

JHS

REGULATORY RADAR OCT'23

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REGULATORY AMENDMENTS

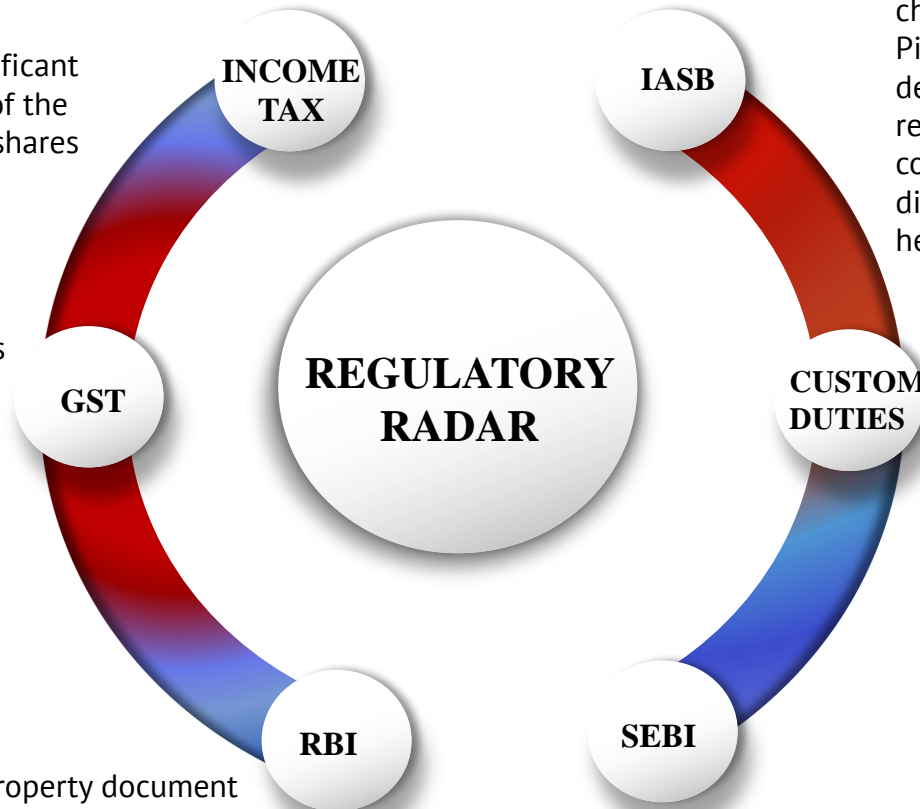


REGULATORY RADAR OCTOBER 23 - KEY HIGHLIGHT FOR THE MONTH

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

Date	Notifica-tion	Tax Exemptions	Brief Summary
13 th October, 2023	89/2023	Conditions for ABP Pension Fund in India	Stichting Pensioenfonds ABP gets tax exemption in India under conditions: regulatory compliance, segregated accounts, exclusive benefits to participants, no private individual advantages, no investment loans, and no operational involvement in investees. Violations result in loss of tax exemption.
26 th October, 2023	92/2023	Notification for West Bengal Pollution Control Board	The Central Board of Direct Taxes has extended the due date for filing accountant reports under the Income Tax Act, 1961 for Assessment Year 2023-24 to December 31, 2023, to address difficulties faced by taxpayers due to a late notification of the required form
26 th October, 2023	93/2023	Notification for Telangana Construction Workers Welfare Board	The CBDT, under the Income-tax Act, has allowed for the condonation of delays in filing Form No. 10-IC for the assessment year 2021-22. To qualify, companies must have filed their income tax returns on time, opted for taxation under Section 115BAA, and filed Form No. 10-IC electronically by January 31, 2024, or within three months of the Circular's issuance, whichever is later. This aims to alleviate genuine hardships faced by domestic companies.

01 INCOME TAX

Date	Notifica-tion	Condition Specified	Brief Summary
4 th October, 2023	86/2023	District Mineral Foundation Trusts' Income and Activities	"DMF Authority Income Sources and Guidelines: Contributions, Interest, Penalties. No commercial activities. Consistent operations, mandatory income tax filings. Effective from AY 2023-24 through AY 2027-28."
6 th October, 2023	87/2023	Specified Conditions for the Dental Council of India, New Delhi	"Income Designation: 'Dental Council of India, New Delhi' specified for fees, subscriptions, royalties, publications, grants, subsidies, and bank interest income. Conditions include no commercial activities, maintaining income consistency, and filing tax returns. Applicable for AY 2023-24, corresponding to FY 2022-23."
19 th October, 2023	90/2023	Income Tax Notification for Punjab Dental Council, Mohali	"Income Tax Notification: 'Punjab Dental Council, Mohali' specified for income under section 10. Permitted income sources include registration fees and interest. Council restricted from commercial activities, must maintain income nature, and file tax returns. Applicable for AY 2022-23 and AY 2023-24, corresponding to FY 2021-22 and FY 2022-23."

01 INCOME TAX

Topic Name:- Submission and Reporting Requirements for Audit of Funds, Trusts, and Institutions under Income Tax Act, 1961 in India

Dated on:- 9th October, 2023

Circular No:- 17/2023

Brief Summary:- This document pertains to the submission of audit reports for funds, trusts, educational institutions, and medical institutions under specific sections of the Income-tax Act, 1961 in India. It addresses difficulties in reporting substantial contributions and provides clarifications for the assessment year 2023-24. Notably, individuals whose contributions exceed fifty thousand rupees should be reported, along with details of their relatives and any concerns in which they have a substantial interest, if available.

Read more at:- https://www.pdicai.org/Docs/circular-17-2023_10102023112031316.pdf

Topic Name:- Amendments to Income-tax Rules 2022: PAN Requirements in Financial Transactions

Dated on:- 10th October, 2023

Notification No:- 88/2023

Brief Summary:- The Central Board of Direct Taxes has made amendments to the Income-tax Rules, 1962, under the Income-tax (Twenty-fourth Amendment) Rules, 2023. These amendments provide exceptions and requirements related to PAN in financial transactions for foreign companies in IFSC banking units and individuals without income chargeable to tax in India. The goal is to simplify tax regulations for specific scenarios and entities.

Read more at:- https://www.pdicai.org/Docs/notification-88-2023_13102023144220147.pdf

01 INCOME TAX

Topic Name:- Income Tax Rule Amendments 2023: Form No. 60 Substitution

Dated on:- 11th October, 2023

Notification No:- 88/2023

Brief Summary:- "Amendments to PAN Rules: Rule 114B for PAN in transactions under 139A(5)(c), Rule 114BA for 139A(1)(vii) transactions, and Rule 114BB for 139A(6A) transactions. Form No. 60 substitution for declaration by individuals without PAN in specified transactions under Rule 114B. Notification No. 88/2023, dated 11-10-2023."

Read more at:- <https://incometaxindia.gov.in/communications/notification/notification-88-2023.pdf>

01 INCOME TAX

Topic Name:- Extension of Due Date for Accountant Reports in Income Tax Act for AY 2023-24

Dated on:- 20th October, 2023

Circular No. 18/2023

Brief Summary:- The Central Board of Direct Taxes has extended the due date for filing accountant reports under the Income Tax Act, 1961 for Assessment Year 2023-24 to December 31, 2023, to address difficulties faced by taxpayers due to a late notification of the required form.

