

# JHS

## REGULATORY RADAR SEPT'23

INSIGHT TO UPDATE YOU ON MAJOR  
REGULATORY AMENDMENTS

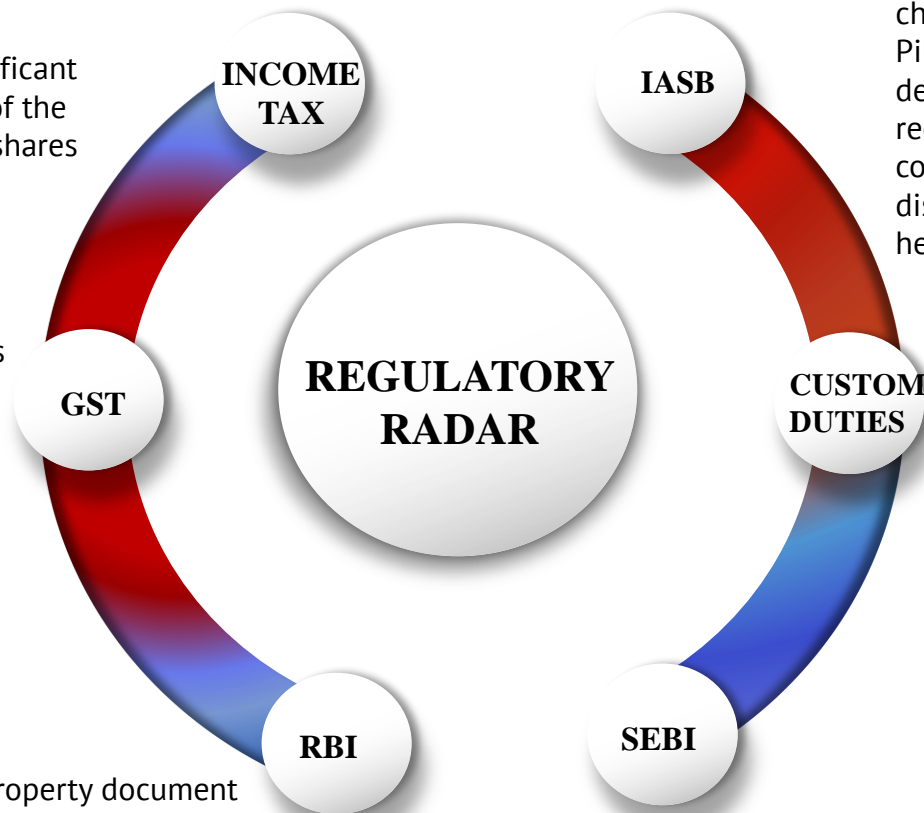


# REGULATORY RADAR SEPTEMBER 23 - KEY HIGHLIGHT FOR THE MONTH

The CBDT has recently introduced the Income-tax (Twenty-first Amendment) Rules, 2023. These new rules are significant as they pertain to the determination of the fair market value of unquoted equity shares for taxation purposes.

Starting November 1, 2023, taxpayers with over 100 crores in annual turnover must report invoices within 30 days on the e-invoice IRP portal. Applies to all documents needing an IRN. Smaller businesses are not affected. Compliance is key.

RBI issues rules for property document release post-loan repayment: 30-day limit, borrower's choice of pickup, and compensation for delays. Effective from December 1, 2023, to encourage responsible lending and address borrower concerns.



IASB amends IFRS for SMEs due to changes in IAS 12 influenced by OECD's Pillar Two. Offers temporary relief for deferred taxes related to Pillar Two, requires disclosure of income tax consequences. Effective immediately, disclosure from January 1, 2023, aims to help SMEs comply transparently.

CBIC circular implements IGST Act Section 16(4) for exports with integrated tax payment and refunds. New system to restrict IGST refunds on certain items. Customs officers to enforce. Trade notices to inform traders. Specific goods listed in accompanying government notification.

SEBI extends mutual fund unit holder nomination deadline from September 30, 2023, to January 1, 2024. Non-compliance freezes folios for debits. AMCs and RTAs will guide unit holders via email and SMS. Aims to boost compliance based on market input, with other provisions unchanged.

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## 01 INCOME TAX

Topic name:- Income Tax Exemption on Rajasthan State Dental Council

Dated on:- 1st September 2023

Notification No:- 74/2023

Brief Summary:- The Central Government, using its powers under the Income-tax Act, 1961, has notified the 'Rajasthan State Dental Council' for specific income sources, including various fees and interest income. This notification applies retrospectively for assessment years 2022-2023 and 2023-2024, with conditions such as no commercial activities and consistent income nature. No adverse effects on individuals are certified due to this retrospective application.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-74-2023.pdf>

Topic Name:- Certification of No Adverse Effects in Explanatory Memorandum

Dated on:- 1st September 2023

Notification No:- 75/2023

Brief Summary:- It notifies the 'E-Governance Society, Department of Food, Civil Supplies and Consumer Affairs, Himachal Pradesh' for specific income sources, including grants, interest income, fees, scrap sales, and machine recovery. Conditions include no commercial activity, maintaining consistent income nature, and filing income tax returns. This applies for the assessment year 2023-2024, corresponding to the financial year 2022-2023.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-75-2023.pdf>

# 01 INCOME TAX

**Topic Name:- Income Tax Designation for Real Estate Regulatory Authorities**

**Dated on:- 1st September 2023**

**Notification No:- 76/2023**

**Brief Summary:-** The Central Government designates Real Estate Regulatory Authorities for specific income purposes under the Income-tax Act, 1961. These authorities can receive government grants, fees, penalties from real estate stakeholders, and interest. They must not engage in commercial activities, maintain consistent income activities, and file income tax returns accordingly. This designation applies for the 2022-2023 financial year, with specific authorities listed along with their PAN details.

Read more at: [incometaxindia.gov.in/communications/notification/notification-76-2023.pdf](https://incometaxindia.gov.in/communications/notification/notification-76-2023.pdf)

**Topic Name:- "Amendments to Income-tax Act Notification regarding Investment Instruments and Definitions"**

**Dated on:- 12th September 2023**

**Notification No:- 71/2023**

**Brief Summary:-** These amendments include adding new clauses (vii), (viii), and (ix) to the notification, which pertain to various financial instruments such as units of investment trusts, units of schemes, and units of Exchange Traded Funds under specific regulations. The notification also defines "Investment Trust" and "Scheme" in accordance with the International Financial Services Centers Authority (Fund Management) Regulations, 2022. These changes come into effect from the date of publication in the Official Gazette.

Read more at: <https://incometaxindia.gov.in/communications/notification/notification-71-2023.pdf>

## 01 INCOME TAX

Topic Name:- Multi Commodity Exchange Investor Protection Fund Trust 2014-15

Dated on:- 12th September 2023

Notification No:- 77/2023

Brief Summary:- The Central Government has specified the Multi Commodity Exchange Investor (Client) Protection Fund Trust, established by the Multi Commodity Exchange of India Limited, for assessment year 2014-15 under sub-section (23EC) of section 10 of the Income-tax Act, 1961. This decision is made through Notification No. 77/2023/F. No. 173/105/2013-ITA-1, and it has no adverse impact on any individual as per the explanatory memorandum.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-77-2023.pdf>

Topic Name:- "Recognition of Uttar Pradesh Expressways Authority for Income"

Dated on:- 19th September 2023

Notification No:- 78/2023

Brief Summary:- The Central Government has recognized the 'Uttar Pradesh Expressways Industrial Development Authority' for specific income sources, such as grants, property proceeds, fees, and interest. Conditions include no commercial activities, consistent income nature, and proper tax filing. This recognition applies to the assessment year 2023-2024 for the financial year 2022-2023.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-78-2023.pdf>

