

DEEPAK PATEL
New Delhi, 5 October

For about 27 months, one of the most technical pieces of India’s automobile regulation has been the centre of a bitter fight among carmakers.

At the heart of the dispute was a seemingly simple question: Should India’s fuel-efficiency rules provide additional relief to small and light cars, or should all vehicles be governed by the same framework? The answer changed quite a few times between the first draft of the Corporate Average Fuel Economy (CAFE)-3 norms in June 2024 and the final notification on September 29.

The government has now settled the issue by dropping a special concession for cars weighing up to 909 kg — a strong demand by leading small carmaker Maruti Suzuki India Ltd (MSIL) — while changing the main CAFE formula itself to give relatively softer targets to lighter fleets and tougher targets to heavier ones. The outcome is important because the government has effectively addressed the small carmakers’ argument without creating a separate regulatory category for them.

What is CAFE?

CAFE regulates the average carbon dioxide (CO2) emissions across an automaker’s entire passenger vehicle (PV) fleet.

The target is measured in grams of CO2 per kilometre. A manufacturer does not have to make every model meet the same limit. Its target is calculated using the weighted average weight of the vehicles it sells — the manufacturer’s average emissions across its entire fleet must remain within that target.

This formula means heavier fleets get a higher permitted CO2 emission level than lighter fleets. The system, therefore, has a direct impact on product planning. Manufacturers can comply by improving engine efficiency, increasing sales of electric and hybrid vehicles, or changing the composition of their fleet. CAFE-3 will apply from April 2027 to March 2032.

The fight starts

The Bureau of Energy Efficiency (BEE), under the Ministry of Power, released the first CAFE-3 draft in June 2024. The proposal envisaged a tougher fuel-efficiency regime, including a 1,170-kg reference weight and a CAFE target of 91.7 grams of CO2 per km under the Worldwide Harmonised Light Vehicles Test Procedure (WLTP). The Society of Indian Automobile Manufacturers (SIAM) submitted its initial comments in December 2024.

But the debate changed direction when Maruti Suzuki, India’s largest carmaker and dominant seller of small cars, separately approached the BEE seeking

A big fight over small cars

How a fuel-efficiency spat between makers of light and heavy cars was brought to an amicable end



PHOTO CREDIT: SHUTTERSTOCK

relief for lighter vehicles.

Maruti’s argument was that the structure of the CAFE formula placed a disproportionate burden on small cars. Lighter vehicles had lower permitted emissions in absolute terms and, therefore, a tightening of the target could require a larger percentage reduction for them than for heavier vehicles, it argued.

The company also pointed out that small cars remain important for affordability and first-time buyers. That marked out a major faultline in the debate.

The 909 kg proposal

The dispute escalated sharply when the government issued a revised draft in September 2025. For the first time, the BEE proposed a specific concession for small petrol cars. A petrol vehicle weighing up to 909 kg, with an engine below 1,200 cc and length below 4,000 mm, would receive a 3 g/km deduction in its declared CO2 emissions for CAFE calculations.

The proposal effectively created a new regulatory category based partly on weight. That, in turn, alarmed several automakers. The principal objection was that the proposed threshold would disproportionately benefit Maruti, which dominates the market for the lightest cars.

The opponents also questioned why weight should be used to create a new

Milestones

June 2024: BEE releases first draft of tougher CAFE-3 norms

December 2024: SIAM submits initial comments

September 2025: BEE issues revised draft, introduces 3 g/km special relief for petrol cars under 909 kg

November 2025: 15 of 19 automakers reject small-car concession

December 2025: Tata Motors, JSW MG and Kia approach PMO, opposing concession

July 2026: Government issues revised draft removing small-car concession

September 2026: Final CAFE-3 rules notified without small-car carve-out

definition of small cars. Under the GST system, for example, a small petrol car is defined by a length of up to four metres and an engine capacity of up to 1,200 cc. Weight is not part of that definition.

There was also the safety argument. Automakers such as Tata Motors, which has been leading India’s shift towards safer cars, argued that stronger body structures, additional airbags and other safety equipment can add weight. A regulatory incentive tied to keeping a vehicle below a particular weight could therefore

create unintended consequences.

