

# Legal & Regulatory Brief: Quarterly Corporate Insights

Quarterly newsletter for founders, boards and finance teams

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## Executive summary

Three movements matter most for companies this quarter. First, industrial policy is shifting from broad subsidies to conditional, investment-linked support: PM E-DRIVE has been extended to March 2028 and the Semicon 2.0 programme was approved by the Union Cabinet in July 2026. Second, the startup and MSME frameworks have been widened, with higher thresholds and a new deep-tech category. Third, MCA continues its move to the V3 portal and simpler director-KYC rules, while courts keep tightening the line between what arbitral tribunals and courts may do.

- EV: PM E-DRIVE now runs to 31 March 2028 with an outlay reported at ₹11,900 crore; charging infrastructure and localisation remain central.
- Semiconductors: Semicon 2.0 sets capex support of 40% for silicon fabs, 35% for other fabs and advanced packaging, and 25% for conventional packaging.
- Startups: DPIIT recognition thresholds rose to ₹200 crore (₹300 crore for deep tech); MSME limits were revised from 1 April 2025.
- Disputes: the Supreme Court has confirmed limited court power to modify arbitral awards; pre-institution mediation remains mandatory for commercial suits.

## Key policy highlights

### 1. India EV policy and PM E-DRIVE

- Scheme and duration: PM Electric Drive Revolution in Innovative Vehicle Enhancement (PM E-DRIVE), administered by the Ministry of Heavy Industries, effective 1 October 2024. As reported in August 2026, it has been extended to 31 March 2028 with the outlay raised to ₹11,900 crore. The scheme may close earlier if funds are exhausted.
- Demand incentives: electric two-wheelers receive ₹2,500 per kWh, capped at ₹5,000 per vehicle, for purchases between 1 April 2025 and 31 March 2028; support also covers electric three-wheelers, e-trucks, e-ambulances and e-buses.
- Charging infrastructure: about ₹2,000 crore is earmarked for public charging, with targets of roughly 22,100 fast chargers for four-wheelers, 1,800 for e-buses and 48,400 for two- and three-wheelers. Ministry of Power guidelines also provide for public charging at set intervals in cities and on highways.
- Phased Manufacturing Programme (PMP): localisation requirements steer suppliers and OEMs toward domestic value addition, so eligibility and certification should be checked before claiming incentives.
- Passenger cars: the 2024 scheme for electric passenger car manufacturing (SPMEPCI) allows reduced import duty on a limited number of vehicles in return for committed manufacturing investment and domestic value-addition milestones.

*What it means for you: manufacturers and component suppliers should map eligibility, documentation and localisation certificates now; charging operators should review land, power-connection and safety approvals.*

### 2. India Semiconductor Mission (ISM) and Semicon 2.0

- ISM 1.0 (2021, ₹76,000 crore): fiscal support of up to 50% of project cost on a pari-passu basis for fabs, display fabs, compound semiconductor, ATMP / OSAT units, plus the Design Linked Incentive (DLI) scheme.

- Semicon 2.0 (approved 15 July 2026): silicon (CMOS) fabs 40% of capex; compound, photonics, sensor, discrete and display fabs up to 35%; advanced packaging 35% and conventional packaging 25%; 30% capital support for equipment and materials.
- Design and R&D: fabless startups and MSMEs can receive milestone-linked seed support of up to ₹15 crore or 50% of project cost, and newly developed chips may earn a deployment-linked incentive of 9% of net sales for five years, subject to caps.
- OSAT / ATMP set-up: applications go through ISM with detailed project reports, technology partner details and state-level incentives; support is released pari-passu as the project progresses.

Please read the notified scheme guidelines for exact eligibility, caps and timelines before applying. Figures above summarise reported scheme terms.

## Regulatory updates and case law briefs

### MCA and corporate governance

- Annual filings: by General Circular 08/2025, MCA allowed FY 2024-25 AOC-4 and MGT-7 filings without additional fees up to 31 January 2026. For FY 2025-26, AOC-4 is due within 30 days and MGT-7 within 60 days of the AGM.
- Director KYC: the Companies (Appointment and Qualification of Directors) Amendment Rules, 2025 consolidate DIR-3 KYC into a single web form, reported as effective from 31 March 2026.
- MCA V3 portal: company and LLP e-forms have moved to the V3 portal; check form versions and DSC requirements before filing.
- Startups: DPIIT notification G.S.R. 108(E) of 4 February 2026 raises the turnover ceiling to ₹200 crore, adds a deep-tech category (20 years, ₹300 crore) and admits cooperative societies; angel tax stands abolished from 1 April 2025.
- MSMEs: revised classification from 1 April 2025 (Micro ₹2.5 cr / ₹10 cr; Small ₹25 cr / ₹100 cr; Medium ₹125 cr / ₹500 cr, investment / turnover).

