



COMPLIANCE UPDATE

NOVEMBER 2023 | Part 2 of 2

Reserve Bank of India (RBI)

Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices

RBI on November 07, 2023 notified the Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices. The Directions include:

- Framework for IT governance
- IT infrastructure and service management
- IT and information security risk management
- Business continuity and disaster recovery policy
- Audit for information system

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

Securities and Exchange Board of India (SEBI)

Simplification and streamlining of Offer Documents of mutual fund schemes

SEBI on November 01, 2023 streamlined the process to disseminate relevant information to investors, rationalize the preparation of Scheme Information Document (SID), and facilitate its periodic updating by mutual funds.

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

Procedural framework for dealing with unclaimed amounts lying with entities having listed non-convertible securities and the manner of claiming such amounts by investors

SEBI on November 08, 2023 standardized a framework to be followed by listed entities (which are not companies) for transfer of unclaimed amounts from the Escrow Account and claim thereof by an investor.

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

Procedural framework for dealing with unclaimed amounts lying with REITs

SEBI on November 08, 2023 mandated that at least 90% of Net Distributable Cash Flows (NDCF) of the Real Estate Investment Trusts (REITs) shall be distributed to an investor who owns a unit in the trust.

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

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- **Procedural framework for dealing with unclaimed amounts lying with InvITs**

SEBI on November 08, 2023 mandated that not less than 90% of Net Distributable Cash Flows (NDCF) of the Infrastructure Investment Trusts (InvITs) shall be distributed to an investor who owns an unit in the trust.

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

Central Board of Direct Taxes (CBDT)

- **Income Tax Twenty Seventh Amendment Rules, 2023**

CBDT on October 31, 2023 amended Part B-T1 of Form ITR-7 (Income Tax Return for Artificial Person). The amendments include disclosure of exemptions.

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

Central Board of Indirect Taxes & Customs (CBIC)

- **Allowing advance assessment of Courier Shipping Bills**

CBIC on November 08, 2023 authorized the pre-assessment of Courier Shipping Bills within the Express Cargo Clearance System (ECCS) as a measure to improve the business environment and streamline processes.

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

- **Revision in rate of exchange of one unit of foreign currency equivalent to Indian rupees**

CBIC on November 02, 2023 revised rate of exchange of one unit of foreign currency equivalent to Indian rupees for the following countries:

- Australian Dollar – INR 54.85
- Bahraini Dinar – INR 228.30
- Canadian Dollar – INR 61.20
- Chinese Yuan – INR 11.55

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

- **Advisory for online compliance pertaining to ITC mismatch**

Goods and Service Tax Network (GSTN) on November 14, 2023 introduced an automated intimation on its portal (Form GST DRC-01C) for taxpayers to explain discrepancies in Input Tax Credit between GSTR-2B and GSTR-3B. If the claimed ITC exceeds a predefined limit, taxpayers receive an intimation. They must respond using Form DRC-01C Part B, detailing payment, or providing an explanation.

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

Ministry of Corporate Affairs

- **Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023**

Ministry of Corporate Affairs on November 09, 2023 notified the Limited Liability Partnership (Significant Beneficial Owners) Rules, 2023. Key aspects pertain to the following:

- Declaration of interest by partners
- Maintenance of register of beneficial owners
- Filing of return of beneficial owners
- Notice seeking information about significant beneficial owners

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

Ministry of Labour & Employment

- **Payment of EPF benefits to subscriber's bank account**

The Employees Provident Fund Organization (EPFO) on November 01, 2023 included two payment banks, namely Paytm Payments Bank Limited and Airtel Payments Bank Limited, in the second Schedule of Reserve Bank of India Act, 1934.

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

- **Registration of employees within ten days of the date of appointment**

Employee State Insurance Corporation (ESIC) on November 8, 2023 instructed the employers to submit the records within 15 days of the show cause notice issued. The employer can file the contribution from the date of appointment.

