



**JHS** & Associates LLP  
Chartered Accountants

# **KNOWLEDGE ALERTS**

## **INSIGHTS TO UPDATE YOU ON MAJOR REGULATORY AMENDMENTS**

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**31<sup>ST</sup> JANUARY, 2022 TO  
04<sup>TH</sup> FEBRUARY, 2022**

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## 01 CENTRAL BOARD OF DIRECT TAXES

Clarification regarding the Most-Favoured-Nation (MFN) clause in the Protocol to India's DTAA's with certain countries

Circular No. 3/2022:

Central Board of Direct Tax clarified regarding the DTAA with certain countries as The Protocol to India's Double Taxation Avoidance Agreements (DTAAs) with some of the countries, especially the European States and OECD members contains a provision, referred to as the Most-Favoured-Nation (MFN) clause. Though each MFN clause in these DTAA's has a different formulation, the general underlying provision is that if after the signature/ entry into force (depending upon the language of the MFN clause) of the DTAA with the first State, India enters into a DTAA with another OECD Member State, wherein India limits its source taxation rights in relation to certain items of income to a rate lower or a scope more restricted than the scope provided for those items of income in the DTAA with the first State, such beneficial treatment should also be extended to the first State.

Read more at:

<https://www.incometaxindia.gov.in/communications/circular/circular-3-2022.pdf>

## 02 CENTRAL BOARD OF INDIRECT TAXES

Clarifies retail sale price based valuation of Tobacco and Tobacco products for the purposes of computation and payment of Basic Excise Duty and NCCD

CBIC issued Circular No. 1082/03/2022-CX Dated 01.02.2022

It provides clarification regarding retail sale price based valuation of tobacco and tobacco products for the purposes of computation and payment of Basic Excise Duty and National Calamity Contingent Duty (NCCD). The circular is directed to ensure that the valuation of the tobacco and tobacco products, as provided under the relevant notification(s), with reference to retail sale price declared on such goods less such amount of abatement as is notified, is done for the levy and collection of the basic excise duty and NCCD on such goods.

Read more at:

[https://www.cbic.gov.in/resources//htdocs-cbec/excise/cx-circulars/cx-circulars-2022/Circular\\_No\\_1082\\_03\\_2022-CX.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/excise/cx-circulars/cx-circulars-2022/Circular_No_1082_03_2022-CX.pdf)

### Clarification regarding applicability of Social Welfare Surcharge on goods exempted from basic and other customs duties/cesses

CBIC issued Circular No. 03/2022-Customs, Dated. 01.02.2022

Provides Clarification regarding applicability of Social Welfare Surcharge on goods exempted from basic and other customs duties/cesses. Social Welfare Surcharge (SWS) is levied and collected, as a duty of customs, vide Section 110 of the Finance Act, 2018 (13 of 2018) and is calculated at the rate of 10 per cent. on the aggregate of duties, taxes and cesses which are levied and collected by the Central Government as a duty of customs on goods imported into India. The circular also clarifies that the amount of Social Welfare Surcharge payable would be 'Nil' in cases where the aggregate of customs duties (which form the base for computation of SWS) is zero even though SWS has not been exempted.

Read more at:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2022/Circular-No-03-2022.pdf>

### Notification of Authorised Officers under section 25 read with Section 47 (5) of Food Safety Standards (FSS) Act, 2006 and Regulation 13 (1) of FSS (Import) Regulation, 2017

CBIC issued Instruction No. 02/2022-Customs, Dated 02.02.2022

FSSAI has provided list of Authorised Officers under section 25 read with Section 47 (5) of Food Safety Standards (FSS) Act, 2006 and Regulation 13 (1) of FSS (Import) Regulation, 2017 and also provided updated list of Point of Entries (PoEs) for import of food (Annexure-I). The instruction stated that FSSAI has notified Authorised officers at 157 PoEs for food wherein 104 PoEs are to be manned by Customs officials as Authorised officers (AOs) while 53 PoEs are manned by FSSAI officials. Further, FSSAI has provided a list of Food Testing Laboratories (Annexure-II).