Read more at:- http://www.pdicai.org/Docs/circular%2018-2023_23102023154622160.pdf

Topic Name:- CBDT Allows Condoning of Form 10-IC Filing Delays for Domestic Companies

Dated on:- 23rd October, 2023

Circular No. 19/2023

Brief Summary:- The CBDT, under the Income-tax Act, has allowed for the condonation of delays in filing Form No. 10-IC for the assessment year 2021-22. To qualify, companies must have filed their income tax returns on time, opted for taxation under Section 115BAA, and filed Form No. 10-IC electronically by January 31, 2024, or within three months of the Circular's issuance, whichever is later. This aims to alleviate genuine hardships faced by domestic companies.

Read more at:- https://www.pdicai.org/Docs/circular-no-19-2023_26102023112328677.pdf

02 GST

Topic name:- The e-Invoice JSON download functionality Live on the GST e-Invoice Portal

Dated on:- 3rd October, 2023

Brief Summary:- The e-Invoice JSON download functionality is now live on the GST Portal. To download the generated and received e-Invoices in JSON format, click on the link below.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/605>

To read FAQ's and step-by-step Process:- https://tutorial.gst.gov.in/downloads/news/einvoice_json_download_functionality.pdf

Topic name:- Introduction of Compliance Pertaining to DRC-01C (Difference in Input Tax Credit (ITC) available in GSTR-2B & ITC claimed in the GSTR-R3B)

Dated on:- 6th October, 2023

Brief Summary:- The government introduced Rule 88D in 04 August 2023 – Central Tax to address input tax credit (ITC) discrepancies between GSTR-2B and GSTR-3B. The GST portal now compares ITC figures, and if claimed ITC exceeds set limits, taxpayers receive an intimation (Form DRC-01C). They must respond with payment details or explanations using Form DRC-01C Part B. Failure to respond results in the inability to file subsequent GSTR-1/IFF returns, promoting ITC reconciliation and compliance.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/606>

To Read FAQ's and step-by-step instructions:-

https://tutorial.gst.gov.in/downloads/news/return_compliance_itc_mismatch_intimation_in_form_gst_drc_01c.pdf

02 GST

Topic name:- Gist of Recommendations of 52nd meeting of GST Council.

Dated on:- 7th October, 2023

Brief Summary:-

Key recommendations from the 52nd GST Council meeting:

- GST rates for millet flour based on packaging.
- Lower GST on molasses from 28% to 5%.
- Excluding ENA for alcoholic beverages from GST.
- 5% GST on imitation Zari thread.
- New HS code for industrial rectified spirit.
- Exemption of certain services to Governmental Authorities.
- Amnesty Scheme for appeal filing on demand orders.
- Tax clarity for corporate guarantees between related parties.
- Limiting the validity of Provisional Attachment Orders to 1 year.
- Clarification on place of supply for various services.
- Circular on export remittances in Special INR Vostro accounts.

Read more at:- <https://gstcouncil.gov.in/sites/default/files/SGST-Circulars/Press%20Information%20Bureau%20%281%29.pdf>

02 GST

Topic name:- "Enrolment Facility for GST Unregistered Suppliers in E-commerce Supply Chains"

Dated on:- 12th October, 2023

Brief Summary:-

1. The recent amendments to the CGST Act exempt persons supplying goods through e-commerce operators from mandatory GST registration if they meet certain conditions:

- They supply goods only within one State/UT. They don't make inter-state supplies.
- They have a PAN. They declare their PAN, address, and State/UT on the GST Portal.
- They obtain an enrolment number on the portal before making such supplies through ECOs.

2. GSTN has developed the necessary functionality for enrolment of unregistered persons and the same is available on the portal. Accordingly, unregistered person desirous of enrolling on the GST portal for making supplies of goods through ECOs in any one State/UT are hereby advised to follow the path/procedure specified below:

Read more at:- <https://www.gst.gov.in/newsandupdates/read/608>

Topic name:- "E-commerce Operator Facilitation for Goods Supply by Unregistered Suppliers"

Dated on:- 12th October, 2023

Brief Summary:- The GSTN has developed two APIs for E-Commerce Operators (ECOs) to work with unregistered suppliers. These APIs are:

Unregistered Applicants API: It retrieves details of unregistered applicants using their enrolment ID.

Unregistered Applicants Validation API: It validates the Mobile No. and Email ID associated with an enrolment ID.

To access these APIs, ECOs should contact a GST Suvidha Provider (GSP). They need to obtain an Authentication Token for access, and the API specifications for this are available in the developer portal under Public API >.

Read more at:- <https://www.gst.gov.in/newsandupdates/read/607>

02 GST

Topic name:- Person supplying of Online Money Gaming services or OIDAR or Both– Form GST REG-10 and Form GSTR-5A

Dated on:- 17th October, 2023

Brief Summary:- Recent GST amendments require foreign online money gaming suppliers to register and report their supplies to India. A workaround is suggested until the GST portal is updated:

Registration (Form GST REG-10): File registration applications in the existing Form GST REG-10. Upload a PDF copy of the required information in Row 2 (iia).

Return (Form GSTR-5A): Report online money gaming supplies in existing Tables 5 and 5A until new tables are added to Form GSTR-5A on the portal.

To view the PDF format and Read More:- <https://www.gst.gov.in/newsandupdates/read/609>

Topic name:- Advisory related to changes in GSTR-5A

Dated on:- 27th October, 2023

Brief Summary:- GST has introduced a new reporting requirement in GSTR 5A for Online Information Database Access and Retrieval (OIDAR) service providers. The new addition is "Table 5B," which is meant for reporting supplies made to Registered GSTINs (Business-to-Business supplies). However, the implementation of Table 5B will take some time at the Goods and Services Tax Network (GSTN). Until it is fully functional, OIDARs are advised to continue filing their returns in the existing GSTR 5A format.