## 01 INCOME TAX

**Topic Name:- Notification on NBFC Classification for Taxation**

**Dated on:- 22nd September 2023**

**Notification No:- 79/2023**

**Brief Summary:-** It is issued under section 43D of the Income-tax Act, 1961, by the Central Government, defines specific classes of non-banking financial companies (NBFCs) for tax purposes. These classes are determined based on the Reserve Bank of India's guidelines outlined in Circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021. The classes are as follows: (a) NBFCs classified in the Top Layer. (b) NBFCs classified in the Upper Layer. (c) NBFCs classified in the Middle Layer

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-79-2023.pdf>

**Topic Name:- NBFC Classification Notification under Income-tax Act**

**Dated on:- 22nd September 2023**

**Notification No:- 80/2023**

**Brief Summary:-** It is issued under section 43B of the Income-tax Act, 1961, by the Central Government, classifies non-banking financial companies (NBFCs) into three categories: Top Layer, Upper Layer, and Middle Layer. This classification is based on guidelines provided by the Reserve Bank of India in Circular DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021. The notification becomes effective upon publication in the Official Gazette.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-80-2023.pdf>

# 01 INCOME TAX

**Topic Name:-** Amendment to Income-tax Rules for Valuation of Unquoted Equity Shares

**Dated on:-** 25th September 2023

**Notification No:-** 81/2023

**Brief Summary:-** The Central Board of Direct Taxes has introduced the Income-tax (Twenty-first Amendment) Rules, 2023, which amend the Income-tax Rules, 1962. These rules determine the fair market value of unquoted equity shares for tax purposes based on various options for residents and non-residents. The formula for calculating the fair market value is Fair Market Value = (A - L) x [PV / PE], with specific definitions for each variable.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-81-2023.pdf>

**Topic Name:-** "Income-tax Amendment Rules 2023."

**Dated on:-** 27th September 2023

**Notification No:-** 82/2023

**Brief Summary:-** The document is a notification regarding the Income-tax (Twenty Second Amendment) Rules, 2023. It outlines various changes to the Income-tax Rules, 1962. The key amendments include new forms for audit and inventory valuation reports, guidelines for determining expenses related to audits and inventory valuations, and details on how different types of inventory should be valued, especially for construction contracts and securities. These rules provide instructions for accountants and cost accountants who audit and value inventory for income tax purposes. The amendments impact how various types of inventory are reported and valued, and it is related to compliance with Income Computation and Disclosure Standards (ICDS) under the Income-tax Act, 1961.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-82-2023.pdf>



## 01 INCOME TAX

**Topic Name:- Income-tax Act Amendments for Cooperative Societies (Effective April 1, 2024)**

**Dated on:- 29th September 2023**

**Notification No:- 83/2023**

**Brief Summary:-** These amendments are introduced to establish a structured process for cooperative societies in India to exercise an option under section 115BAE of the Income-tax Act, effective from April 1, 2024. The rules mandate the use of Form No. 10-IFA for electronic filing, require specific information about the cooperative society, and emphasize that once the option is chosen, it cannot be revoked. These changes are intended to bring clarity and organization to the procedure for these societies.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-83-2023.pdf>

**Topic Name:- Punjab Nurses Registration Council**

**Dated on:- 29th September 2023**

**Notification No:- 84/2023**

**Brief Summary:-** This notification, S.O. 4265(E), is issued by the Central Government under the Income-tax Act, 1961, to recognize the 'Punjab Nurses Registration Council' for specific income sources. These income sources include fees from nursing students and interest earned on deposited funds. The Council must adhere to certain conditions, such as refraining from commercial activities, maintaining consistent income sources, and filing income tax returns as required. Importantly, this notification applies retrospectively for the assessment years 2022-2023 and 2023-2024, relevant to the financial years 2021-2022 and 2022-2023, respectively.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-84-2023.pdf>

## 01 INCOME TAX

Topic Name:- National Farmers Welfare Program Society

Dated on:- 29th September 2023

Notification No:- 85/2023

Brief Summary:- This notification, S.O. 4282(E), designates the 'National Farmers Welfare Program Implementation Society' for specific income sources under the Income-tax Act, 1961. These sources include government grants, miscellaneous receipts, and interest on deposits. The society must comply with conditions like avoiding commercial activities and filing tax returns. It retroactively applies to the Assessment Year 2022-2023 (related to the financial year 2021-2022) and extends to Assessment Years 2023-2024 to 2026-2027 (covering financial years 2022-2023 to 2025-2026).

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-85-2023.pdf>

## 01 INCOME TAX

**Topic Name:- "Procedures for Income Tax Deduction Certificate Applications"**

**Dated on:- 27th September 2023**

**Notification No:- 02/2023**

**Brief Summary:-** The document, "Notification No. 02/2023," outlines the procedures and standards for applying for an income tax deduction certificate under Section 197 of the Income Tax Act, 1961. The process involves electronic filing, application assignment to Tax Deducted at Source (TDS) Assessing Officers, and administrative approval by Range Heads and Commissioners of Income Tax. Once approved, the certificates are issued and can be tracked and consumed by deductors. These new procedures are effective from October 1, 2023.

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-02-2023-27-09-2023.pdf>

**Topic Name:- "CBDT Extends Filing Deadlines for Form 10B, 10BB, and ITR-7 for Assessment Year 2023-24"**

**Dated on:- 18th September 2023**

**Circular No:- 16/2023**

**Brief Summary:-** The Central Board of Direct Taxes (CBDT) has extended certain filing deadlines for the Assessment Year 2023-24 due to reported difficulties by taxpayers and stakeholders:

1. The deadline for furnishing Audit reports (Form 10B/Form 10BB) for funds, trusts, educational institutions, hospitals, and medical institutions for the Previous Year 2022-23 has been extended from September 30, 2023, to October 31, 2023.
2. The deadline for filing the Return of Income (Form ITR-7) for Assessment Year 2023-24 for specific assesses is extended from October 31, 2023, to November 30, 2023.

Read more at:- [https://incometaxindia.gov.in/communications/circular/circular\\_no\\_16\\_2023.pdf](https://incometaxindia.gov.in/communications/circular/circular_no_16_2023.pdf)

## 02 GST

Topic name:- Determination of value of supply in case of Online Gaming and Casino

Dated on:- 6th September 2023

Brief Summary:- The Central Goods and Services Tax (Third Amendment) Rules, 2023, have been issued by the Central Government to regulate transactions related to online gaming and casinos. These rules outline how the value of supplies is calculated and offer an exception for winnings in specific scenarios. They amend the existing Central Goods and Services Tax Rules, 2017, and will come into effect once the Central Government announces the date through an official notification.

Read more at:- <https://resource.cdn.icai.org/76358cajournal-oct2023-32.pdf>

Topic name:- New Time Limit for Reporting Invoices on IRP Portal

Dated on:- 13th September 2023

Brief Summary:- The government has introduced a new time limit for reporting invoices on the e-invoice IRP portal for taxpayers with an AATO (Aggregate Annual Turnover) exceeding 100 crores. Taxpayers in this category will not be allowed to report invoices older than 30 days from the date of reporting. This restriction applies to all document types requiring an IRN (Invoice Reference Number). The rule comes into effect from November 1, 2023, and does not apply to taxpayers with an AATO less than 100 crores. Taxpayers are advised to ensure compliance with this new requirement within the 30-day window.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/602>

## 02 GST

Topic name:- "GSTN Geocoding Functionality for Additional Place of Business"

Dated on:- 19th September 2023

Brief Summary:- The Goods and Services Tax Network (GSTN) has activated geocoding functionality for the "Additional Place of Business" addresses in all States and Union Territories. This feature complements the existing geocoding for the principal place of business. Over 2.05 crore addresses have been geocoded. New addresses are automatically geocoded during registration. Users can access, modify, or input geocoded addresses on the portal. Once submitted, revisions are not allowed. This feature is available to various types of taxpayers and doesn't affect previously saved addresses. Address changes on registration certificates require the core amendment process.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/603>

Topic name:- "Temporary Pause in e-Invoice Auto-Population for GSTR-1"