Read more at:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-instructions/cs-instructions-2022/cs-ins-02-2022.pdf;jsessionid=B38D4DDD533113249C2DEEEEC16FFB639>

### Increasing Basic Excise Duty on Unblended Petrol and Diesel

CBIC issued Notification No. 01/2022-Central Excise, Dated. 01.02.2022

Seeks to amend Notification No. 11/2017-Central Excise, dated 30<sup>th</sup> June, 2017, published in the Gazette of India to increase Basic Excise Duty on Unblended Petrol and Diesel, in order to promote Blending in the country. The notification amends SI No.2 and SI No.3 and adds related entries after SI No.2 and SI No.3 in the table mentioned in the Notification No. 11/2017-Central Excise, dated 30<sup>th</sup> June, 2017. The notification will come into effect from 1<sup>st</sup> October, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

Supersede notification No. 49/2008-Central Excise (N.T.) dated 24.12.2008  
CBIC issued Notification No. 01/2022-Central Excise (N.T.), Dated. 01.02.2022

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Seeks to supersede notification No. 49/2008-Central Excise (N.T.) dated 24.12.2008, in order to align it with the current legal position, post roll-out of GST. This notification shall come into force on the 2<sup>nd</sup> February, 2022.

Read more at:

<https://www.cbic.gov.in/resources//htdocs-cbec/excise/cx-act/notifications/notfns-2022/cx-nt2022/cx-nt01-2022.pdf;jsessionid>

Rescind Notification No. 1/2017- Customs (CVD) dated 07.09.2017  
CBIC issued Notification No. 01/2022-Customs (CVD), Dated. 01.02.2022

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Seeks to rescind the countervailing duty imposed on imports of “Certain Hot Rolled and Cold Rolled Stainless Steel Flat Products” originating in or exported from People’s Republic of China vide Notification No. 1/2017- Customs (CVD) dated 07.09.2017.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

Revokes Anti-Dumping Duty on Imports of “Straight Length Bars and Rods of alloy-steel”  
CBIC issued Notification No. 05/2022-Customs (ADD), Dated. 01.02.2022

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Seeks to revoke Anti-Dumping Duty on Imports of “Straight Length Bars and Rods of alloy-steel” originating in, or exported from People’s Republic of China, and imported into India and hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 54/2018-Customs (ADD), dated the 18<sup>th</sup> October, 2018, published in the Gazette of India, except as respect things done or omitted to be done before such rescission.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

### Revokes Anti-Dumping Duty on Imports of “High Speed Steel of Non-Cobalt Grade”

CBIC issued Notification No. 05/2022-Customs (ADD), Dated. 01.02.2022

Seeks to revoke Anti-Dumping Duty on Imports of “High Speed Steel of Non-Cobalt Grade” originating in, or exported from Brazil, People’s Republic of China and Germany, and imported into India and hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 38/2019-Customs (ADD), dated the 25<sup>th</sup> September, 2019, published in the Gazette of India, except as respect things done or omitted to be done before such rescission.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

### Revokes Anti-Dumping Duty on Imports of “Flat rolled product of steel, plated or coated with alloy of Aluminium or Zinc”

CBIC issued Notification No. 05/2022-Customs (ADD), Dated. 01.02.2022

Seeks to revoke Anti-Dumping Duty on Imports of “Flat rolled product of steel, plated or coated with an alloy of Aluminium or Zinc” originating in, or exported from People’s Republic of China, Vietnam and People’s Republic of Korea, and imported into India and hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 416/2020-Customs (ADD), dated the 23<sup>rd</sup> June, 2020, published in the Gazette of India, except as respect things done or omitted to be done before such rescission.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

### Automation procedure for Import of Goods at Concessional Rate

CBIC issued Circular No.10/2021-Custom Dated. 01.02.2022

Seeks to amend Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017 so as to simplify and automate the procedures. It provides information regarding the procedure for automation and details regarding Form IGCR-1, IGCR-2 and IGCR-3 The notification shall come into force on the 1<sup>st</sup> day of March, 2022.

