

COMPLIANCE UPDATE

October 2022 | Part 1 of 2



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Securities and Exchange Board of India (SEBI)

▪ Framework on Social Stock Exchange (SSE)

SEBI on September 19, 2022 issued the following framework on Social Stock Exchange:

- Minimum requirements to be met by a Not-for-Profit Organization (NPO) for registration with SSE
- Minimum initial disclosure requirement for NPOs raising funds through the issuance of Zero Coupon Zero Principal Instruments
- Annual disclosure by NPOs on SSE which have either raised funds through SSE or are registered with SSE
- Disclosure of Annual Impact Report by all Social Enterprises

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

▪ Firewall between Credit Rating Agencies and their affiliates

SEBI on September 21, 2022 directed all Credit Rating Agencies to formulate a policy on separation or firewall practices with the non-rating entities and document the same in their internal operational manuals or governing document.

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

Ministry of Corporate Affairs (MCA)

▪ Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022

The Ministry of Corporate Affairs on September 21, 2022 amended the Companies (Corporate Social Responsibility Policy) Rules, 2014. As per the amendments, companies with any amount in their 'unspent corporate social responsibility account' must form a CSR committee. Furthermore, companies are allowed to keep unspent amounts relating to ongoing project in designated account but must utilize it within three financial years.

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

- **Extension of due date for DIR-3-KYC**

The Ministry of Corporate Affairs on September 28, 2022 extended the last for filing DIR-3-KYC till October 15, 2022.

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

Central Board of Direct Taxes (CBDT)

- **Income Tax (31st Amendment) Rules, 2022**

CBDT on September 19, 2022 added Rule 12AD in Income Tax Rules, 1962. As per Rule 12AD, the modified return of income to be furnished by a successor entity to a business reorganization, as referred to in Section 170A, for an assessment year, shall be in the Form ITR-A.

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

Central Board of Indirect Taxes & Customs (CBIC)

- **Courier Imports and Exports (Electronic Declaration and Processing) Second Amendment Regulations, 2022**

The Ministry of Finance on September 23, 2022 amended Form D (E-commerce Import details) of Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010.

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

Ministry of Telecommunications

- **Mobile Device Equipment Identification Number (Amendment) Rules, 2022**

The Ministry of Telecommunication on September 26, 2022 directed all manufacturers to register the international mobile equipment identity number of every mobile phone manufactured in India with the Indian Counterfeited Device Restriction portal of the Government of India.

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

Ministry of Road Transport and Highways (MoRTH)

- **Central Motor Vehicles (Sixteenth Amendment) Rules, 2022**

The Ministry of Road Transport and Highways on September 20, 2022, amended the Central Motor Vehicles Rules, 1989. As per the amendments, the application for driving license shall be filed in Form 4 along with license fee, medical certificate, and a learner's license.

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

State-wise updates

Andhra Pradesh

▪ **Ban on plastic flexi banners under Environment (Protection) Act, 1986**

The Government of Andhra Pradesh on September 22, 2022 has issued a notification to ban plastic flexi banners in the state with effect from November 1, 2022. Therefore, no person shall manufacture, import, print, use, transport or display plastic flexi material/banners in the State. The enforcing authorities are empowered to levy and collect penalty @INR 100 per sq ft of banned plastic flexi banners from violators and they are also liable for prosecution under Environment (Protection) Act, 1986.

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

Bihar

▪ **Bihar Goods and Services Tax (Amendment) Ordinance, 2022**

The Government of Bihar on September 27, 2022, notified the Bihar Goods and Services Tax (Amendment) Ordinance, 2022 amending Section 34(2) of the Bihar Goods and Services Tax Act, 2017. Now the registered person issuing a credit note in relation to a supply of goods or services may declare the details of such credit note till November 13 instead of September of the following financial year.

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

Chandigarh

▪ **Chandigarh Electric Vehicle Policy, 2022**

The Department of Science, Technology & Renewable Energy, Chandigarh on September 20, 2022 has issued Chandigarh Electric Vehicle Policy, 2022. This has come into force on September 20, 2022. The objective of this policy is to accelerate adoption of EVs in the UT so that they contribute to 70% of new vehicle registrations by the end of policy period.

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

▪ **Directions for the landlord, owner, tenant, and manager of residential or commercial establishments renting out spaces**

The Office of the District Magistrate, Chandigarh has ordered an emergency measure that no landlord, owner, tenant, or manager of a residential, commercial or establishments, etc. will rent out or sub-let any accommodation to any person, unless and until he has furnished the particulars of the said tenants or paying guests to the local Police Station. Further, no landlord, owner, tenant, or manager of a residential commercial or establishment, etc. will employ any servant unless and until he or she has furnished the particulars of the said servant to the local Police Station. This order will be in force from September 20, 2022 up to the period of 60 days i.e., November 18, 2022.

