



# COMPLIANCE UPDATE

December 2021 | Part 1 of 2

## Table of contents

- **Securities and Exchange Board of India (SEBI)**
- **Central Board of Direct Taxes**
- **Industry-wise updates**
  - Agriculture
  - Wholesale & retail
  - Food & beverages
  - Health
- **State-wise restrictions due to resurgence of Covid-19**
- **State-wise updates**
  - Andhra Pradesh
  - Assam
  - Bihar
  - Goa
  - Govt. of NCT of Delhi
  - Gujarat
  - Karnataka
  - Kerala
  - Madhya Pradesh
  - Tamil Nadu
  - Telangana
  - Tripura
  - West Bengal

## Securities and Exchange Board of India (SEBI)

### ▪ Clarifications regarding amendment to SEBI (Alternative Investment Funds) Regulations, 2012

SEBI on November 22, 2021 issued clarification under SEBI (Alternative Investment Funds) Regulations, 2012 regarding the calculation of concentration norm based on Net Asset Value (NAV) of the fund for investment in listed equity of an investee company.

(To view the Notification, please click [here](#))

### ▪ Disclosure obligations of listed entities in relation to Related Party Transactions

SEBI on November 22, 2021 notified further disclosure obligations of listed entities in relation to Related Party Transactions (RPTs). As per the Circular, the listed entities are now required to disclose certain information to the Audit Committee and the shareholders for consideration of RPTs.

(To view the Circular, please click [here](#))

### ▪ Publishing Investor Charter and disclosure of complaints by Merchant Bankers on their websites

SEBI on November 23, 2021 advised the Merchant Bankers to disclose on their website, Investor Charter for each of the following categories:

- Initial Public Offer (IPO) and Further Public Offer (FPO), including Offer for Sale (OFS)
- Rights Issue
- Qualified Institutions Placement (QIP)
- Preferential Issue
- SME IPO and FPO including OFS
- Buyback of Securities
- Delisting of Equity Shares
- Substantial Acquisitions of Shares and Takeovers

(To view the Notification, please click [here](#))

▪ **Extension of timeline for segregation and monitoring of collateral at client level**

SEBI on November 23, 2021 extended the timeline for implementation of segregation and monitoring of collateral at client level from December 01, 2021 to February 28, 2021.

(To view the Notification, please click [here](#))

▪ **Norms for Silver Exchange Traded Funds (Silver ETFs) and Gold Exchange Traded Funds (Gold ETFs)**

SEBI on November 24, 2021 notified the norms for Silver Exchange Traded Funds (**Silver ETFs**) and Gold Exchange Traded Funds (**Gold ETFs**) under the SEBI (Mutual Funds) Regulations, 1996. The norms will come in effect on December 24, 2021.

(To view the Notification, please click [here](#))

▪ **Publishing Investor Charter and disclosure of complaints by Registrar and Share Transfer Agents (RTAs) on their websites**

SEBI on November 26, 2021 published the Investor Charter for RTAs, inter-alia, detailing the services provided to investors, rights of investors, various activities of RTAs with timelines, do's and don'ts for investors as well as the Grievance Redressal Mechanism. SEBI has advised the registered RTAs to notify the existing and new shareholders by way of:

- Disseminating the Investor Charter on their websites/through e-mail
- Displaying the Investor charter at prominent places in offices etc.

(To view the Notification, please click [here](#))

## Central Board of Direct Taxes

▪ **Clarifications on deduction and collection of tax at source**

The CBDT on November 25, 2021 issued certain clarifications regarding deduction and collection at source for the following:

- E-auction services conducted through an electronic portal
- TDS on the component of indirect taxes other than GST
- TDS in case of department of Government other than PSU or Corporation
- TDS if exemption is provided to the seller from the amount received as consideration for the sale of goods if it exceeds INR 50 lakhs in any previous year

(To view the Notification, please click [here](#))

▪ **Income Tax (32nd Amendment), Rules, 2021**

The CBDT on November 25, 2021 issued the Income Tax (32<sup>nd</sup> Amendment), Rules, 2021. The amendment provides for substitution of Form 52A, which deals with the statement to be furnished to the assessing officer under Section 285B of the Income Tax Act, 1961 in respect of production of a cinematograph film.

