KPMG

India Tax Konnect

May 2025

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a. Decisions – International Tax

Subscription fees for standardised access to database is not fees for technical services: Delhi High Court[1]

Facts of the Case

The taxpayer, a tax resident of Germany, was part of the Springer Nature Group, a global publisher of scientific, technical, and medical content.

It entered into an agreement with the Indian group company. As per the agreement, the taxpayer was required to promote, sell and distribute books and journal, and to undertake services such as global marketing services, inventory management, delivery, contract management, debtor management, customer services etc.

During the years under consideration, it earned commission income for the above services and also collected subscription fees from various customers for subscribing to journals and books.

The tax officer treated these receipts as fees for technical services (FTS) under the Income-tax Act, 1961 (the Act) as well as the India-Germany tax treaty (the treaty). The taxpayer contested the tax officer's decision as the issues were already settled in its favour by the Delhi High Court in earlier years[2], and there had been no material change in facts or law since the earlier ruling.

Revenue's Contentions

The commission income was FTS in nature, especially considering the scope of services. Services like contract management, debtor management, customer services, etc., involved managerial inputs.

The subscription fee should be viewed as consideration for allowing access to copyrighted material, which amounts to either royalty or FTS.

Since, for the years under consideration, the tax officer taxed the subscription fees as FTS (and not royalty), the judgment for earlier years wasn't directly applicable. The Supreme Court decision in *Engineering Analysis*[3] dealt with software royalty and not subscription-based access to copyrighted content.

Taxpayer's contentions

Commission income and subscription fees were not FTS in nature either under the Act or the treaty.

On subscription fees, the taxpayer emphasised that it merely provided standardised access to journals and content without offering tailored consultancy, managerial, or technical services. The lack of human intervention, a key requirement for classification as FTS, was evident in the nature of its services.

The taxpayer relied on the decisions in the case of *Skycell Communications*[4] and *Bharti Cellular*[5], which held that use of technology or facilities doesn't imply provision of technical services. For an income to qualify as FTS, the fee should be received for services which is exclusive or customised and would not take into sweep the standardised/ automated services, the access of which could be granted to all, on payment of charges.

[1] *CIT* v. *Springer Nature Customers Services Centre GMBH* (ITA No. 1/2025)
[2] *CIT* v. *Springer Nature Customers Services Centre GMBH* [2023] 458 ITR 728 (Del)
[3] *Engineering Analysis Centre of Excellence (P) Ltd.* v. *CIT* [2021] 432 ITR 471 (SC)
[4] *Skycell Communications Ltd.* v. *DCIT* [2001] 251 ITR 53 (Mad)
[5] *CIT* v. *Bharti Cellular Ltd.* [2009] 319 ITR 139 (Del)

Direct Tax...

The taxpayer also relied on decisions in the case of *Relx Inc*[6] and *India Capital Markets*[7].

Decision

The taxability of commission income had been conclusively settled in the taxpayer's favour in its own case for AY 2013–14 and there was no reason to revisit it.

The subscription fees would not partake the character of FTS as defined under the Act.

Relying on the decisions referred by the taxpayer and the UN Model Convention's commentary and examples, the Court held that generalised database access lacked the specific expertise application required for FTS classification.

Consequently, the Court concluded that the subscription fees were for standardised content, and not technical services requiring human intervention.

b. Decisions – Domestic Tax

Interest on enhanced compensation for compulsory land acquisition is capital gains and not income from other sources: Kerala High Court[8]

Facts of the case

The taxpayers had their agricultural lands compulsorily acquired by the State under the Land Acquisition Act, 1894 (LAA). Initially, they received compensation fixed by the Land Acquisition Officer. Dissatisfied with the amount, they sought enhanced compensation through the Reference Court under the LAA. The court granted enhanced compensation and awarded interest under the LAA for the delayed payments.

The taxpayer classified the enhanced compensation as well as interest as capital gains under the Act, claiming exemption under section 10(37) of the Act.

However, the Revenue argued that while the enhanced compensation qualified as capital gains, the interest received was taxable as 'Income from Other Sources' under section 56(2)(viii) of the Act, denying the exemption under section 10(37) on interest component.

Section 56(2)(viii) of the Act was inserted by the Finance (No. 2) Act, 2009 to provide that the income by way of interest received on compensation or enhanced compensation is taxable as 'income from other sources.' Thus, while the capital gains arising from transfer of agricultural land is exempt under section 10(37), there is no exemption for interest taxable as income from other sources.

