INFORM: Corporate & Compliance

September 2026

Company Law

The Companies (Indian Accounting Standards) Amendment Rules, 2026

The Ministry of Corporate Affairs (MCA), in consultation with the National Financial Reporting Authority (NFRA), notified the Companies (Indian Accounting Standards) Amendment Rules, 2026, amending the Companies (Indian Accounting Standards) Rules, 2015. The amendments update Ind AS 101, 107, 109, 110 and 7, covering classification and measurement of financial instruments, hedge accounting, disclosures for contracts referencing nature-dependent electricity, electronic-payment settlement of financial liabilities, non-recourse arrangements, and cash-flow reporting for investments in associates, joint ventures and subsidiaries. Most amendments apply to annual reporting periods beginning on or after 1 April 2026. Read More

Reference: G.S.R. 725(E)

Effective date: 12 August 2026

Foreign Trade

Amendment of FTP, 2023, on Denomination and Realisation of Export Proceeds in Export Contracts and Invoices

Amendment: The DGFT has amended Paras 2.52 and 2.53 of the FTP, 2023, with immediate effect. The following are the key changes:

a) All export contracts and invoices, and the realisation of export proceeds, other than those involving member countries of the Asian Clearing Union (ACU) – that is, Bangladesh, Belarus, Bhutan, Iran, Maldives, Mauritius, Myanmar, Nepal, Pakistan, and Sri Lanka – shall be denominated either in foreign currency or Indian rupees.

b) Export contracts involving member countries of the ACU, other than Nepal and Bhutan, shall be denominated in a currency determined by the ACU or in accordance with the directions issued by the Reserve Bank of India from time to time.

c) Export contracts involving Nepal and Bhutan shall be denominated and settled in accordance with the directions issued by the Reserve Bank of India from time to time.

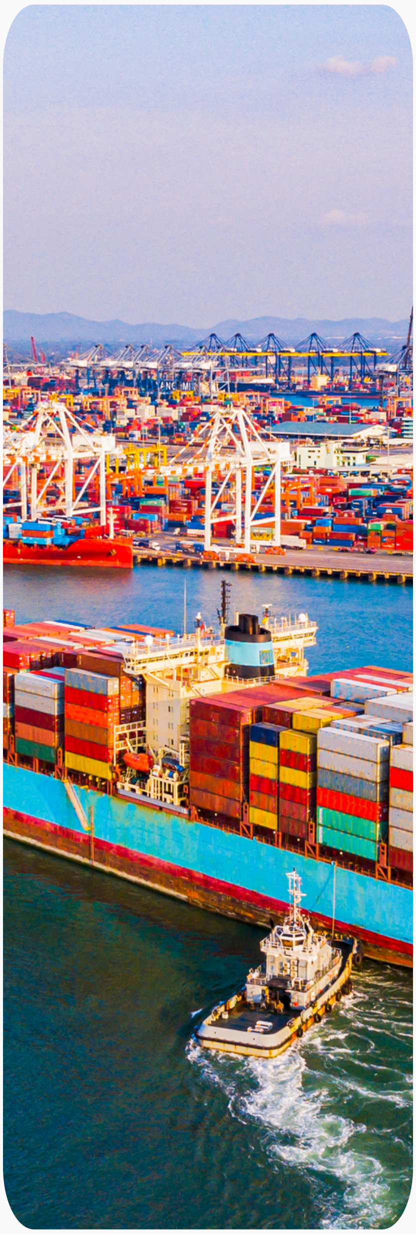
d) Export contracts and invoices under EXIM Bank / Government of India Lines of Credit may also be denominated in Indian rupees.

e) Exports to any country, other than Nepal and Bhutan, for which export proceeds are realised in Indian Rupees through banking channels by credit to Indian Rupee accounts of persons resident outside India, opened in accordance with the Foreign Exchange Management (Deposit) Regulations, will be eligible for FTP export benefits/incentives and fulfilment of export obligations under the FTP.

Implication: Paras 2.52 and 2.53 of the FTP 2023 have been amended to align the provisions relating to denomination of export contracts and eligibility for FTP benefits in respect of export realisations in Indian Rupees with the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023.