Dated on:- 27th September 2023

Brief Summary:- The auto-population of e-Invoices in GSTR-1 is temporarily stopped for system upgrades. It will be unavailable from September 26, 2023, to September 29, 2023, across all IRP portals. Data will be auto-populated on September 30, 2023, without affecting next month's GSTR-1 filing. Please refrain from manually adding invoices during this brief interruption. Further details on e-invoice JSON download functionality will be provided soon. Apologies for any inconvenience, and your cooperation is appreciated.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/604>

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Viramgam Mercantile Co-operative Bank, Gujarat	Dated on 14 <sup>th</sup> September, 2023	The penalty, exercised for violating the Banking Regulation Act provisions and RBI directives on Maintenance of Deposit Accounts.	₹ 5.00 Lakh	This penalty has been levied for not complying with RBI directives regarding loans, deposits, and supervisory actions. This penalty is due to issues discovered during a statutory inspection, such as inappropriate loans, exceeding exposure limits, and offering higher deposit interest rates. The fine is imposed under the Banking Regulation Act, 1949, without impacting customer transactions or agreements with the bank.
The Becharaji Nagarik Sahakari Bank Ltd., Gujarat	Dated on 14 <sup>th</sup> September, 2023	For non-compliance with its directions related to the placement of deposits with other banks.	₹ 2.00 Lakh	Reserve Bank of India (RBI) has imposed a monetary penalty on the bank, due to non-compliance with RBI's directions regarding the placement of deposits with other banks. This penalty is based on regulatory compliance deficiencies and does not question the validity of the bank's transactions with its customers. The penalty was imposed under the Banking Regulation Act, 1949.
The Baramati Sahakari Bank Ltd, Baramati, Pune, Maharashtra	Dated on 14 <sup>th</sup> September, 2023	It is the key legislation in India that provides the legal framework for the regulation and supervision of banks and financial institutions in the country.	₹ 2.00 Lakh	The RBI fined the Bank for not following RBI's directives on maintaining deposit accounts. The penalty is a result of regulatory compliance issues discovered during a statutory inspection of the bank's financial position as of March 31, 2022. Specifically, the bank didn't credit interest to inoperative savings accounts. This penalty is imposed under the Banking Regulation Act, 1949, and doesn't question the bank's customer transactions' validity.

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Dhani Loans and Services Limited, Gurugram, Haryana	Dated on 15 <sup>th</sup> September, 2023	Failing to adhere to RBI's directives concerning 'Maintenance of 'Know Your Customer (KYC)' regulations. The penalty is based on RBI's authority.	₹ 20.00 Lakh	This penalty was imposed under the RBI Act due to the company's failure to take live photographs of customers during digital KYC and not allotting Unique Customer Identification Codes (UCIC) to individual customers. The penalty is a result of regulatory compliance issues and does not affect the validity of the company's transactions or agreements with customers.
Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited), Mumbai	Dated on 15 <sup>th</sup> September, 2023	For failing to adhere to RBI's, for not obtaining prior written permission for changes in shareholding, which is in breach of the Non-Banking Financial Company	₹ 1.55 Lakh	RBI imposes penalty on Nido Home Finance Limited (formerly Edelweiss Housing Finance Limited) for not obtaining prior written permission for changes in shareholding, breaching Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021. Penalty imposed under National Housing Bank Act, 1987. Penalty is due to regulatory compliance issues, doesn't affect customer transactions.
The National Co-operative Bank Ltd., Mumbai, Maharashtra	Dated on 18 <sup>th</sup> September, 2023	Plays a crucial role in regulating and supervising the banking sector in India, ensuring its stability and protecting the interests of depositors.	₹ 1.00 Lakh	Penalty on The National Co-operative Bank Ltd., Mumbai, for not complying with RBI's directions on 'Maintenance of Deposit Accounts-Primary (Urban) Co-operative Banks.' This penalty is imposed under the Banking Regulation Act, 1949, due to the bank's failure to conduct annual reviews of inoperative accounts. The penalty is related to regulatory compliance issues and does not impact the validity of the bank's customer transactions.

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
The Harij Nagrik Sahakari Bank Ltd., Harij, Gujarat	Dated on 18 <sup>th</sup> September, 2023	This act is pivotal in ensuring the soundness and stability of the banking system in India and protecting the interests of depositors.	₹ 3.00 Lakh	For not complying with RBI's directions related to 'Maintenance of Cash Reserve Ratio (CRR),' 'Placement of Deposits with Other Banks by Primary (Urban) Co-operative Banks (UCBs),' and 'Interest Rate on Deposits - Directions, 2016.' This penalty is imposed under the Banking Regulation Act, 1949, due to the bank's failure to maintain CRR, breach of inter-bank counter-party exposure limit, and failure to pay interest on deposits in specific cases. The penalty pertains to regulatory compliance issues and does not affect the validity of the bank's customer transactions.
The Co-operative Bank of Mehsana Ltd., Mehsana, Gujarat	Dated on 18 <sup>th</sup> September, 2023	It is a result of its failure to comply with the RBI's directives related to loans to directors and related entities, as well as the placement of deposits with other banks.	₹ 3.50 Lakh	RBI penalizes Co-operative Bank of Mehsana Ltd., Gujarat, with a ₹3.50 Lakh fine for failing to comply with RBI's directions regarding loans to directors and related entities, as well as placement of deposits with other banks. The penalty is imposed under the Banking Regulation Act, 1949, due to regulatory non-compliance and does not impact the validity of the bank's customer transactions.
Lalbaug Co-operative Bank Ltd., Vadodara, Gujarat	Dated on 18 <sup>th</sup> September, 2023	The penalty serves as a regulatory enforcement mechanism and does not impact the validity of customer transactions with the bank.	₹ 5.00 Lakh	RBI imposes penalty on Lalbaug Co-operative Bank Ltd., Vadodara, Gujarat, for not complying with RBI's directions regarding placement of deposits with other banks and interest rates on deposits. Penalty issued under the Banking Regulation Act, 1949, due to regulatory non-compliance. The penalty does not affect the validity of the bank's customer transactions.



## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
The Citizens' Co-operative Bank Ltd, Jammu	Dated on 21 <sup>st</sup> September, 2023	The Act provides for the licensing and regulation of banks in India. It empowers RBI to grant and revoke banking licenses and regulate the functioning of banks to ensure their sound operation.	₹ 6.00 Lakh	RBI imposes penalty for failing to comply with specific directions under the 'Supervisory Action Framework (SAF)' and exposure norms. Penalty issued under the Banking Regulation Act, 1949, due to regulatory non-compliance. The penalty does not affect the validity of the bank's customer transactions.
HCBL Co-operative Bank Ltd., Lucknow, Uttar Pradesh	Dated on 21 <sup>st</sup> September, 2023	Failing to adhere for non-compliance with RBI's directions and exceeding loan limits is based on the Banking Regulation Act, 1949.	₹ 11.00 Lakh	RBI imposes penalty on HCBL Co-operative Bank Ltd., Lucknow, for non-compliance with RBI's directions regarding loans to directors, their relatives, and exceeding loan limits set by SAF. Penalty issued under the Banking Regulation Act, 1949, due to regulatory non-compliance. The penalty does not affect the validity of the bank's customer transactions.
Shree Warana Sahakari Bank Ltd., Kolhapur, Maharashtra	Dated on 21 <sup>st</sup> September, 2023	The penalty serves as various aspects of banking, including the maintenance of deposit accounts in co-operative banks.	₹ 1.00 Lakh	RBI imposes penalty on Shree Warana Sahakari Bank Ltd., Kolhapur, Maharashtra, for not complying with RBI's directions regarding the 'Maintenance of Deposit Accounts - Primary (Urban) Co-operative Banks.' The penalty is based on regulatory compliance deficiencies and does not affect customer transactions' validity.