(To view the Notification, please click [here](#))

## Industry-wise updates

### Agriculture

- **[Plant Quarantine \(Regulation of Import into India\) \(Ninth Amendment\) Order, 2021](#)**

The Ministry of Agriculture and Farmers Welfare on November 25, 2021 notified the Plant Quarantine (Regulation of Import into India) (Ninth Amendment) Order, 2021 to further regulation import of *Persea americana* (**Avocado**) in India.

(To view the Notification, please click [here](#))

### Wholesale & retail

- **[Amendment in policy conditions governing import and export in rough diamonds](#)**

The Ministry of Commerce and Industry on November 22, 2021 amended Chapter 71 of Schedule (I) of ITC(HS) 2017 and Schedule (II) of ITC(HS) 2018 regarding policy conditions governing import and export of rough diamonds. As per the amendment, such import or export shall not be permitted unless the concerned importer and exporter is registered with Gems & Jewellery EPC.

(To view the Notification, please click [here](#))

### Food & beverages

- **[FSS \(Food Products Standards and Food Additives\) Fifth Amendment Regulations, 2021](#)**

FSSAI on November 15, 2021 notified the FSS (Food Products Standards and Food Additives) Fifth Amendment Regulations, 2021. The amendment provides standards of raw edible oil, multisource edible oil, dehydrated vegetables, protein rich wheat-flour, protein rich refined wheat-flour, multigrain-flour, mixed millet-flour, feed, honey, dried sweet basil leaves, non-caloric sweeteners in a returnable container, hemp seeds and seed products, microbiological standards of food grain products.

(To view the Notification, please click [here](#))

- **[Clarifications regarding use of claims on Multi Source Edible Oil \(MSEO\)](#)**

FSSAI on November 16, 2021 issued clarifications regarding the use of claims on Multi Source Edible Oil (**MSEO**) with respect to Food Safety and Standards (Advertising and Claims) Regulations, 2018.

(To view the Notification, please click [here](#))

- **[Compliance directions regarding Coffee-Chicory mixtures](#)**

FSSAI on November 11, 2021 directed FBOs to comply with standards for Coffee and Coffee-Chicory mixtures under FSS (Food Products Standards and Food Additives) Regulations, 2011.

(To view the Notification, please click [here](#))

- **[Introduction of License/Registration or Application number-based user IDs on FoSCoS Portal](#)**

FSSAI on November 25, 2021 introduced the License/Registration or Application number-based user IDs on FoSCoS Portal. For FBOs applying for new registration, the name-based User-IDs will be converted to 17-digits application number-based User-IDs.

(To view the Notification, please click [here](#))

- **[Clarification regarding use of blend of oils intended for use in premixes/admixtures intended to be sold as intermediary ingredients](#)**

FSSAI on November 26, 2021 clarified that the standards under FSS (Food Products Standards and Food Additives) Regulations, 2011 and FSS (Prohibition and Restriction on Sales) Regulations, 2011 will not be applicable to a blend of edible oils intended to be used as an intermediate product (ingredient pre-mix) in the manufacture of other products by other food businesses.

(To view the Notification, please click [here](#))

### Health

- **[Drugs \(6<sup>th</sup> Amendment\) Rules, 2021](#)**

Ministry of Health and Family Welfare on November 29, 2021 notified the Drugs (6<sup>th</sup> Amendment) Rules, 2021 omitting the provisions for issuing duplicate copy of import license and registration certificate.