Tata Motors Passenger Vehicles Managing Director Shailesh Chandra, who was also the then SIAM president, said his company did not support defining small passenger vehicles on the basis of weight.

The company also stated that several vehicles around the proposed weight threshold were already priced relatively high, so a weight-based concession would not necessarily translate into benefits for the lowest-income buyers.

Many divides

The disagreement eventually became visible within SIAM itself. In November 2025, 19 carmakers voted on the proposed 3 g/km concession. Fifteen voted against it, while Maruti Suzuki and Renault supported it. Mercedes-Benz remained neutral and Toyota backed a consensus approach.

The arguments also acquired a broader policy dimension. Opponents informally said a weight-based concession could establish a precedent for other regulations: Manufacturers of 909 kg cars could later seek special relief under GST, road tax or other regulations.

EV manufacturers had their own concern: Giving a concession to petrol cars could reduce the incentive for automakers to shift to cleaner technologies.

Matter moves to PMO

The dispute eventually moved beyond the Ministry of Power. Tata Motors and JSW MG Motor approached the Prime Minister’s Office (PMO) opposing the proposed concession; Kia made its own representation; Maruti continued to push for relief.

The issue now evolved from a technical disagreement over grams of CO2 into a wider argument over industrial policy: How much should regulations protect affordable cars, and how much should they push the industry towards cleaner technologies and higher safety standards?

Govt changes formula

The government’s eventual solution was to revise the main CAFE formula instead of retaining the special 909 kg concession.

In effect, the government moved from a steep weight-based formula to a finely calibrated, year-specific formula without a separate small-car concession. The final structure reduces the advantage that heavier fleets get from their weight, while giving lighter fleets relatively more headroom.

The September 2025 draft had used 1,170 kg as the reference weight and a relatively steep weight adjustment, alongside the separate 3 g/km benefit for qualifying sub-909 kg petrol cars.

The final framework removes that

concession and shifts the reference weight to 1,229 kg. It also uses a flatter weight adjustment, with the annual multiplier on a declining trajectory from financial year 2027-28 (FY28) to FY32.

The effect is significant.

Using the final formula, a 909 kg car has an FY28 emissions target of about 82.8 g/km. Under the September 2025 proposal, the target would have been about 76 g/km.

At the other end, a 2,500-kg vehicle gets an FY28 target of about 142.4 g/km under the final formula, compared with about 151.4 g/km earlier. So the final framework is relatively softer for lighter vehicles, which have more headroom for emissions, and tougher for very heavy ones.

In effect, the government has provided some of the relief sought by the small-car camp, but through the general CAFE formula rather than a special exemption. That distinction was crucial to resolving the industry’s legal and competitive concerns.

EVs and flexibility

The small-car dispute was only one part of CAFE-3. The final rules also retain substantial incentives for cleaner technologies through a “super-credit” mechanism.

Under this system, a battery electric vehicle (BEV) is given three times the weightage of a conventional vehicle when the company’s fleet-average CO2 emissions are calculated. This means each EV has a disproportionately large impact in bringing down the manufacturer’s reported fleet-average emissions, making it easier for the company to meet its CAFE target. The same 3x benefit also applies to range-extended electric vehicles (REEVs).

Plug-in hybrids and strong hybrids running on flex-fuel receive a 2.5x factor. Strong hybrids get a 1.6x factor and flex-fuel vehicles a 1.1x factor.

However, the final EV incentive is lower than the 4x super-credit proposed in the June 2024 draft.

CAFE-3 also introduces a credit-debit system. Manufacturers that perform better than their target earn emission credits, while those falling short accumulate debits. Credits can be carried forward within compliance blocks, traded between manufacturers or used through the BEE’s buyout mechanism.

The end of the battle

The final CAFE-3 framework does not represent a straightforward victory for either side of the dispute.

For carmakers, the debate will now move from defining a small car to a more fundamental question: How they redesign their portfolios and adopt cleaner technologies to meet progressively tighter emission targets from April 2027.

FORM NO. CAA. 2
[Pursuant to Section 230 (3) and rule 6 and 7]
Division Bench, Court – II, Chennai
C.P.(CAA)/78(CHE)2026 IN C.A.(CAA)/40(CHE)2026
In the matter of Companies Act, 2013
And
In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 And
In the matter of Scheme of Amalgamation of
Trimble Navigation India Private Limited ("Transferor Company") with
Trimble Information Technologies India Private Limited ("Transferee Company")
and their respective Shareholders and Creditors.

