



GST & Income Tax

- **SC Ruling on Extended Limitation & Mechanical SCNs (*G.R. Infra Projects v. State of M.P. & Tata Steel Ltd. v. UOI*):** The Supreme Court held that the Revenue cannot invoke the 5-year limitation period under Section 74 by merely reciting boilerplate terms like "fraud" or "suppression." The Show Cause Notice itself must state specific foundational facts proving deliberate evasion; issuing "protective" SCNs to circumvent limitation is alien to the CGST Act and cannot be cured later via court affidavits.
- **CBDT Scientific Research Association Approval:** The Central Government approved the International Institute of Bio Technology and Toxicology, Tamil Nadu as a "Research Association" for scientific research under Section 45(3)(a)(i) of the Income Tax Act, 2025, for tax years 2026-2027 through 2030-2031 under specific Rule 33 compliance conditions.
- **Foreign Assets of Small Taxpayers - Disclosure Scheme Rules, 2026 (Effective August 16, 2026):** This amnesty scheme provides a voluntary disclosure window open until December 31, 2026. It features two pathways: regularizing undisclosed foreign assets up to INR 10 Million via a 30% tax and 100% penalty, or regularizing legally acquired foreign assets up to INR 50 Million from non-resident or previously taxed income via a flat fee of INR 0.1 Million, granting immunity under the Black Money Act, 2015 and Income Tax Act, 2025.
- **Due Date for Non-Audit ITR Filings:** August 31, 2026, served as the national statutory due date under Section 139 of the Act for non-audit business and professional taxpayers (filing ITR-3 and ITR-4) for the Financial Year ended March 31, 2026 (AY 2026-27), requiring careful selection between old and new Act parameters on the e-filing portal to avoid Section 234F late fees and Section 234A interest.

Corporate Law and Insolvency

- **Voluntary Strike-Off Guidelines (August 20, 2026):** Open House guidelines issued to streamline Form STK-2 (companies) and Form 24 (LLPs) filings, focusing on pre-filing clearances, balance sheet resolutions, and DIN status verifications.
- **CCFS-2026 Amnesty Sunset (August 31, 2026):** Marked the final closure of the Companies Compliance Facilitation Scheme, 2026, ending the 90% additional fee waiver on

overdue statutory filings, 50% waiver for Dormant status applications (Form MSC-1), and 75% waiver for voluntary strike-offs (Form STK-2).

International Trade, Customs & DGFT

- **Import Policy & Quotas:**
 - **Clear Float Glass Restrictions:** Tightened import policy for Clear Float Glass (4mm–12mm, HS 70051090 & 70052990) from "Free" to "Restricted" for one year, allowing free imports only if CIF value is ₹34,000/MT or above (exempting Advance Authorisation, EOUs, and SEZs).
 - **Raw Sugar TRQ Measures:** Opened a duty-free Tariff Rate Quota of 10 Lakh MT up to October 31, 2026, including a one-time conversion window for SION E-52 Advance Authorisation holders subject to domestic sales and applicable GST payments.
- **FTP Policy & Exporter Benefits:**
 - **One Star Export House Criteria:** Amended Para 1.25 of FTP 2023 to allow non-gems & jewellery exporters to qualify based on performance in any two out of the three preceding financial years instead of requiring all three consecutive years.
- **Digital Portal & System Upgrades:**
 - **Automated EO Extensions:** Rolled out an automated online facility for granting Export Obligation extensions via the PRC/EPCG Committee.
 - **PSIA / PSIC Enhancements:** Updated compliance workflows governing Pre-Shipment Inspection Agencies and Certificates.
 - **e-Bank Guarantee Repository:** Deployed upgraded security and transaction features in the online BG Repository Module to streamline electronic bank guarantee processing.

Banking, RBI, and FEMA

- **AML / CFT Sanctions (UAPA Section 51A):** Issued immediate implementation directives across two tranches (August 18 & 19, 2026) updating the UNSC Al-Qaida and ISIL Sanctions list (4 and 21 modified entries, respectively) for mandatory screening and asset freezing.
- **Deposit Rate Ceilings:** Advanced the sunset date for the temporary exemption bypassing interest rate caps on FCNR(B) and NRE deposits from September 30, 2026, forward to August 31, 2026, across all banking tiers.

- **Prudential Regulations & Exposure Limits:**
 - **NBFC Concentration Risk Directions, 2026:** Inserted paragraph 39A into the large exposure framework for Upper Layer Infrastructure Debt Fund-NBFCs (IDF-NBFCs) to align exposure ceilings with NBFC-IFCs.
 - **CRR / SLR Fourth Amendment Directions, 2026:** Harmonized liquid reserve compliance targets across cooperative and small finance banking institutions.

on August 31, 2026, for the proposed framework replacing the 2019 NDI Rules with an entity-agnostic "eligible investee entity" structure, reworked investment thresholds, expanded share-pledging norms, and relaxed foreign gift rules.

FEMA & Foreign Investment

- **Draft FEMA (Foreign Investment) Rules, 2026:** The public consultation window closed

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