



COMPLIANCE UPDATE

MAY 2024 | Part 1 of 2

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Securities and Exchange Board of India (SEBI)

- **Securities and Exchange Board of India (Alternative Investment Funds) (Second Amendment) Regulations, 2024**

The Securities and Exchange Board of India on April 25, 2024 directed Alternate Investment Funds to exercise specific due diligence, with respect to their investors and investments to prevent facilitation of circumvention of such laws, as may be specified by the Board from time to time.

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

Central Board of Direct Taxes (CBDT)

- **Revision in rate of exchange of conversion for foreign currencies**

CBDT on April 18, 2024 revised the rate of exchange of conversion for foreign currencies. The revised rates would be applicable for imported and export goods.

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

Reserve Bank of India (RBI)

▪ [Foreign Exchange Management \(Non-debt Instruments\) \(Third Amendment\) Rules, 2024](#)

The Ministry of Finance on April 16, 2024 has amended Schedule I of Foreign Exchange Management (Non-debt Instruments) Rules, 2019. The amendment provides the revised caps for foreign investment through automatic route in the Space Sector.

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

▪ [Master Circular - Credit facilities to Scheduled Castes \(SCs\) & Scheduled Tribes \(STs\)](#)

The Reserve Bank of India on April 16, 2024 notified Master Circular for Credit facilities to Scheduled Castes (SCs) & Scheduled Tribes (STs). The Master Circular consolidates:

- Role of Banks
- Role of SC/ST Development Corporations
- Reservations for SC/ST beneficiaries under major Centrally Sponsored Schemes
- Credit Enhancement Guarantee Scheme for Scheduled Castes (CEGSSC)

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

▪ [Reserve Bank of India \(Asset Reconstruction Companies\) Directions, 2024](#)

The Reserve Bank of India on April 16, 2024 notified Reserve Bank of India (Asset Reconstruction Companies) Directions, 2024. The directions specify:

- Registration process of ARCs
- Guidelines on Asset Reconstruction and Securitization
- Conduct of business
- Disclosures by ARCs

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

▪ [Foreign Exchange Management \(Mode of Payment and Reporting of Non-Debt Instruments\) \(Amendment\) Regulations, 2024](#)

The Reserve Bank of India on April 23, 2024 directed Investee Indian Companies to report to the Reserve Bank in Form LEC (FII), the purchase or subscription of equity shares.

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

▪ [Foreign Exchange Management \(Foreign Currency Accounts by a person resident in India\) \(Amendment\) Regulations, 2024](#)

The Reserve Bank of India on April 23, 2024 has allowed funds raised through External Commercial Borrowings (ECB), American Depository Receipts (ADRs), or through direct listing of equity shares of companies incorporated in India on International Exchanges, be held in foreign currency accounts with a bank outside India, pending their utilization.

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

Industry-wise updates

Commerce (wholesale & retail)

▪ [Streamlining of Halal Certification process for meat and meat Products](#)

The Ministry of Commerce and Industry on April 23, 2024, has extended the time period for accreditation of Halal Certification Bodies as well as for registration of export units, for a period of 3 months i.e., up to July 04, 2024.

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

Labor and Employment

▪ [Apprenticeship \(Amendment\) Rules, 2024](#)

The Ministry of Skill Development and Entrepreneurship on April 19, 2024 has revised the criteria for appointment of apprentices for Machine Shop Trades.