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

Industry-wise updates

BFSI

▪ **Insurance Ombudsman (Amendment) Rules, 2023**

The Central Government on November 9, 2023 added proviso to Rule 8 of the Insurance Ombudsman Rules, 2017, namely Insurance Ombudsman can resign by giving a written notice of at least 90 days, with the last day falling on the next working day if it's a Saturday, Sunday, or holiday.

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

▪ **Amendment to the Notification regarding activities when carried out in the course of business on behalf of or for another person**

The Central Government issued an amendment to the Notification related to the 'activities when carried out in the course of business on behalf of or for another person' under Prevention of Money Laundering Act, 2002.

The following amendment has been stated: In the Notification number 2135 (E) dated May 9, 2023, in explanation 2, the following has been inserted: 'For the purposes of activities specified in this Notification, the Regulator within the meaning of Clause (fa) of sub-Rule (1) of Rule 2 of the Prevention of Money-laundering (Maintenance of Records) Rules, 2005, shall be the Director, Financial Intelligence Unit, India appointed under sub-Section (1) of Section 49 of the said Act'.

(To view the previously published Notification, please click [here](#) and to view the Amendment Notification, please click [here](#))

Food & beverages

▪ **Food stuffs industry to be a public utility service**

The Central Government has declared the services engaged in 'food stuffs' to be a public utility service for the purpose of the Industrial Disputes Act, 1947 for a period of 6 months from the date of publishing of the Notification i.e., November 9, 2023.

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

▪ **Food Safety Compliance System (FoSCoS) introduced in Gujarati, Tamil, Telugu, Marathi, Hindi and English**

The Food Safety and Standards Authority of India (FSSAI) on November 14, 2023 introduced the Food Safety Compliance System (FoSCoS) in Gujarati, Tamil, Telugu, Marathi, Hindi and English, with plans for availability in Kannada, Punjabi, Malayalam, Assamese, Bengali, and Odia.

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

Metals & metallurgy

▪ **Lead and zinc industry to be a public utility service**

The Central Government has declared the services engaged in 'lead and zinc mining industry' to be public utility service for the purpose of the Industrial Disputes Act, 1947 for a period of 6 months from the date of publishing of the Notification i.e., November 9, 2023.

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

Oil & gas

▪ **Suspension of approval process of CNG/CBG compressor package, used for filling of gas cylinders and for dispensing as automotive fuel installed in the premises**

The Petroleum and Safety Organization (PESO) on November 9, 2023 temporarily suspended the process of CNG/CBG compressor package, used for filling of gas cylinders and for dispensing as automotive fuel installed in the premises covered under license FORM E&F and G of the Gas Cylinder Rules, 2016, from obtaining approval from the O/o Chief Controller of Explosives, Nagpur up to July 31, 2024, subject to following conditions:

- All ex electrical components in the CNG/CBG compressor have approval of Chief Controller of Explosives
- An undertaking that all the electrical components installed in the CNG/CBG compressor are of the type approved by the Chief Controller of Explosives shall be submitted prior to grant/amendment (if applicable) of the license as well as during inspection of the premises

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

- **Processing or production or distribution of fuel gases (coal gas, natural gas and the like) to be public utility service**

The Central Government has declared the services engaged in 'processing or production or distribution of fuel gases (coal gas, natural gas and the like)' to be a public utility service for the purpose of the Industrial Disputes Act, 1947 for a period of 6 months from the date of publishing of the Notification i.e., November 9, 2023.

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

Transport

- **Central Motor Vehicles (Ninth Amendment) Rules, 2023**

The Central Government on November 6, 2023 added Rule 125M in the Central Motor Vehicles Rules, 1989. As per the new rule, approval of electric power train vehicles and hybrid electric vehicles must be taken, and the requirements shall meet the table specified under Rule 124.

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

Utilities

- **Water Purification System (Regulation of Use) Rules, 2023**

The Ministry of Environment, Forest and Climate Change on November 10, 2023 brought about new rules to regulate the use of domestic and commercial purification systems. These rules shall come into force on the expiry of 1 year from the date of their publication in the Official Gazette.

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

State-wise updates

Assam

▪ **Valid consent for all industries**

Pollution Control Board Assam (PCBA) on October 26, 2023 directed all industries to be brought under the consent mechanism through the OCMMS portal starting from November 16, 2023.