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

▪ **Directions to owners of the Cyber Cafes**

The Office of the District Magistrate, Chandigarh has ordered the owners of the Cyber Cafes to strictly comply with the following directions:

- Prohibiting the use of Cyber Cafes by an unknown person not established by the owner of the café.
- Maintaining a register for the identity of the visitor or user.
- Make an entry in the handwriting of the visitor/user mentioning the name, address, telephone number, and identity proof. The visitor will also sign the register.
- The identity of the visitor/user is to be established through identity card, voter card, ration card, driving license, passport, and photo credit card.
- Activity server log should be preserved in the main server and its record should be preserved for at least six months.
- If any activity of the visitor is of a suspicious nature the owner of the Cyber Cafe will inform the police station.
- Record is to be maintained about the specific computer used by the person.

This order will be in force from September 20, 2022 for 60 days i.e., till November 18, 2022.

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

▪ **Instructions to Hotels, restaurants, guest houses, and sarais to obtain ID proof from the visitors, customers, or guests**

The Office of the District Magistrate, Chandigarh has issued directions to all the owners, managers, or caretaker, etc. of hotels, restaurants, guest houses and aarai, etc. in Chandigarh to obtain ID

proof from the visitors, customers, or guests who stay in their hotels, restaurants, guest houses or sarais, etc., in the interest of safety and security of the public. Further, managers of hotels, restaurants, guest houses shall comply with the following conditions:

- Prohibit the stay in their premises of an unknown person whose identity has not been established.
- Maintain a register for the identity of the visitors and guests.
- Make an entry in the handwriting of the visitors or guest, mentioning his or her name, address, telephone number, and identity proof along with his or her signature in the register.
- The identity of the visitor can be established through Aadhar Card, Identity Card, Voter Card, Ration Card, Driving License, Passport, and Photo Credit Card.

This order will be in force from September 20, 2022 up to the period of 60 days i.e., November 18, 2022.

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

▪ **Safety directions to companies and organizations providing pick and drop service to employees**

The Office of the District Magistrate, Chandigarh has directed Business Process Outsourcing (BPOs), Call Centers, Corporate Houses, Media Houses, Companies, Firms, and other such similar entities, who engage the facility of pick and drop of their employees and the transporters, security agencies, drivers and security guards, in the jurisdiction of Chandigarh to comply with a list of instructions (details in the attachment) and to ensure the safety and security of employees, especially women employees working till late hours. The key instructions are mentioned below:

- . Maintain data of all employees, security personnel, cab drivers, and contractual workers working with them, for access by the Police as and when required.
- 2. Hire security personnel and other contractual personnel as far as possible from licensed agencies only.
- 3. Ensure verification of antecedents of all the employees including contractual employees.
- 4. Ensure that women employees are not made to travel alone with the cab driver and a duly verified security guard or a male colleague is deployed in each cab carrying women staff during night hours, i.e., 8 p.m. to 7 a.m.

This order will be in force from September 20, 2022 for 60 days i.e., till November 18, 2022.

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

▪ **Instructions to shopkeepers and sellers to record and I.D. proofs of the purchasers while selling certain items belonging to the Army or Police or Paramilitary forces**

The Office of the District Magistrate, Chandigarh has ordered an emergency measure where any shopkeeper or seller within the territory of Chandigarh will not sell any cloth or uniform or sticker or flag, or logo attached on cars and any other item belonging to the Army or Police or Paramilitary forces without keeping the record and ID proofs of the purchasers. This order will be in force from September 20, 2022 up to the period of 60 days i.e., November 18, 2022.

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

Goa

▪ **Guidelines for sustainable utilization, conservation, and management of bioresources**

The Department of Environment Climate, Goa has issued the guidelines and recommendations for sustainable utilization, conservation, and management of bioresources with special emphasis on controlled harvesting and conservation of edible clams, other shellfish & critical bio-resources within the jurisdiction of the Biodiversity Management Committees (BMC) along the riverine & coastal areas in the State of Goa. The key guidelines are as follows:

- The available clam resources should be allowed to be harvested only with the traditional method of hand picking and exclusively by the local villagers & those residing within an area of about 5 km radius from the site by road or water on alongside of location and does not include opposite side of riverbank.
- Beyond the mentioned distance, no one is allowed to exploit these resources without the permission of the local bodies.

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

▪ **Goa Government notifies commencement date for Goa Town and Country Planning (Amendment) Act, 2022**

The Department of Town and Country Planning, Goa has issued a notification stating that the provisions of Goa Town and Country Planning (Amendment) Act, 2022 shall come into force on September 22, 2022.