Taxpayer's contentions

The interest paid under the LAA was an accretion to the compensation amount, not merely interest as defined under the Act[9]. It compensated for the delay in receiving the principal amount and thus should be treated as part of the compensation. Accordingly, the interest should qualify for the same exemption as the principal compensation.

[6] *CIT* v. *Relx Inc* [2024] 160 taxmann.com 109 (Delhi)
[7] *CIT* v. *India Capital Markets (P) Ltd* [2017] 79 taxmann.com 45 (Bom)
[8] *Anvar Ali Poolakkodan* v. *ITO* (ITA No. 32 of 2023) *and Abdul Azeez Poolakkodan* v. *ITO* (ITA No. 60 of 2024).
[9] Section 2(28A) of the Act

Revenue's contentions

As per section 56(2)(viii), interest on compensation or enhanced compensation is explicitly classified as 'Income from Other Sources,' regardless of its nexus to land acquisition.

Decision

After noting the conflicting precedents on the issue[10], the High Court held that interest paid[11] under the LAA was not interest as defined in section 2(28A) of the Act. Instead, it was an integral part of the compensation, meant to offset the loss caused by the delay in payment.

Such interest should be classified as capital gains as it was intrinsically linked to the compensation for compulsory acquisition and thereby qualified for exemption under section 10(37).

The right to property under Article 300A of the Constitution includes the right to fair compensation. The jurisprudence on the property rights points to the necessity of treating the interest payments for delayed payment of compensation as an accretion to the compensation itself. Thus, interest on land acquisition compensation should be treated as part of the compensation itself.

Stepsiblings qualify as 'relatives' for exemption from section 56(2)(vii): Mumbai Tribunal[12]

Facts of the case

The taxpayer, an individual, received an immovable property by way of gift from another individual ('donor') *via* a registered deed.

The deed described the donor and donee (taxpayer) as sister and brother, although they were stepsiblings.

During the year under consideration, their parents were X (mother) and Y (father). The donor was the biological daughter of X from her earlier marriage. Similarly, the donee was the biological son of Y from his earlier marriage.

The tax officer alleged that the donor and the donee were not biological siblings and not 'relatives' for the purposes of section 56(2)(vii) of the Act. Thus, the receipt of property was taxable in the hands of donee as income from other sources.

The taxpayer argued that the stepsiblings qualify as 'relatives' and thus, the provisions of section 56(2)(vii) are not applicable.

Section 56(2)(vii) provides that where an individual receives an immovable property for a consideration less than its stamp duty value, the differential is taxable as 'income from other sources' in the hands of the recipient. However, the provision does not apply if the property is received from any relative which has been defined to include brother or sister of the individual.

[10] *Dr. Shamlal Narula* v. *CIT* [1964] 53 ITR 151 (SC); *CIT* v. *Ghanshyam (HUF)* [2009] 315 ITR 1 (SC); *CIT* v. *Govindbhai Mamaiya* [2014] 367 ITR 498 (SC)

[11] The taxpayer had received interest under sections 28 and 34 of the LAA and the Tribunal had made distinction between these two categories of interest. However, the High Court rejected that distinction.

[12] *Rabin Arup Mukerjea* v. *ITO* (ITA No. 5884/Mum/2024).

Taxpayer's contentions

The phrase 'brother and sister of the individual' should be interpreted broadly to encompass stepsiblings formed through parental marriage. The Act does not limit 'brother and sister' to biological ties or does not explicitly exclude step-relationships.

Affinity (relationship by marriage) makes stepsiblings 'relatives' even if they lack a blood connection.

Under the Act[13], the definition of 'child' in relation to an individual includes a step-child and an adopted child of that individual.

The Companies Act, 2013[14] and the RBI Act, 1934[15] explicitly include 'stepbrother' and 'stepsister' in the definition of 'relative.'

As per the Black's Law Dictionary, 'relative' includes persons connected by affinity (marriage ties).

Revenue's contentions

The term 'brother and sister' must be restricted to blood relations (consanguinity), not affinity.

Section 56(2)(vii) specifies 'brother and sister' without mentioning 'step-brother/sister' which implies legislative intent to restrict the term to biological siblings.

As per the Indian Succession Act, 1925, stepsiblings are not legal heirs unless adopted, indicating they lack familial recognition under statutory law.