Read More:- <https://www.gst.gov.in/newsandupdates/read/610>

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
The Sarvodaya Sahakari Bank Limited, Modasa, Gujarat	3 rd October, 2023	This penalty has been imposed in exercise of powers vested in RBI under the provisions of the Banking Regulation Act, 1949.	₹6.00 Lakh	In the bank's financial position as of March 31, 2022, uncovered that the bank extending credit to a director's relative with other directors' relatives as guarantors, violating inter-bank gross exposure and counterparty exposure limits, and failing to pay interest on matured fixed deposits correctly.
The Janata Co-operative Bank Ltd., Godhra, Dist. Panchmahal, Gujarat	3 rd October, 2023	Violating provisions of the Banking Regulation Act, specific directions from RBI, and inadequate compliance with regulatory requirements, as revealed during a statutory inspection and examination of the bank's financial position.	₹3.50 Lakh	The RBI's inspection of the bank's financial position as of March 31, 2022, revealed that the bank made a donation to a trust with one of its directors as a trustee and sanctioned loans with relatives of the bank's directors as guarantors.
Dhanera Mercantile Co-operative Bank Ltd., Dhanera, Gujarat	3 rd October, 2023	This penalty has been imposed in exercise of powers vested in RBI under the provisions of the Banking Regulation Act, 1949.	₹6.50 lakh	Inspection of the bank's financial position conducted by RBI as of March 31, 2022, uncovered that the bank made a donation to a trust with one of its directors as a trustee and sanctioned loans with relatives of the bank's directors as guarantors. After considering the bank's response the RBI decided that the charges of non-compliance were valid and imposed a monetary penalty.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
The Karnavati Co-operative Bank Ltd., Ahmedabad, Gujarat	6 th October, 2023	This penalty has been imposed in exercise of powers vested in the RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹1.50 Lakh	Following a March 31, 2022, RBI inspection, the bank was found to have sanctioned a loan with a director's relative as guarantor and failed to report a fraud case to RBI on time, and after reviewing the bank's response, RBI imposed a monetary penalty for non-compliance with its directives.
The Gandevi People's Co-operative Bank Ltd., Navsari, Gujarat	6 th October, 2023	This penalty action has been imposed in exercise of powers vested in the RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹2.00 Lakh	Following an RBI inspection of the bank's financial position as of March 31, 2022, it was found that the bank had exceeded prudential inter-bank counterparty exposure limits and failed to report a fraud case to the RBI within the required timeframe. After reviewing the bank's response and oral submissions, the RBI imposed a monetary penalty for non-compliance with its directives.
The Kalyan Janata Sahakari Bank Limited, Kalyan, Maharashtra	9 th October, 2023	This penalty has been imposed in exercise of powers vested in RBI under the provisions of the Banking Regulation Act, 1949.	₹4.50 Lakh	After inspecting the bank's financial position as of March 31, 2021, the RBI found that the bank had opened savings accounts for ineligible institutions and charged customers for not maintaining minimum balances without notification. Subsequently, a notice was issued, and the RBI imposed a monetary penalty for non-compliance with its directives after considering the bank's response.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
SBPP Co-operative Bank Limited, Killa Pardi, Gujarat	9 th October, 2023	This penalty has been imposed in exercise of powers vested in RBI under the provisions of the Banking Regulation Act, 1949.	₹13 lakh	Following a statutory inspection of the bank's financial position as of March 31, 2021, the RBI discovered that the bank had opened savings deposit accounts for trusts whose entire income was not exempt from income tax under the Income Tax Act, 1961. Consequently, a notice was issued to the bank and after considering the bank's response, the RBI imposed a monetary penalty.
Paytm Payments Bank Limited	12 th October, 2023	This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.	₹5.39 Crore	This penalty is due to issues such as not identifying beneficial owners, inadequate transaction monitoring, exceeding balance limits, delayed reporting of cybersecurity incidents, and lapses in their customer identification process. The penalty is not a judgment on specific transactions but is a result of regulatory compliance deficiencies identified after an RBI audit.
Annasaheb Magar Sahakari Bank Ltd., Pune, Maharashtra	12 th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹4.00 Lakh	RBI inspection of the bank's financial position and Risk Assessment Report revealed that the bank fails to comply with its directives on KYC, deposit account maintenance, and income recognition. Non-compliance issues include not reviewing risk categorization, incorrectly collecting penal charges for minimum balance shortfalls, and not adhering to prudential norms.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Finquest Financial Solutions Private Limited, Mumbai, Maharashtra	12 th October, 2023	The provisions of this act, particularly under clause (b) of sub-section (1) of Section 58G, read with clause (aa) of sub-section (5) of Section 58B.	₹1.20 lakh	The company not complying with RBI's KYC and NBFC regulations. The company failed to categorize borrower risks, rectify loan-to-value ratio shortfalls, and report data to Credit Information Companies as required. The fine is due to regulatory compliance issues and does not affect specific transactions or agreements with customers.
The Jawhar Urban Co-operative Bank Limited, Palghar, Maharashtra	12 th October, 2023	The penalty imposed is based on the powers granted to the Reserve Bank of India (RBI) under the provisions of Section 47 A (1) (c), along with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹1.00 lakh	The penalty is based on the bank's deficiency in establishing a system for periodic KYC updates for customers. This action is taken under the authority of the Banking Regulation Act, 1949 and doesn't impact the validity of specific customer transactions or agreements. The penalty is a result of regulatory compliance issues identified during an RBI inspection.
Janata Urban Co-operative Bank Limited, Wai, Maharashtra	12 th October, 2023	This action is based on deficiencies in regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers.	₹1.00 lakh	After a statutory inspection of the bank's financial position, the RBI found that the bank had reported cases of fraud with delays. The RBI issued a notice to the bank, and after reviewing the bank's response and oral submissions, it concluded that the bank had failed to comply with RBI's directions, justifying the imposition of a monetary penalty.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
RBL Bank Limited	13 th October, 2023	Imposed for non-compliance is based on the powers vested in the Reserve Bank of India (RBI) under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i).	₹64.00 lakh	Following a RBI inspection of the bank's financial position revealed that the bank failed to meet specific timelines for obtaining declarations and providing certificates related to the 'fit and proper' status of a major shareholder for multiple financial years. This penalty is a result of regulatory compliance deficiencies and does not impact the validity of customer transactions or agreements.
Union Bank of India	13 th October, 2023	This penalty based on its authority granted under the provisions of Section 47 A (1) (c), along with Sections 46 (4) (i) and 51(1) of the Banking Regulation Act, 1949.	₹1.00 Crore	The penalty is based on the bank's non-compliance regarding the sanctioning of a term loan without proper due diligence on project viability and budgetary resource usage. This action is due to regulatory compliance deficiencies and doesn't question the validity of specific transactions or agreements with customers.
Bajaj Finance Limited, Pune, Maharashtra	13 th October, 2023	The penalty is imposed based on the powers vested in RBI under the provisions of clause (b) of sub-section (1) of Section 58 G, read with clause (aa) of sub-section (5) of Section 58 B of the Reserve Bank of India Act, 1934.	₹8.50 lakh	The bank is not complying with 'Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016.' The penalty is based on regulatory non-compliance related to the reporting of certain frauds and delays in reporting. The issues were identified during an inspection of the company's financial position as of March 31, 2022.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Gujarat Mercantile Co-operative Bank Ltd., Ahmedabad, Gujarat	16 th October, 2023	The penalty is imposed for the bank's non-compliance with RBI's directions related to deposit placement and Cash Reserve Ratio (CRR) maintenance	₹4.50 lakh	Following a statutory inspection of the bank's financial position as of March 31, 2022, the RBI found several breaches, including exceeding inter-bank exposure limits and failing to maintain the minimum Cash Reserve Ratio (CRR) on certain days. The RBI issued a notice to the bank, asking for a response regarding potential penalties for non-compliance with regulatory directions.
Makarpura Industrial Estate Co-operative Bank Ltd., Dist. Vadodara, Gujarat	16 th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the BR Act.	₹2.00 lakh	After conducting a statutory inspection of the bank's financial position as of March 31, 2022, the RBI found that the bank failed to transfer the required amount to the Depositor Education and Awareness Fund, and it sanctioned a loan with a relative of one of the bank's directors as a guarantor. After considering the bank's reply to the notice and oral submissions made by it during the personal hearing, RBI came to the conclusion that the charge of non-compliance
The Sevalia Urban Co-operative Bank Ltd., Sevalia, dist. Kheda, Gujarat	16 th October, 2023	Exercise of powers conferred on RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹50,000 (Fifty Thousand Rupees)	Following an RBI inspection of the bank's financial position as of March 31, 2022, it was discovered that the bank had sanctioned a loan with a relative of one of its directors acting as a surety/guarantor.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Nagarik Sahakari Bank Ltd., Babra, Gujarat	16 th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56 of the BR Act.	₹2.00 lakh	Following a statutory inspection of the bank's financial position as of March 31, 2022, the RBI found several compliance issues, including failure to transfer funds to the Depositor Education and Awareness Fund, granting a credit facility with a director's relative as a guarantor, breaching inter-bank exposure limits, and not paying interest on unclaimed term deposits.
West End Housing Finance Limited, Mumbai, Maharashtra	16 th October, 2023	Imposed in exercise of powers conferred on RBI under the provisions of clause (b) of sub-section (1) of Section 52A read with clause (aa) of sub-section (3) of Section 49 of the National Housing Bank Act, 1987.	₹1.70 lakh	The company's Annual Report for the financial year 2020-21 revealed that it failed to obtain prior written permission from NHB/RBI for changes in its shareholding, which led to a transfer of shares beyond the permitted limit. As a result, a notice was issued to the company, and after reviewing their response and oral submissions, the RBI imposed a monetary penalty for non-compliance with NHB and RBI directions.
ICICI Bank Ltd	17 th October, 2023	This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of Section 47 A (1) (c) read with Section 46 (4) (i) of the BR Act.	₹12.19 crore	The RBI conducted inspections in 2020 and 2021, finding that the bank had sanctioned loans to companies with overlapping directorships, engaged in non-financial product sales, and failed to report fraud promptly. A notice was issued to the bank to explain its actions. After review, the RBI concluded that the bank had indeed violated the BR Act