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

State-wise updates

Andhra Pradesh

▪ **Declaration of Public Holiday on Account of Poll for Legislative Assembly of Andhra Pradesh 2024 & Lok Sabha 2024**

The General Administration Department, Andhra Pradesh vide Notification dated April 18, 2024, declared public holiday on May 13, 2024 (Monday) on account of poll for legislative assembly of Andhra Pradesh 2024 & Lok Sabha 2024 under the Negotiable instruments Act, 1881 in the State. (To view the Notification, please click [here](#))

Goa

▪ **Goa Minor Mineral Concession (Amendment) Rules, 2024**

The Mines Department of Goa on March 15, 2024 issued the Goa Minor Mineral Concession (Amendment) Rules, 2024 to further amend the Goa Minor Mineral Concession Rules, 1985. This came into force on March 28, 2024 and the amendment states as follows:

- Rule 19 (1), which states 'Period of quarrying lease and renewal', has been substituted
- Rule 47, which states about 'Application to Competent Officer to bring minor minerals from outside Goa, Daman and Diu', has been substituted
- Rule 53 has been amended
- Rule 62, which specifies the penalties has been amended

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

▪ **Declaration of public holiday on May 07, 2024 in lieu of General Elections**

The Government of Goa on April 16, 2024, issued the notification regarding public holiday on May 07, 2024 due to General Elections. A paid holiday shall be granted to the workers and establishments as detailed below: -

- Industrial workers of the State of Goa
- Daily wage workers of the Government Departments and State Government Industrial Departments
- Commercial and industrial workers of private establishments in the State of Goa
- All private establishments
- Daily wage/casual workers employed in any business, trade, industrial undertakings, or any other establishments

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

Govt of NCT of Delhi

▪ **Labor Commissioner Delhi issued a notification regarding the holiday**

The Labor Commissioner Delhi on April 22, 2024, issued a Circular regarding declaring May 25, 2024 as a paid holiday. The Notification directs field units to ensure that laborers/employees in commercial and industrial units are allowed to vote. Additionally, a letter from CEO Delhi dated April 12, 2024, emphasized including voter awareness messages in all notices of the Labor Department. All districts of the Labor Department are instructed to comply with these directives. Advertisement materials should be prominently displayed in districts, and district in-charges are directed to organize meetings with industrial/commercial/trade associations and trade unions to encourage voting on May 25, 2024 and grant paid holidays to employees on polling day.

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

Haryana

▪ **Holiday with wages for all Shops and Commercial Establishments to enable them to cast their votes**

The Government of Haryana on April 22, 2024, directed Saturday i.e. May 25, 2024, to be a holiday with wages for all Shops and Commercial Establishments falling within the jurisdiction area of the State of Haryana for only those who are enrolled as voters in the State of Haryana to enable them to cast their votes.

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

Himachal Pradesh

▪ [Issue of remunerative price for purchase and sale of apple](#)

The Government of Himachal Pradesh on April 23, 2024, issued the remunerative price for the purchase and sale of apples. It has been stated that to ensure freshness and quality of the fruit, remunerative price shall be as such in the manner as specified in the Table. The Specification of the universal carton is specified in the Table. It has further stated that if any, residual effects such as use of any insecticides/pesticides/fungicides, waxing and whether organic produce, certification thereto etc., may be mentioned on the label to be affixed on the standard carton.

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

Karnataka

▪ [Grant of Paid Holiday to Employees In Lieu of Elections](#)

The Labor Department, Karnataka vide notification dated April 24, 2024, granted paid holiday to employees in lieu of elections on April 26, 2024, and May 07, 2024. It stated that all employees of factories, shops and commercial establishments as well as other establishments should be granted holiday for exercising right to vote on the days of polling. The first phase of Lok Sabha elections will be held on April 26, 2024 (Friday) and the second phase on 07th May 2024 (Tuesday) and the by-elections for 36 Shorapur Assembly Constituency of Yadigiri district will also be held on May 07, 2024 (Tuesday).

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

▪ [Draft Karnataka Electricity Regulatory Commission \(Terms and Conditions for Determination of Generation Tariff\) Regulations, 2024](#)

The Karnataka Electricity Regulatory Commission, vide Notification dated April 25, 2024, notified the draft Karnataka Electricity Regulatory Commission (Terms and Conditions for Determination of Generation Tariff) Regulations, 2024. The important provisions are sale of infirm power, where the supply of such power will be supplied in accordance with the Central Electricity Regulatory Commission, amended from time to time till the time the commission issues at separate regulation for the purpose. Further for the supply of coal or lignite prior to the date of commercial operation of the integrated mine, the input price from the integrated mines to their commercial operation is notified accordingly. This came into force from April 01, 2024, and unless reviewed earlier or extended by the commission should remain in force up to March 31, 2029.