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
The State Transport Co-operative Bank Limited, Mumbai (Maharashtra)	Dated on 21 <sup>st</sup> September, 2023	The penalty was exercised due to the bank's non-compliance with these RBI directions, reflecting regulatory compliance deficiencies.	₹ 2.00 Lakh	RBI imposes for not complying with RBI's directions regarding 'The Depositor Education and Awareness Fund Scheme, 2014.' The penalty is based on regulatory compliance deficiencies and does not affect the validity of the bank's customer transactions.
Indian Bank	Dated on 25 <sup>th</sup> September, 2023	This act empowers the RBI to regulate and oversee banks' operations, including their lending practices and customer-related procedures.	₹ 1.62 Crore	The Reserve Bank of India (RBI) has fined Indian Bank ₹1.62 crore for not complying with RBI's regulations on loans, Know Your Customer (KYC) rules, and interest rates on deposits. The penalty was imposed following a regulatory inspection that revealed non-compliance in these areas. The penalty is based on regulatory shortcomings and does not question specific transactions. After considering the bank's response, RBI concluded that the penalty was warranted.
Punjab & Sind Bank	Dated on 25 <sup>th</sup> September, 2023	The regulatory act involved in this scenario is the "Depositor Education and Awareness Fund Scheme," a specific scheme or set of guidelines established by the Reserve Bank of India.	₹ 1.00 Crore	Imposed Penalty regarding the Depositor Education and Awareness Fund Scheme. The penalty is based on regulatory non-compliance and doesn't question specific transactions. The bank failed to credit the required amount to the Depositor Education and Awareness Fund within the prescribed time frame. After reviewing the bank's response and submissions, RBI concluded that the penalty was justified.

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Fedbank Financial Services Limited, Mumbai	Dated on 25 <sup>th</sup> September, 2023	Failing to adhere their non-compliance with the directions related to reporting fraud incidents to the RBI in a timely manner.	₹ 8.80 Lakh	The RBI has imposed an penalty on Fedbank Financial Services Limited for non-compliance with the Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. The penalty is due to a delay in reporting a fraud incident to RBI and is imposed under RBI's authority as per the Reserve Bank of India Act, 1934. It is a regulatory action and doesn't relate to the validity of specific transactions with customers. After considering the company's response and oral submissions, RBI found the penalty justified.
State Bank of India	Dated on 25 <sup>th</sup> September, 2023	RBI directives, stemming from the failure to conduct due diligence for a term loan to a corporation and not adhering to intra-group exposure limits.	₹ 1.30 Crore	The Reserve Bank of India (RBI) has fined the State Bank of India (SBI) for non-compliance with RBI directives related to loans and advances as well as intra-group transactions and exposures. This penalty is based on regulatory shortcomings and does not question the validity of specific transactions. SBI failed to conduct proper due diligence for a term loan to a corporation and didn't adhere to intra-group exposure limits. After reviewing SBI's responses, RBI determined that the penalty was warranted.
Bassein Catholic Co-operative Bank Ltd., Vasai, Maharashtra	Dated on 28 <sup>th</sup> September, 2023	The Act empowers the RBI to grant licenses for the establishment of banks and to regulate their operations. It also sets out the criteria for the issuance of these licenses.	₹ 25.00 Lakh	The RBI fined Bassein Catholic Co-operative Bank for failing to comply with the Banking Regulation Act, 1949, and RBI directives on exposure norms. This was due to the bank granting multiple unsecured loans to one of its directors and his firm. The penalty is based on regulatory non-compliance and does not question the validity of customer transactions.

## 03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Rajkot Nagarik Sahakari Bank Ltd., Rajkot	Dated on 28 <sup>th</sup> September, 2023	It is the legal framework that governs and supervises the functioning of banks in India for non-compliance with RBI's deposit interest rate directives.	₹ 13.00 Lakh	RBI fined Rajkot Nagarik Sahakari Bank for not following RBI's deposit interest rate directives. The penalty is based on the Banking Regulation Act, 1949. The bank failed to pay interest on term deposits that matured on non-business days and matured unpaid deposits. This action doesn't question customer transactions' validity.
Saraswat Co-operative Bank Limited, Mumbai	Dated on 28 <sup>th</sup> September, 2023	This act governs and regulates the operations of banks and financial institutions in India.	₹ 23.00 Lakh	The RBI imposed a penalty on Saraswat Co-operative Bank for contravening provisions of the Banking Regulation Act, 1949, and RBI directives related to loans to directors and related firms. This action, taken under RBI's regulatory authority, doesn't question customer transactions' validity. The bank renewed a credit facility for a borrower company while one of its directors was an independent director at that company.

## 03 RBI

Topic Name:- RBI and BIS Announce G20 TechSprint 2023 Winners

Dated on:- 4th September 2023

Press Release:- 2023-2024/865

Brief Summary:- The Reserve Bank of India (RBI) and the Bank for International Settlements (BIS) announced the winners of the G20 TechSprint 2023, a competition aimed at developing technology solutions for cross-border payments. Here are the key points:

- The G20 TechSprint 2023 was launched under India's G20 Presidency on May 4, 2023, with global innovators invited to participate.
- A total of 93 proposals were submitted by teams from various countries, including Australia, Canada, Germany, India, Indonesia, Sweden, Singapore, the UK, and the USA.
- Seven teams were shortlisted for each of the three problem statements and given six weeks to develop their proposed solutions.
- The final evaluation took place in Mumbai on September 3-4, 2023, with 21 shortlisted teams demonstrating their solutions.
- Three winning teams were selected, each receiving a prize of INR 4 million. They addressed problem statements related to AML/CFT/Sanctions technology solutions, FX and liquidity technology solutions, and technology solutions for multilateral cross-border
- The competition aimed to enhance cross-border payments through innovative solutions, aligning with the G20's priorities.

The winners for each problem statement were:

1. AML/CFT/Sanctions: Secretarium Ltd, United Kingdom, for their DANIE platform.
2. FX and liquidity: Millicent Labs, United Kingdom, for their LOFThub solution.
3. Technology solutions for multilateral cross-border CBDC platforms: Knox Networks, United States of America.

A panel of judges from various organizations evaluated the solutions, and the competition contributed to global efforts in improving cross-border payments.

Read more at:-

<https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR865G20TECHSPRINTD2B65A71DC63400F98A8969DE87ABC58.PDF>

## 03 RBI

**Topic Name:- Review of Incremental Cash Reserve Ratio (I-CRR)**

**Dated on:- 8th September 2023**

**Press Release:- 2023-2024/886**

**Brief Summary:-** Reserve Bank of India has decided to phase out the Incremental Cash Reserve Ratio (I-CRR) that was imposed to manage surplus liquidity. The phased release of funds from the I-CRR will be as follows:

- September 9, 2023: 25% of the I-CRR maintained
- September 23, 2023: 25% of the I-CRR maintained
- October 7, 2023: 50% of the I-CRR maintained

This gradual approach aims to ensure that system liquidity is adjusted smoothly without causing sudden shocks to money markets. The decision is based on an assessment of current and evolving liquidity conditions.

Read more at:- <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR8868459FA63B03D42879AF5CAC1CC2C969B.PDF>

**Topic Name:- RBI's Investment Portfolio Directions 2023**

**Dated on:- 12th September 2023**

**Press Release:- 2023-2024/910**

**Brief Summary:-** The Reserve Bank of India (RBI) has issued revised directions for commercial banks' investment portfolios. These directions include principle-based classification, tighter regulations on transfers to/from the held to maturity (HTM) category, and the inclusion of non-SLR securities in HTM under certain conditions. The changes aim to improve financial reporting, enhance disclosures, boost the corporate bond market, facilitate hedging through derivatives, and strengthen risk management. These revised directions will apply to all commercial banks (excluding Regional Rural Banks) starting from the financial year commencing on April 1, 2024.

