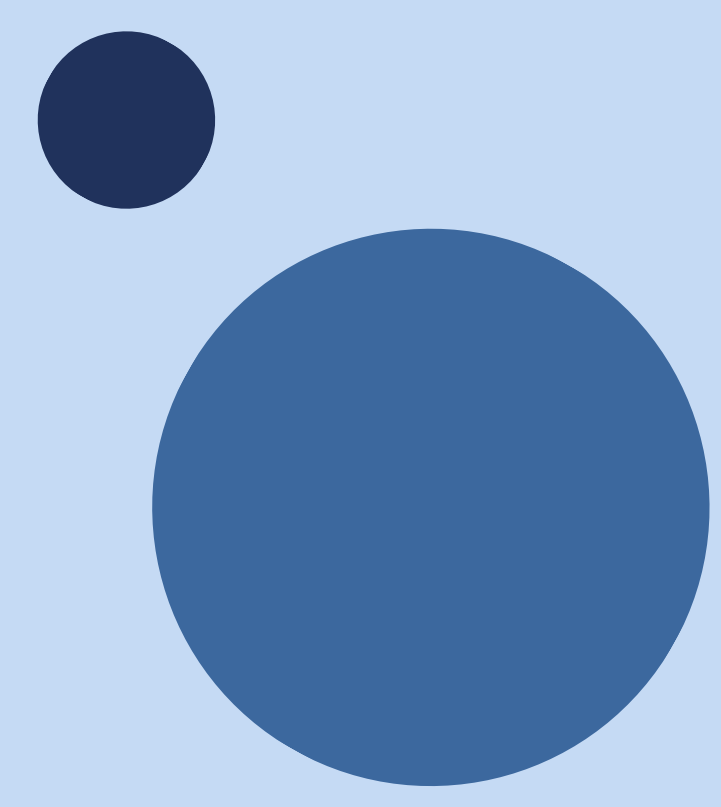
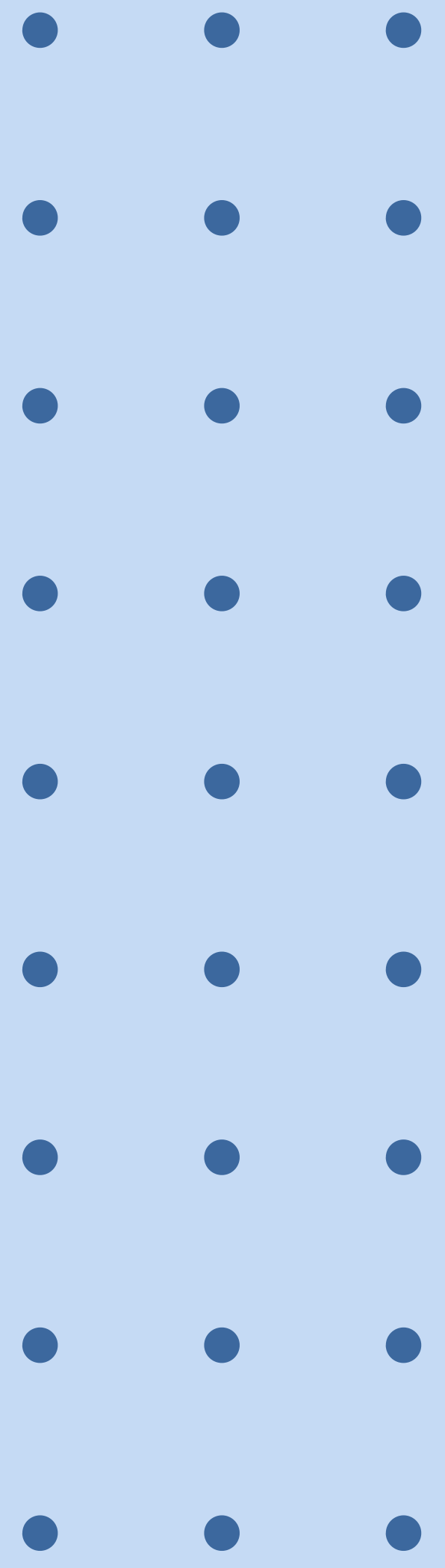


MONTHLY COMPLIANCE ROUNDUP

MAY 2023



MONTHLY NEWSLETTER SUMMARY

The month saw 647 legal and regulatory changes across Centre and States and across various categories.