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

Chandigarh

▪ **Punjab Liquor License (Chandigarh Second Amendment) Rules, 2023**

The Government of Punjab issued the Punjab Liquor License (Chandigarh 2nd Amendment) Rules, 2023 to further amend the Punjab Liquor License Rules, 1956 whereby Rule 27, which specifies the procedure for grant of retail sale license of country liquor (I-14A) and Indian-Made Foreign Liquor (L-2), has been substituted.

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

Goa

▪ **Guidelines for OTS Scheme for Credit Societies 2023**

The Government of Goa on November 02, 2023 issued a Notification regarding the Guidelines for the OTS Scheme for Credit Societies 2023. This scheme shall come into force on November 02, 2023. Key aspects:

- OTS Scheme shall apply to all the Primary Agricultural Credit/Multipurpose/Urban Co-operative Credit Societies registered in the State of Goa who are doing the credit and deposit business
- The Scheme shall not cover cases of fraud, misappropriation of funds, and wilful defaulter
- The benefits under the OTS Scheme shall be given to only those loan accounts wherein the society has made and accounted for adequate NPA provision in the audited balance sheet as of March 31, 2023
- Facilities/exemption in relation to any other loan repayment; they shall also not be eligible to avail of loan or stand surety to any type of loans advanced by the society for the next 6 years
- The last date of application to avail of the OTS shall be decided by the Board; however, the same shall not be extended beyond March 31, 2024 from the date of issue of revised Guidelines

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

Haryana

▪ **Draft of Haryana Solar Power Policy, 2023**

The Government of Haryana on November 09, 2023 issued a Draft of Haryana Solar Power Policy, 2023 to supersede the Haryana Solar Power Policy, 2016, inviting suggestions and comments from the general public up to December 07, 2023.

Under the new Draft Haryana Solar Policy 2023, the state has set an ambitious target to install a cumulative 6 GW of solar capacity by 2023. This includes 1.6 GW of rooftop solar power plants, 3.2 GW of ground-mounted solar power plants (with or without energy storage), and the solarization of irrigation pumps with a capacity of 1.2 GW.

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

▪ **Electronic commerce operator who is required to collect tax at source under Section 52**

The Government of Haryana on October 27, 2023 issued a Notification regarding electronic commerce operators who are required to collect tax at source under Section 52.

- The electronic commerce operator shall allow the supply of goods through it by the said person only if an enrolment number has been allotted on the common portal to the said person
- The electronic commerce operator shall not allow any inter-state supply of goods through it by the said person
- The electronic commerce operator shall not collect tax at source under sub-Section (1) of Section 52 in respect of the supply of goods made through it by the said person
- The electronic commerce operator shall furnish the details of supplies of goods made through it by the said person in the statement in FORM GSTR-8 electronically on the common portal

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

▪ **Amendment to the Notification related to the special procedure to be followed by a registered person engaged in manufacturing of goods**

The Government of Haryana issued an amendment to the Notification related to the special procedure to be followed by a registered person engaged in manufacturing of goods.

As per the amendment, in Notification No. 44/GST-2, dated August 29, 2023, after the words 'hereby notifies the following special procedure to be followed', the words and figures 'with effect from 1st day of January 2024' have been inserted and shall be deemed to have been inserted with effect from August 29, 2023.

(To view the previously published Notification, please click [here](#) and to view the Amendment Notification, please click [here](#))

Himachal Pradesh

▪ **Special Road Tax for motor vehicles registered in the state**

The Government of Himachal Pradesh on November 01, 2023 issued a Notification pertaining to Special Road Tax (SRT) on motor vehicles registered in the state. The SRT shall be levied, charged and paid to the State Government on the Transport Vehicles defined in the Notification used or kept for use in Himachal Pradesh with the respective rates.