(To view the Notification, please click [here](#))

## State-wise restrictions due to resurgence of Covid-19

State/UT	Order/Directions	Competent Authority	Remarks
Assam	<ul style="list-style-type: none"> <li>Directives for both rural and urban areas to remain in force until further order</li> <li>Relaxations in place for pregnant women employees and women employees with children of 3 years or below working under any Government/PSU/financial institutions/private organizations to remain in force</li> </ul>	Govt. of Assam	(Click <a href="#">here</a> for the Order)
Haryana	<ul style="list-style-type: none"> <li>Guidelines for international arrival issued with effect from November 11, 2021</li> </ul>	Govt. of Haryana	(Click <a href="#">here</a> for the Order)
Jammu & Kashmir	<ul style="list-style-type: none"> <li>Restrictions to remain in force until further orders</li> <li>Cinema halls, theatres and multiplexes permitted to function with 25% capacity</li> <li>No weekend curfew in any district</li> <li>Night curfew shall continue to remain in force in all districts from 9 PM to 6 AM for districts with positivity rate 0.2 and weekly case load below 250, where it would be 11 PM to 6 AM</li> </ul>	Govt. of Jammu & Kashmir	(Click <a href="#">here</a> for the Order)
Karnataka	<ul style="list-style-type: none"> <li>All students in medical, paramedical and other such educational institutions should be screened daily for symptoms of Covid-19, and symptomatic should be tested and treated as per the guidelines already issued</li> <li>All social-cultural events in educational institutions may be postponed for 2 months</li> <li>Conferences, seminars, academic events, etc. in educational institutions, wherever possible, may be postponed or conducted in hybrid mode</li> </ul>	Govt. of Karnataka	(Click <a href="#">here</a> for the Order)
Ladakh	<ul style="list-style-type: none"> <li>Imposition of night curfew from 10 PM to 5 AM across all districts</li> <li>Social, religious, academic, entertainment, educational, cultural, sports, religious gathering, political functions and other congregations will be permitted outside the containment zones up to a ceiling of 25 persons only or 50% of the hall capacity, whichever is less in case of indoor spaces and such gathering will be permitted up to a ceiling of 50 persons or 50% of the capacity of the space with social distancing, whichever is less in case of open space, only with the prior permission of the respective District Magistrates</li> <li>Restaurants, dhabas, and dining in hotels shall operate with 50% seating capacity</li> </ul>	Disaster Management, Relief, Rehabilitation & Reconstruction Department, Ladakh	(Click <a href="#">here</a> for the Order)
Maharashtra	<ul style="list-style-type: none"> <li>Adherence to CAB (Covid Appropriate Behaviour), the requirement of being fully vaccinated for organising and participating in various public gatherings as well as to use public transport continues to be stressed</li> <li>All domestic travellers into the state need to either be fully vaccinated or carry an RT-PCR test valid for 72 hours</li> <li>In case of any program/event/activity happening in an enclosed/closed space like a cinema hall, theatre, marriage hall, convention hall etc. people up to 50 % of the capacity of the space will be allowed</li> </ul>	Govt. of Maharashtra	(Click <a href="#">here</a> and <a href="#">here</a> for the Order)

	<ul style="list-style-type: none"> <li>▪ In the case of open to sky spaces, for any events or gatherings, people up to 25% of space capacity will be allowed</li> <li>▪ In view of the emergence of the Omicron variant of Covid-19, institutional quarantine has been made mandatory for passengers coming to the state from countries 'at-risk' and also RT-PCR mandatory irrespective of vaccination status for those coming from other states</li> <li>▪ In the case of domestic air travel, passengers travelling within the state will either have to be fully vaccinated or compulsorily carry an RT-PCR test within 48 hours of the time of arrival</li> <li>▪ In case of passengers from other states, negative RT-PCR test within 48 hours of arrival will be compulsory without exceptions.</li> </ul>		
<b>Rajasthan</b>	<ul style="list-style-type: none"> <li>▪ General Covid guidelines issued</li> <li>▪ Guidelines for international arrival issued with effect from November 11, 2021</li> </ul>	Govt. of Rajasthan	(Click <a href="#">here</a> and <a href="#">here</a> for the Order)
<b>Tamil Nadu</b>	<ul style="list-style-type: none"> <li>▪ Extension of Covid-related restrictions till November 30, 2021</li> <li>▪ SOPs for shops and places of public gatherings to be strictly adhered to</li> </ul>	Govt. of Tamil Nadu	(Click <a href="#">here</a> for the Order)
<b>Uttarakhand</b>	<ul style="list-style-type: none"> <li>▪ Covid restriction measures w.e.f. 6 AM on October 19, 2021 till 6 AM on November 20, 2021 have been cancelled</li> <li>▪ General directives for Covid-19 management have been issued</li> </ul>	Govt. of Uttarakhand	(Click <a href="#">here</a> for the Order)