REGULATORY CHANGES IN MAY

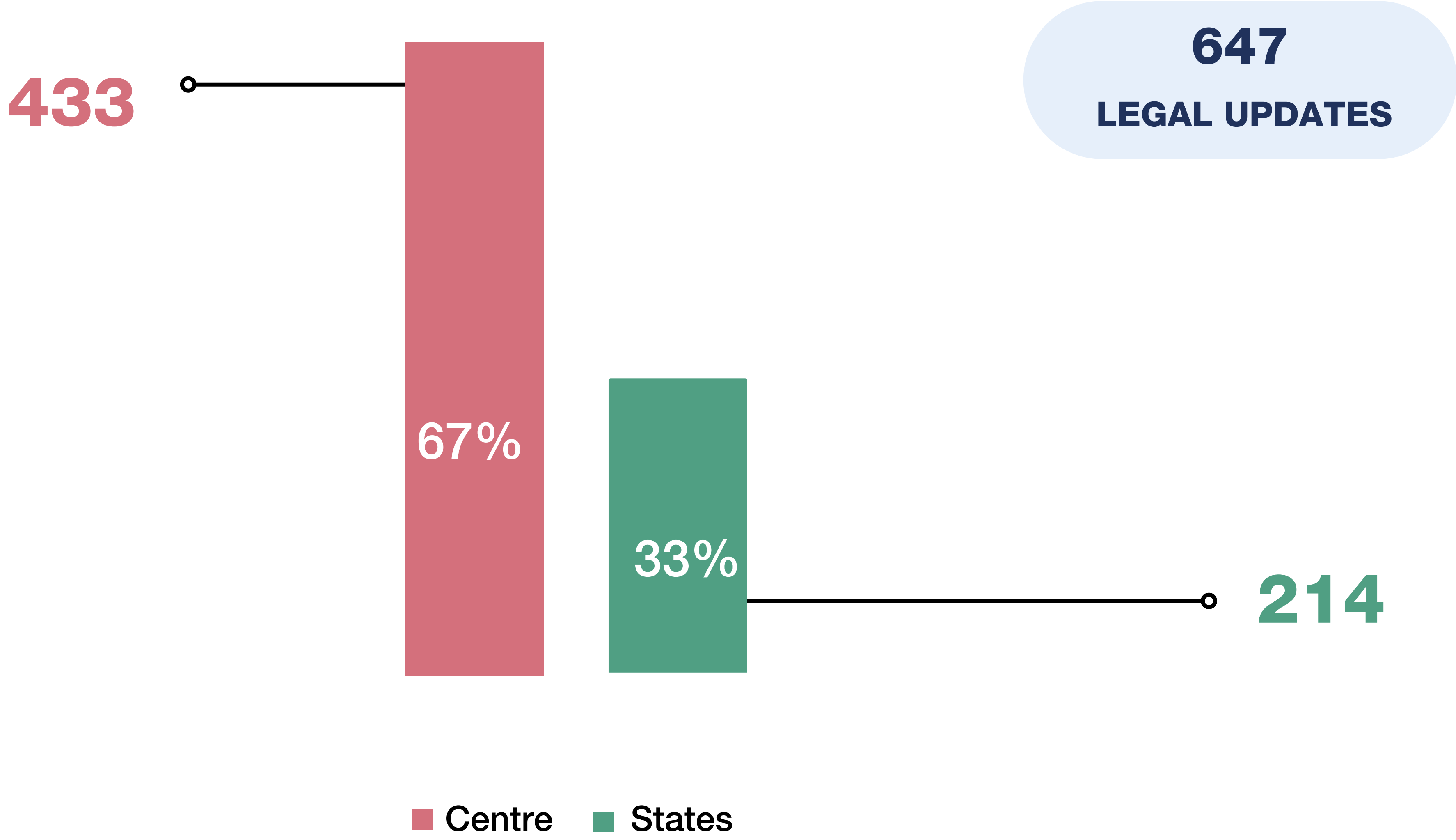
