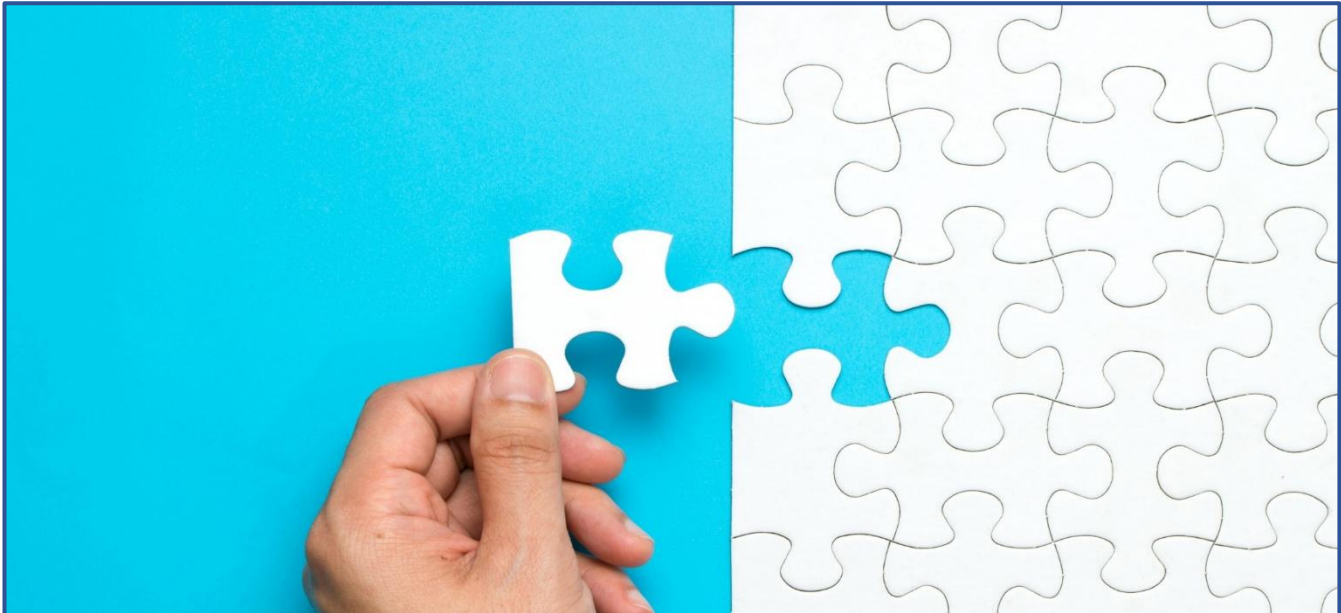


NEWS ALERT

11 June 2026



Tax Relief announced for FIIs on Government Securities

On 5 June 2026, the Indian Government promulgated the Income-tax (Amendment) Ordinance, 2026 introducing a tax exemption for Foreign Institutional Investors ('FIIs') in respect of certain income from Government Securities.

As per the said Ordinance, the following income earned by FIIs, would be exempt from Indian income tax:

- Interest income arising from Government Securities and

- Capital gains arising on the sale, exchange or transfer of Government Securities.

In this context, Government Securities refer to debt instruments issued by the Government of India or State Governments, including treasury bills, Government bonds and other sovereign securities for the purpose of public borrowings.

The Ordinance will be effective from 1 April 2026. Further guidance regarding the compliance requirements and prescribed reporting mechanism is awaited.

Should you wish to discuss any of the above issues in detail or understand the applicability to your specific situation, please feel free to reach out to us on coe@jmpadvisors.in.

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