Read more at:- <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR91070D7258A9B06450C97C702024677FFCF.PDF>

## 03 RBI

**Topic Name:- RBI List of NBFCs Under Scale-Based Regulation**

**Dated on:- 14th September 2023**

**Press Release:- 2023-2024/923**

**Brief Summary:-** The Reserve Bank of India (RBI) has released the list of NBFCs in the Upper Layer (NBFC-UL) under the Scale Based Regulation (SBR) framework for NBFCs for the year 2023-24. This framework categorizes NBFCs into different layers based on their asset size and scoring methodology. The list includes well-known names such as LIC Housing Finance, Bajaj Finance, Shriram Finance, and others. TMF Business Services Limited is excluded from the NBFC-UL list due to ongoing business reorganization. NBFCs classified as NBFC-UL will face enhanced regulatory requirements for at least five years, even if they don't meet the criteria in the subsequent years.

Read more at:- [rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR923NBFCUL1AD11F0BD726475FB4647FBC39A46E12.PDF](https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR923NBFCUL1AD11F0BD726475FB4647FBC39A46E12.PDF)

**Topic Name:- "Master Direction on Wilful and Large Defaulters Treatment"**

**Dated on:- 21st September 2023**

**Press Release:- 2023-2024/957**

**Brief Summary:-** RBI has revised guidelines for wilful defaulters, seeking input on the 'Draft Master Direction – Treatment of Wilful Defaulters and Large Defaulters' from stakeholders and the public. The changes expand criteria for classifying borrowers as wilful defaulters and address NPA review timelines and treatment of such loans under the Insolvency and Bankruptcy Code. Feedback is open until October 31, 2023, with a final Master Direction to follow after considering input.

Read more at:-

<https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR957DRAFTMDWILFULDEFAULTERSBD98218F618A4C19AB638E22DB4E26D7.PDF>

## 03 RBI

**Topic Name:- RBI announces rate of interest on Government of India Floating Rate Bond 2033**

**Dated on:- 21st September 2023**

**Press Release:- 2023-2024/961**

**Brief Summary:-** The interest rate for the Government of India Floating Rate Bond 2033 (GOI FRB 2033) for the period from September 22, 2023, to March 21, 2024, will be 8.25 percent per annum. This rate is determined by taking the average of the Weighted Average Yield of the last three auctions of 182 Day T-Bills starting from September 22, 2023, and adding a fixed spread of 1.22 percent.

Read more at: <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR96174F8A2146BC04D35A0D6D7B1062FD135.PDF>

**Topic Name:- Directions for Colour Merchants Co-operative Bank Ltd., Ahmedabad**

**Dated on:- 25th September 2023**

**Press Release:- 2023-2024/988**

**Brief Summary:-** The RBI has issued directions to Colour Merchants Co-operative Bank Ltd., Ahmedabad, restricting various banking activities without prior RBI approval, effective from September 25, 2023. Eligible depositors can withdraw up to ₹50,000, and they are entitled to deposit insurance claims of up to ₹5,00,000. These directions do not cancel the bank's license but place operational restrictions that will be in effect for six months, subject to review.

Read more at: <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR988F5F2D2215B454351A283E460C5621AFE.PDF>



## 03 RBI

**Topic Name:- RBI Directions on Property Document Release**

**Dated on:- 13th September 2023**

**Notification No:- RBI/2023-24/60**

**Brief Summary:-** The RBI has issued directions to regulate the release of movable/immovable property documents upon full repayment or settlement of personal loans by regulated entities. Key points include a 30-day timeline for document release, borrower's choice of collection location, and a compensation mechanism for delays. These directions are effective from December 1, 2023, and aim to promote responsible lending practices and resolve borrower grievances.

Read more at:- <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NOTI60936A9DFA85554DD1BF77BCF4611AA69D.PDF>

For Inhouse Summary – Click Here: [https://drive.google.com/file/d/1yUM2Qs24HtywFO1goNZNHAWBuHP5Fa0G/view?usp=drive\\_link](https://drive.google.com/file/d/1yUM2Qs24HtywFO1goNZNHAWBuHP5Fa0G/view?usp=drive_link)

**Topic Name:- Transparency in SARFAESI Act: Asset Display Requirement**

**Dated on:- 25th September 2023**

**Notification No:- RBI/2023-24/63**

**Brief Summary:-** The Reserve Bank of India (RBI) has directed various financial entities, including banks, co-operative banks, financial institutions, and non-banking financial companies, to enhance transparency by publicly displaying information on secured assets taken under the SARFAESI Act, 2002. This information must be made available on their websites, following a specified format outlined in the circular. The initial list of secured assets is to be published within six months of the circular's issuance, and subsequent updates are to be provided on a monthly basis. This initiative aims to provide greater visibility into the status of secured assets possessed by these entities under the SARFAESI Act.

Read more at:- <https://rbidocs.rbi.org.in/rdocs/notification/PDFs/NOTI63D6F589F933804ED992EBCFF30F5CCD5E.PDF>

## 03 RBI

Topic Name: RBI Cancels the license of following banks.

Bank Name	Date on	Press Release	Brief Summary
The Ananthasayanam Co-operative Bank Ltd., Trivandrum, Kerala	21st September, 2023	2023-2024/965	RBI has designated The Ananthasayanam Co-operative Bank Ltd., Trivandrum, as a non-banking institution under the Banking Regulation Act, 1949. As a result, the bank's license, originally granted in 1987, to conduct banking business in India has been revoked, effective from September 21, 2023. The bank is now obligated to cease all banking operations, including accepting deposits from non-members, and must repay unpaid and unclaimed deposits from non-members upon request.
National Urban Co-operative Bank Limited, Bahraich (U.P)	22nd September, 2023	2023-2024/973	The RBI has cancelled the license of National Urban Co-operative Bank Limited in Bahraich (U.P) due to financial issues and regulatory violations. The bank cannot conduct banking activities anymore. Depositors are eligible for insurance claims up to ₹5,00,000 from DICGC, with nearly all depositors expected to receive their full deposits.
Sri Mallikarjuna Pattana Sahakari Bank, Maski, Karnataka	22nd September, 2023	2023-2024/974	RBI cancels the license of Sri Mallikarjuna Pattana Sahakari Bank Niyamita, Maski, Karnataka, effective September 22, 2023, due to inadequate capital, non-compliance with regulations, financial instability, and potential harm to depositors. The bank can no longer conduct banking activities, and depositors are eligible for insurance claims up to ₹5,00,000 from DICGC, with the majority expected to receive their full deposits. As of May 31, 2023, DICGC has already paid ₹5.38 crore to depositors under Section 18A of the DICGC Act, 1961.

## 03 RBI

### Topic Name: RBI Cancels the license of following banks.

Bank Name	Date on	Press Release	Brief Summary
The Kapol Co-operative Bank Limited, Mumbai, Maharashtra	25th September, 2023	2023-2024/985	The Reserve Bank of India (RBI) has canceled the banking license of "The Kapol Co-operative Bank Limited" in Mumbai, effective September 25, 2023. This action was taken due to the bank's inadequate capital, failure to comply with regulations, and the bank's inability to pay depositors. Depositors are eligible to receive insurance claims up to ₹5,00,000 from the Deposit Insurance and Credit Guarantee Corporation (DICGC).
Nashik Zilla Girna Sahakari Bank Limited, Nashik, Maharashtra	26th September, 2023	2023-2024/993	The RBI has canceled the banking license of Nashik Zilla Girna Sahakari Bank Limited, Nashik, Maharashtra, effective from September 26, 2023. The bank cannot conduct any further banking activities, and depositors are eligible for insurance claims up to ₹5,00,000 from the DICGC. The cancellation is due to financial issues and non-compliance with regulations, with the majority of depositors already receiving their insured amounts.
Lucknow Urban Co-operative Bank Ltd., Lucknow, Uttar Pradesh	29th September, 2023	2023-2024/1023	The RBI has cancelled the license of Lucknow Urban Co-operative Bank Ltd., Uttar Pradesh, effective from September 29, 2023, due to financial issues and regulatory violations. A liquidator will be appointed to wind up the bank. Depositors can claim up to ₹5,00,000 from DICGC for their deposits, with most depositors eligible for full reimbursement.