Decision

Rejecting the Revenue's 'biological parentage' argument, the Mumbai Bench of the Tribunal accepted that stepsiblings connected by affinity (marriage of parents) qualify as 'relatives.'

In the absence of any specific provision relating to step-relationships, the Tribunal upheld the taxpayer's reliance on the dictionary meaning and the meaning under the Companies Act and the RBI Act.

The Indian Succession Act is applicable for the right of inheritance where the stepchild has no legal right to inherit the property of his/her stepparents, but it does not lead to inference that stepbrother and stepsister who are related by affinity because of the marriage of the respective parents cannot be reckoned as brother and sister for the purposes of the term 'relative.'

The gift was held to be not taxable under section 56(2)(vii), as the donor and donee qualified as 'relatives.'

Crediting the proportionate amount of revalued goodwill to the partner's account may not result in distribution of an asset to the partners: Bangalore Tribunal[16]

Facts of the case

The taxpayer, a partnership firm, introduced a new partner.

[13] Section 2(15B) of the Act
[14] Section 2(77) of the Companies Act, 2013
[15] Section 45S of the Reserve Bank of India Act, 1934

[16] *Anand Diagnostic Laboratory* v. *DCIT* (ITA No. 968/969/Bang/2024)

Immediately before the introduction, the firm's assets were revalued, and the goodwill was recorded in the accounting books of the firm. An amount equivalent to the goodwill was credited to the capital account of the existing partners in their profit-sharing ratio.

The capital introduced by the new partner was computed based on his proportionate share in the revalued firm.

The tax officer treated the goodwill allocation to the existing partners as a distribution of a capital asset and a taxable transfer by the firm as per section 45(4) of the Act.

Section 45(4) (as applicable for the AY 2018-19) provided that a firm is liable to tax on the capital gains arising from the transfer of a capital asset by way of distribution of capital assets on the dissolution of a firm or otherwise.

Revenue's contentions

Goodwill was recorded just before reconstitution and was credited to the capital accounts of existing partners. This credit created a right in favour of the partners, allowing possible withdrawal. There was no restriction on the withdrawal of the amount credited to the partners' account. Even if no withdrawal occurred, the accounting entries represented a notional distribution.

The Revenue relied on the Supreme Court decision in the case of *Mansukh Dyeing & Printing Mills*[17], to argue that book entries arising from the revaluation of assets resulted in the benefit to partners amounting to transfer under section 45(4).

Tribunal's decision

The Tribunal ruled in favour of the taxpayer, holding that there was no actual transfer of capital assets to the partners. The goodwill revaluation remained an internal book entry; no partner withdrew any funds.

In the instant case, the new partner contributed his due share of capital and there was no gratuitous benefit passed on to them.

The decision in *Mansukh Dyeing* was distinguishable on facts, as in that case, new partners were allocated substantial credits disproportionate to their capital contributions, followed by an actual withdrawal—none of which occurred in this case.

The decisions by other High Courts (Telangana[18] & Calcutta[19]) had clarified that Mansukh Dyeing decision was fact-specific and was not applicable universally.

The Tribunal noted a CBDT Circular[20], which clarified that section 45(4) applies only where there is actual transfer of capital assets by a firm on dissolution or otherwise. Since that did not happen here, section 45(4) was not attracted.

Tribunal upheld transfer as slump sale even in case of non-transfer of certain liabilities: Mumbai Tribunal[21]

Facts of the case

The taxpayer, an Indian company, was engaged in providing software services.

[17] *CIT* v. *Mansukh Dyeing and Printing Mills* [2022] 449 ITR 439 (SC)

[18] *Smt. Girija Reddy P.* v. *ITO* [2024] 161 taxmann.com 746 (Telangana)
[19] *PCIT* v. *Salapuria Soft Zone* [2023] 150 taxmann.com 106 (Calcutta)
[20] CBDT Circular No. 495, dated 22 September 1987
[21] Digital Insight India Products Private Ltd v. ACIT (ITA No. 5048/Mum/2024)

Direct Tax...

It entered into a 'Business Sale and Purchase Agreement' with another Indian company for the transfer of its entire business for a lumpsum consideration. The transaction was claimed by the taxpayer to be a 'Slump Sale' and offered the gains from the transfer as capital gains.

However, the tax officer treated the transaction as a business transaction, taxing the gains as business income of the company, arguing that the transaction did not qualify as a slump sale.