1. Trimble Navigation India Private Limited
(CIN: U64202TN2005PTC147577),
B Wing, Lakshmi Tech Park, 3rd Floor, Prop No.5/639
Old Mahaballipuram Road, Kandanchavadi,
Perungudi, Chennai – 600096, Tamil Nadu
...First Petitioner / Transferor Company

2. Trimble Information Technologies India Private Limited
(CIN: U72300TN1999PTC043647)
B Wing, Lakshmi Tech Park, Prop No.5/639
Old Mahaballipuram Road, Kandanchavadi,
Perungudi, Chennai – 600096, Tamil Nadu
...Second Petitioner / Transferee Company

NOTICE OF PETITION
Notice is hereby given that a Joint Petition under sections 230 to 232 of the Companies Act, 2013 with respect to the Scheme of Amalgamation of Trimble Navigation India Private Limited ("Transferor Company") with Trimble Information Technologies India Private Limited ("Transferee Company") and their respective Shareholders and Creditors ("the Scheme") was presented by the Petitioner companies on 21st day of September, 2026 and was admitted by the Hon'ble National Company Law Tribunal, Chennai and is fixed for hearing on 11th November, 2026 before the NCLT, Division Bench, Court – II, Chennai.
Any person desirous of opposing the proposed Scheme should send to the Petitioners' Authorized Representative, notice of his intention, signed by him or his Advocate, with his name and address, so as to reach the Petitioners' Authorized Representative, Mr. I B Harikrishna having office at 1st Floor, No.44/38, Veerabadrin Street, Nungambakkam, Chennai – 600034, Tamil Nadu, not later than thirty days from the date of the publication of this Notice. Where he seeks to oppose the Petition, the grounds of opposition or a copy of his affidavit shall be furnished with such notice. A copy of the Petition will be furnished to any person requiring the same on payment of the prescribed charges for the same.
Sd/-
I B Harikrishna
Authorised Representative of
Petitioner Companies
Dated this the 06.10.2026
Place: Chennai

KVB

Karur Vysya Bank

Smart way to bank

THE KARUR VYSYA BANK LIMITED

Regd. & Central Office, No. 20, Erode Road, Vedaivel Nagar, L.N.S., Karur - 639002
(CIN: L8510TN1916PLC001295)
[E-mail:kvb_sig@kvb.bank.in] [Website: www.kvb.bank.in] [Tel No: 04324-269441]

NOTICE TO SHAREHOLDERS

Special Window for Transfer and Dematerialisation of Physical Securities
Notice to Investors is hereby given that pursuant to SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD-I/3750/2026 dated 30th January 2026 another special window is open for re-lodgement of transfer requests of physical shares.
This facility is available for transfer and dematerialization ("demat") of physical securities which were sold/purchased prior to 01st April 2019 and transfer deeds lodged prior to 01st April 2019, which were rejected, returned, due to deficiencies in documents.
The shares transferred during this special window period shall be mandatorily credited to the transferee only in demat mode and shall be under lock in period for a duration of one year from the date of registration of transfer. Such shares shall not be transferred/lien-marked/pledged during the said lock-in period.
Special Window Period: 05th February 2026 to 04th February 2027
This facility is available for transfer deeds executed prior to 01st April 2019 subject to the following eligibility:

Execution Date of Transfer Deed	Lodged for transfer before April 01, 2019?	Original Security Certificate Available?	Eligible to lodge in the current window?
Before 01 st April 2019	No (It is fresh lodgement)	Yes	✓
	Yes (It was rejected/ returned earlier)		
	Yes	No	✗
No			