## 04 SEBI AND CORPORATE LAWS

Topic Name:- Change in Payment Mode for SEBI Investor Protection Fund Account

Dated on:- 4th September 2023

Circular No:- SEBI/HO/GSD/TAD/P/CIR/2023/149

Brief Summary:- It has introduced a new mode of payment for the SEBI Investor Protection and Education Fund (SEBI IPEF). Payments can now be made exclusively through an online link provided on the SEBI website. This link enables payments through net banking, NEFT/RTGS, debit cards, and UPI. Remitters must provide essential information such as payer's name, PAN, mobile number, email ID, payment purpose, and amount when making online payments through the link. This change is effective immediately.

Website Link:- <https://www.sebi.gov.in/> (Under the Head of Click for the Payment)

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/change-in-mode-of-payment-w-r-t-sebi-investor-protection-and-education-fund-bank-a-c\\_76474.html](https://www.sebi.gov.in/legal/circulars/sep-2023/change-in-mode-of-payment-w-r-t-sebi-investor-protection-and-education-fund-bank-a-c_76474.html)

Topic Name:- Revised Abridged Prospectus for Non-Convertible Debt Securities and Redeemable Preference Shares

Dated on:- 4th September 2023

Circular No:- SEBI/HO/DDHS/POD1/P/CIR/2023/150

Brief Summary:- This document provides essential information about a public issue of Non-Convertible Debt Securities and/or Non-Convertible Redeemable Preference Shares, including legal requirements, SEBI regulations, a revised abridged prospectus format, online accessibility, disclosure quality, and quantitative support. It also includes contact details, instructions for completing the application form, and details about the debt-to-equity ratio of the company.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/new-format-of-abridged-prospectus-for-public-issues-of-non-convertible-debt-securities-and-or-non-convertible-redeemable-preference-shares\\_76430.html](https://www.sebi.gov.in/legal/circulars/sep-2023/new-format-of-abridged-prospectus-for-public-issues-of-non-convertible-debt-securities-and-or-non-convertible-redeemable-preference-shares_76430.html)

## 04 SEBI AND CORPORATE LAWS

**Topic Name:- Mechanism for Sharing of Information by Credit Rating Agencies (CRAs) to Debenture Trustees (DTs)**

**Dated on:- 4th September 2023**

**Circular No:- SEBI/HO/DDHS/DDHS-POD2/P/CIR/2023/151**

**Brief Summary:-** It outlines a mechanism for Credit Rating Agencies (CRAs) to share structured information with Debenture Trustees (DTs). CRAs must use a specific excel template for daily submissions of rating revisions to DTs, sending them on the same day as the revisions via designated email IDs. The circular is effective from October 1, 2023, with compliance reports due within one quarter. Monitoring will occur through half-yearly internal audits of CRAs. SEBI issues this circular to protect investor interests and regulate the securities market.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/mechanism-for-sharing-of-information-by-credit-rating-agencies-cras-to-debenture-trustees-dts-\\_76476.html](https://www.sebi.gov.in/legal/circulars/sep-2023/mechanism-for-sharing-of-information-by-credit-rating-agencies-cras-to-debenture-trustees-dts-_76476.html)

**Topic Name:- Mutual Fund Investment in Corporate Debt Market Development Fund - Clarification**

**Dated on:- 6<sup>th</sup> September 2023**

**Circular No:- SEBI/HO/IMD/PoD2/P/CIR/2023/152**

**Brief Summary:-** This circular provides clarification regarding the investment of Mutual Fund schemes in units of the Corporate Debt Market Development Fund (CDMDF). It states that for calculating asset allocation limits of mutual fund schemes, the base should exclude investments in CDMDF units. This clarification is effective immediately and aims to protect the interests of investors and regulate the securities market.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/clarification-regarding-investment-of-mutual-fund-schemes-in-units-of-corporate-debt-market-development-fund\\_76511.html](https://www.sebi.gov.in/legal/circulars/sep-2023/clarification-regarding-investment-of-mutual-fund-schemes-in-units-of-corporate-debt-market-development-fund_76511.html)

## 04 SEBI AND CORPORATE LAWS

Topic Name:- Regulatory Reporting by AIFs

Dated on:- 14th September 2023

Circular No:- SEBI/HO/AFD/SEC-1/P/CIR/2023/155

Brief Summary:- It has issued a circular for Alternative Investment Funds (AIFs) regarding quarterly reporting. A revised reporting format has been introduced for uniform compliance. AIFs will submit reports online within 15 days from the end of each quarter. The new format will be periodically reviewed, with trials for June and September 2023, and mandatory use from December 2023 onwards. The circular is issued to protect investor interests and regulate the securities market. More details are available on the SEBI website.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/regulatory-reporting-by-aifs\\_76908.html](https://www.sebi.gov.in/legal/circulars/sep-2023/regulatory-reporting-by-aifs_76908.html)

## 04 SEBI AND CORPORATE LAWS

Topic Name:- "SEBI Investor Grievance Redressal and Online Dispute Resolution."

Dated on:- 20th September 2023

Circular No:- SEBI/HO/OIAE/IGRD/CIR/P/2023/156

Brief Summary:- The Securities and Exchange Board of India (SEBI) has issued a circular on September 20, 2023, regarding the redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution. The circular aims to strengthen the investor grievance handling mechanism and streamline the process for resolving grievances in the securities market. Key points of the circular include:

1. SCORES is a platform for resolving grievances of investors against listed companies, registered intermediaries, and market infrastructure institutions.
2. SEBI has revised and strengthened the grievance redressal process, introducing auto-routing and auto-escalation of complaints.
3. Designated Bodies specified in the circular will monitor the grievance redressal process by Entities.
4. Entities must submit Action Taken Reports (ATRs) to SEBI within 21 days of receiving complaints.
5. The circular will come into effect on December 4, 2023.
6. Entities and Designated Bodies must comply with the circular, and market infrastructure institutions should disseminate it to listed companies and registered intermediaries.
7. The circular rescinds a previous Master Circular and outlines actions for failure to redress investor complaints by listed companies, including fines and freezing of shareholdings.
8. General provisions for investor grievance redressal are also provided, including limitations, complaint types, and dispute resolution options.

This circular enhances the grievance resolution process and introduces stricter measures for non-compliance by listed companies. It also emphasizes the use of the SCORES platform for efficient complaint handling.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/redressal-of-investor-grievances-through-the-sebi-complaint-redressal-scores-platform-and-linking-it-to-online-dispute-resolution-platform\\_77159.html](https://www.sebi.gov.in/legal/circulars/sep-2023/redressal-of-investor-grievances-through-the-sebi-complaint-redressal-scores-platform-and-linking-it-to-online-dispute-resolution-platform_77159.html)

## 04 SEBI AND CORPORATE LAWS

Topic Name:- "SEBI Intermediary Portal for Merchant Bankers"

Dated on:- 26th September 2023

Circular No:- SEBI/HO/CFD/PoD-1/P/CIR/2023/157

Brief Summary:- SEBI introduces a Master Circular for Merchant Bankers and an online portal for registration applications and requests. All applications must be submitted through the portal, but supporting documents are to be provided in physical form for record-keeping. Merchant Bankers can contact SEBI for assistance or clarification. Merchant Bankers are allowed to engage in various securities market activities.