Relevant provisions

Gains arising from the slump sale is taxable as capital gains[22]. In this regard, 'slump sale' has been defined to mean the transfer of an undertaking for a lump sum consideration without values being assigned to the individual assets and liabilities.

Ordinarily, the tax rate applicable on capital gains is less than that applicable to a business income.

Revenue's Contentions

The title of the agreement and its structure resembled a regular business sale.

Specific assets and liabilities were not fully transferred. The agreement provided that tax and statutory liabilities prior to the completion date would be borne by the taxpayer (seller) and such liability arising only after the completion date would be borne by the buyer.

The taxpayer retained some trade receivable. Thus, the transfer wasn't of the business 'as a whole,' failing to meet the criteria for a slump sale under the Act.

The buyer classified the transaction as 'acquisition of business' and considered a 'common control business combination'.

The form filed by the taxpayer as per the requirement of the relevant section of the Act (Form 3CEA) included asset-wise valuation to compute net worth. This was viewed as contradicting the requirement that no individual values be assigned under a slump sale.

Decision

The Mumbai Bench of the Tribunal held that the transaction qualified as a slump sale as all the prescribed conditions were satisfied such as transfer of entire business on a 'going concern' basis, transfer of all assets, liabilities, employees and operations on 'as is where is' basis, without assigning individual values.

Despite the title "Sale and Purchase of Business," the substance of the agreement revealed that the entire business was transferred, and the lump sum consideration covered all assets and liabilities.

The Tribunal disagreed with the Revenue's interpretation of the agreement relating to the transfer of liabilities. The Tribunal held that it is a standard clause in such transactions. The Tribunal also noted another clause in the agreement which expressly required the buyer to assume all liabilities pertaining to the business up to the completion date.

The receivables in the balance sheet were not operational trade receivables but represented the lump sum consideration pending from the buyer. These did not indicate that any asset of the business was retained by the seller.

Filing Form 3CEA is a statutory requirement under the Act. It does not imply that individual asset values were assigned for consideration purposes.

[22] Section 50B of the Act

Indirect Tax

Instructions

Grievance Redressal Mechanism for processing of application for GST registration[23]

The Central Board of Indirect Taxes and Customs (CBIC) had issued Instruction No. 03/2025-GST dated 17 April 2025 for processing of GST registration. Any applicant assigned to Centre jurisdiction and having a grievance in regard to a query raised in contravention of such instruction may approach the jurisdictional Zonal Principal Chief Commissioner/Chief Commissioner.

The following instructions have been issued to provide quick and effective grievance redressal mechanism to applicants.

- Email address for raising grievances to be publicized.
- Applicants to send grievances containing required details on that email address.
- If grievance pertains to State jurisdiction, the office of Principal Chief Commissioner/Chief Commissioner to forward the same to the concerned jurisdiction and a copy endorsed to the GST Council Secretariat.
- Timely resolution of grievances to be ensured and applicants to be intimated about the same.
- Applicants to be suitably advised where queries raised by the officer are found to be proper.
- Monthly report on status of grievance redressal to be submitted to DGGST to be further put up before the Board.

Timely production of records/information for audit[24]

This instruction is issued to address the challenges faced by the Comptroller and Auditor General of India (CA&G) owing to non-production or partial production of records by the field officers to the CA&G team.

Officers are instructed to expeditiously provide the records/ information available with them/ required to be maintained by them, to the C&AG team, as and when required. If such records are available with taxpayer, a letter may be sent to the concerned taxpayer for providing the documents expeditiously and necessary follow-ups be done.

High Court decisions

Registration as 'supplier of services' not mandatory to claim refund relating to output services[25]

The petitioner is engaged in the manufacture and supply of railway equipment (i.e. goods) and supply of engineering services (i.e. services) for Metro projects. Initially, the petitioner had registered itself under GST only for supply of goods. From June 2019, the petitioner commenced supply of engineering services to customers outside India, however, the GST registration was amended to include such services only in September 2020.

The petitioner had filed two refund claims for the period from June 2019 to June 2020 (i.e. for period prior to amendment in the GST registration) on account of export of services with payment of IGST. The adjudicating and appellate authorities rejected these claims on the ground that a person has to register both for supply of goods as well as services and in the absence of registration for

[23] Instruction No. 04/2025-GST dated 2 May 2025

[24] Instruction No. 05/2025-GST dated 2 May 2025

[25] *Alstom Transport India Ltd* [2025 (4) TMI 1283]

supply of services, the registered person would not be entitled for refund of IGST on zero rated supply of services. Aggrieved by these orders, the petitioner approached the Andhra Pradesh High Court.

