



COMPLIANCE UPDATE

OCTOBER 2023 | Part 2 of 2

Reserve Bank of India (RBI))

- [Extension of Prompt Corrective Action \(PCA\) Framework NBFCs to Government NBFCs](#)

RBI on October 10, 2023 decided to extend the Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs), which was introduced on December 14, 2021, to Government NBFCs (except those in Base Layer) with effect from October 1, 2024.

(To view the Notification, please click [here](#) and for the for Prompt Corrective Action, please click [here](#))

Securities and Exchange Board of India (SEBI)

- [Extension in timeline for compliance with qualification and experience requirements under SEBI \(Investment Advisers\) Regulations, 2013](#)

SEBI on October 10, 2023 notified that an individual investment adviser or principal officer of a non-individual investment adviser registered under SEBI (Investment Advisers) Regulations, 2013 and persons associated with investment advice shall comply with the enhanced qualification and experience requirements within a period of 3 years, by September 30, 2023.

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

- [Master Circular on Know Your Client \(KYC\) norms for the securities market](#)

SEBI on October 12, 2023 notified that the KYC process requires every SEBI registered intermediary to obtain and verify the Proof of Identity (PoI) and Proof of Address (PoA) from the client at the time of commencement of an account-based relationship.

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

- [Relaxation on sending physical documents under SEBI \(Listing Obligations and Disclosure Requirements\) Regulations, 2015](#)

SEBI on October 07, 2023 notified the relaxation from sending physical copies of financial statements (including Board's report, Auditor's report or other documents required to be attached with the reports) to the shareholders, till September 30, 2024.

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

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▪ **Requirement of Base Minimum Capital Deposit for Category 2 Execution Only Platforms**

SEBI on October 07, 2023 has decided that the members of stock exchanges functioning only in EOP segment (Category 2 EOP who obtain registration as a Stockbroker in terms of SEBI (Stock Brokers) Regulations, 1992) shall maintain a sum of INR 10 lakh with the stock exchange as BMC deposit.

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

▪ **Centralized mechanism for reporting demise of an investor**

SEBI on October 03, 2023 decided to introduce a centralized mechanism for reporting and verification in case of the demise of an investor and thereby smoothen the process of transmission in securities market through verification of the death certificate.

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

▪ **Extension of timeline for verification of market rumors by listed entities**

SEBI on September 30, 2023 extended the effective date to February 1, 2024 for top 100 listed entities by market capitalization, and to August 1, 2024 for top 250 listed entities by market capitalization, to mandatorily verify and confirm, deny or clarify market rumors.

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

Central Board of Direct Taxes (CBDT)

▪ **Audit report for contributions in PM CARES Fund**

CBDT on October 9, 2023 ordered under Section 119 of the Income Tax Act, 1961 that audit report of contributions made to PM CARES Fund and other similar funds by any fund or trust or institution or any university or other educational institution or any hospital or other medical institution, under Section 10(23C) of the Income Tax Act, 1961 is required to be furnished in Form No. 10B/Form No. 10BB.

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

▪ **Income Tax (Twenty-fourth Amendment) Rules, 2023**

CBDT on October 10, 2023 exempted non-resident individuals (not being companies) and foreign companies from submitting Form 60 (the form for declaration to be filed by an individual or a person, not being a company or firm, who does not have a Permanent Account Number) in respect of transactions specified under Rule 114B of the Income Tax Rules, 1962, provided that the non-resident individual or foreign company that does not have any income chargeable to tax in India.

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

Ministry of Corporate Affairs (MCA)

▪ **Non-applicability of moratorium declared under IBC Code, 2016 to transactions relating to aircraft and helicopters**

MCA on October 3, 2023 notified that the provisions of Section 14(1) of the Insolvency and Bankruptcy Code, 2016, shall not apply to transactions, arrangements, or agreements, under the Convention and the Protocol relating to aircraft, aircraft engines, airframes, and helicopters.