The SEBI Intermediary Portal is available at : <https://siportal.sebi.gov.in>

Read more at:- [https://www.sebi.gov.in/legal/master-circulars/sep-2023/master-circular-for-merchant-bankers\\_77368.html](https://www.sebi.gov.in/legal/master-circulars/sep-2023/master-circular-for-merchant-bankers_77368.html)

Topic Name:- SEBI Extends Nomination and KYC Timelines

Dated on:- 26th September 2023

Circular No:- SEBI/HO/MIRSD/POD-1/CIR/2023/158

Brief Summary:- SEBI extends compliance deadlines: Choice of nomination is now voluntary for trading and demat accounts, with the demat account deadline pushed to December 31, 2023. For physical securities, the PAN, nomination, contact details, bank account details, and specimen signature submissions deadline is also extended to December 31, 2023. Non-compliance will result in folio freezing. These changes aim to ease business operations and cater to investor needs. All relevant entities must ensure compliance.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/extension-of-timelines-i-for-nomination-in-eligible-demat-accounts-and-ii-for-submission-of-pan-nomination-and-kyc-details-by-physical-security-holders-and-voluntary-nomination-for-trading-accou-\\_77320.html](https://www.sebi.gov.in/legal/circulars/sep-2023/extension-of-timelines-i-for-nomination-in-eligible-demat-accounts-and-ii-for-submission-of-pan-nomination-and-kyc-details-by-physical-security-holders-and-voluntary-nomination-for-trading-accou-_77320.html)



## 04 SEBI AND CORPORATE LAWS

**Topic Name:- SEBI Extends Mutual Fund Unit Holder Nomination Deadline**

**Dated on:- 27th September 2023**

**Circular No:- SEBI/HO/IMD/IMD-I POD1/P/CIR/2023/160**

**Brief Summary:-** SEBI has extended the deadline for mutual fund unit holders to nominate or opt out of nomination from September 30, 2023, to January 1, 2024. If unit holders fail to comply, their folios will be frozen for debits. Asset Management Companies (AMCs) and Registrar and Transfer Agents (RTAs) will encourage unit holders to fulfill this requirement through regular email and SMS communications, providing guidance on the nomination process. This extension is based on representations from market participants and aims to facilitate compliance with this regulation. Other provisions of previous circulars remain unchanged.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/nomination-for-mutual-fund-unit-holders-extension-of-timelines\\_77453.html](https://www.sebi.gov.in/legal/circulars/sep-2023/nomination-for-mutual-fund-unit-holders-extension-of-timelines_77453.html)

**Topic Name:- Extension of Timeline for Market Rumor Verification by Listed Entities**

**Dated on:- 30th September 2023**

**Circular No:- SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/162**

**Brief Summary:-** SEBI has extended the deadline for listed entities to verify and address market rumors. The original timeline required the top 100 entities to do so from October 1, 2023, and the top 250 from April 1, 2024. However, SEBI has pushed these dates to February 1, 2024, and August 1, 2024, respectively. This extension aims to provide additional time for compliance.

Read more at:- [https://www.sebi.gov.in/legal/circulars/sep-2023/extension-of-timeline-for-verification-of-market-rumours-by-listed-entities\\_77488.html](https://www.sebi.gov.in/legal/circulars/sep-2023/extension-of-timeline-for-verification-of-market-rumours-by-listed-entities_77488.html)

## 05 CUSTOM DUTIES

Topic Name:- "Amendment to Customs Duty Exemption for Textile Machinery"

Dated on:- 5th September 2023

Notification No:- 52/2023-Customs

Brief Summary:- The Central Government has amended customs notification S. No. 460 and related entries, impacting goods used in the textile industry, such as specific types of looms and their components. These changes define eligible loom types and production speeds that qualify for benefits until March 31, 2025. This amendment was issued by the Department of Revenue and is part of a series of changes to the original notification dated June 30, 2017.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009846/ENG/Notifications>

Topic Name:- Customs Duty Revision for Certain Products (Feb 2021)

Dated on:- 5th September 2023

Notification No:- 53/2023- Customs

Brief Summary:- Under the powers conferred by the Customs Act, 1962 and Customs Tariff Act, 1975, has made further amendments to Notification No. 50/2017-Customs dated June 30, 2017. These amendments involve the omission of certain entries in the table and a change in the first proviso, specifying revised figures and letters. The notification is effective from September 6, 2023, and it is part of a series of changes to the original notification from 2017.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009847/ENG/Notifications>

## 05 CUSTOM DUTIES

**Topic Name:- Customs Notification Amendments for Project Imports**

**Dated on:- 14th September 2023**

**Notification No:- 54/2023**

**Brief Summary:-** This government notification amends Customs Notification No. 50/2017-Customs, changing the validity dates for certain entries. Items (ii) and (iv) are valid until September 30, 2023, and items (i), (iii), and (v) until September 30, 2025. The changes are effective immediately.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009854/ENG/Notifications>

**Topic Name:- Amendments to Customs Notifications 11/2022 and 12/2022 for Wearables and Hearables Manufacturing**

**Dated on:- 14th September 2023**

**Notification No:- 55/2023**

**Brief Summary:-** The Central Government, under the powers conferred by the Customs Act, 1962, has made further amendments to two notifications:

No. 11/2022-Customs and No. 12/2022-Customs, both dated February 1, 2022. These amendments involve changes to entry numbers and explanations in the respective notifications.

1. In Notification No. 11/2022-Customs: - Entry "8544" is replaced with "85" in column (2). - In the Explanation in column (3), the phrase "or wireless charging cable containing static converter and coil" is added after the word "connector."
2. In Notification No. 12/2022-Customs: - Entry numbers in column (2) are modified to include "39, 40, 42, 73, 74, 85" for S. No. 7. These amendments are made in the public interest and are effective immediately.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009855/ENG/Notifications>

## 05 CUSTOM DUTIES

**Topic Name:- Amendment to Customs Notification No. 19/2019**

**Dated on:- 15th September 2023**

**Notification No:- 56/2023**

Brief Summary:- The Central Government, under the Customs Act, 1962 and the Customs Tariff Act, 1975, has made amendments to Notification No. 19/2019-Customs, dated July 6, 2019. These amendments affect the entries related to the manufacture of AK-203 rifles and include parts, machinery, fixtures, tools, and technical documentation. The notification is effective upon publication in the official gazette.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009856/ENG/Notifications>

**Topic Name:- Amendments to Bangalore Rose Onion Export Notification**

**Dated on:- 29th September 2023**

**Notification No:- 57/2023**

Brief Summary:- This notification makes amendments to a previous notification (No. 55/2022-Customs) regarding the export of Bangalore Rose Onion. It renumbers certain entries in the table and introduces a new condition stating that goods meant for export must be accompanied by a certificate from the Horticulture Commissioner, Government of Karnataka, certifying the item and quantity of Bangalore Rose Onion to be exported. These amendments are effective immediately.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009869/ENG/Notifications>

## 05 CUSTOM DUTIES

Topic Name:- Development of x-bond SB for Export from Bonded Warehouses

Dated on:- 19th September 2023

Circular No:- 22/2023

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Brief Summary:- The document introduces the "x-bond SB," a shipping bill type for exporting goods from bonded warehouses. It necessitates the declaration of warehouse codes for re-export and item-wise details of bill of entry. It allows multiple into-bond BEs to be linked to a single ex-bond SB for exporting separately warehoused items. The system maintains quantity records and excludes incentives. Contact information for assistance is provided, and it suggests issuing a public notice for clear usage instructions.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1003179/ENG/Circulars>

## 05 CUSTOM DUTIES

Topic Name:- "Mandatory Additional Qualifiers in Import/Export Declarations"

Dated on:- 30th September 2023

Circular No:- 23/2023

Brief Summary:- This communication amends Circular No. 15/2023-Customs, making it mandatory to provide additional details for certain product imports, including CAS numbers and IUPAC names. If any information is confidential, a self-undertaking is required. These changes take effect from October 15, 2023. Similar requirements for exports under specific chapters remain unchanged from October 1, 2023. Public Notices should guide implementation, and issues should be reported to the Board.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1003181/ENG/Circulars>

Topic Name:- Implementation of Section 16(4) of IGST Act and Export Restrictions

Dated on:- 30th September 2023

Circular No:- 24/2023

Brief Summary:- This circular from the Central Board of Indirect Taxes and Customs (CBIC) discusses the implementation of Section 16(4) of the IGST Act, allowing for certain goods and services to be exported with integrated tax payment and refund eligibility. It mentions the development of a system to restrict IGST refunds for specified items and calls for customs officers to enforce these restrictions. Trade notices are recommended for informing traders. An accompanying government notification lists the specific goods covered by these provisions.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1003182/ENG/Circulars>

## 06 DGFT

**Topic Name:- Amendment in Export Policy for Botanical-Based Food Supplements**

**Dated on:- 11th September 2023**

**Notification No:- 31/2023**

**Brief Summary:-** The Central Government has made amendments to the Export Policy for Food Supplements containing botanicals. Now, to export these products to the European Union (EU) and the United Kingdom (UK), originating from India, an official certificate from designated authorities like EIC/EIA or SHEFIXIL is required. This certificate will be based on satisfactory analytical test reports, specifically for ETO testing for Food Supplements containing Botanicals. SHEFEXIL is authorized to issue certificates for a limited three-month period from the date of this notification.