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

Kerala

▪ [Details of Packing Machine for registered person engaged in manufacturing of the goods under the Kerela GST Act, 2017](#)

The Tax Department, Kerala vide Notification dated April 17, 2024, notified details of the packing machine under the Kerela State Goods and Services Tax Act, 2017 where special procedure needs to be followed by a registered person engaged in manufacturing of the goods. The notification came into effect from April 01, 2024.

It further stated-

- Details of packing machines used for filling and packing should be given electronically on the common portal in Form GST SRM-1, within 30 days.
- Any person intending to manufacture goods and who has been granted registration should furnish details of packing in Form GST SRM-1 on common portal within 15 days of grant of registration.

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

▪ [Ban on cutting, uprooting and burning of trees under the Kerela Preservation of Trees Act, 1986](#)

The Forest and Wildlife Department, Kerala vide Notification dated April 18, 2024, imposed a ban on the cutting, uprooting, and burning of trees. It was stated that no tree standing in the area mentioned in the schedule should be cut, uprooted, burnt, or destroyed except on the grounds that it posed a danger to life or property, or the tree is dead, diseased or wind fallen.

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

▪ [Public Tech Platform for frictionless credit under the Kerela GST Act, 2017](#)

The Tax Department, Kerala vide Notification dated April 17, 2024, notified about the Public Tech platform for frictionless credit under the Kerela Goods and Services Act, 2017 as the system for which information may be shared by the common portal based on consent under the Act.

'Public Tech Platform for frictionless credit' means an enterprise-grade open architecture information technology platform, conceptualized by the Reserve bank of India as part of its statement on developmental and regulatory policies dated August 10, 2023 and developed by its wholly owned subsidiary, Reserve Bank Innovation Hub, for the operations of a large ecosystem of credit.

The objective of this system is to ensure access of information from various data sources digitally and where the financial service providers and multiple data service providers converge on the platform using standard and protocol driven architecture, open and shared Application Programming Interface (APD framework)

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

Maharashtra

▪ **RERA Maharashtra issued a notification related to inviting suggestions on draft regulation for quality assurance**

The Real Estate Regulatory Authority (RERA Maharashtra), on April 24, 2024, issued a notification related to inviting suggestions on Draft Regulation for quality assurance. RERA has developed a Quality Assurance Certificate wherein the promoter shall report on a yearly basis on the following parameters:

- Structural Design, Stability and Testing
- Quality of Input Materials
- Quality of Workmanship
- Miscellaneous

The declaration shall be displayed and all Stakeholders are requested to submit their suggestions on the proposal contained in the consultation paper by May 23, 2024

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

▪ **Amendment in Maharashtra State Tax on Professions, Trades, Callings, and Employments Rules**

The Finance Department, Maharashtra on April 24, 2024, issued the Maharashtra State Tax on Professions, Trades, Callings, and Employments (Amendment) Rules, 2024.

In the schedule after entry (9) the following shall be inserted namely: -

'10 - The Employer who is liable to file the return along with the payment and where the due date prescribed to file said return falls between the March 1, 2024 to March 31, 2024 but could not file the return due to technical difficulties.'

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

▪ **Amendment to Maharashtra Value Added Tax Act, 2002**

The Finance Department Maharashtra, on April 24, 2024, issued a notification related to Maharashtra Value Added Tax Act, 2002. The Government of Maharashtra amends the previously published Government Notification dated January 1, 2014.