Read more at:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2021/Circular-No-10-2021.pdf;jsessionid=B57459F31BBE16E7970F148FB9564AB6>

### Notification of certain Foreign Currencies rates

CBIC issued Notification No. 08/2022-Customs (N.T.), Dated. 03.02.2022

Notifies the amendment of the existing exchange rates notified in the Notification No.04/2022-Customs(N.T.), dated 20th January, 2022 by the CBIC that earlier notified the rates of exchange of conversion of Foreign Currencies into Indian Currencies or vice – versa in Schedule-I and Schedule-II, as the case may be for the purpose of exports and imports of goods. The notification shall take effect from 4<sup>th</sup> February, 2022.

Read more at:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2022/cs-nt2022/csnt08-2022.pdf;jsessionid=72D8F43F58B73F287FD5D65E915FE5B3>

### Amendment of various notification giving exemption to electronic items and medical devices

CBIC issued Notification No. 15/2022-Customs, Dated. 01.02.2022

Seeks to amend the following notifications giving exemption to electronic items and medical devices:

Notification No. 25/2002-Customs, dated the 1<sup>st</sup> March, 2002

Notification No. 24/2005-Customs, dated the 1<sup>st</sup> March, 2005

Notification No. 25/2005 -Customs, dated the 1<sup>st</sup> March, 2005

Notification No. 57/2017-Customs, dated the 30<sup>th</sup> June, 2017

The notification shall come into force on 2<sup>nd</sup> February, 2022

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

### Amendment of Notification No. 25/1999-Customs dated 28.02.1999

CBIC issued Notification No. 14/2022-Customs, Dated. 01.02.2022

Seeks to amend notification No. 25/1999-Customs dated 28.02.1999 published in the Gazette of India to omit redundant and obsolete entries. This notification shall come into force on the 2<sup>nd</sup> of February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Notifies by amendment the effective rate of Basic Customs Duty (BCD).**

**By Notification No. 02/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies the amendment made by the Government of India in the Ministry of Finance (Department of Revenue) in notification No. 50/2017- Customs dated 30th June, 2017 so as to prescribe effective rate of Basic Customs Duty (BCD) under the Customs Act, 1962 and sub-section (12) of section 3 of the Customs Tariff Act, 1975, published in the Gazette of India. In the said notification it omits some entries, some entries are substituted of the said notification where as some entries are inserted relating thereto also for some clauses proviso are inserted. The above notification, save as otherwise provided, shall come into force on 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Exempts certain goods from Social Welfare Surcharge (SWS) and withdraws SWS exemption on certain textile items.**

**By Notification No. 03/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies the amendment made by the Government of India in the Ministry of Finance (Department of Revenue) in notification No. 11/2018- Customs, dated 2nd February, 2018 so as to exempt certain goods from Social Welfare Surcharge (SWS) and withdraw SWS exemption on certain textile items, under the Customs Act, 1962 read with section 110 of the Finance Act, 2018 (13 of 2018), published in the Gazette of India. In the said notification it notifies about the figures that shall be inserted, some figures that are to be omitted, it also notifies about some figures that shall be substituted. The above notification shall come into force on 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Rescinds Notification Nos. 190/1978-Customs and 191/1978-Customs prescribing additional duty of customs on same.**

**By Notification No. 04/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to rescind Notification Nos. 190/1978-Customs and 191/1978-Customs both dated 22nd September, 1978 issued by the Central Government under sub-section (3) of section 3 of the Customs Tariff Act, 1975 (51 of 1975), prescribing the additional duty of customs on imports of transformer oil equivalent to such portion of the excise duty leviable on the raw material commonly known as transformer oil base stock or transformer oil feedstock, except as respect things done or omitted to be done before such rescission.