Moratorium under Section 14(1) of IBC prohibits the following actions:

- Institution of suits, continuation of pending suits, execution of judgments
- Transferring/disposing off assets
- Recovery or enforcement of security interest or any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act), 2002
- Recovery of property in possession

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

Ministry of Law & Justice

▪ **Date of enforcement of Mediation Act, 2023**

Department of Legal Affairs on October 09, 2023 notified the enforcement date for certain provisions of Mediation Act, 2023 as October 09 2023.

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

Industry-wise updates

BFSI

▪ **Reduction in interest for funds deposited under Special Deposit Schemes**

The Department of Economic Affairs on October 04, 2023 notified that the deposits made under the Special Deposit Scheme for Non-Government Provident, Superannuation and Gratuity Funds, provident funds established under the Employees Provident Funds and Family Pension Fund Act, 1952, provident funds recognized by the Commissioner of Income Tax shall bear interest at 7.1% in place of 10% with effect from October 01, 2023 to December 31, 2023.

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

▪ **Insurance Regulatory and Development Authority of India (Bima Vahak) Guidelines, 2023**

Insurance Regulatory and Development Authority of India on October 09, 2023 published Insurance Regulatory and Development Authority of India (Bima Vahak) Guidelines, 2023 with following objectives:

- To establish women centric dedicated distribution channel that is focused on enhancing insurance inclusion and creating awareness in every village/Gram Panchayat, thereby, improving accessibility and availability of insurance in every nook and corner of the country.
- To identify and develop resources locally who understand and appreciate local needs and enjoy the trust and confidence of the local population of their village/Gram Panchayat.

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

Mining

▪ **Coal Mines Pension (Second Amendment) Scheme, 2023**

Ministry of Coal on October 04, 2023 amended Coal Mines Pension Scheme, 1998 by adding paragraph 13(3), which states that after the death of an employee or pensioner, from the date following the date of his or her death, the son or daughter of such deceased person, permanently and totally disabled, shall be entitled to disablement pension till life or until getting regular employment in the Central or State Government.

The amount of monthly disablement pension payable after the death of an employee or pensioner shall be equal to 25% of the amount of widow or widower pension for each disabled son or daughter or not less than INR 110 for each disabled child or orphan.

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

▪ **Declaration of Iron Ore Mining as Public Utility Service**

Ministry of Labour and Employment on October 09, 2023 notified that the services engaged in the Iron Ore Mining to be a public utility service for a period of 6 months with effect from October 14, 2023.

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

State-wise updates

Andhra Pradesh

▪ **Draft Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2023**

The Government of Andhra Pradesh on September 30, 2023 published the Draft of Andhra Pradesh Electricity Regulatory Commission (Green Energy Open Access, Charges, and Banking) Regulation, 2023. Criteria for allowing Green Energy Open Access (**GEOA**).

As per the Regulations, the open-access consumers shall be classified into the following categories based on the duration of use of the intra-State transmission and/or distribution system:

- Long-term Open Access consumers
- Medium-term Open Access consumers
- Short-term Open Access consumers

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

▪ **Approval of New Bovine Breeding Policy, 2023**

The Government of Andhra Pradesh on October 04, 2023 approved the New Bovine Breeding Policy, 2023. The Andhra Pradesh Bovine Breeding Policy, 2023 is for improving the cattle and buffalo productivity in the State by enforcement of the cattle breeding activities throughout the State.

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

▪ **Amendment to the Andhra Pradesh Distillery (Manufacture of Indian-made Foreign Liquor other than Beer and Wine) Rules, 2006**

The Government of Andhra Pradesh on October 11, 2023 amended Rule 8 of Andhra Pradesh Distillery (Manufacture of Indian-made Foreign Liquor other than Beer and Wine) Rules, 2006 which deals with the 'Licence fee structure'. At the place of year '2022-2023', year '2023-2024' shall be substituted.