The following has been stated:

In the Schedule, appended to the said notification, after entry 10, the entry 11 shall be added (Dealer, who is liable to file the return under rule 17 or 18 of the Maharashtra Value Added Tax Rules, 2005 and where the due date prescribed to file said return falls between the 1st March 2024 to 31st March 2024 but could not file the return due to technical difficulties)

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

Meghalaya

▪ **Meghalaya Industrial and Investment Promotion Policy, 2024**

The Commerce & Industries Department, Meghalaya, notified the Meghalaya Industrial and Investment Promotion Policy, 2024. The objective is to serve as a strategic unified framework, drawing investments at regional, national, and international levels. This Policy aims to leverage the benefits of the Uttar Poorva Transformative Industrialization Scheme (UNNATI), 2024 by providing additional advantages to the investors, streamlining administrative processes, consolidating multifaceted initiatives under a single platform to promote economic development, local youth participation, community participation and employment opportunities.

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

Nagaland

▪ **Draft Nagaland Agriculture Produce and Livestock Marketing (General) Rules, 2024**

The Government of Nagaland on March 14, 2024, issued the draft rules of Nagaland Agriculture Produce and Livestock Marketing (General) Rules, 2024. It specifies the provision for grant of single or unified licenses to establish electronic trading platforms, private market yard, farmer-consumer market yard, market sub-yard and direct marketing.

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

Puducherry

▪ **Advisory regarding the preparatory measures to minimize the adverse effects of heat-wave**

The Labor Department, Puducherry vide Notification dated April 16, 2024, issued advisory regarding the preparatory measures to minimize the adverse effects of heat-wave.

As per the Notification, following steps must be taken:

- To provide cool drinking water at workplace, to schedule strenuous and outdoor jobs during cooler times of the day like morning and evening.
- The stakeholders should maintain enough water and buttermilk at the workplace and at a place of easy access.
- The owners of factories or construction sites should maintain a sufficient stock of ORS packets along with essential medicines and ice packs during the season of intense heat.

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

Sikkim

▪ **Draft Sikkim Occupational Safety, Health, and Working Conditions Rules, 2024**

The Labor Department of Sikkim on April 25, 2024, issued the Draft Sikkim Occupational Safety, Health, and Working Conditions Rules, 2024.

- It shall extend to the whole of the State of Sikkim.
- It specifies that employers seeking registration for an unregistered establishment shall electronically submit Form-1 with specified details, signed digitally or as required on the portal.
- It mentions that employers of factories, contract labor, building, or construction works shall electronically submit Form-4 to the Registering Officer within 30 days of commencing or ceasing operations, enclosing a notice of cessation with a certificate of payment to workers and hazard-free premises.
- It also states that every employer shall provide free medical examination annually to employees aged 40 or older, drawing wages equal to or less than the specified ceiling under the Social Security Code, conducted by a qualified practitioner as per Form-5, with the option to avail ESIC facilities.
- It specifies the conditions relating to safety, holidays and working hours or any other condition to be observed by the employer relating to employment of women.
- It also specifies special provisions for qualification, criteria and manner of making application for licensing of establishments along with Forms, regarding Contract Labor, Inter-state Migrant Worker, Audio-Visual Workers, Beedi and Cigar Workers

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

Telangana

▪ **Extension of time to declare motor transport industry as Public Utility Service**

The government of Telangana on April 16, 2024 issued a notification regarding the extension of time period to declare motor transport industry as Public Utility Service. In the previous notification, the motor transport industry in Telangana was declared as a Public Utility Service for a period of 6 months till February 22, 2024. The said period has been extended for further 6 months with effect from February 23, 2024.

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

▪ **New Industrial Siting Guidelines issued in Telangana**

The Telangana State Pollution Control Board (TSPCB) has established new siting guidelines for industrial units in Telangana. These guidelines are based on the recommendations of the technical committee of experts and aims to balance industrial development with environmental and community concerns.