The petitioner contended before the High Court that there is no provision under law requiring separate registration for supply of goods and that for services. The forms of registration read with the rules do not require the person seeking registration to set out all the lines of his business including different categories of goods or services that it may supply.

Against this, the revenue contended that in terms of section 16 of the IGST Act, 2017 read with section 54 of the CGST Act, 2017, only a registered person is entitled to seek refund of IGST, in relation to zero rated supply of services. This implies that the person seeking refund on account of zero-rated supply of services, would have to be a person, who is registered, in relation to supply of services. As the period of supply, for which refund is sought, was before the said amendment, no refund can be made.

The High Court observed that on reading of section 54(3) of the CGST Act, 2017 with section 16(3) of the IGST Act, 2017 it is clear that only a registered person can claim refund in relation to zero rated supplies made with or without payment of tax. The provisions relating to registration [section 22 to 25 of CGST Act, 2017] do not stipulate a separate registration for goods and services.

Even entries 18 and 19 of Part B of the GST registration form [REG-01] asking for the details of goods and services supplied by the applicant require only top 5 goods and/or services to be mentioned. A question arises here as to whether a registered person would be entitled for refund if such service is in number six in the list of services and therefore has not been specified there. The requirement under the said form is only for specification of the top 5 services. In such circumstances, the authorities cannot deny refund. Also, the registration certificate [REG-06] including its annexures nowhere specifies the categories of supply being undertaken by the applicant. Thus, no importance is given to the details of the goods or services to be supplied by the person. The only requirement is that such person shall have to be registered.

Accordingly, non-mention of the categories of supply being undertaken by the applicant, in the GST registration application, cannot preclude grant of refund to such person. The High Court thus, set aside the refund rejection orders and allowed the writs.

Proceedings initiated under rule 96(10) cannot continue after deletion of the said rule, due to lack of a savings clause[26]

The petitioner, a manufacturer of gold bars and jewellery, claimed and also received refund of IGST. Pursuant to audit conducted by the department, a show cause notice (SCN) was issued alleging claim of erroneous refund in contravention of rule 96(10) of the CGST Rules, 2017. Although SCN was issued when rule 96(10) of the CGST Rules, 2017 was operative (i.e. on 26 June 2023), before the final order for recovery of refund came (i.e., on 3 February 2025), the said rule stood omitted (w.e.f. 8 October 2024) without a saving clause in the GST Law.

The petitioner relied on SC judgement in the case of *Kolhapur Canesugar Works*[27], which states that the omission of a rule without a saving clause means it should be treated as though it never existed. Thus, the omission of rule 96(10) of the CGST Rules, 2017 would result in the cessation of all actions initiated under the rule.

[26] *Sri Sai Vishwas Polymers* v. *UOI & anr*. [TS-320-HC(UTT)-2025-GST]
[27] 2000 (2) TMI 823 - SC

The revenue contended that the omission of rule 96(10) of the CGST Rules, 2017 was prospective, and proceedings initiated while the rule was in force should continue. Deletion of the rule should not affect actions already underway.

In this regard, the Calcutta High Court observed that the omission of rule 96(10) of the CGST Rules, 2017 without a saving clause meant that all proceedings initiated under it must terminate. Citing the SC's judgment in *Kolhapur Canesugar Works (supra)*, the court noted that section 6 of the General Clauses Act, 1897 relating to 'effect of repeal' applies to the repeal of any Central Act or 'Regulation' after its commencement but does not apply to the omission of a 'rule'.

The court also observed that the effect of repeal or deletion for future and past cases largely depends on applicable savings provisions. If a particular provision is omitted and replaced with a new one addressing the same issue, but without a saving clause for pending proceedings, it can be reasonably inferred that the legislature intends for the pending proceedings to cease. However, new proceedings for the same purpose may be initiated under the new provision.

Accordingly, the court set aside the order confirming the recovery of the refund, as there was no legal basis to continue proceedings after the rule's omission.

University fee not liable to GST as they are statutory in nature[28]

The petitioner, Goa University, established under the Goa University Act, 1984, filed a writ petition challenging a SCN demanding Rs. 4.83 crore on the university's educational activities, specifically the affiliation fees collected from its affiliated colleges. Aggrieved by the SCN, the petitioner approached the Bombay High Court.