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

▪ **Sending of suggestions or objections on Draft APERC Transmission Licence Regulation, 2023**

The Andhra Pradesh Electricity Regulatory Commission (**APERC**) on October 11, 2023 informed all the stakeholders and interested parties to send their comments/suggestions/objections on the draft APERC Transmission Licence Regulation, 2023 via email to commn-secy@aperc.in or by post to the Commission's office at Hyderabad to reach the undersigned on or before November 07, 2023 for consideration by the Commission.

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

Assam

▪ **Fixation of Variable Dearness Allowance (VDA) and present wages for the workers engaged under Private Security Houses**

The Government of Assam on October 03, 2023 notified that the Variable Dearness Allowance (VDA) payable to the employees or workers engaged under Private Security Houses shall be as stated:

- **Supervisors**
 - o Previous VDA Cumulated shall be – INR 3900.32
 - o Present wages per month shall be INR 20046.32
- **Gunmen (Armed)**
 - o Previous VDA Cumulated shall be INR 3425.29
 - o Present wages per month shall be INR 17604.79
- **Security Guard (Unarmed)**
 - o Previous VDA Cumulated shall be INR 2675.23
 - o Present wages per month shall be INR 13749.73

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

▪ **Prohibition on the manufacture, import, stocking, distribution, sale, and use of all plastic water bottles**

The Government of Assam on October 11, 2023 prohibited the manufacturing, import, stocking, distribution, sale, and use of all plastic water bottles used for packaging or bottling drinking water with effect from October 11, 2023.

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

Bihar

▪ **Special procedure to be followed by registered person engaged under Bihar GST Act, 2017**

The Government of Bihar on October 05, 2023 notified that all registered persons engaged in manufacturing of goods have to furnish the details of packing machines being used for filling and packing of pouches in FORM-SRM-1 provided under Bihar GST Act, 2017.

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

▪ **Exemption to registered persons under Bihar GST Act, 2017**

The Government of Bihar on October 05, 2023 notified the exemption of registered person whose aggregate turnover is up to INR 2 crore in FY 2022-23 from filing annual returns for the said FY.

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

Chhattisgarh

▪ **Revision in the minimum wage rate for the scheduled employment**

The Government of Chhattisgarh on October 01, 2023 revised minimum wage rate for scheduled employment from October 01, 2023 to March 31, 2024. The revised wage rate for employment in agriculture from October 01, 2023 to March 31, 2024 is INR 8540 per month.

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

Goa

▪ **Goa Goods and Services Tax (Third Amendment) Rule, 2023**

The Government of Goa on September 30, 2023 added Rule 31-B and Rule 31-C to the Goa Goods and Services Rules, 2017. The newly added Rules deal with value of supply in case of online gaming including online money gaming and casinos.

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

▪ **Goa Value Added Tax (Second Amendment) Act, 2023**

The Government of Goa on October 10, 2023 amended following Sections:

- Section 18(1) of the Goa Value Added Tax Act, 2005 which states that a dealer who is engaged in the business of sale of goods shall be liable to pay tax under this Act on his turnover of sales until such liability ceases.
- Section 9(4) which states that the dealer would be eligible for the benefit of Input Tax Credit on goods held in stock, which were purchased within 3 months prior to the date of registration.

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

▪ **Filing of online application for settlement under the Goa (Recovery of Arrears of Tax, Interest, Penalty, Other Dues through Settlement) Act, 2023**

The Government of Goa on October 12, 2023 provided the facility for filing online application in Form I for settlement under the Goa (Recovery of Arrears of Tax, Interest, Penalty, Other Dues through Settlement) Act, 2023 (GRATIPOS Act) which is made active wef October 08, 2023 on the notified portal. The Dealer/Hotelier/Unregistered Dealer/Applicant can apply under the GRATIPOS Act by visiting home page of the Department website www.goagst.gov.in and by accessing option 'Settlement Scheme, 2023' and then clicking on 'Online FORM-I Submission'.