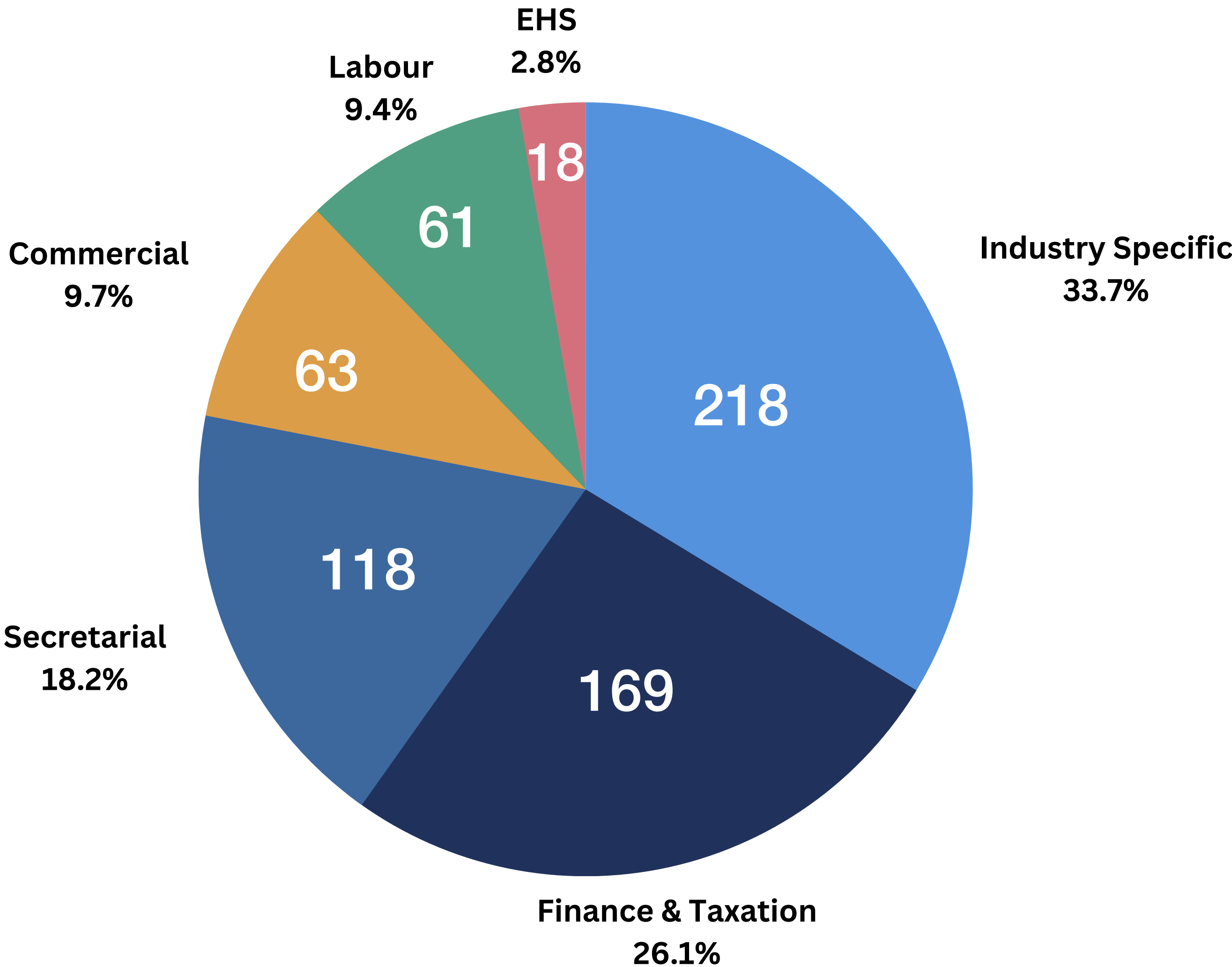