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

▪ **Himachal Pradesh Forest Produce Transit (Land Routes) Amendment Rules, 2023**

The Government of Himachal Pradesh issued the Himachal Pradesh Forest Produce Transit (Land Routes) Amendment Rules, 2023 whereby the following rules have been amended:

- Rule 6 which states 'Validity period of Registration Certificate' has been substituted
- Rule 7 which states 'Issue of pass for export or transport of forest produce' has been substituted

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

Jharkhand

▪ **Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) (First Amendment) Regulations, 2023**

The Jharkhand State Electricity Regulatory amended the Jharkhand State Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2020. These Regulations shall not apply to the following cases:

- Generating Stations whose tariff has been discovered through tariff-based competitive bidding in accordance with the guidelines issued by the Central Government and adopted by the Commission under Section 63 of the Act
- Generating Stations based on renewable sources of energy

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

Kerala

▪ **Consumer Price Index numbers for agricultural laborers and industrial workers**

The Department of Economics and Statistics, Kerala on November 13, 2023 released the Consumer Price Index for Agricultural Labourers and Industrial workers f. The linking number are as follows:

- Thiruvananthapuram – 2.11
- Kollam – 2.09
- Punalur – 2.10
- Pathanamthitta – 2.03
- Alappuzha – 2.05

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

Ladakh

▪ **Daft Union Territory of Ladakh Public Gambling Regulation, 2023**

The Government of Ladakh on November 06, 2023 issued the draft Union Territory of Ladakh Public Gambling Regulation, 2023 whereby the said Regulations define the punishments for public gambling, keeping of common gaming-house and other gaming activities in the Union Territory of Ladakh.

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

Maharashtra

▪ **Maharashtra Municipal Corporations (Transfer of Immovable Property by Lease and Renewal of Lease) Rules, 2023**

The Government of Maharashtra on November 06, 2023 replaced the Maharashtra Municipal Corporations (Renewal of Lease or Transfer of Immovable Property) Rules, 2019. These Rules are applicable for the transfer of immovable property of the Municipal Corporation by lease, renewal of lease, or sub-lease thereof to the third party, with the approval of the Corporation.

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

▪ **Clarification regarding determination of place of supply in various cases**

The Government of Maharashtra on November 06, 2023 issued a clarification regarding the determination of place of supply in various cases. Representations have been received from the trade and field formations seeking clarification on certain issues with respect to the determination of place of supply in case of:

- Supply of service of transportation of goods, including through mail and courier
- Supply of services in respect of the advertising sectors supply of the 'co-location services'

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

Manipur

▪ **Manipur Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2021**

The Government of Manipur on November 06, 2023 published the Manipur Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2021 to consolidate the laws relating to the Regulation of Employment and other Conditions of Service of workers employed in shops and establishments. The said Amendment Act shall come into force with effect from June 29, 2021. The Act shall apply to all shops and establishments employing 10 or more workers except the following:

- Worker occupying the position of confidential, managerial, or supervisory nature in a shop or establishment
- Worker whose work is inherently intermittent
- Any shop or establishment run by the Union State government or local authority
- Any officer of the Reserve Bank of India
- A member of the family of any employer
- An establishment used for the treatment or care of the sick, infirm, destitute, or mentally unfit

The existing Manipur S&E Act, 1972 and the Manipur S&E (Regulation of Employment and Conditions of Service) Ordinance, 2021 are hereby repealed.

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

NCT of Delhi

▪ **Implementation of actions under Stage-IV ('severe+' air quality) of the revised GRAP in Delhi-NCR**

The Commission for Air Quality Management in National Capital Region and Adjoining Areas (**CAQM**) on November 05, 2023 issued an order regarding the implementation of actions under Stage-IV ('severe+' air quality) of the revised Graded Response Action Plan (**GRAP**) in Delhi-NCR.