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Kotak Mahindra Bank Limited	17 th October, 2023	This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of Section 47A(1)(c) read with Sections 46 (4)(i)	₹3.95 crore	In 2022, the RBI conducted a supervisory evaluation of the bank, finding non-compliance with specific directions. The bank failed to review its service provider, violated customer contact time limits, charged interest incorrectly, and imposed foreclosure charges without proper clauses. A notice was issued, and after reviewing the bank's response and submissions, the RBI imposed a monetary penalty for the non-compliance.
Mahila Co-operative Nagrik Bank Ltd., Bharuch, Gujarat	19th October, 2023	The monetary penalty imposed on Surat National Co-operative Bank Ltd. by the RBI is based on the provisions of this act, specifically Sections 47 A (1) (c), 46 (4) (i), and 56	₹6.00 lakh	The RBI conducted an inspection of a bank and found it had not paid interest on matured term deposits and didn't allow customers to report unauthorized transactions via SMS and email. As a result, the RBI imposed a monetary penalty on the bank for non-compliance with these directives.
Surat National Co-operative Bank Ltd., Surat, Gujarat	19th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) and 56.	₹2.00 lakh	The RBI conducted an inspection revealing that a bank exceeded inter-bank exposure limits and didn't conduct required risk categorization reviews. A monetary penalty was imposed on the bank after it failed to address these compliance issues.

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
L&T Finance Limited, Mumbai, Maharashtra	20 th October, 2023	The penalty is imposed under the provisions of clause (b) of sub-section (1) of Section 58G read with clause (aa) of sub-section (5) of Section 58.	₹2.50 crore	The RBI conducted a financial inspection of the company for 2021 and 2022, revealing non-disclosure of risk gradation and rationale for varying interest rates to retail borrowers, failure to notify changes in penal interest rates, and not informing borrowers of loan term changes. A notice was issued by RBI, leading to a monetary penalty based on the level of non-compliance.
SVC Co-operative Bank Ltd., Mumbai, Maharashtra	23 th October, 2023	Accordance with the powers vested in RBI under the Banking Regulation Act, 1949, and is focused on regulatory compliance issues rather than the validity of the bank's customer transactions or agreements.	₹13.30 lakh	The RBI's statutory inspection found that a bank had imposed ATM card maintenance charges on 'Basic Savings Bank Deposit Accounts'. Despite the bank's response, the RBI imposed a monetary penalty for non-compliance with its directions.
Co-operative Bank Ltd., Pimpri, Maharashtra	23 th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of section 47-A (1) (c) read with Sections 46 (4) (i) and 56.	₹3.00 lakh	Following an RBI inspection, it was revealed that the bank did not adhere to Prudential Norms for income recognition and lacked a system for periodic customer KYC updates as of March 31, 2022. Subsequently, the RBI imposed a monetary penalty on the bank for non-compliance with these directives

03 RBI

Topic Name: Penalties imposed by RBI on following banks.

Bank Name	Dated on	Regulation Act	Penalty Amount	Brief Summary
Pij People's Co-operative Bank Limited, Pij, Dist. Kheda, Gujarat	30th October, 2023	This penalty is imposed under the powers granted to RBI by the Banking Regulation Act, 1949, specifically in Sections 47-A (1) (c), 46 (4) (i), and 56.	₹2.00 lakh	The RBI inspected the bank's financial position as of March 31, 2022, and found it had failed to conduct required periodic reviews of account risk categorization. A notice was issued to the bank, and after reviewing the bank's response, the RBI imposed a monetary penalty for non-compliance with regulatory directions.
Shihori Nagarik Sahakari Bank Ltd., Shihori, Dist. Banaskantha, Gujarat	30th October, 2023	This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47-A (1) (c) read with Sections 46 (4) (i) and 56 of the Banking Regulation Act, 1949.	₹1.00 lakh	Following a March 31, 2022 inspection, RBI found the bank had sanctioned loans with directors' relatives as guarantors and exceeded inter-bank exposure limits. RBI issued a non-compliance notice, which, after reviewing the bank's response and conducting a hearing, led to a monetary penalty being imposed on the bank.

03 RBI

RBI EXTENTION AND DIRECTION

Date	Action & Directions	Press-Release	Brief Summary
10 th October, 2023	Action against Bank of Baroda under section 35A of the Banking Regulation Act, 1949	2023-2024/1083	The RBI has directed Bank of Baroda to suspend new customer onboarding for their 'bob World' mobile app due to supervisory concerns. The bank must rectify the issues and ensure no disruption for existing 'bob World' customers.
12 th October, 2023	"Directions for Mahabhairab Co-op Urban Bank Ltd., Tezpur"	2023-2024/1100	"RBI imposes restrictions on Mahabhairab Co-operative Urban Bank Ltd., Tezpur, effective October 12, 2023. Limits on lending, investments, and liabilities without prior approval. Liquidity constraints on withdrawals, depositors eligible for up to ₹5,00,000 through deposit insurance. Bank's license unaffected, operations continue with restrictions for six months. Deposit insurance claims handled by DICGC."
22 nd October, 2023	Extends Directions for Suri Friends' Union Co-operative Bank in West Bengal	2023-2024/1159	The Reserve Bank of India extended Directions issued to The Suri Friends' Union Co-operative Bank Limited in West Bengal until January 22, 2024, with no change in terms. This is not a banking license cancellation but places restrictions on the bank. The RBI can make further adjustments based on the bank's financial situation.