## State-wise updates

### Andhra Pradesh

#### ▪ **Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Short-term Procurement/Sale of Power) Regulation, 2021**

Andhra Pradesh Electricity Regulatory Commission (APERC) vide Notification dated November 24, 2021 issued the Draft Andhra Pradesh Electricity Regulatory Commission (Terms and Conditions for Short-term Procurement/Sale of Power) Regulation, 2021 with the following provisions:

- Monthly Power Procurement Plan
- Weekly Power Procurement Plan
- Day-ahead Power Procurement Plan
- Bilateral contracts
- Sale of surplus power
- Power to relax time limits
- Powers to remove difficulties
- Power to amend
- Power to dispense with the requirement of the regulation

(To view the Notification, please click [here](#))

#### ▪ **Andhra Pradesh State List of Holidays 2022**

As per Notification dated November 26, 2021 the Government of Andhra Pradesh has declared the list of general holidays in the State of Andhra Pradesh for the calendar year 2022.

(To view the Notification, please click [here](#))

### Assam

#### ▪ **VDA for workers employed through Contractors**

The Office of the Labour Commissioner, Assam vide Notification dated November 12, 2021 issued the rate of Variable Dearness Allowance (VDA) to be paid to workmen employed by and through contractors. This notification will come into retrospective effect from September 1, 2021 for 6 months. The VDA shall be payable to the following categories of workmen:

- Highly Skilled/Account or equivalent to Accountant
- Skilled (IT) Certificate holder or
- Skilled (Other than ITI Certificate Holder)
- Semi-Skilled
- Unskilled Workmen

(To view the Notification, please click [here](#))

#### ▪ **Assam Government declares bye-election on December 15, 2021**

Government of Assam vide Notification has declared December 15, 2021 as a public holiday on account of Gaon Panchayat bye-election at Goal Para district for Government bodies/Non-Government bodies, all bodies and organization under the State Government, educational institutions and business establishments including banks, tea gardens and industries etc.

(To view the Notification, please click [here](#))

#### ▪ **Draft Assam Wages Rules, 2021**

The Labour Department of Assam has issued the Draft Assam Wages Rules, 2021 in supersession of the following Rules:

- Assam Payment of Wages Rules, 1937
- Assam Payment of Wages (Procedure) Rules, 1981
- Assam Minimum Wages Rules, 1952

(To view the Notification, please click [here](#))

#### ▪ **Draft Assam Social Security Rules, 2021**

The Labour Department, Assam has issued the Draft Assam Social Security Rules, 2021 in supersession of the following Rules:

- Payment of Gratuity (Assam) Rules, 1972
- Assam Maternity Benefit Rules, 1965
- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Assam Rules, 2007
- Unorganized Workers Social Security Assam Rules, 2008

(To view the Notification, please click [here](#))

## Bihar

### ▪ **BH-series on Transport Registration**

The Transport Department of Bihar vide Notification dated November 25, 2021 issued implementation of certain provisions of Notification No. GSR-594(E), dated August 26, 2021 of the Ministry of Road Transport and Highways, Government of India, related to BH-series whereby in the cases of registration in BH-Series, the provisions made by Notification No. GSR-594(E), dated August 26, 2021 shall be enforced in the State of Bihar as it is.

(To view the Notification, please click [here](#))

## Goa

### ▪ **Goa Minimum Wage Notification (Oct 2021)**

The Government of Goa vide Notification dated November 22, 2021 released the Variable Dearness Allowance towards minimum wages effective from October 01, 2021.