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

▪ **Prohibition on strikes for establishments dealing with pharmaceutical products**

The Government of Goa on October 11, 2023 notified the prohibition of strikes in any form in all establishments engaged in manufacturing, packaging, distribution, and transportation of pharmaceutical products and components thereof in the pharmaceutical sector in the State of Goa with immediate effect which shall be valid for a period of six months from the date of issue.

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

Haryana

▪ **Grant of short-term provisional consent to operate under the Water Act, 1974**

The Haryana State Pollution Control Board (HSPCB) on October 03, 2023 published the Policy for granting short-term provisional consent to operate under the Water Act, 1974.

As per the Notification, consent to operate will be granted for 6 months to all the projects dealing with construction of residential building and commercial buildings, to whom consent to operate is

refused by the Board under Water Act, 1974 on the ground of failure of effluent samples of STP of the project or any other reasons.

The Board shall monitor the performance of STP of the project within 1 month of granting of consent.

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

▪ **Haryana Development and Regulation of Urban Areas (Second Amendment) Act, 2023**

The Government of Haryana on October 09, 2023 amended Section 3C of the Haryana Development and Regulation of Urban Areas Act, 1975 which states that the registration of independent residential and commercial floors for the purpose of transfer, sale, gift, exchange or lease in perpetuity in a colony, for which a license has been granted under this Act, shall be permitted as an independent residential dwelling unit or commercial unit only and no sub-division of land under the residential dwelling unit or commercial unit shall be permitted.

The registration shall be limited to only one residential dwelling unit or commercial unit on each floor.

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

▪ **Exemption of the interest and penalty accrued under the Punjab Passengers and Goods Taxation Act, 1952**

The Government of Haryana on October 09, 2023 exempted the interest and penalty accrued on the arrears of passengers and goods tax due up to March 31, 2017 which is assessed by the Excise and Taxation Department, Haryana under the Punjab Passengers and Goods Taxation Act, 1952 as a one-time settlement, if the amount equal to 25 % of the original tax is paid within a period of one hundred and eighty days from the date of publication of this Notification in the Official Gazette.

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

Karnataka

▪ **Publication of Karasamadhana Scheme-V under Karnataka Excise (General Conditions of Licenses) Rules, 1967**

The Government of Karnataka on October 05, 2023 published Karasamadhana Scheme-V wherein individuals whose arrears of payment of excise are due, pertaining to a period prior up to June 30, 2007, if they choose to pay the entire principal amount indicated in the Excise Department's records, shall be eligible to receive a waiver of the interest that has accrued on that principal amount as per the Karnataka Excise (General Conditions of Licenses) Rules, 1967.

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

▪ **Karnataka Real Estate (Regulation and Development) (Amendment) Rules, 2021**

The Government of Karnataka on October 06, 2023 added Rule 3(3)(e) to the Karnataka Real Estate (Regulation and Development) Rules, 2017 which states that the Pradhan Mantri Awas Yojana (Urban) Affordable Housing Partnership schemes shall not be required to pay any registration fee.

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

Kerala

▪ **Application for registration of real estate projects**

The Real Estate Regulatory Authority, (RERA, Kerala) on September 29, 2023 issued the application for registration of real estate projects.

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

Madhya Pradesh

▪ **Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy 2023**

The Government of Madhya Pradesh on October 06 notified Madhya Pradesh IT, ITeS & ESDM Investment Promotion Policy 2023. Objectives of the policy:

- To increase the flow of investments in the State in Information Technology industry, ITeS & Electronics System Design & Manufacturing (ESDM) sectors.
- To create direct and indirect employment opportunities for the youth in the State in IT /ITeS/ESDM sectors.
- To encourage investments by creating ready to use IT/ITeS workspaces, plug & play infrastructure and promote the use of co-working spaces in the State.