Fig1

Fig 2: Compliance Category Statistics



1 FINANCE AND TAXATION UPDATES

There were 169 regulatory updates in this category

- The Ministry of Commerce and Industry issued a notification regarding the realignment of the RoDTEP schedule from 01.05.2023. 149 tariff lines at the 8-digit level have been added to the RoDTEP schedule, while 52 lines at the 8-digit level have been removed
- The Central Board of Indirect Taxes (CBIC) issued a notification regarding the acceptance of an electronic certificate of origin (e-CoO) issued under the India-Sri Lanka FTA (ISFTA). The e-CoO must be mandatorily uploaded on the e-Sanchit portal by the importer for claiming preferential benefit
- The Ministry of Finance (MoF) issued a notification regarding the financial transactions carried out by a relevant person on behalf of his client, in the course of his/her profession. Certain activities including buying and selling of any immovable property, managing client money, securities, or other assets, and management of bank, savings, or securities accounts among others are now covered under the Prevention of Money Laundering Act, 2002
- The Reserve Bank of India (RBI) issued a notification regarding the Udyam Assist Platform. The Udyam Assist Platform (UAP) has been launched to facilitate the formalisation of informal micro enterprises (IMEs) through the online generation of a Udyam Assist Certificate. Registration on the platform can be done with the assistance of RBI-regulated entities that have been made the designated agencies
- The Central Board of Indirect Taxes (CBIC) issued an amendment to notification no. 13/2020-central tax, dated 21 March 2020 which provides for the preparation of invoices and other prescribed documents for registered persons. The threshold for a registered person who must create an invoice has been changed to 5 crore rupees
- The Reserve Bank of India (RBI) issued the Master Circular - Basel III Capital Regulations. The master circular carries the provisions for minimum capital requirement, supervisory review and evaluation process, and market discipline
- The Reserve Bank of India (RBI) issued an advisory on the cessation of LIBOR (London Interbank Offered Rate). Banks and other regulated entities are required to take steps to transition away from the LIBOR from 01.07.2023



- The Insurance Regulatory and Development Authority of India (IRDA) issued a notification regarding the measures towards developing the Surety Insurance Bonds market. The solvency requirement has been reduced from 1.875 times to 1.5 times along with the removal of the 30% exposure limit on each contract underwritten by an insurer
- The Ministry of Finance (MoF) issued the 2023 amendment to the Foreign Exchange Management (Current Account Transactions) Rules, 2000. Rule 7 which provides for the usage of international credit cards while outside India has been omitted w.e.f. 16.05.2023
- The Reserve Bank of India (RBI) issued a notification regarding the INR 2,000 denomination banknote. The banknote has been withdrawn from circulation but will continue to be legal tender with exchange/deposit facilities available at all banks till 30.09.2023
- The Central Board of Indirect Taxes and Customs (CBIC) issued the model all India GST audit manual 2023. The guidelines enable audit officers to carry out effective audits in a uniform, efficient and comprehensive manner
- The Central Board of Indirect Taxes and Customs (CBIC) issued a circular regarding the foreign trade policy, 2023. A minimum value addition of 25% is now required for spices under the advance authorisation scheme, and all items with a basic customs duty of more than 30% have been included in the list of ineligible categories of import under the self-declaration basis among other changes
- The Ministry of Finance (MoF) issued a notification regarding the applicability of section 56(2)(vii b) of the Income Tax Act, 1961 on certain startups. The notification exempts certain startups which fulfil the conditions specified in notification no. G.R.E 127(E), dated 19.02.2019
- The Central Board of Direct Taxes issued some clarifications with respect to the provisions related to charitable and religious trusts. The exemption will no longer be denied to a trust if the statement of accumulation is not filed by the due date and is furnished on or before the due date of furnishing the return
- The Central Board of Indirect Taxes and Customs (CBIC) issued a notification regarding the standard operating procedure for scrutiny of returns for FY2019-20. The functionality provides a detailed workflow for the communication of discrepancies by the proper officer in form GST ASMT-10, receipt of reply in form GST AMT-11, and issuance of order in form GST AMT-12

[Click here to view all the Finance and Taxation legal updates](#)