The following cases will not be considered under Special window:
(i) Cases involving disputes between transferor and transferee (to be settled through court/NCLT process);
(ii) Shares which have been transferred to Investor Education and Protection Fund (IEPF);
(iii) Re-lodgement/fresh lodgement of transfer requests executed prior to 01st April 2019 where original share certificate is not available.
Note: Shares re-lodged under this window shall be issued only in Demat mode after due verification of original share certificates.
Eligible investors are requested to avail this opportunity by submitting hard copies of the transfer requests along with all the requisite documents to:
M/s. MUFG Intime India Private Limited,
(Unit: The Karur Vysya Bank Limited)
"Surya" 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore-641028, Tamil Nadu.
E-mail: investor.helpdesk@in.mpmc.mufg.com
Website: www.in.mpmc.mufg.com
Tel: 0422-2314782/4958995/2539835/2539836
Update KYC and convert physical shares into demat mode:
Shareholders who hold shares in physical form are requested to update their KYC to get credit of unclaimed dividends to their bank account through electronic mode and convert shares from physical form to demat form at the earliest possible as it will be beneficial for market liquidity.

For The Karur Vysya Bank Limited

Srinivasan Madduraj

Company Secretary & Compliance Officer

(Membership No. ACS 18188)

Place : Karur

Date : 05th October 2026

बूद-बूद से घड़ा भरता है।

निवेश-निवेश से

संपत्ति!

संपत्ति सिर्फ निवेश से नहीं, सही जानकारी से भी बनती है। इसलिए बिज़नेस स्टैंडर्ड हिंदी वेबसाइट अब शोयर बाज़ार, म्युचुअल फंड और पर्सनल फाइनेंस पर और केंद्रित कवरेज लेकर आया है - हर निवेश की शुरुआत बेहतर समझ के साथ हो।

अधिक जानकारी के लिए
बिज़नेस स्टैंडर्ड हिंदी वेबसाइट पर जाएँ।
hindi.business-standard.com

बिज़नेस स्टैंडर्ड

बेहतर बिज़नेस वो, जो आपकी भाषा में हो

ramco

RAMCO SYSTEMS LIMITED

CIN: L72300TN1997PLC037550

Registered Office: 47, P S K Nagar, Rajapalayam - 626 108
Corporate Office: 64, Sardar Patel Road, Taramani, Chennai - 600 113
E-mail : investorrelations@ramco.com Website: www.ramco.com
Phone: +91 44 2235 4510/6653 4000, Fax: +91 44 2235 2884

SPECIAL WINDOW FOR TRANSFER AND DEMATERIALIZATION OF PHYSICAL SECURITIES

Pursuant to SEBI circular No. HO/38/13/11(2)2026-MIRSD-POD/ I/3750/2026 dated January 30, 2026, Shareholders are informed that, to facilitate shareholders to get rightful access to their securities, SEBI has decided to open another special window for transfer and dematerialisation ("demat") of physical securities which were sold/purchased prior to April 01, 2019.
The special window shall be open for a period of one year from February 05, 2026 to February 04, 2027.
Shareholders are requested to submit their requests for the transfer and dematerialisation of physical securities with the RTA, latest by February 04, 2027 to the following address:
Cameo Corporate Services Limited (Unit: Ramco Systems Limited)
"Subramanian Building", No.1, Club House Road, Chennai – 600002, Tamil Nadu, India
Phone: +91 44 4002 0700
Online Investor Portal : https://wisdom.cameoindia.com
Website : www.cameoindia.com
The shareholder must have a demat account and provide a Client Master List ("CML") not older than 2 months, duly attested by the Depository Participant, along with the other documents and share certificate as stipulated in the circular, which is hosted in the website of the Company at https://www.ramco.com/hubs/investor-relations/intimation-and-hosting-in-website.pdf.

For RAMCO SYSTEMS LIMITED

Sd/-

MITHUN V

COMPANY SECRETARY

Place: Chennai

Date: October 05, 2026

கலெக்டர் லீலா துவக்கினார்

குறித்த விழிப்புணர்வு ஏற்படுத்தும் வகையில் பேச்சுப் போட்டி கட்டுரை போட்டி, ஓவியப் போட்டி, ஊட்ச்சத்து முக்கியத்துவம் குறித்து கோலங்கள் வரைதல், ஊட்ச்சத்து உணவு கண்காட்சி பராம்பரிய உணவுகள் மற்றும் ஆரோக்கியமான உணவுகளின் சிறுதானிய கண்காட்சி சிறப்பாக நடத்தப்பட்டது.

உயர்த்திமன்றம் வாளகம், சென்னை - 104