This notification shall take its effect from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>



**Rescinds Notifications which have become redundant.**

**By Notification No. 05/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to rescind Notification Nos. 10/95-Customs, 26/99-Customs, 27/2004-Customs, 14/2006-Customs, 48/2006-Customs, 90/2007-Customs, 8/2011-Customs, 24/2011-Customs, 49/2013-Customs, 23/2014- Customs, 37/2015-Customs, 11/2016-Customs, 20/2020-Customs, 40/2020-Customs and 82/2017-Customs issued by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962, read with sub-sections (1) and (8) of section 3 of the Customs Tariff Act, 1975, which have become redundant, except as respect things done or omitted to be done before such rescission.

The above notification, save as otherwise provided, shall come into force on 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Amends Notification Nos. 52/2017- Customs and 37/2017-Customs.**

**By Notification No. 06/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to further amend Notification Nos. 52/2017- Customs dated 30.06.2017 and 37/2017-Customs dated 30.06.2017 by the Central Government, sub-section (1) of section 25 of the Customs Act, 1962, to remove entries which are being operated from the First Schedule to the Customs Tariff Act and certain redundant entries to the extent as specified, except as respect things done or omitted to be done before such rescission.

The above notification, save as otherwise provided, shall come into force on 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Amends Notification No. 82/2017- Customs to prescribe effective rate on certain Textile items.**

**By Notification No. 07/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies amendment in Notification No. 82/2017- Customs dated 27<sup>th</sup> October, 2017 by the Central Government, sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) to prescribe effective rate on certain Textile items up to 30<sup>th</sup> April, 2022, therefore, some entries shall be inserted, substituted and omitted for the said notification.

The above notification, save as otherwise provided, shall come into force on 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Amends Notifications to exempt AIDC/Health cess/RIC on goods imported.**

**By Notification No. 08/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies the amendment in Notification Nos. 104/2010-Customs, 38/96-Customs, 40/2017-Customs, 60/2011-Customs, 148/94-Customs made by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) to exempt AIDC/Health cess/RIC on goods imported under the said notifications, to the extent as specified, except as respect things done or omitted to be done before such rescission.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Amends Notifications to prescribe end-dates as per Section 25(4A) of Customs Act, 1962.**

**By Notification No. 09/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies amendment in Notification Nos. 146/94-Customs, 147/94-Customs, 39/96-Customs, 50/96-Customs, 30/2004-Customs, 81/2005-Customs, 5/2017-Customs, 16/2017-Customs, 32/2017-Customs by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) to prescribe end-dates as per Section 25(4A) of Customs Act, 1962, to the extent as specified, except as respect things done or omitted to be done before such rescission.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Amends Notifications to omit redundant entries and reduce export duty on raw hides and skins of buffalo.**

**By Notification No. 10/2022-Customs (Tariff), Dated. 01.02.2022**

Notifies amendment in Notification No. 27/2011-Customs dated 01<sup>st</sup> March, 2011 made by the Central Government under sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962) to omit S. No. 20B, 63, 64 and the redundant entries relating thereto and inserting entries to reduce export duty raw hides and skins of buffalo to 30%.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Implements a graded BCD structure for wearable devices.**

**By Notification No. 11/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to implement a graded BCD structure for wearable devices and its parts, sub-parts and sub-assembly under sub-section (1) of section 25 of the Customs Act, 1962 by the Central Government, thus hereby exempts the goods of the description as specified and falling within the Chapter or heading or sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 as are specified in the notification, when imported into India, from so much of the duty of customs leviable thereon under the said First Schedule as is in excess of the amount calculated at the standard rate, subject to any of the conditions as specified in the Annexure to this notification.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Implements a graded BCD structure for hearable devices.**