Read more at:- <https://www.dgft.gov.in/CP/?opt=notification>

**Topic Name:- Export of Non-Basmati White Rice to UAE through NCEL**

**Dated on:- 25th September 2023**

**Notification No:- 32/2023**

**Brief Summary:-** This notification grants permission for the export of 75,000 metric tons of non-Basmati white rice (HS code 1006 30 90) to the United Arab Emirates (UAE) through the National Cooperative Exports Limited (NCEL).

Read more at:- <https://www.dgft.gov.in/CP/?opt=notification>

## 06 DGFT

Topic Name:- RoDTEP Scheme Extension for Exports

Dated on:- 26th September 2023

Notification No:- 33/2023

Brief Summary:- The Indian government has extended the RoDTEP scheme for exports from October 1, 2023, until June 30, 2024. The existing rates for all items covered under RoDTEP will continue to apply during this period, subject to budgetary constraints outlined in FTP 2023. This extension aims to support and incentivize exports.

Read more at:- <https://www.dgft.gov.in/CP/?opt=notification>



## 07 INTERNATIONAL ACCOUNTING STANDARDS BOARD

Topic Name:- IASB Amends IFRS for SMEs in Response to Pillar Two Model Rules

Dated on:- 29th September 2023

Brief Summary:- The International Accounting Standards Board (IASB) has issued amendments to the IFRS for SMEs Accounting Standard in response to changes in IAS 12 Income Taxes influenced by the OECD's Pillar Two model rules. These amendments offer temporary relief for deferred taxes related to Pillar Two implementation and require companies using the standard to disclose information about the income tax consequences of Pillar Two legislation. Companies can immediately benefit from this temporary exception, and they must provide these disclosures for annual reporting periods starting on or after January 1, 2023. The aim is to provide relief to SMEs subject to Pillar Two rules while ensuring transparency for financial statement users.

Read more at:- <https://www.ifrs.org/news-and-events/news/2023/09/iasb-amends-the-ifrs-for-smes-accounting-standard-itr/>

## 08 NATIONAL FINANCIAL REPORTING AUTHORITY.

Topic Name:- Auditors Responsibilities in relation to Fraud & Misconduct in a Company.

Dated on:- 26th September 2023

Order No:- 30/2023

Brief Summary:- The NFRA circular addresses the responsibilities of auditors. It is a testament to the significance of upholding the highest standards of ethical and professional conduct in auditing. Auditors serve as the gatekeepers of financial integrity, and any lapses in their judgment or practices can have profound consequences for companies, shareholders, and the broader financial ecosystem. The NFRA's decision to impose a penalty reflects the authority's commitment to upholding professional standards in auditing, especially for Public Interest Entities. This action serves as a reminder of the importance of competence, diligence, and adherence to auditing standards in maintaining the integrity of financial reporting. This development underscores the accountability and responsibility of auditors in ensuring the accuracy and reliability of financial statements, particularly for listed companies like SRS Ltd. It also serves as a deterrent against professional misconduct in the auditing profession. Overall, the circular aims to ensure auditors understand their reporting obligations and encourages them to promptly report any instances of fraud.

Read more at:-

<https://cdnbbsr.s3waas.gov.in/s3e2ad76f2326fbc6b56a45a56c59fafdb/uploads/2023/08/202308212014234658.pdf>

## 09 EXPERT ADVISORY CORNER



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### **RBI's Guidelines for Responsible Lending**

### **Conduct: Understanding the Implications, Impact and Challenges**

#### **Introduction**

The Reserve Bank of India (RBI), vide circular "RBI/2023-24/60 DoR.MCS.REC.38/01.01.001/2023-24" dated September 13, 2023, has instructed lenders to release original movable and immovable property documents within 30 days of loan repayment

This directive, part of RBI's "Responsible Lending Conduct - Release of Property Documents" circular, aims to standardize practices and prevent customer disputes among banks, non-banking finance companies (NBFCs), housing finance companies (HFCs), and asset reconstruction companies (ARCs) and to ensure responsible lending conduct regarding the release of movable and immovable property documents upon repayment or settlement of personal loans.

## 09 EXPERT ADVISORY CORNER (CONT'D)

### Implications:

1. Regulated Entities (REs) must release all original movable/immovable property documents and remove any registered charges within 30 days of full loan repayment.
2. Borrowers can choose to collect their property documents from the loan servicing branch or any other office of the lender. Lenders must also establish procedures for transferring documents to legal heirs in the event of the borrower's death, which should be accessible on their websites.
3. In cases where lenders delay or fail to release property documents within 30 days after loan settlement, they must explain the delay to the borrower. If the delay is the lender's fault, they must compensate the borrower at Rs.5,000 per day.
4. If property documents are lost or damaged, lenders should help borrowers obtain duplicates, cover associated costs, and compensate them. An additional 30-day period is allowed for this process, with penalties for further delays.
5. RBI clarifies that its compensation does not affect the borrower's rights under other applicable laws.
6. These directions are effective for cases with property document releases on or after December 1, 2023.

## 09 EXPERT ADVISORY CORNER (CONT'D)

### Impact of the Circular:

- 1. Customer Protection:** The circular enhances customer protection by ensuring that borrowers receive their property documents promptly upon loan repayment. This reduces the risk of disputes and grievances.
- 2. Standardization:** It standardizes the process of property document release, providing borrowers with clear timelines and options. This promotes transparency and consistency in lending practices.
- 3. Responsibility:** By mandating compensation for delays attributable to lenders, it encourages responsible lending practices. Lenders are incentivized to streamline their processes and prevent unnecessary delays.
- 4. Legal Clarity:** The circular clarifies the legal framework for property document release, citing relevant sections of banking and regulatory acts. This provides a clear basis for enforcement.

## 09 EXPERT ADVISORY CORNER

### Challenges for Regulated Entities (REs) :

- 1. Operational Challenges:** REs may face operational hurdles in promptly releasing property documents, especially if they lack efficient processes or digital infrastructure.
- 2. Costs:** Bearing the associated costs for lost or damaged documents and compensation for delays can strain the financial resources of REs, impacting their profitability.
- 3. Compliance:** Ensuring compliance with the circular's requirements, such as displaying procedures on their websites, may require additional administrative efforts and resources.
- 4. Customer Communication:** Properly communicating with borrowers about delays and compensation may pose a challenge, as it requires efficient systems for tracking and addressing issues.
- 5. Legal Risks:** Failure to comply with the circular could result in legal actions, penalties, and reputational damage for REs.

# CONTENT CONTRIBUTORS

- » Goods & Service Tax
- » Securities Exchange Board of India
- » Custom Duties
- » International Accounting Standard Board
- » FASB
- » NFRA
- » Income Tax
- » Reserve Bank of India
- » DGFT



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## » Strategic Guide



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## » Overall Co-ordinator & Reviewer for this Activity



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**Below are the links for previous months Regulatory Radar:**

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**JULY:** [https://drive.google.com/file/d/1bg4Kfx7slitzXPQkacA5JSpTnHPNs7xx/view?usp=drive\\_link](https://drive.google.com/file/d/1bg4Kfx7slitzXPQkacA5JSpTnHPNs7xx/view?usp=drive_link)

**AUGUST:** <https://drive.google.com/file/d/1v6ySop5Bc2VLZ1ctDxahNIh3O5zh0sDC/view>





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