The petitioner contended that educational activities do not constitute 'business' under section 2(17) of the CGST Act, 2017 as they are not in the nature of trade, commerce, or similar activities. Fees collected for conducting examinations and awarding degrees in discharge of statutory duties are not 'consideration' under section 7 of CGST Act, 2017. Affiliation services, if any, are exempt under entry 66 of notification no. 12/2017-CT (R). Circular no. 151/07/2021-GST dated 17 June 2021 and circular no. 234/28/2024-GST dated 11 October 2024 (both referred to as 'the Circulars') incorrectly assume affiliation as a taxable service without showing how it qualifies as service. The circulars contrary to the statute are not binding and cannot override statutory provisions.

The respondent contended that the affiliation fees constitute consideration for a taxable supply of services. Services performed by statutory bodies for a fee are liable to GST, even if mandated by law. The circulars only clarify existing legal provisions and do not independently impose tax liability.

In this regard, the Bombay High Court observed that the affiliation fee is collected while discharging statutory functions under the Goa University Act, 1984 and is not commercial in nature. The State has a constitutional duty to provide education to its citizens, which is being fulfilled through the University. The affiliation fee does not amount to 'consideration' as there is neither a *quid pro quo* arrangement nor any contractual obligation involved.

The court held that the transaction lacks any commercial intent or character and, therefore, the affiliation fee cannot be treated as a commercial receipt. Even if considered a service, the activity is exempt under entry 66, as students of affiliated colleges are treated as university students. The term 'educational institution' includes universities, not just affiliated colleges. Circular 234/28/2024-

[28] *Goa University* [(2025) 29 Centax 281 (Bom.)]

Indirect Tax

GST dated 11 October 2024 incorrectly characterizes the nature of affiliation and cannot override the statutory exemption. Relying on judgement in case of *Sai Publication Fund*[29], the court held that ancillary statutory functions are not business unless a business intent is proven.

The petition was allowed, and the court held that Goa University is not liable to GST on affiliation fees.

[29] (2002) 4 SCC 57

Foreign Exchange Management Act

The Reserve Bank of India amends Directions – Compounding of Contraventions under FEMA, 1999

The Reserve Bank of India (the RBI) vide A.P DIR circulars[30] has made following amendments to the Master Directions - Compounding of contraventions under the Foreign Exchange Management Act (FEMA), 1999:

- Under erstwhile compounding direction, if an applicant against whom a compounding order had been passed earlier and the applicant did not pay the compounding amount as mentioned in such order and reapplies for compounding of contravention relating to same transaction, then the amount so calculated was to be enhanced by 50 percent of compounding amount subject to cap of 300 percent of the sum involved in contravention. The said clause has now been deleted.

- Further a clause has been inserted to provide that subject to the satisfaction of the compounding authority, based on the nature of contravention, exceptional circumstances, facts involved in the case and wider public interest, the maximum compounding amount imposed may be capped at INR 2 lakhs for the contravention of each regulation/rule (applied in compounding application) with respect to all non-compounding contraventions.

The RBI relaxes export regulations for exports through warehouses in UAE's Bharat Mart

The RBI vide A.P DIR circular[31] relaxed norms to facilitate export through warehouses in 'Bharat Mart', a multimodal logistics network-based marketplace in the United Arab Emirates. Exporters can repatriate full export value of goods exported to 'Bharat Mart' within 9 months from the date of sale from the warehouse.

Further, the AD Bank may allow following, without preconditions, after verifying the reasonableness -

- Open / hire warehouse in Bharat Mart with valid Importer Exporter Code.

- Remit for initial and recurring expenses for setup and continuing business operations of exporters offices.

The RBI withdraws FPI Investment Limits for Investment in Corporate Debt Securities through General Route

In a measure to enhance investment by Foreign Portfolio Investors (FPIs) in corporate debt securities through the General Route, the RBI vide circular[32] withdraws the requirement for FPIs to comply with short term investment limit and concentration limit.

[30] A.P (DIR series) circular No. 02/2025-26 dated April 22, 2025 and A.P. (DIR Series) Circular. No 04/2025-26 dated April 24, 2025
[31] A.P. (DIR Series) Circular No. 03 dated April 23, 2025

[32] Circular FMRD.FMD.No.01/14.01.006/2025-26 dated 8 May 2025

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