03 RBI

RBI EXTENTION AND DIRECTION

Date	Action & Directions	Press-Release	Brief Summary
27 th October, 2023	Extends Regulatory Directives for Indian Mercantile Co-operative Bank Ltd., Lucknow	2023-2024/1182	"RBI Extends Supervisory Directives for Indian Mercantile Co-operative Bank Ltd., Lucknow: Initially imposed on January 28, 2022, directives extended from October 27, 2023, to January 27, 2024. Bank continues to operate under supervision, subject to review. No license cancellation; directives may be modified. Public notice displayed at bank premises."
27 th October, 2023	Extends Regulatory Directives for Durga Co-operative Urban Bank Ltd., Vijayawada	2023-23021/1184	The Reserve Bank of India (RBI) has extended regulatory directives for Durga Co-operative Urban Bank Ltd., Vijayawada, originally set until October 29, 2023. The extension now stretches the directive until January 29, 2024, with no changes in the existing terms and conditions. This extension is made in the public interest and does not affect the bank's licensing status.
27 th October, 2023	Extends Regulatory Directives for The Anjangaon Surji Nagari Sahakari Bank Ltd., Amravati	2023-2024/1185	"RBI extends directives for Anjangaon Surji Nagari Sahakari Bank until January 28, 2024. Terms unchanged, subject to review. No impact on licensing status; extension in the public interest."

03 RBI

Topic Name:- RBI announces rate of interest on Government of India Floating Rate Bond 2028

Dated on:- 3rd October, 2023

Press Release:- 2023-2024/1036

Brief Summary:- The Government of India Floating Rate Bond 2028 (GOI FRB 2028) will have an interest rate of 7.69% per annum for the period from October 04, 2023, to April 03, 2024. This rate is determined based on the average of the Weighted Average Yield of the last three auctions of 182-Day T-Bills, with an additional fixed spread of 0.64%.

Read more at:- https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56486

Topic Name:- "RBI Forms External Working Group on ECL Framework for Bank Provisioning"

Dated on:- 4th October, 2023

Press Release:- 2023-2024/1043

Brief Summary:- The RBI released a Discussion Paper on the "Introduction of Expected Credit Loss Framework for Provisioning by Banks" in January 2023, seeking feedback from stakeholders. This framework represents a shift from the current incurred loss-based provisioning system, aligning with international accounting standards. The RBI has received comments from stakeholders and is reviewing them. To gain independent insights on technical aspects related to this transition, the RBI has established a Working Group. The group will be led by Prof. R. Narayanaswamy, a former professor at IIM Bangalore, and includes experts from academia, industry, and representatives from selected banks. Their role is to provide input on the significant changes involved in this framework transition.

Read more at:- https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56493

03 RBI

Topic Name:- "RBI Launches UDGAM: Portal for Unclaimed Deposits Information"

Dated on:- 5th October, 2023

Press Release:- 2023-2024/1048

Brief Summary:- The Reserve Bank of India launched the उद्गम UDGAM portal on August 17, 2023, to help the public search for unclaimed deposits across multiple banks. Initially, it was available for seven banks, with plans to expand to all remaining banks by October 15, 2023. As of September 28, 2023, the search facility for 30 banks is now available, covering around 90% of unclaimed deposits in the Depositor Education and Awareness (DEA) Fund

Read more at:- https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56498

Topic Name:- Governor's Statement on Economy growth, price and inflation control etc.

Dated on:- 6th October, 2023

Press Release:- 2023-2024/1051

Brief Summary:- The speech by RBI's Chief General Manager highlights the importance of stability and inflation control. It discusses the recent MPC decision to maintain the policy rate and mentions resilient domestic economic activity. The speech underscores the need for vigilance in managing inflation, liquidity, and financial stability while promoting digital payments and financial sector resilience.

Read more at:- https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=56501

03 RBI

Topic Name:- RBI Guidelines on Presentation of Unclaimed Liabilities in Financial Statements

Dated on:- 25th October, 2023

Notification No. - RBI/2023-24/71DOR.ACC.47/21.04.018/2023-24

Brief Summary:- The Reserve Bank of India has issued instructions for banks to present unclaimed liabilities transferred to the Depositor Education and Awareness (DEA) Fund in their financial statements. Commercial banks should place them under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable.' Cooperative banks should categorize them under "Contingent Liabilities - Others." These instructions apply to both commercial and cooperative banks for financial statements from March 31, 2024, onwards.

Read more at:- <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12552&Mode=0>

03 RBI

Topic Name: RBI Cancels the license of following bank.

Bank Name	Date on	Press Release	Brief Summary
Nagar Urban Co-operative Bank Ltd., Ahmednagar, Maharashtra	4th October, 2023	2023-2024/1044	<p>RBI cancelled the license of the bank as:</p> <ul style="list-style-type: none">• The bank does not have adequate capital and earning prospects. As such, it does not comply with the provisions of Section 11(1) and Section 22 (3) (d) read with Section 56 of the Banking Regulation Act, 1949.• The bank has failed to comply with the requirements of Sections 22(3) (a), 22 (3) (b), 22(3)(c), 22(3) (d) and 22(3)(e) read with Section 56 of the Banking Regulation Act, 1949;• The continuance of the bank is prejudicial to the interests of its depositors;• The bank with its present financial position would be unable to pay its present depositors in full; and• Public interest would be adversely affected if the bank is allowed to carry on its banking business any further.

Bank Name	Date on	Press Release	Brief Summary
Ind Bank Housing Ltd	12th October, 2023	2023-2024/1094	<p>The Reserve Bank of India cancels the Certificate of Registration of the bank that the Bank shall transact the business neither of a Housing Finance Institution nor of a Non-Banking Financial Institution as defined in National Housing Bank Act, 1987 and Reserve Bank of India Act, 1934, respectively</p>

04 SEBI AND CORPORATE LAWS

Topic Name:- Centralized mechanism for reporting the demise of an investor through KRAs

Dated on:- 3rd October, 2023

Circular No:- SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/0000000163

Brief Summary:- A centralized mechanism for reporting and verifying investor deaths in the securities market is being introduced. Regulated entities, including intermediaries, will follow specific steps upon receiving notice of an investor's death, including verifying the death certificate and blocking transactions. Listed companies can connect to this system through their RTAs. Standard Operating Procedures (SOPs) will ensure uniformity, and the circular takes effect on January 1, 2024, under the SEBI Act to protect investor interests and regulate the market.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/centralized-mechanism-for-reporting-the-demise-of-an-investor-through-kras_77534.html

Topic Name:- "SEBI Listing Regulations: Limited Compliance Relaxation"

Dated on:- 6th October, 2023

Circular No:- SEBI/HO/DDHS/P/CIR/2023/0164

Brief Summary:- SEBI has extended the relaxation for sending physical copies of financial documents to holders of non-convertible securities until September 30, 2024, following an MCA directive. This circular is effective immediately and is issued under SEBI's regulatory authority. Stock Exchanges must inform relevant entities and post this information on their websites.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/limited-relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015_77763.html

04 SEBI AND CORPORATE LAWS

Topic Name:- Requirement of Base Minimum Capital Deposit for Category 2 Execution Only Platforms

Dated on:-6th October, 2023

Circular No:- SEBI/HO/MRD/POD-III/CIR/2023/165

Brief Summary:- SEBI has introduced regulations for Execution Only Platforms (EOPs) that facilitate transactions in direct Mutual Fund plans. There are two categories of EOPs, with different registration requirements and deposit obligations. Category 2 EOPs must maintain a deposit of Rs. 10 lakhs. Existing BMC deposit rules are adjusted accordingly. These regulations take immediate effect, and stock exchanges must communicate them to market participants and investors.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/requirement-of-base-minimum-capital-deposit-for-category-2-execution-only-platforms_77778.html

Topic Name:- SEBI's Master Circular for Depositories Consolidates Regulatory Guidelines

Dated on:- 6th October, 2023

Circular No:- SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/166

Brief Summary:- SEBI has issued a Master Circular for Depositories, consolidating circulars and directions related to depositories up to August 31, 2023. This circular supersedes previous circulars, and actions taken under the old circulars are deemed to have been done under the Master Circular. It aims to streamline information and protect investor interests under SEBI's regulatory authority. Definitions not provided in the circular refer to relevant laws and regulations.