2 SECRETARIAL UPDATES

There were 118 regulatory updates in this category

- The Securities and Exchange Board of India (SEBI) has issued a circular introducing the Legal Entity Identifier (LEI) for issuers who have listed and/or propose to list non-convertible securities, securitised debt instruments, and security receipts. It will act as a global identifier for legal entities participating in financial transactions and create a global reference data system
- The Reserve Bank of India (RBI) has amended the Master Direction on KYC - Instructions on Wire Transfer. The amendments are made in order to align the instructions with the relevant FATF recommendations
- The Insolvency and Bankruptcy Board of India (IBBI) issued a notice to seek comments on the regulations notified under the Insolvency and Bankruptcy Code, 2016. Comments can be sent till 31.12.2023 and the modified regulations will be notified by 31.03.2024
- The Securities and Exchange Board of India (SEBI) issued a circular regarding the testing framework for the Information Technology (IT) systems of the Market Infrastructure Institutions (MIIs). MIIs have been directed to ensure compliance with certain requirements while establishing the testing framework for their IT systems/applications
- The Securities and Exchange Board of India (SEBI) has issued a circular regarding Direct Market Access (DMA) to SEBI-registered foreign portfolio investors (PFIs). SEBI has allowed stock exchanges to extend the DMA facility to FPIs for participation in Exchange Traded Commodity Derivatives (ETCDs)
- The Bombay Stock Exchange (BSE) issued a notification regarding the ULC mapping bulk upload. Members can now place bulk ULC mapping requests through ENIT
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on Regulatory Framework for Micro, Small & Medium REITs. The consultation paper provides proposals to regulate platforms that offer fractional ownership of real estate assets. Suggestions/Comments can be sent by 27.05.2023
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on the delisting of non-convertible debt securities. The paper proposes a framework for delisting non-convertible debt securities listed entities that will augment the ease of doing business



- The National Stock Exchange (NSE) issued a notification regarding cyber security and cyber resilience audit of trading members. All trading members are required to submit a corrective action taken report against every non-compliance reported by the auditor
- The National Stock Exchange (NSE) issued a notification regarding reporting of bank guarantees (BGs) created out of clients' funds. Clearing members are now required to report the breakup of BGs placed as collateral with NCL on a weekly basis
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on the proposed review of the definition of unpublished price-sensitive information under the SEBI (Prevention of Insider Trading) Regulations, 2015. The paper proposes to bring the disclosures required under Regulation 30 of LODR within the ambit of the unpublished price-sensitive information
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on the draft SEBI (Prohibition of Unexplained Suspicious Trading Activities in the Securities Market) Regulations, 2023. The regulations will address the suspicious activities based on material non-public information that lead to certain trades and market manipulation through pump and dump schemes
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on streamlining the regulatory framework for the registration of foreign venture capital investors (FVCIs). The paper proposes to delegate the process of granting registration to FVCIs to DDPs, as per the provisions for FPIs
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on price band formulation for scrips in the equity derivatives segment to strengthen volatility management and minimise information asymmetry. Price bands for scrip or a derivative contract represent the boundaries within which the competing orders of buyers and sellers are accepted for the day by the trading system of the stock exchange
- The Securities and Exchange Board of India (SEBI) issued a circular regarding the model tripartite agreement between the issuer company, the existing share transfer agent, and the new share transfer agent. The model agreement has been prepared in consultation with the Registrar Association of India and some issuer companies
- The Securities and Exchange Board of India (SEBI) issued a notification regarding the dematerialisation of securities of Hold Cos and SPVs. It has been decided that InvITs (Infrastructure Investment Trusts) can hold the securities of Hold Cos and SPVs in the dematerialised form only
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on the draft SEBI (Prohibition of Unexplained Suspicious Trading Activities in the Securities Market) Regulations, 2023. The regulations will address the suspicious activities based on material non-public information that lead to certain trades and market manipulation through pump and dump schemes
- The Securities and Exchange Board of India (SEBI) issued a consultation paper on institutional mechanisms for asset management companies. Currently, there are no specific regulatory provisions that cast responsibility on AMCs to their senior management personnel to put in place systems for deterrence, detection, or reporting of market abuse or fraudulent transactions

[Click here to view all the Secretarial legal updates](#)