Distance from Water Bodies

- Minimum distances from rivers, lakes, and notified water bodies are specified for different industry categories based on pollution potential:
 - o Red Category (highly polluting): 500 meters upstream (air & water)
 - o Orange Category (moderately polluting): 300 meters upstream (air & water)
 - o Green Category (relatively less polluting): 200 meters upstream
- Industries with boilers exceeding 5 TPH capacity must maintain a minimum distance of 300 meters from the water body's full tank level (FTL).
- Projects within 500 meters of a water body require a NOC from the Irrigation and Command Area Development (I&CAD) department to ensure no obstruction of natural drainage.
- All constructions or industries must maintain a 30-meter buffer zone from feeder channels of water bodies.

Mining Project Siting

- A minimum distance of 200 meters from habitations, educational institutions, healthcare centres, religious sites, archaeological monuments, and other sensitive areas applies for mining projects with blasting activities. This distance reduces to 100 meters without blasting.
- The same distance requirements (200 meters with blasting, 100 meters without) apply for mining projects concerning water bodies.

General Distance Criteria (Where Specific Guidelines Don't Exist):

- Red Category industries: 500 meters
- Orange Category industries: 300 meters
- Industries with boilers exceeding 5 TPH capacity: 300 meters
- Green Category industries: 200 meters

Applicability

- These guidelines apply only to new industrial units or construction projects.
- Existing projects with prior environmental clearances are exempt.
- Industrial zones, parks, IDAs (Industrial Development Authorities), and SEZs (Special Economic Zones) have their own siting regulations.

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

Tripura

▪ **Holiday in Tripura for upcoming Lok Sabha Elections 2024**

On April 10, 2024, the Government of Tripura issued a notification regarding the closure of certain establishments and offices within the Tripura West Parliamentary Constituency and the East Tripura (ST) Parliamentary Constituency on specific dates in April 2024.

The purpose of this closure is to facilitate individuals in exercising their right to vote during the General Election to the Lok Sabha 2024 and Assembly Bye-Election 2024. According to the notification, April 19, 2024 and April 26, 2024 have been designated as paid holidays for employees of government offices, magisterial courts, financial institutions, industrial undertakings, and other relevant establishments within the specified constituencies.

Additionally, the notification grants special casual leave to individuals who are residents and registered electors of the constituencies but are serving or employed outside these areas. It is important to note that the closure and paid holidays do not apply to individuals whose absence could pose a danger or result in substantial loss in their employment.

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

Uttarakhand

▪ **Issue of Recovery Certificates for amount deposited by allottees against dues by SIDCUL**

The State Infrastructure and Industrial Development Corporation of Uttarakhand Limited (SIDCUL), vide Notification dated April 29, 2024, notified to all its regional managers to issue recovery certificates for the amount deposited by the allottees against their dues and that the certificate will be issued to all those allottees who have not paid their dues of SIDCUL bill, till date.

State Infrastructure & Industrial Development Corporation Uttarakhand Ltd. (SIIDCUL), a Government of Uttarakhand Enterprise was established primarily with an objective of providing overall industrial development of the state.

SIIDCUL is dedicated to catalyzing industrial growth in Uttarakhand providing the best industry – Specific - Infrastructure.

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

West Bengal

- **Extension of Scheme for Financial Assistance to the Workers in Locked Out Industrial Units (FAWLOI)**

The Labor Department, West Bengal vide Notification dated April 18, 2024, extended the scheme for 'Financial Assistance to the Workers in Locked Out Industrial Units (FAWLOI)' as amended for a further period of one year with effect from April 01, 2024, to March 31, 2025.

The Scheme was introduced in the State of West Bengal from the year 1998, to provide some financial relief to the industrial workmen who are out of employment due to prolonged lock out, suspension of work or closure of industrial units.

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

- **Extension on last date for filing of Profession Tax**

The Tax Department, West Bengal vide Notification dated April 26, 2024, notified regarding the last date for online filing of profession Tax return for the Financial Year of 2023-24 which has been extended to May 15, 2024, and the last date for the submission of paper copy has been extended to May 30, 2024.

(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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