Read more at:- https://www.sebi.gov.in/legal/master-circulars/oct-2023/master-circular-for-depositories_77789.html

04 SEBI AND CORPORATE LAWS

Topic Name:- "SEBI Listing Regulations: Relaxation from Compliance"

Dated on:-7th October, 2023

Circular No:- SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167

Brief Summary:- SEBI has extended the relaxation of certain regulations for listed entities related to Annual General Meetings (AGMs) and general meetings held electronically until September 30, 2024, in response to an extension by the Ministry of Corporate Affairs (MCA). Listed entities must adhere to specific conditions outlined in the Master Circular while benefiting from these relaxations. This circular is issued under SEBI's regulatory authority and is subject to compliance with the Companies Act, 2013, and its rules.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-reg-_77781.html

Topic Name:- "SEBI Regulation 7(1) Compliance: Extension in Timeline"

Dated on:- 10th October, 2023

Circular No:- SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/168

Brief Summary:-"SEBI Circular extends compliance deadline for Investment Advisers' qualification and experience requirements from September 30, 2023, to September 30, 2025. BSE Administration & Supervision Limited directed to inform members. Issued to safeguard investor interests and regulate the securities market."

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/extension-in-timeline-for-compliance-with-qualification-and-experience-requirements-under-regulation-7-1-of-sebi-investment-advisers-regulations-2013_77901.html

04 SEBI AND CORPORATE LAWS

Topic Name:- SEBI's Master Circular on Know Your Client (KYC) Norms in the Securities Market.

Dated on:- 12th October, 2023

Circular No:- SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169

Brief Summary:- "SEBI issues immediate Master Circular consolidating KYC norms for securities market intermediaries. Modifications to existing KYC records required by December 31, 2023. Previous KYC circulars rescinded/modified; actions under them remain valid."

Read more at:- https://www.sebi.gov.in/legal/master-circulars/oct-2023/master-circular-on-know-your-client-kyc-norms-for-the-securities-market_77945.html

Topic Name:- "Amendment to AML and CFT Guidelines"of Terrorism (CFT) /

Dated on:- 13th October, 2023

Circular No:- SEBI/HO/MIRSD/SEC-FATF/P/CIR/2023/0170

Brief Summary The provided amendment to India's AML/CFT guidelines introduces several key changes, including enhanced measures for financial groups when host countries lack proper AML/CFT compliance, requirements for beneficial ownership identification, periodic client data updates, and mandated appointment of a Principal Officer for reporting suspicious transactions. These amendments aim to strengthen the anti-money laundering and counter-terrorism financing framework in accordance with international standards.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/amendment-to-the-guidelines-on-anti-money-laundering-aml-standards-and-combating-the-financing-of-terrorism-cft-obligations-of-securities-market-intermediaries-under-the-prevention-of-money-laund-_77975.html

04 SEBI AND CORPORATE LAWS

Topic Name:- Master Circular for Stock Exchanges and Clearing Corporations

Dated on:- 16th October, 2023

Circular No:- SEBI/HO/MRD2/PoD-2/CIR/P/2023/171

Brief Summary:- The SEBI has issued a Master Circular to consolidate its circulars and directions to Stock Exchanges and Clearing Corporations. It came into effect on the date of issue and covers circulars up to August 31, 2023. It replaces previous circulars but preserves existing actions and rights. Definitions are based on relevant securities laws. It supersedes a previous circular and is issued to protect investor interests and regulate the securities market.

Read more at:- https://www.sebi.gov.in/legal/master-circulars/oct-2023/master-circular-for-stock-exchanges-and-clearing-corporations_78047.html

Topic Name:- SEBI's Revised Framework for Large Corporates' Debt Securities Issuance

Dated on:- 19th October, 2023

Circular No:- SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172

Brief Summary:- SEBI has introduced a revised framework for large corporates (LCs) regarding the issuance of debt securities, requiring them to raise at least 25% of their incremental borrowings through debt securities. The new rules apply from April 1, 2024, or January 1, 2024, depending on the LC's financial year. The framework includes incentives for meeting borrowing requirements and disincentives for shortfalls. It aims to regulate how LCs issue debt securities.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/ease-of-doing-business-and-development-of-corporate-bond-markets-revision-in-the-framework-for-fund-raising-by-issuance-of-debt-securities-by-large-corporates-lcs-_78237.html

04 SEBI AND CORPORATE LAWS

Topic Name:-"Guidelines for BCP and DR of Qualified RTAs"

Dated on:- 20th October, 2023

Circular No:- SEBI/HO/IMD/IMD-TPD-1/P/CIR/2023/173

Brief Summary:- SEBI has issued guidelines for strengthening the resiliency of Qualified RTAs (Registrars and Transfer Agents), systemically important institutions in the securities market. The guidelines require the establishment of Business Continuity Plans (BCP) and Disaster Recovery Sites (DRS), expertise at DRS, and the formation of an Incident and Response team (IRT). Periodic drills, DRS configuration, and replication between DRS and PDC (Primary Data Center) are specified. QRTAs must submit their revised BCP-DR policies to SEBI within three months. This circular supersedes an earlier one from 2018 on BCP-DR policies

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/guidelines-for-business-continuity-plan-bcp-and-disaster-recovery-dr-of-qualified-rtas-qrtas-_78272.html

Topic Name:- "Revision in Minimum Public Unitholding for Infrastructure InvITs"

Dated on:- 31st October, 2023

Circular No:- SEBI/HO/DDHS-PoD-2/P/CIR/2023/174

Brief Summary:- SEBI has made amendments to regulations for Infrastructure Investment Trusts (InvITs): New methods for achieving minimum public unitholding introduced. An additional method for privately placed InvITs added - issuance of units through preferential allotment. Modifications to the sale of units held by sponsors, with specified conditions. The circular is effective immediately.

Read more at:- https://www.sebi.gov.in/legal/circulars/oct-2023/revision-in-manner-of-achieving-minimum-public-unitholding-requirement-infrastructure-investment-trusts-invits-_78561.html

05 CUSTOM DUTIES

Topic Name:- "Bilateral Safeguard Measures: Ferro Molybdenum Imports from Korea to India"

Dated on:- 9th October, 2023

Notification No:- 58/2023-Customs

Brief Summary:- The Directorate General of Trade Remedies initiated a Bilateral Safeguard investigation under the India-Korea Comprehensive Economic Partnership Agreement for "Ferro Molybdenum" imports from South Korea. The investigation confirmed increased imports causing harm to the domestic industry. Consequently, the Central Government amended a 2009 customs notification to increase customs duty on these goods from South Korea in the public interest. This notification shall come into force on the 10th day of October 2023.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009884/ENG/Notifications>

Topic Name:- Amendments to Customs Notification for Vessel Conversions

Dated on:- 19th October, 2023

Notification No:- 60/2023-Customs

Brief Summary:- The Central Government has made amendments to a previous customs notification, allowing "Foreign Going Vessels converted for a coastal run" to qualify, provided they re-convert within six months. This change is effective from October 20, 2023.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1009891/ENG/Notifications>

05 CUSTOM DUTIES

Topic Name:- Amendment to Customs and Central Excise Duties Drawback Rules for 2023

Dated on:- 20th October, 2023

Notification No:- 77/2023

Brief Summary:- The Central Government, under the Customs Act, 1962, and Central Excise Act, 1944, has issued an amendment to the Customs and Central Excise Duties Drawback Rules, 2017. This amendment establishes rates of drawback for various goods, subject to specific notes and conditions. The rates of drawback are determined based on a Schedule, and the rules provide guidance on how to classify and claim drawback. The notification is effective from October 30, 2023, and supersedes a previous notification from January 28, 2020, with exceptions for actions taken before this change.