3 COMMERCIAL UPDATES

There were 63 regulatory updates in this category

- The Ministry of Commerce and Industry (MoCI) issued the Special Economic Zones (Second Amendment) Rules, 2023 to further amend the original 2006 rules. Entities set up in an International Financial Service Centre and regulated by the IFSCA are exempted from rule 53 (Net Foreign Exchange Earnings) of the SEZ Rules, 2016
- The Ministry of Finance (MoF) launched the 'Vivad se Vishwas' Scheme for providing relief to MSMEs. 95% of the performance security forfeited, liquidated damages deducted, and the risk amount realised will be refunded
- The Government of Goa has notified regarding the enhancement of the wage rate of the jobseekers for unskilled manual work. The enhanced wage rate under the Mahatma Gandhi National Rural Employment Guarantee Scheme will be applicable from 01.04.2023
- The Directorate General of Foreign Trade (DGFT) issued a notification regarding an amendment to the import policy condition of apples under ITC (HS) 08081000. Import of such apples has been prohibited wherever the CIF import price is less than or equal to INR 50/kg
- The Union Cabinet issued a press release regarding the approval of the Production Linked Incentive (PLI) Scheme - 2.0 for IT hardware. The scheme covers laptops, tablets, all-in-one PCs, servers, and ultra-small form factor devices and has a budgetary outlay of INR 17,000 crore
- The Government of Goa issued the registered vehicle scrapping policy of Goa, 2023. The policy will create an ecosystem for phasing out unfit and polluting vehicles from state roads
- The Government of Haryana notified the Enterprise Resource Planning Adoption Scheme. The scheme will assist micro and small enterprises in the adoption of the latest information communication technologies to help improve their management processes



- The Ministry of Micro, Small, and Medium Enterprises (MSME) issued a notification regarding the Aadhaar authentication of enterprises. It has been provided that the Aadhaar authentication of enterprises will be done on a voluntary basis, using a yes/no authentication facility, during the process of registration of owners of informal micro-enterprises on the platform
- The Bureau of Indian Standards (BIS) issued a notification regarding the fixation of the fee for the grant of a license under the BIS (Conformity Assessment) Regulations, 2018. It has fixed the fees for application for grant of a license, application for grant of certificate of conformity, and certificate fee for grant of certificate of conformity among others
- The Directorate General of Foreign Trade (DGFT) issued a notification regarding the interest equalisation scheme. There is an amendment wherein the scheme is rationalised as the annual net subvention amount is capped at INR 10 crore in a given financial year

[Click here to view all the Commercial legal updates](#)



4 INDUSTRY-SPECIFIC UPDATES

There were 218 regulatory updates in this category

- The Telecom Regulatory Authority of India (TRAI) released recommendations on “Ease of Doing Business in Telecom and Broadcasting Sector”. The recommendations suggest a user-friendly, transparent, and responsive digital single-window system-based portal, granting infrastructure status to the ‘Broadcasting and Cable Services Sector’, and shifting the process of surrendering DoT licence, issuing NOC, the release of Bank Guarantees to service providers online
- The International Financial Services Centres Authority (IFSCA) issued the IFSCA (Management Control, Administrative Control and Market Conduct of Insurance Business) Regulations, 2023. These regulations are applicable to all IFSCA Insurance Offices (IIOs) and International Insurance Intermediary Offices (IIIOs)
- The Insurance Regulatory and Development Authority of India (IRDAI) issued a notification regarding the draft guidelines on the remuneration of Non-Executive Directors and Key Managerial Persons (KMPs) of private sector insurers. The guidelines have been in place for over 6 years and as such the remuneration of KMPs has also been brought under them
- The National Payments Corporation of India (NPCI) issued a notification regarding the validity of mandates. The validity of a mandate has been limited to a period of 120 working days from the date of the mandate
- The Directorate General of Shipping (DGS) issued a notification regarding the mandatory possession of bio-metric seafarers’ identity documents (BSID). Seafarers that are going to visit any port in Brazil are required to possess BSID
- The Securities and Exchange Board of India (SEBI) issued a circular regarding registration with the FINNET 2.0 system of the Financial Intelligence Unit- India (FIU-India). All reporting entities under the debenture trustee segment are required to re-register themselves in the FINNET 2.0 system
- The Ministry of Health and Family Welfare (MoHFW) issued a notification regarding the SAKSHAM learning management information system. SAKSHAM is a unified platform providing online training and medical education to all health professionals. Health professionals can now register for available courses and get certified after requisite training and qualifying for the assessment criteria
- The Insurance Regulatory and Development Authority of India (IRDAI) issued a notification regarding compliance with Surrogacy Act, 2012 and Assisted Reproductive Technology (Regulation) Act, 2021. All insurers are required to comply with provisions of section 4(iii)(a)(III) of the 2021 act, rule 5 of the Surrogacy (Regulation) Rules, 2022, and rule 12 of the ART (Technology) Rules, 2022