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

NCT of Delhi

- **DPCC bans the manufacturing, storage, selling (including delivery through online marketing platforms), and bursting of all kinds of firecrackers**

The Delhi Pollution Control Committee (DPCC) on September 14, 2022, issued directions under Section 31 (A) of Air (Prevention and Control of Pollution) Act, 1981, read with Rule 20 (A) (6) of the Air (Prevention and Control of Pollution) (Union Territories) Rules, 1983, to ban the manufacturing, storage, selling (including delivery through online marketing platforms) and bursting of all kinds of firecrackers. The Order mentions that 'there will be a Complete Ban on all kinds of firecrackers on manufacturing, storage, selling (including delivery through online marketing platforms) and bursting up to January 01, 2023, in the territory of NCT of Delhi.'

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

Gujarat

- **Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) (Amendment) Rules, 2022**

Labour, Skill Development and Employment Department, Gujarat on September 17, 2022, notified the Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) (Amendment) Rules, 2022 to amend Rule 24 of the Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2003 by amending the time-frame for the issue of Registration Certificate from fifteen days to thirty days from the date of application and adding the provision of granting deemed registration if no response from the authority is received within 30 days.

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

Haryana

- **Amendment to the Notification on Property Tax**

The Urban Local Bodies Department, Haryana on September 15, 2022 issued an amendment to the previously released Notification dated October 11, 2013, which talks about Property Tax. Para 5(b) has been substituted to provide that in case of late payment, interest at the rate of 1.5% per month or part thereof shall be charged. Provided that one-time waiver of interest on the dues and arrears of property tax pending since year 2010-11 to 2021-22 shall be allowed to all taxpayers, if their arrears are paid up to December 31, 2018, which is now extended to December 31, 2022.

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

- **Direction on Distribution of Stamp Duty**

The Haryana Government on September 09, 2022 directed that the duty on transfer of immovable property situated within the limits of municipalities in the State by way of every instrument of a description specified shall be at the rate of two per centum in addition to the duty imposed under the Indian Stamp Act, 1899. The said duty shall be collected at the time of registration of the said documents by the Registrar or the Sub-Registrar under the Indian Stamp Act, 1899 (Central Act 2 of 1899). One per centum of such duty so collected shall be paid to the respective municipality within whose jurisdiction such immovable property is situated. The remaining one per centum shall be paid to the Haryana Urban Infrastructural Development Board.

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

Lakshadweep

- **Lakshadweep Panchayat Regulation, 2022**

The Ministry of Law and Justice on September 19, 2022 notified the Lakshadweep Panchayat Regulation, 2022. The regulation deals with the provisions of Gram Panchayat and Elections, Powers, Duties, Functions of Gram Panchayat and Ombudsman for Panchayats.

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

- **Lakshadweep Value Added Tax Regulation, 2022**

The Ministry of Law and Justice on September 19, 2022 notified the Lakshadweep Value Added Tax Regulation, 2022. The objective of the regulation is to provide for a tax system on the goods excluded from the Union Territory Goods and Services Tax Act, 2017 and to widen the tax base by levying tax on sale of the said goods at every point of sale, making the levy of tax transparent.

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

Madhya Pradesh

▪ [Madhya Pradesh Goods and Services Tax \(Amendment\) Bill 2022](#)

The Government of Madhya Pradesh on September 15, 2022 notified the Madhya Pradesh Goods and Services Tax (Amendment) Bill 2022 amending Section 34(2) of Madhya Pradesh Goods and Services Tax Act, 2017, now the registered person issuing a credit note in relation to a supply of goods or services may declare the details of such credit note till November 13 instead of September of the following financial year.

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

▪ [Draft of Madhya Pradesh Panchayat Provisions \(Extension to Scheduled Areas\) Rules, 2022](#)

The Government of Madhya Pradesh on September 19, 2022 notified a draft of Madhya Pradesh Panchayat Provisions (Extension to Scheduled Areas) Rules, 2022. The rules specify the provisions regarding Planning and Management of Water Resources and Small Watersheds, Planning the Labor Force and Minor Forest Produce.

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

Maharashtra

▪ [Notification on registered person to prepare invoice under Maharashtra GST](#)

The Finance Department, Maharashtra on September 16, 2022 issued an amendment to the previously released Notification dated March 30, 2020, which specifies 'registered persons who shall prepare invoice'. This shall come into force on October 1, 2022. The following has been substituted: 'A registered person whose aggregate turnover in a financial year exceeds INR 10 crore, as a class of registered persons who shall prepare invoice and other prescribed documents, in terms of sub-Rule (4) of Rule 48 of the Maharashtra Goods and Services Rules in respect of supply of goods or services or both to a registered person.'