Read more at:- https://www.pdicai.org/Docs/Notification-No-77-2023_23102023151835253.pdf

Topic Name:- Government Announces Revised Duty Drawback Rates for Exports

Dated on:- 26th October, 2023

Circular- 26/2023

Brief Summary:- The Central Government has revised the All Industry Rates (AIRS) of Duty Drawback, effective from October 30, 2023. The revision includes new suffixes for tariff items, increased AIRs for various items, and rationalization of existing rates. New tariff items have been introduced, and a clarification has been made regarding a specific item. Customs commissioners are tasked with preventing misuse, and close monitoring of export valuation trends is advised. Suitable guidance for trade and officers should be issued to ensure compliance.

Read more at:- <https://taxinformation.cbic.gov.in/view-pdf/1003183/ENG/Circulars>

05 CUSTOM DUTIES

Topic Name:- Inclusion of Surat in SEZ Bonded Warehouses Scheme

Dated on:- 26th October, 2023

Circular- 25/2023

Brief Summary:- The circular outlines a scheme for bonded warehouses in SEZs for the import and re-export of precious stones. It was initially applicable to four Customs jurisdictions. Following a request, Surat is now included under the jurisdiction of the Commissioner of Customs, Ahmedabad, as the fifth location within the scheme.

Read more at:- http://www.pdicai.org/Docs/Circular-No-25-2023_30102023123541617.pdf

Topic Name:- Customs Act Amendments: Changes in Tariff Values for Various Goods

Dated on:- 26th October, 2023

Notification No. 79/2023

Brief Summary:- The Central Board of Indirect Taxes & Customs, under the powers of the Customs Act, 1962, has made amendments to a government notification (No. 36/2001-Customs), notification (No. 75/2023-Customes) and notification (No. 78/2023- Customs). The amendments involve substituting the previous tariff values with new tariff values for various goods, including palm oil, gold, silver, and areca nuts. These changes will be effective from November 1st , 2023.

Read more at:- http://www.pdicai.org/Docs/Notification-No-79-2023_1112023112829360.pdf

06 DGFT

Topic Name:- "Amendment to Import Policy Chapter 27, ITC (HS) 2022 - Policy Condition No.07 (ii)"

Dated on:- 4th October, 2023

Notification No:- 34/2023

Brief Summary:- As per revised policy the importer can apply for registration not earlier than 60th day and till the arrival date (Zero date) of consignment at gateway port the automatic registration number shall remain valid for a period of 75 days.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/e86c6ac2-5888-4473-94ca-b6527fb62448/Noti-34-E.pdf>

Topic Name:- Amendment in import policy condition of silver covered under Chapter-71 of Schedule-I

Dated on:- 11th October, 2023

Notification No:- 35/2023

Brief Summary:- Import of goods is restricted to designated agencies as notified by RBI or DGFT. For precious metals like silver Dore, import is allowed through qualified jewellers designated by IFSCA for transactions on the India International Bullion Exchange. Refineries can import silver Dore, but they need a license with an "AU" condition, indicating it's for refining purposes. Import of goods is restricted to designated agencies as notified by RBI or DGFT. For precious metals like silver Dore, import is allowed through qualified jewellers designated by IFSCA for transactions on the India International Bullion Exchange (IIBX).

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/eff5ce31-4c94-4fa3-826c-c7e79c9ffb26/NTFN%20E.pdf>

06 DGFT

Topic Name:- "Clarification on Re-import of Unsold Jewellery under Handbook of Procedure 2023"

Dated on:- 16th October, 2023

Circular:- 05/2023-24

Brief Summary:- The import policy for specific items was changed from 'free' to 'restricted.' However, for unsold jewelry exported for exhibitions abroad, re-import under certain codes is allowed without needing an import license, as long as customs provisions are followed.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/a7a537b3-ee8a-4b1d-9426-2ba123a1290f/Policy%20Circular%2005%20dt%2016-10-2023.pdf>

Topic Name:- Extension of date for restriction on export of sugar beyond 31st October, 2023

Dated on:- 18th October, 2023

Notification No:- 36/2023

Brief Summary:- The Indian government has extended restrictions on the export of various types of sugar beyond the initial deadline of October 31, 2023, until further notice. This extension doesn't affect sugar exports to the European Union and the USA under specific quotas, following established procedures. Other conditions regarding this restriction remain the same.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/610fb252-8583-49db-91af-d30c7b7d988f/DGFT%20Notification%20No.%2036-2023%20dated%2018.10.2023-English.pdf>

06 DGFT

Topic Name:- Amendment in Policy Condition No. 4 of Chapter 84 of schedule 1 (import policy) of ITC (HS).

Dated on:- 19th October, 2023

Notification No:- 38/2023

Brief Summary:- The statement introduces changes in import policy conditions for IT hardware:

1. IT hardware from Special Economic Zones (SEZs) can be imported into Domestic Tariff Area (DTA) without an Import Authorization, provided applicable duties are paid. Certain activities in SEZs do not count as manufacturing.
2. Private entities supplying IT hardware to the Central Government, government-owned entities, or State Governments for Defence or Security purposes do not need an import authorization but must provide a valid End User Certificate to Customs Authorities during import.

Exemptions from import authorization are provided for:

- Up to 20 items per consignment for R&D, Testing, Benchmarking, and Product Development purposes.
- Import for repair, return, replacement of IT Hardware.
- Re-import of items repaired abroad with self-certification.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/4c50dd5f-5216-43ac-9ccc-ef3ff183690f/Notification%2038%20dt%2019-10-23%20Eng.pdf>

06 DGFT

Topic Name:- Implementation of Import Management Systems for IT Hardware

Dated on:- 19th October, 2023

Circular :- 06/2023-24

Brief Summary:- The statement clarifies rules for importing certain IT hardware:

1. SEZ units and specific entities don't need special import authorizations for restricted IT hardware, but only for their own use.
2. No import restrictions on related spares and components.
3. Certain IT hardware accompanying machinery is exempt from import licensing, but not primary capital goods like servers or laptops.
4. Importers can apply for multiple authorizations valid until September 30, 2024, with the option to amend quantities while maintaining the same total value. Amendments can be done online.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/7d029b5d-3992-4034-891d-13a3a69aaa64/Policy%20Circular%2006%20dated%2019-10-2023-.pdf>

06 DGFT

Topic Name:- Amendment of Import Policy conditions for item under ITC

Dated on:- 23rd October, 2023

Notification- 39/2023

Brief Summary:- The Central Government has made amendments to the import policy for Human Embryo and Human Gametes under Chapter 05 of ITC (HS), 2022, Schedule-I (Import Policy). The existing policy prohibits the import of Human Embryo in accordance with the ART (Regulation) Act, 2021 and The Surrogacy (Regulation) Act, 2021. The revised policy now extends this prohibition to include the import of Human Gametes, still in accordance with the same Acts.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/c4c2a975-a8d3-4272-a094-f177c5c3d1f6/Notification%2039%20dt%2023-10-23%20Eng.pdf>