(To view the Notification, please click [here](#))

## Govt of NCT of Delhi

### ▪ **Delhi Shops and Establishments (Amendment) Rules, 2021**

The Labour Department, Delhi, vide Notification dated November 15, 2021 issued Delhi Shops and Establishments (Amendment) Rules, 2021 to further amend the Delhi Shops and Establishments Rules, 1954 whereby:

- Rule 3 which specifies 'Form of submitting statement and other particulars under sub-Section (1) of Section 5', has been substituted
- Rule 4 which specifies 'Manner of registering establishments and form of registration certificate', has been substituted
- Rule 6 which specifies 'Form and manner of notifying change', has been substituted
- Form G which specifies 'Register of Wages/Deductions/Overtime/Advances', has been substituted
- Form H & I 'Register of Employment and Remuneration of Employees' & 'Register of Leave', has been omitted

(To view the Notification, please click [here](#))

### ▪ **Amendment in turnover limits under Delhi GST Rules, 2017**

The Finance Department, Delhi, vide Notification dated November 26, 2021 amended the turnover limit for a registered person by amending the first paragraph of the Notification No. F3 (88)/Fin (Exp-IV)/2020-21/DS-IV /310 dated March 31, 2021 which has changed the aggregate turnover limit to INR 100 crore from INR 500 crore.

(To view the Notification, please click [here](#))

### ▪ **Waiving off the late fee for FORM GSTR-4, FORM GSTR-1 and FORM GSTR-7**

The Finance Department, Delhi vide Notifications dated November 18, 2021 has waive off the late fee by the registered persons who fail to furnish the return in FORM GSTR-4, FORM GSTR-7 and FORM GSTR-1 by the due date.

(To view the Notifications, please click [here](#), [here](#), and [here](#))

## Gujarat

### ▪ **Gujarat State List of Holidays 2022**

Government of Gujarat vide Notification dated November 24, 2021 has released the general list of public holidays for the year 2022.

(To view the Notification, please click [here](#), [here](#), and [here](#))

### ▪ **Draft Code on Social Security (Gujarat) Rules, 2021**

The Labour and Employment Department, Gujarat vide Notification dated November 16, 2021 issued the Draft Code on Social Security (Gujarat) Rules, 2021 in supersession of the following Rules:

- Gujarat Maternity benefit Rules, 1964
- Payment of Gratuity (Gujarat) Rules, 1973
- Gujarat State Unorganized Worker's Social Security Rules, 2011
- Gujarat Workmen Compensation Rules, 1967

(To view the Notification, please click [here](#))



## Karnataka

### ▪ **Amendment of rate on intra-state supply of services**

The Government of Karnataka vide Notification dated November 18, 2021 issued the amendment in the Notification No. FD 48 CSL 2017 dated June 29, 2017 which specifies the rate on the intra-state supply of services.

(To view the Notification, please click [here](#) and [here](#))

### ▪ **Karnataka Municipal Corporations and Certain Other Law (Amendment) Ordinance, 2021**

The State Government of Karnataka vide its Notification dated November 16, 2021 promulgated an ordinance to further amend the Karnataka Municipal Corporations Act, 1976 and the Bruhat Bengaluru Mahanagara Palike Act, 2020.

Through this ordinance, a new Section 299A has been notified which deals with levy of imposts, restrictions, and conditions in respect of Bruhat Bengaluru Mahanagara Palike.

(To view the Notification, please click [here](#))

## Kerala

### ▪ **Revised Standard Operating Procedure for rendering plants**

Kerala State Pollution Control Board vide Circular dated November 10, 2021 has issued the Revised Standard Operating Procedure for rendering plants, listing out the essential requisites of a rendering plant from pollution angle.

(To view the SOP, please click [here](#))

### ▪ **Authorization for non-bedded clinics/laboratories**

Kerala State Pollution Control Board vide Circular dated November 15, 2021 issued a clarification regarding one-time fee for authorization for multispecialty clinics and the said term has been defined as:

‘The term multispecialty refers to clinics having facilities for addressing ailments pertaining to different branches of medicine like dental, orthopedics, pediatrics etc. It does not mean clinics having multiple specialties in the same branch of medicine (e.g., Periodontics, Endodontics, Orthodontics in a dental clinic).’

(To view the Circular, please click [here](#))

### ▪ **Exemption on distance criteria for certain establishments**

Kerala State Pollution Control Board vide Circular dated November 25, 2021 issued a clarification regarding the exemption of distance criteria for own/leased residences situated near industries/units.