**By Notification No. 12/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to implement a graded BCD structure for hearable devices and its parts, sub-parts and sub-assembly under sub-section (1) of section 25 of the Customs Act, 1962 by the Central Government, thus hereby exempts the goods of the description as specified and falling within the Chapter or heading or sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 as are specified in the said notification, when imported into India, from so much of the duty of customs leviable thereon under the said First Schedule as is in excess of the amount calculated at the standard rate, subject to any of the conditions as specified in the Annexure to this notification.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

**Implements a graded BCD structure for smart meters.**

**By Notification No. 13/2022-Customs (Tariff), Dated. 01.02.2022**

Seeks to implement a graded BCD structure for smart meters and its parts, sub-parts and sub-assembly under sub-section (1) of section 25 of the Customs Act, 1962 by the Central Government, thus hereby exempts the goods of the description as specified and falling within the Chapter or heading or sub-heading or tariff item of the First Schedule to the Customs Tariff Act, 1975 as are specified, when imported into India, from so much of the duty of customs leviable thereon under the said First Schedule as is in excess of the amount calculated at the standard rate, subject to any of the conditions as specified in the Annexure to this notification.

This notification shall come into force from 2<sup>nd</sup> February, 2022.

Read more at:

<https://taxinformation.cbic.gov.in/content-page/explore-notification>

### Extension of Last Date for Submitting applications for Scrip based FTP Schemes

DGFT Issued Notification No. 53/2015-2020 dated 01.02.2022

Notifies that the last date of submitting applications under MEIS, SEIS, ROSCTL, ROSL and 2% additional ad hoc incentive (under Para 3.25 of FTP) which was earlier notified to be 31.01.2022 has been extended to 28.02.2022.

Read more at:

<https://content.dgft.gov.in/Website/dgftprod/d1ed1b49-6de9-4566-8368-1581cf27c5b8/English%20copy%20of%20Notification%20No%2053.pdf>

### Amendment in Export Policy Of Syringes

DGFT Issued Notification No. 52/2015-2020 dated 31.01.2022

Seeks to amend the Notification No. 38/2015-2020 dated 14<sup>th</sup> October, 2021 pertaining to Chapter-90 of Schedule 2 of ITC (HS) Export Policy, 2018 related to export of syringes. The export policy of Syringes with or without Needles of denominations (i) 0.5ml/ 1ml AD syringes (ii) 0.5ml/ 1ml/ 2ml/ 3ml disposable syringes and (iii) 1ml/ 2ml/ 3ml RUP Syringes falling under HS Code specified in the notification or falling under any other HS code was previously put under 'Restricted Category' now it has been made 'Free' with immediate effect.

Read more at:

<https://content.dgft.gov.in/Website/dgftprod/25e75a96-20ba-46e2-a0d9-9a5a9f16d567/Noti%2052%20Eng.pdf>

## 03 RESERVE BANK OF INDIA

### RBI Cautions against unauthorised forex trading platforms

It is clarified that resident persons can undertake forex transactions only with authorised persons and for permitted purposes, in terms of the Foreign Exchange Management Act, 1999 (FEMA).

Read more at:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53216](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53216)

### Reserve Bank of India – Bulletin Weekly Statistical Supplement – Extract

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Reserve Bank of India – Bulletin Weekly Statistical Supplement – Extract

Read more at:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53222](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53222)

### Sectoral Deployment of Bank Credit – December 2021

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Sectoral Deployment of Bank Credit – December 2021

Read more at:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53197](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53197)

### Money Market Operations as on February 01, 2022

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Money Market Operations as on February 01, 2022

Read more at:

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53208](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53208)

## 04 FOREIGN EXCHANGE AND MANAGEMENT ACT

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### RBI releases data on ECB/FCCB/RDB for December 2021

Press Release: 2021-2022/1633 Dated: Jan 28, 2022

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The Reserve Bank of India has released the data on External Commercial Borrowings (ECB), Foreign Currency Convertible Bonds (FCCB) and Rupee Denominated Bonds (RDB) both, through Automatic Route and Approval Route, for the month of December 2021.