### Landmark rulings

| Case                                                                                    | Practical takeaway                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gayatri Balasamy v. ISG Novasoft Technologies (Supreme Court, Constitution Bench, 2025) | Courts hearing challenges under Sections 34 and 37 of the Arbitration Act have only limited power to modify an award, such as correcting clerical or computational errors or severable parts. Draft claims and interest terms carefully at the tribunal stage. |
| Patil Automation v. Rakheja Engineers (Supreme Court, 2022)                             | Pre-institution mediation under Section 12A of the Commercial Courts Act is mandatory for commercial suits that do not seek urgent interim relief. A suit filed without it can be rejected.                                                                    |
| Vidya Drolia v. Durga Trading Corporation (Supreme Court, 2020)                         | Sets the test for arbitrability: most commercial disputes are arbitrable, while certain rights in rem and sovereign matters are not. Check the subject matter before choosing arbitration.                                                                     |
| Essar Steel India (CoC) v. Satish Kumar Gupta (Supreme Court, 2019)                     | Under the IBC, the commercial wisdom of the Committee of Creditors is central to a resolution plan, with limited judicial review.                                                                                                                              |
| Cox & Kings v. SAP India (Supreme Court, Constitution Bench, 2023)                      | Recognises the group of companies doctrine, so that a non-signatory affiliate can be bound to an arbitration agreement where the parties' conduct shows intention.                                                                                             |
| Rangappa v. Sri Mohan (Supreme Court, 2010)                                             | In a cheque-dishonour case under Section 138 NI Act, the presumption under Section 139 covers the existence of a legally enforceable debt; it is rebuttable on a preponderance of probabilities.                                                               |

## Statutory compliance calendar: October 2026 to March 2027

| Date                     | Compliance                                                                              | Applies to                                                |
|--------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------|
| 11 Oct / 11 Nov / 11 Dec | GSTR-1 (previous month)                                                                 | Monthly GST filers                                        |
| 13 Oct                   | GSTR-1 / IFF for July–September quarter                                                 | QRMP filers                                               |
| 15 Oct / 15 Nov / 15 Dec | PF and ESI contribution                                                                 | Employers                                                 |
| 20 Oct / 20 Nov / 20 Dec | GSTR-3B (previous month)                                                                | Monthly GST filers                                        |
| 22 / 24 Oct              | GSTR-3B for July–September quarter                                                      | QRMP filers (by state category)                           |
| 30 Oct                   | AOC-4 (30 days after AGM held on 30 Sept); LLP Form 8                                   | Companies; LLPs                                           |
| 31 Oct                   | TDS return Q2; MSME Form 1 (April–September); ITR for audit cases                       | Deductors; companies with MSME dues; audit-case taxpayers |
| 29 Nov                   | MGT-7 (60 days after AGM held on 30 Sept)                                               | Companies                                                 |
| 30 Nov                   | ITR for taxpayers with transfer-pricing reports                                         | Related-party transactions                                |
| 15 Dec                   | Advance tax: 3rd instalment (75%)                                                       | Companies and taxpayers liable to advance tax             |
| 31 Dec                   | GSTR-9 / 9C for FY 2025-26; belated / revised ITR                                       | GST registrants; income-tax filers                        |
| 31 Jan 2027              | TDS return Q3 (October–December)                                                        | Deductors                                                 |
| 15 Mar 2027              | Advance tax: final instalment (100%)                                                    | Advance-tax payers                                        |
| 31 Mar 2027              | Financial year end: complete year-end compliance, review MSME payments and tax planning | All entities                                              |

*Dates follow the general statutory calendar and may be extended or changed by CBDT, CBIC, MCA or state notifications. The Income-tax Act, 2025 applies from 1 April 2026; confirm section references and forms. Verify before filing.*

## How we can help

Incorporation and compliance • FEMA and foreign investment • Startup recognition and funding readiness • Arbitration, cheque-bounce and litigation support • POSH and CSR • NCLT and IBC matters.

**Write to [vkassociates00@gmail.com](mailto:vkassociates00@gmail.com) or call +91 99918 15090.**

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