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

Punjab

▪ [Punjab News Web Channel Policy, 2022](#)

The Government of India on September 16, 2022, published the Punjab News Web Channel Policy, 2022 which shall be applicable in the State of Punjab. Under this policy, every Channel shall fulfill the following general and technical qualifications to be eligible for empanelment with the Department, namely:

- Only Channels owned and operated by registered companies and firms with State Government or Government of India other than individuals shall be considered for empanelment
- The Channel or its owner or partners should not be bankrupt or insolvent
- The Channel should not have been blacklisted or dis-empanelled by any State Government or Government of India. The applicant shall upload a self-declaration to this effect
- The Channel should have continuously operated under the same name for a minimum period of one years.
- The Channel must submit the Facebook analytics and YouTube analytics report for a period of six months before the date of application.
- The Channel should have uploaded at least one hundred fifty news videos or sound bites or news items (VOs/News Capsules or interviews) with in the period of one month during the period of three months.

The empanelment shall be valid for a period of 2 years from the date of empanelment.

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

▪ [Punjab Right to Business \(Amendment\) Rules, 2022](#)

The Government of Punjab vide gazette notification has issued The Punjab Right to Business (Amendment) Rules, 2022. The amendment provides that every eligible enterprise applying to scrutiny committee under the Punjab Right to Business Act, 2020 for in principle approval to set up business in the state, shall submit to the district nodal agency, electronically, along with the application, the following:

- Declaration of intent
- Application fee
- Inspection fee
- Transaction fee

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

Tamil Nadu

▪ **Clarification on applicability of demand and penalty provisions under RGST Act, 2017**

The Government of Tamil Nadu on September 13, 2022 issued a Clarification on the issues relating to applicability of demand and penalty provisions under the Tamil Nadu Goods and Services Tax Act, 2017 whereby:

- Where a registered person 'A' has issued tax invoice to another registered person 'B' without any underlying supply of goods or services or both such an activity does not satisfy the criteria of 'supply'.
- Where a registered person 'A' has issued tax invoice to another registered person 'B' without any underlying supply of goods or services or both. 'B' avails input tax credit based on the said tax invoice. B further issues invoice along with an underlying supply of goods or services or both to his buyers and utilizes ITC availed based on the above-mentioned invoices issued by 'A' for payment of his tax liability in respect of his said outward supplies. In such a case B shall be liable for the demand and recovery of the said ITC, along with penal action as well as applicable interest.

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

▪ **Revised minimum wages for employees in the Fire Works Manufactory**

The Labour Welfare and Skills Department, Tamil Nadu has revised the minimum rates of wages of employees employed in the Fire Works Manufactory, based on the advice of the Committee under the Minimum Wages Act vide Gazette Notification dated September 21, 2022.

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

▪ **Amendment in Tamil Nadu Electricity Supply Code**

Tamil Nadu Electricity Regulatory Commission, Tamil Nadu has issued the amendment in Tamil Nadu Electricity Supply Code regarding to harmonics. The key points of the amendment are:

- The harmonic currents generated by the loads of consumers or prosumers connected to electricity system at 11kV, 22kV, 33kV and above and charging stations must be brought within limits.
- Measurement of current distortion or harmonic currents shall be made at the point of common coupling (PCC) of the Installation.
- Power quality meter complying with the International Electrotechnical Commission (IEC) Standard 61000-4-30 edition 3.0 class A shall be used.
- The Licensee shall use his portable power quality meter for one week for each installation of consumer, prosumer or charging station to measure the harmonic currents.
- All three total demand distortion (TDD) values at 99th percentile very short time (3s) value, 99th percentile short time (10 min) value, 95th percentile short time (10 min) value shall be measured and compared with the values specified in IEEE Std. The highest value among the above three shall be considered for levying penalty.
- If the measured values exceed the limits, a notice shall be issued to the consumer, prosumer or charging station by the Licensee to install adequate harmonic filters within 6 months. The notice shall also convey that in case of non-compliance, specified penalty will be levied by the Licensee for the subsequent 12 months and there after supply to the service shall be disconnected in case of noncompliance even after the said 12 months.

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

West Bengal

▪ **Online Registration of Farm Machinery Manufacturers**

The Department of Agriculture, West Bengal on September 15, 2022 notified Online Registration of Farm Machinery Manufacturers 2022-23 for all Agricultural Machinery Manufacturers willing to take part in State Government farm mechanization umbrella schemes online through the Manufacturers registration link in Matirkatha Portal up to 12 October 2022.

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

▪ **Extension of Farm Mechanization Schemes up to March 31, 2023**

The Department of Agriculture, West Bengal vide Notification dated September 14, 2022 extended the validity of the following Farm Mechanization Schemes of the Agriculture Department up to March 31, 2023:

- Financial Support Scheme for Farm Mechanization (**FSSM**)
- One Time Assistance to Small and Marginal Farmers for purchase of Small Farm Implements (**OTA-SFI**)
- Credit Linked Subsidy for Rural Entrepreneurs to set up Custom Hiring Centers (**CHC**) of Farm Machinery

(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.

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