(To view the Circular, please click [here](#))

## Madhya Pradesh

### ▪ **Amendment to the Madya Pradesh Vat Act, 2002**

The Tax Department, Madhya Pradesh vide Notification dated November 22, 2021 issued the amendment in the Madhya Pradesh Vat Act, 2002 whereby in Schedule II Part-II, against the Serial Number 10A, in Column (3), for the figure ‘25’, the figure ‘4’ shall be substituted. It will come into force from November 23, 2021.

(To view the Notification, please click [here](#))

## Tamil Nadu

### ▪ **Use of Aadhaar for enrolment of beneficiaries**

The Social Welfare and Women Empowerment Department vide Notification dated November 17, 2021 has issued the use of Aadhaar under the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits, And Services) Act, 2016 for enrolment of beneficiaries under National Social Assistance Program. The following have been notified namely:

- An individual desirous of availing pension under the above schemes is required to furnish proof of possession of Aadhaar number or undergo Aadhaar authentication
- An individual who does not possess an Aadhaar number or has not yet enrolled for Aadhaar, is hereby required to apply for Aadhaar enrolment
- The applicants are hereby requested to apply in any Aadhaar enrolment centre/permanent enrolment centre to get enrolled for Aadhaar

(To view the Notification, please click [here](#))



- **Medical benefits to families of insured person in Tamil Nadu in certain districts**

The Employees' State Insurance Corporation (ESIC) vide Notification dated November 08, 2021 extended the medical benefits to the families of insured persons in the entire area of Thanjavur and Coimbatore districts in the state of Tamil Nadu, in addition to the already implemented area in the district under Regulation 95-A of the Employees' State Insurance (General) Regulations, 1950, which specifies medical benefit to families of insured persons and the Tamil Nadu Employees' State Insurance (Medical Benefit) Rules, 1955.

(To view the Notification, please click [here](#))

## Telangana

- **Telangana State List of Holidays 2022**

The Government of Telangana vide a Notification has released holiday list for the year 2022.

(To view the Notification, please click [here](#))

## Tripura

- **Tax rates on Aviation Turbine Fuel**

The Finance Department of Tripura vide Notification dated November 17, 2021 has specified the tax rates on the Aviation Turbine Fuel (ATF) which falls under Schedule II (d) of the Tripura Value Added Tax Act, to be 1%. The same shall be levied from December 01, 2021.

(To view the Officer Order, please click [here](#))

## West Bengal

- **West Bengal State List of Holidays 2022**

The Government of West Bengal vide Notification has released holiday list for the year 2022.

(To view the Notification, please click [here](#))

## ABOUT US

UnComplycate is an end-to-end compliance and contract management solutions provider that integrates domain experience with IT-enabled implementation, monitoring and management protocols.

With more than thirty years' experience in helping clients discharge their compliance obligations, we have developed a repository of significant knowledge and practical experience in advising and assisting businesses on their regulatory compliance, litigation management, notice and contract management and other attendant requirements. We create bespoke products for clients that include, among other things, an audit of the functions of the company, offering technology-enabled platforms that provide solutions for effective control over the compliance and contract management functions. These services are not limited by geography and can be seamlessly extended to all operating sites of the client.

## CONNECT WITH US

 [connect@uncomplycate.com](mailto:connect@uncomplycate.com)

 [www.uncomplycate.com](http://www.uncomplycate.com)

 [Uncomplycate](https://www.linkedin.com/company/uncomplycate)

### New Delhi

81/1 Adchini  
Sri Aurobindo Marg  
New Delhi – 110 017

**Phone:** (+91) (11) 6638 7000

### Mumbai

Construction House, 5th Floor  
Ballard Estate  
Mumbai – 400 001

**Phone:** (+91) (22) 4340 0400

### Bengaluru

Aswan, Ground Floor, 15/6  
Primrose Road  
Bengaluru – 560 001

**Phone:** (+91) (80) 4631 7000

### Kolkata

No. 14 S/P, Block C,  
Chowringhee Mansions  
Kolkata – 700 016

**Phone:** (+91) (33) 4035 0000