Read more at:

[https://www.rbi.org.in/scripts/FS\\_PressRelease.aspx?prid=53188&fn=5](https://www.rbi.org.in/scripts/FS_PressRelease.aspx?prid=53188&fn=5)

## RBI Cautions against unauthorised forex trading platforms

Press Release: 2021-2022/1660 Dated: Feb 03,2022

The Reserve Bank of India (RBI) has noticed misleading advertisements of unauthorised Electronic Trading Platforms (ETPs) offering forex trading facilities to Indian residents, including on social media platforms, search engines, Over The Top (OTT) platforms, gaming apps and the like. It is clarified that resident persons can undertake forex transactions only with authorised persons and for permitted purposes, in terms of the Foreign Exchange Management Act, 1999 (FEMA). Resident persons undertaking forex transactions for purposes other than those permitted under the FEMA or on ETPs not authorised by the RBI shall render themselves liable for penal action under the FEMA.

Read more at:

[https://www.rbi.org.in/scripts/FS\\_PressRelease.aspx?prid=53216&fn=5](https://www.rbi.org.in/scripts/FS_PressRelease.aspx?prid=53216&fn=5)

## 05 SECURITIES AND EXCHANGE BOARD OF INDIA

### Securities and Exchange Board of India {KYC (Know Your Client) Registration Agency} (Amendment) Regulations, 2022

SEBI has amended its KYC Regulations. Following are some of the important amendments:

- 1) KYC Registration Agencies (KRAs) shall now obtain the prior approval of SEBI to act as such whenever there is a change in their controlling interest.
- 2) KRAs shall carry out an independent validation of the KYC records uploaded into their system by the intermediary in manner prescribed by the Board from time to time.
- 3) KRAs shall maintain an audit trail of any upload/modification/download regarding the KYC records of each client.
- 4) Intermediaries shall integrate its systems with the KRA to facilitate seamless movement of KYC documents to and from the intermediary to the KRA.

Read more at:

[https://www.sebi.gov.in/legal/regulations/jan-2022/securities-and-exchange-board-of-india-kyc-know-your-client-registration-agency-amendment-regulations-2022\\_55733.html](https://www.sebi.gov.in/legal/regulations/jan-2022/securities-and-exchange-board-of-india-kyc-know-your-client-registration-agency-amendment-regulations-2022_55733.html)

### Change in control of the asset management company involving scheme of arrangement under Companies Act, 2013

Following has been decided by SEBI in regards to the streamlining of the process of providing approval to a proposed change in control of an AMC involving scheme of arrangement:

- 1) The application seeking approval for the proposed change in control of the AMC shall be filed with SEBI prior to filing the application with National Company Law Tribunal (NCLT). On satisfaction, SEBI shall grant an in-principle approval which shall be valid for a period of 3 months from the date of issuance, within which relevant application to the NCLT can be made.
- 2) For the final approval from SEBI, following documents shall be submitted to SEBI within 15 days from the date of NCLT's order-
  - i. Application for final approval;
  - ii. Copy of NCLT order approving the scheme;
  - iii. Copy of approved scheme;

- iv. Statement explaining modifications if any in the approved scheme vis-à-vis the draft scheme and reasons for the same and
- v. Details of compliance with conditions mentioned in the in-principle approval provided by SEBI.

Read more at:

[https://www.sebi.gov.in/legal/circulars/jan-2022/change-in-control-of-the-asset-management-company-involving-scheme-of-arrangement-under-companies-act-2013\\_55745.html](https://www.sebi.gov.in/legal/circulars/jan-2022/change-in-control-of-the-asset-management-company-involving-scheme-of-arrangement-under-companies-act-2013_55745.html)

### Schemes of Arrangement by Listed Entities

Listed entities undertaking Schemes of Arrangement are required to submit No Objection Certificate (NOC) to the Stock Exchange. Such NOC which shall be obtained from the lending scheduled commercial banks/financial institutions/debenture trustee shall not be from less than 75% of the secured creditors in value.

