INFORM: Corporate & Compliance

August 2026

Company Law

Extension of validity of Companies Compliance Facilitation Scheme, 2026 (CCFS-2026)

The Ministry of Corporate Affairs (MCA) extended the validity of the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026) from 15 July 2026 to 31 August 2026. The extension was granted in view of capacity enhancement and restoration activities at the MCA data centre following the fire incident on 5 June 2026, providing companies with additional time to complete their pending statutory filings under the Scheme. [General Circular no.03/2026]
Effective date: 8 July 2026

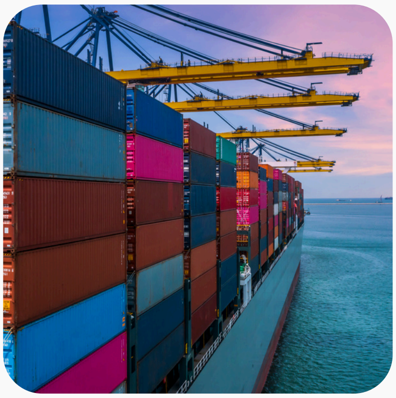
Foreign Exchange

Press Note 3 (2026 Series): Review of Foreign Direct Investment (FDI) Policy on E-commerce Sector

The Government has amended the FDI policy vide Press Note 3 (2026 Series) to promote exports through e-commerce. While FDI continues to be prohibited in B2C and inventory-based e-commerce for domestic sales, an exception has now been introduced. E-commerce entities with FDI are permitted to operate an inventory-based model exclusively for exporting goods manufactured or produced in India, subject to the Foreign Trade Policy, 2023 and applicable FEMA regulations. [Press Note No. 3 - 2026 Series]
Effective Date: From the date of the relevant FEMA notification.

Foreign Trade

Amendment of Schedule-II (Export Policy) of ITC (HS) 2022



The DGFT has amended Schedule-II (Export Policy) of ITC (HS) 2022 to align it with the changes introduced under the Finance Act, 2026. The notification incorporates revisions to section notes, chapter notes, sub-heading notes, and supplementary notes and updates the ITC (HS) codes by introducing, deleting, amending, splitting, or merging codes. The revised ITC (HS) is available on the DGFT website, and the amendments take effect immediately. [Notification No. 26/2026-27]
Effective Date: 27 July 2026

Amendment of Schedule-II (Import Policy) of ITC (HS) 2022

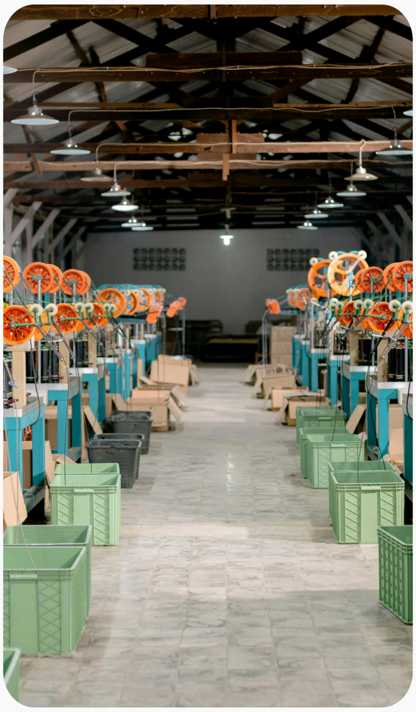
The Directorate General of Foreign Trade (DGFT) has amended the ITC (HS) 2022, Schedule-1 (Import Policy), to align it with the changes introduced under the Finance Act, 2026. The notification updates import classification codes by inserting, deleting, amending, splitting, or merging ITC (HS) codes, along with revising code descriptions. The updated Import Policy is available on the DGFT website, and the amendments take effect immediately. [Notification No. 24/2026-27]
Effective Date: 22 July 2026

Amendment of Foreign Trade Policy (FTP), 2023

The Central Government has amended the Foreign Trade Policy (FTP), 2023, by inserting Paragraph 2.20B and Paragraph 11.64, effective 30 days from the date of publication in the Official Gazette. The amendment prohibits the import of goods produced or manufactured, wholly or partly, using forced labour and empowers the Central Government to notify specific goods that will be subject to this prohibition based on the findings of an enquiry conducted by the Director General of Foreign Trade (DGFT). The amendment also defines "forced labour" in line with the ILO Forced Labour Convention, 1930 (No. 29), thereby strengthening India's trade framework against imports linked to forced labour. [Notification No. 23/2026-27]
Effective Date: 13 July 2026

MSMEs

Introduction of the Micro, Small and Medium Enterprises Development (Amendment) Bill, 2026



The Micro, Small and Medium Enterprises Development (Amendment) Bill, 2026, introduced in the Rajya Sabha on 28 July 2026, seeks to modernise the MSME framework under the MSME Development Act, 2006. The Bill empowers the Central Government to classify MSMEs based on investment and turnover through notified thresholds, introduces voluntary digital registration for all MSMEs, and mandates CPSEs to settle MSME invoices through the Trade Receivables Discounting System (TReDS). It also prescribes time-bound mediation and arbitration for payment disputes, strengthens protections for MSME suppliers during challenges to awards, decriminalises certain compliance-related offences by replacing criminal fines with graded penalties and warnings, and establishes an adjudication mechanism with appeals to the MSME Secretary. The amendments aim to improve ease of doing business, facilitate faster payments, and enhance dispute resolution for MSMEs. [Bill No. LXXII of 2026]
Effective Date: As notified by the Central Government

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