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

Maharashtra

▪ **Aadhaar as an identity document for availing benefits under the Vocational Training Fee Reimbursement Scheme**

The Government of Maharashtra on October 11, 2023 notified the use of Aadhaar as an identity document for availing benefits under the Vocational Training Fee Reimbursement Scheme, which states as follows:

- An individual desirous of availing the benefits under the Scheme shall be required to furnish proof of possession of the Aadhaar number or undergo Aadhaar authentication.
- In case the individual does not possess the Aadhaar number or has not yet enrolled for Aadhaar, they are required to enroll before registering for the Scheme.

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

▪ **Guidelines for timely project registration during festivals**

The Maharashtra Real Estate Regulatory Authority (**MahaRERA**) on October 09, 2023 notified the guidelines for timely application submission and adherence to Guidelines for timely project registration during the festive season including Navratri, Dusshera and Diwali.

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

Manipur

▪ **Manipur Goods and Services tax (Sixth Amendment) Ordinance, 2023**

The Government of Manipur on September 30, 2023 published an ordinance amending Manipur Goods and Services Tax Act, 2017 by adding definition of 'online gaming' and 'online money gaming'.

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

NCT of Delhi

▪ **Ban on manufacturing, storage, selling of all kinds of firecrackers**

The Delhi Pollution Control Committee (**DPCC**) on October 06, 2023 notified the ban on all kinds of firecrackers. There will be a complete ban on all kinds of firecrackers on manufacturing, storage, selling (including delivery through online platforms) and bursting of all kinds of firecrackers up to January 01, 2024, in the territory of NCT of Delhi.

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

Punjab

▪ **Launch of AI CHATBOT on the website for the facilitation of the entrepreneurs**

The Punjab Pollution Control Board, (**PPCB**) on October 03, 2023 launched 'AI CHATBOT' named PPCB on the website of the Board (www.ppcb.punjab.gov.in) and also through WhatsApp for the facilitation of the entrepreneurs of the State of Punjab regarding their obligation towards control of pollution and compliance of regulatory clearances.

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

▪ **Revised wages of the Punjab State Power Corporation Limited and PESCO Security workers**

The Punjab State Power Corporation Limited (**PSPCL**) on October 05, 2023 issued the revised wages for PSPCL AND PESCO workers. The list of revised wages of the PSPCL AND PESCO workers have for the following categories of workers have been stated namely:

- Security Guard
- Security Guard with State weapon and ammunition
- Security Guard with personal weapon and ammunition

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

Rajasthan

▪ **Publication of Chief Minister GST Bill Award Scheme-2023**

The Government of Rajasthan on October 09, 2023 issued the Chief Minister GST Bill Award Scheme-2023 which contains the following:

- Under the Scheme, the bills/invoices issued by the registered dealers under the GST Act during the period from October 01, 2023 to March 31, 2024, will be deposited by the consumers monthly on the online portal/app provided by the State Government after the end of the month.

- This Scheme will apply to the bills and invoices issued from October 01, 2023 to March 31, 2024.

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

- **Rajasthan Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Generating Systems) (First Amendment) Regulations, 2023**

The Rajasthan Electricity Regulatory Commission (RERC) on October 06, 2023 amended the following:

- Regulation 6, which deals with 'Connectivity of Renewable Energy generating system'.
- Regulation 15, which deals with 'Applicability of other charges' of the Rajasthan Electricity Regulatory Commission (Grid Interactive Distributed Renewable Energy Generating Systems) 2021.

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

West Bengal

- **Procedure for filing of application for refund under West Bengal GST Act, 2017**

The Government of West Bengal on October 10, 2023 prescribed the manner of filing an application for refund by unregistered persons, under West Bengal Goods and Services Tax, Act, 2017. As per the amendment, the unregistered person who wants to file an application for refund shall obtain a temporary registration on the common portal using his Permanent Account Number (PAN).

While doing so, the unregistered person shall select the same State/UT where his/her supplier, in respect of whose invoice refund is to be claimed, is registered. Thereafter, the unregistered person would be required to undergo Aadhaar authentication. Further, the unregistered person would be required to enter his bank account details in which he seeks to obtain the refund of the amount claimed.

(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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