Read more at:

[https://www.sebi.gov.in/legal/circulars/feb-2022/schemes-of-arrangement-by-listed-entities\\_55805.html](https://www.sebi.gov.in/legal/circulars/feb-2022/schemes-of-arrangement-by-listed-entities_55805.html)

## 06 THE INSTITUTE OF CHARTERED ACCOUNTANT OF INDIA

### Cut-off date for conversion from Earlier Scheme to Revised Scheme to appear in May 2022 Examinations at all levels - 13<sup>th</sup> March, 2022 - (29-01-2022)

Old course students who wish to appear in May 2022 exams of Intermediate and Final are required to convert themselves from Earlier Scheme to Revised Scheme of Education and Training implemented w.e.f. 1<sup>st</sup> July, 2017 latest by 13<sup>th</sup> March, 2022. The last date of conversion from Common Proficiency Test (CPT) to Foundation is also 13<sup>th</sup> March, 2022 for appearing in May 2022 Foundation Exams.

Read more at:

<https://www.icai.org/post/cut-off-date-for-conversion-from-earlier-scheme-to-revised-scheme-may2022exam>

### FRN will be compulsory field for UDIN Generation from 12.00 am of 1<sup>st</sup> February 2022 - (31-01-2022)

It is notified that Firm Registration Number (FRN) will be a compulsory field for generating UDIN from 12.00 am of 1<sup>st</sup> February 2022. The FRN will be displayed in the dropdown which will be fetched from the SSP database on real-time basis. If the member is not carrying out the assignment on behalf of any firm, then member can mention NA/Not Applicable/Individual Capacity in the place of FRN.

Read more at:

<https://www.icai.org/post/frn-will-be-compulsory-field-for-udin-generation>

### ICAI invites suggestions on tax proposals of Union Budget 2022-23 - (01-02-2022)

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The Direct Taxes Committee, GST & Indirect Taxes Committee and Committee on International Taxation invite suggestions on the tax proposals of the Finance Bill, 2022 for consideration and inclusion of the same in the Post Budget Memoranda to be submitted to the Ministry of Finance. Suggestions should be sent latest by 11<sup>th</sup> February, 2022.

Read more at:

<https://www.icai.org/post/icai-invites-suggestions-on-tax-proposals-of-union-budget-2022-23>

### Special Examination for Members of Foreign Accounting Bodies with whom the ICAI had entered into Mutual Recognition Agreement (MRA) / Memorandum of Understanding (MoU) - (03-02-2022)

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Last date for receipt of application at the Institute's Headquarters at New Delhi is 23rd February, 2022 (Application received after 23rd February, 2022 will not be entertained under any circumstances. Therefore, candidates sending their application by post must send the same at least 3-4 days in advance of the last date and avoid sending it on the last date for receipt of application forms)

Read more at:

<https://resource.cdn.icai.org/69098exam55241.pdf>

### Highlights of Tax Proposals - Union Budget 2022-23

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The Direct Taxes Committee of The Institute of Chartered Accountants of India highlighted tax proposal in Union budget.

Read more at:

<https://www.icai.org/post/highlights-of-tax-proposals-union-budget-2022-23>



# KNOWLEDGE ALERTS

Insights to help you sharpen your Governance, Risk and Compliance Knowledge

Issued by: Knowledge Management team of **JHS & Associates LLP (JHS)**

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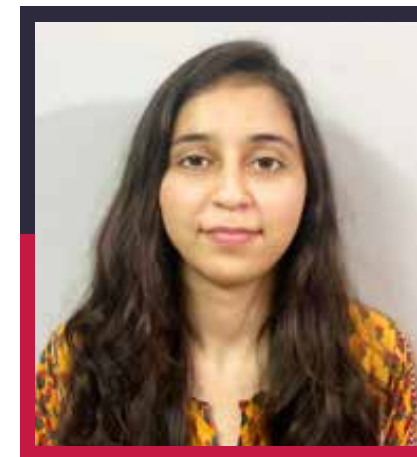
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