- The Directorate General of Shipping (DGS) issued a notification regarding the mandatory possession of biometric seafarers' identity documents (BSID). Seafarers that are going to visit any port in Brazil are required to possess BSID
- The Securities and Exchange Board of India (SEBI) issued a circular regarding registration with the FINNET 2.0 system of the Financial Intelligence Unit- India (FIU-India). All reporting entities under the debenture trustee segment are required to re-register themselves in the FINNET 2.0 system
- The Ministry of Health and Family Welfare (MoHFW) issued a notification regarding the SAKSHAM learning management information system. SAKSHAM is a unified platform providing online training and medical education to all health professionals. Health professionals can now register for available courses and get certified after requisite training and qualifying for the assessment criteria
- The Insurance Regulatory and Development Authority of India (IRDAI) issued a notification regarding compliance with Surrogacy Act, 2012 and Assisted Reproductive Technology (Regulation) Act, 2021. All insurers are required to comply with provisions of section 4(iii)(a)(III) of the 2021 act, rule 5 of the Surrogacy (Regulation) Rules, 2022, and rule12 of the ART (Technology) Rules, 2022
- The Food Safety and Standards Authority of India (FSSAI) issued directions regarding the enforcement of rules and regulations on food business operators (FBOs) with central licenses. The directions provide that all inspections against centrally licensed FBOs will be carried out by Central Food Safety Officers
- The International Financial Services Centres Authority (IFSCA) issued a circular regarding the clarification of guidelines on factoring and forfeiting of receivables. It has been clarified that the due date will be considered to be 90 days from the specified due date of payment in clause 24.1
- The Ministry of Coal issued the integrated coal logistics plan for efficient coal evacuation. Sector-wise correlation analysis has been conducted on the basis of projected Indian macroeconomic growth. Comments/suggestions on the same can be submitted within 15 days from 23.05.2023
- The Ministry of Commerce and Industries (MoCI) issued a press release regarding the National e-Vidhan Application, an integrated and interconnected national portal. NeVA will effectively reduce the carbon footprint and inefficiency due to the use of paper for legislature work

[Click here to view all the Industry Specific legal updates](#)



5 EHS (ENVIRONMENT, HEALTH AND SAFETY) UPDATES

There were 18 regulatory updates in this category

- The Government of Rajasthan issued a notification regarding the policy for empanelment of private hospitals, diagnostic centres/imaging centres under the Rajasthan Government Health Scheme. Several new categories of speciality hospitals have been added
- The Ministry of Environment, Forest, and Climate Change (MoEF&CC) notified the draft 2023 amendment to the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Suggestions/comments can be submitted within 60 days from the date of publication of the notification
- The Ministry of Ports, Shipping, and Waterways (MoPSW) issued a press release regarding the launch of 'Harit Sagar', the Green Port Guidelines, 2023. The guidelines provide a framework for major ports for drawing out a comprehensive action plan for achieving targeted outcomes in terms of quantified reduction in carbon emission to achieve sustainable development goals (SDGs)
- The Government of Goa issued a notification regarding Aadhaar authentication for availing the benefits of the Nital Goem Nital Baim Scheme. Individuals eligible for benefits under the scheme will be required to furnish proof of possession of an Aadhaar number or undergo the Aadhaar authentication process
- The Ministry of Fisheries, Animal Husbandry, and Dairying (MoFAHD) published the minimum standard protocol for semen stations for the prevention and control of contagious diseases through Semen Rules, 2023. These rules further amend the Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009
- The Ministry of Environment, Forest, and Climate Change (MoEF&CC) published the Environment (Protection) Second Amendment Rules, 2023 to further amend the Environment (Protection) Act, 1986. Schedule I of the rules has been amended and the rules will come into force after the expiry of 6 months from the date of publication
- The Central Pollution Control Board (CPCB) issued directions for the implementation of the ban on single-use plastic (SUP). The directions provide for extensive inspection drives at regular intervals to identify manufacturers and suppliers of banned SUP items
- The Central Pollution Control Board (CPCB) issued the draft guidelines for the recognition of environmental laboratories under the Environment (Protection) Act, 1986. Comments/suggestions on the draft have been invited