Currently, all actions up to Stage-III of the GRAP are already in force in NCR w.e.f. November 02, 2023. The sub-Committee has decided to take the following actions:

- Stop entry of truck traffic into Delhi (except for trucks carrying essential commodities/providing essential services and all LNG/CNG/electric trucks)
- Prohibit LCVs registered outside Delhi, other than EVs/CNG/BS-VI diesel, to enter Delhi, except those carrying essential commodities/providing essential services
- Ban on plying of Delhi registered diesel operated Medium Goods Vehicles (**MGVs**) and Heavy Goods Vehicles (**HGVs**) in Delhi, except those carrying essential commodities/providing essential services
- Ban C&D activities also in linear public projects such as highways, roads, flyovers, overbridges, power transmission, pipelines etc.
- NCR State Govts and GNCTD may take a decision on discontinuing physical classes even for classes VI-IX, and class XI and conduct lessons in an online mode
- NCR State Governments/GNCTD to take a decision on allowing public, municipal and private offices to work on 50% strength and the rest to work from home
- The Central Government may make appropriate decisions on permitting work from home for employees in central government offices

- State Governments may consider additional emergency measures like the closure of colleges/educational institutions and closure of non-emergency commercial activities, permitting the running of vehicles on an odd-even basis of registration numbers, etc.

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

- **Non-issuance of P10 permits to independent restaurants for hosting functions**

The Government of NCT of Delhi on November 01, 2023 issued a Circular regarding non-issuance of P10 permits to independent restaurants for hosting functions whereby the Circular states that many independent restaurants are hosting functions on P-10 permits, despite Excise Department already debarring such restaurants for hosting functions using the said permits. Therefore, all L-6 retail vends have been directed to ensure that no P-10 permits shall be issued to Independent Restaurants for hosting functions.

Furthermore, a list of HCR Licensees and a list of all Eating Houses eligible for the Excise License have been provided in the said Circular. Non-Compliance may lead to cancellation of licenses against the defaulter L-6 vends.

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

- **Notification on various welfare schemes and benefits to the beneficiaries under Delhi BOCW Board**

The Government of NCT Delhi, Labour Department vide Notification F. No. 17(1212)/DBOCWWB/22/5153-5163 announced various welfare schemes for the registered beneficiaries w.e.f. October 20, 2023.

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

- **Delhi Right of Way (RoW) Policy for Underground Infrastructure and Overground Infrastructure, 2023**

The Urban Development Department, Govt. of National Capital Territory of Delhi, on November 02, 2023 notified the Delhi Right of Way (RoW) Policy for Underground Infrastructure and Overground Infrastructure, 2023, which shall come into force from November 02, 2023 Key aspects:

- Rule 2 lays down various definitions like 'Indoor Micro Communications Equipment', 'Outdoor Micro Communications Equipment', and others
- Chapter II talks about the Nodal Department and the role of Appropriate Authority
- Chapter III talks about the Right of Way Policy for Telcom Infrastructures, related Procedures, and charges/fees

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

Punjab

- **New emission standards for boilers**

The Punjab Pollution Control Board on October 27, 2023 notified new emission standards for boilers providing details in respect to the industry, parameters, and type of industrial boiler (fuel-wise) and the respective standards. These standards shall come into force on May 15, 2025.

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

Tamil Nadu

- **List of holidays for the Calendar Year 2024**

The Government of Tamil Nadu on November 9, 2023 issued the list of public holidays for the Calendar Year, 2024. It shall be applicable to all Public Sector Undertakings/Corporations/Boards etc. of the State Government.

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

- **Tamil Nadu Motor Vehicles Taxation (Amendment) Act, 2023**

The Government of Tamil Nadu on November 7, 2023 notified November 09, 2023 as the enforcement date on which the provisions of Tamil Nadu Motor Vehicles Taxation (Amendment) Act, 2023.

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

- **Amendment to Tamil Nadu Minor Mineral Concession Rules, 1959**

The Government of Tamil Nadu on October 26, 2023 amended the Tamil Nadu Minor Mineral Concession Rules, 1959, whereby the definition of Granite has been substituted in Rule 5-AA.

(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

 www.uncomplycate.com

 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

403, Ansal Krsna - I Chikku
Lakshmaiah Layout, Hosur Road
Bengaluru - 560030

Kolkata

Office Space No. K Block - E, 1st Floor
Chowringhee Mansions A/2D, Dr. Md.
Ishaque Road Kolkata – 700016
Phone: (+91) (33) 4035 0000