Reference: Notification No. 30/2026-27

Effective Date: 20 August 2026



Introduction of Inventory-based Cross-border E-Commerce Facilitation Framework

Amendment: The DGFT has introduced an inventory-based cross-border e-commerce facilitation framework under the FTP, 2023, effective immediately. The framework allows registered Exporters-on-Record (EORs) to hold and export Indian-origin goods through e-commerce against confirmed overseas orders. It sets requirements for inventory segregation and traceability, prompt payment to Sellers-on-Record within 7 days, sharing of export rebates/refunds, and management of returned consignments. Speculative inventory transfer

are prohibited and returned/rejected goods cannot be sold in the domestic market. The framework follows the Department for Promotion of Industry and Internal Trade's Press Note No. 3 (2026 Series) dated 23 July 2026, which permits foreign direct investment in the inventory-based model of e-commerce solely for the export of goods manufactured or produced in India; its operational procedures, including registration of EORs through Aayaat Niryaat Form (ANF) 9A, are set out in the accompanying Public Notice No. 25/2026-27 of the same date.
Reference: Notification No. 27/2026-27
Effective Date: 5 August 2026

Miscellaneous Updates

·The DGFT has extended the transition period for mandatory India Conformity Assessment Scheme (i-CAS)-Halal certification for exports of specified meat and meat products to Egypt [Notification No. 28/2026-27].

·The DGFT has revised the import policy for Clear Float Glass (4 mm–12 mm) under HS Codes 70051090 and 70052990 from “Free” to “Restricted.” Imports nonetheless remain “Free” where the CIF value is ₹34,000 per metric tonne or above, effectively setting a minimum import price. [Notification No. 29/2026-27]

·The DGFT has amended the import policy for Raw Sugar under Exim Code 170114 to permit 10 lakh MT of duty-free imports under a Tariff Rate Quota (TRQ) up to 31 October 2026. [Notification No. 31/2026-27]

·The DGFT has amended Para 4.63 of the FTP, 2023 to remove the reference to exemption from Compensation Cess on imports under Diamond Imprest Authorisation, as the cess was discontinued from 1 February 2026. [Notification No. 32/2026-27]

·The DGFT has amended Para 1.25(d) of the Foreign Trade Policy (FTP), 2023 with immediate effect. For One Star Export House Status (other than the Gems & Jewellery sector), export performance in any 2 of the preceding 3 financial years will now be sufficient, subject to the other requirements of Para 1.25. [Notification No. 33/2026-27]

·The DGFT has amended the export policy for specified wheat varieties under HS Codes 10011900 and 10019910, changing it from “Prohibited” to “Free” with immediate effect. [Notification No. 35/2026-27]

·The DGFT has amended the export policy for wheat flour and related products under HS Code 11010000, including atta, maida, semolina (rava/suji), wholemeal atta and resultant atta. The export policy has been changed from “Prohibited” to “Free” with immediate effect. [Notification No. 34/2026-27]

State Law

Karnataka Shops and Commercial Establishments (Amendment) Act, 2026

·**Amendment:** The Karnataka Shops and Commercial Establishments (Amendment) Act, 2026, proposes amendments to the existing Karnataka Shops and Commercial Establishments Act, 1961 ("S&E Act") to simplify registration and compliance requirements and promote ease of doing business. Key changes include:
a) Establishments employing ten or more workers that are already registered under the Occupational Safety, Health and Working Conditions Code, 2020, will be exempt from separate registration under the S&E Act.
b) Introduction of electronic/digital modes for registration-related processes and registration to be valid until closure or cessation of business of the establishment.
c) Employers will be required to issue a service certificate within seven days of an employee's application and are prohibited from retaining employees' original educational, experience or other documents.
d) Rationalisation and enhancement of penalties, introduction of provisions for compounding of offences and provision of a right of appeal against orders relating to compounding.
Overall, the proposed amendments aim to promote digital compliance, reduce regulatory burden, strengthen employee safeguards and facilitate trust-based governance and ease of doing business.
Read More

Reference: Karnataka Act No. 38 of 2026
Publication Date: 4 September 2026
https://foxmandal.in/wp-content/uploads/2026/09/11224-1.pdf

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