-Forms AOC-4/AOC-4 XBRL/AOC-4 CFS are required to be filed to RoC in respect of Balance Sheet & Profit and Loss account within 30 days of holding of Annual General Meeting (due date 30th Sep, 2025).
31st October	File 10-IEA/10-IF/10-IFA/ File Form 10-IB/10-IC/ 10-ID	Option to claim tax as per section 115BAC/115BAD/115BAE where return is to be filed by 31 st October. Option to claim lower rates of tax in case of a company.
	Tax Audit Report	Obtaining and furnishing of tax audit report by assessee who has entered into an international transaction or specified domestic transaction and for all entities as per date extended
	File Form 3CEB	Audit report to be furnished by assessee who has entered into an international transaction or specified domestic transaction
	Filing of income-tax return	Following persons are required to file their income-tax return : (a) assesses other than Transfer Pricing Audit requirement (b) Individual or HUF carrying on business or profession subject to audit (c) Firm or co-operative society or AOP/BOI subject to audit (d) Individual or HUF being partner in a firm subject to audit. (e) Spouse of partner of a firm, where firm is subject to audit and provisions of section 5A apply to such spouse

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