Topic Name:- Government Revises Vegetable Oil Import Policy to Meet Food Safety Standards

Dated on:- 26th October, 2023

Notification- 40/2023

Brief Summary:- The Central Government, under the Foreign Trade Act, has amended the import policy for vegetable oils, now allowing the free import of oils conforming to Food Safety and Standards regulations. Coconut/copra oil import remains through State Trading Enterprises. The change aligns policy with the Food Safety & Standards Act, 2006 and is approved by the Minister of Commerce & Industry.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/cb871673-f4b2-40a5-b2d7-214d3979c741/Notification%2040%20dt%2026-10-23%20Eng.pdf>

06 DGFT

Topic Name:- Extension of Time for Halal Certification and Export Unit Registration for Meat Products

Dated on:- 27th October, 2023

Notification- 41/2023

Brief Summary:- The Central Government, under the Foreign Trade Act, has extended the timeline for accrediting Halal Certification Bodies and registering export units for meat and meat products by an additional six months. This extension, in partial modification of a previous notification, allows for more time until April 5, 2024, for compliance.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/e42a8e35-984b-4b3a-820d-1a15d5ebd508/DGFT%20Notification%20No.%2041-2023-English.pdf>

Topic Name:- Amendment to Onion Export Policy: Minimum Export Price and Conditions

Dated on:- 28th October, 2023

Notification- 42/2023

Brief Summary:- The Central Government has made amendments to the Export Policy of Onions under the Foreign Trade (Development & Regulation) Act, 1992 and the Foreign Trade Policy, 2023. The amendment makes the export of onions "Free," but with a Minimum Export Price (MEP) of US \$800 F.O.B. per Metric Ton (MT) in place until December 31, 2023. Some exceptions are allowed for consignments already in the Customs system or for which export duty has been paid.

Read more at:- <https://content.dgft.gov.in/Website/dgftprod/d73aebd9-ab58-4652-8987-607fa0cc69ef/DGFT%20Notification%20No%2042-2023%20dated%2028.10.2023-ENGLISH.pdf>

07 IASB

Topic Name:- IASB proposes updates to the IFRS Accounting Taxonomy 2023

Dated on:- 5th October, 2023

Brief Summary:- The International Accounting Standards Board (IASB) has published a proposed update to the IFRS Accounting Taxonomy 2023 to reflect recent amendments to the four IFRS Accounting Standards. The Proposed IFRS Taxonomy Update includes changes to the IFRS Accounting Taxonomy elements to reflect the new and amended disclosure requirements introduced by these amendments. The deadline for submitting comments is 4 December 2023.

Access the IFRS Accounting Taxonomy 2023- Proposed Update 1 :- <https://www.ifrs.org/content/dam/ifrs/project/iasb-ptu-2023-1/iasb-ptu-2023-1-ias12-ias21-ias7-ifrs7.pdf>

Read more at:- <https://www.ifrs.org/news-and-events/news/2023/10/iasb-proposes-updates-to-the-ifrs-accounting-taxonomy-2023/>

Topic Name:- IAASB Amends Auditing Standards for Enhanced Transparency and IESBA Code Alignment

Dated on:- 12th October, 2023

The IAASB has introduced amendments to improve transparency and provide auditors with a clear process for implementing changes to the IESBA Code of Ethics. These changes affect auditing standards ISA 700 (Revised) and ISA 260 (Revised). Firms are now required to publicly disclose their application of independence requirements in audits of public interest entities, with the IAASB's amendments providing a practical framework for achieving this disclosure. The IAASB closely collaborated with the IESBA to align key concepts in their standards.

Read more at:- <https://www.iaasb.org/news-events/2023-10/iaasb-enhances-auditor-s-report-transparency-independence-reflect-revisions-iesba-code-ethics>

08 FASB

Topic Name:- "FASB Disclosure Improvements in Response to SEC's Simplification Initiative"

Dated on:- 9th October, 2023

Brief Summary:- The FASB has issued an ASU incorporating SEC disclosure requirements into the FASB Codification, aiming to enhance clarity and alignment. This affects various entities and includes 14 of the 27 SEC-referred disclosures, offering narrow, clarification-based amendments. The effective date depends on SEC's removal of related disclosures or, for other entities, will be two years later. If the SEC hasn't removed related disclosures by June 30, 2027, the amendments will be discarded.

Read more at:- https://www.fasb.org/page/getarticle?uid=fasb_Media_Advisory_10-09-23

10 EXPERT ADVISORY CORNER



JAMAL CHATRIWALA

**BUSINESS STRATEGY, RISK
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Introduction:

The Insurance Regulatory and Development Authority of India (IRDAI) has issued a circular (IRDAI/IID/CIR/MISC/177/10/2023) dated 10th October 2023, amending the Master Guidelines on Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) 2022.

Key Changes:

If there's a difference between the rules set by IRDAI and the rules in another country, the stricter rules should be followed.

Financial groups need to have programs in place to prevent money laundering and terrorist financing. These programs should apply should be implemented across all branches and subsidiaries of the financial group.

The information collected about clients, especially high-risk ones, should be kept current and relevant.

Before making payments, if needed, checks should be done on policyholders, beneficiaries, legal heirs, assignees, and the actual owner.

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Implication

The circular introduces changes to several key areas of the AML/CFT guidelines, including client due diligence, group-wide programmes against ML/TF, and the standards for foreign branches/majority-owned subsidiaries of regulated entities.

Impact

The amendments will require regulated entities to adopt more stringent AML/CFT standards, particularly in cases where there is a variance between the standards specified by IRDAI and those specified by regulators of the host country. This could potentially impact the operations of foreign branches/majority-owned subsidiaries of the regulated entities.

Challenges for Regulated Entities

Regulated entities may face challenges in implementing these changes, particularly in keeping client due diligence information up-to-date and relevant, especially for high-risk clients. Additionally, carrying out necessary client due diligence before making pay-outs could pose operational challenges.

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Steps for Complying and Implementing These Amendments:

Mapping of Amendments: The first step is to understand these amendments thoroughly and map them to your existing policies, processes, and systems. This will help you identify where changes are needed.

Initiating Changes: Once the mapping is done, initiate the necessary changes. This could involve updating your policies, modifying your systems, or even changing your processes.

Communication: It's crucial to communicate these changes to all stakeholders. This includes not just your employees but also your clients and partners who might be affected by these changes.

CONTENT CONTRIBUTORS

- Goods & Service Tax
- Securities Exchange Board of India
- DGFT
- International Accounting Standard Board
- Financial Accounting Standards Board
- Income Tax
- Reserve Bank of India
- Custom Duties
- IASB



MOHAMMED JUNAID

➤ Strategic Guide



HUZEIFA UNWALA

➤ Overall Co-ordinator & Reviewer for this Activity



ZENAB TOPIWALA

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

Issued by: Knowledge Management team of **JHS**

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Below are the links for previous months Regulatory Radar:

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AUGUST: <https://drive.google.com/file/d/1v6ySop5Bc2VLZ1ctDxahNIh3O5zhOsDC/view>

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