[Click here to view all the EHS legal updates](#)



6 LABOUR UPDATES

There were 63 regulatory updates in this category

- The All India Council for Technical Education (AICTE) issued a circular regarding the maintenance of a safe working environment for female employees at the workplace to promote gender equality and women empowerment. It has mandated the creation of an Internal Complaints Committee (ICC) and a special cell in institutions, the display of banners/posters in buildings and campuses to create awareness about sexual harassment, and conducting training programmes to sensitise employees, among others
- The Ministry of Social Justice and Empowerment (MoSJ&E) issued the draft of the 2023 amendment to the Rights of Persons with Disabilities Rules, 2017. Suggestions/comments can be submitted within 30 days from the date of publication of the draft
- The Employees' State Insurance Corporation (ESIC) issued guidelines on cybersecurity to sensitise government employees, and contractual/outsourced resources and build awareness regarding the Do's and Dont's on cybersecurity. The regional heads/institution heads are required to comply with the requirements immediately
- The Ministry of Labour and Employment (MoL&E) has brought into force certain provisions of the Code on Social Security, 2020
- The Pension Fund Regulatory and Development Authority (PFRDA) issued a notification stating that PAN must be linked with Aadhaar by 30.06.2023
- The Ministry of Health and Family Welfare (MoHFW) issued the Accessibility Standards for Health Care. The standards aim to provide accessible healthcare services to persons with disability (PWD). It sets requirements such as the availability of services, the accessible physical design of healthcare infrastructure, easy communication, and trained staff with reasonable accommodation among others



- The Employees' State Insurance Corporation (ESIC) issued a notification regarding enabling features to upload ESI beneficiary photographs in BPA (UTI-ITSL) portal for all direct/emergency cases admitted in tie-up hospitals. The feature to click and upload real-time photos of the ESI beneficiary in direct/emergency cases for ease of identification and verification for cashless medical treatment has been enabled
- The Pension Fund Regulatory and Development Authority (PFRDA) issued a circular regarding retirement income optimization through multiple annuities. The option of multiple annuities will be provided for those subscribers who earmark an annuity corpus of more than INR 10 lakhs wherein INR 5 lakhs is utilised to buy each annuity scheme
- The Ministry of Labour and Employment (MoL&E) issued a press release regarding the All-India Consumer Price Index Number for agricultural labourers and rural labourers
- The Employees' State Insurance Corporation (ESIC) issued the process of the submission and processing of the Cash Benefit - Claim Request, in case the certificate has been issued by ESI IMO/IMP manually/physically. IP can submit the certificate manually by uploading a scanned image of the issued certificate
- The Government of Rajasthan has issued the draft Rajasthan Code on Social Security, 2023. Suggestions/comments on the draft can be submitted within 45 days from the date of publication of the draft
- The Ministry of Labour and Employment (MoL&E) issued a notification regarding the first schedule to the Industrial Disputes Act, 1947. Services engaged in the industry of transport for the carriage of passengers or goods, by land or water, are declared to be a public utility service for a period of six months
- The Employees' State Insurance Corporation (ESIC) issued a notification regarding drugs that are not of standard quality. The usage of the batch of drugs that is not of standard quality has been directed to be stopped

[Click here to view all the Labour legal updates](#)





CONTACT US

TeamLease Regtech Pvt. Ltd.

Awfis Space Solutions Pvt Ltd, Opposite Commissioner Office,
1 Church road, Camp, Pune, Maharashtra 411001, India.



Bangalore, Mumbai, Kolkata, Hyderabad, Delhi, Chennai, Ahmedabad



1800 309 5809



sales@tlregtech.com



www.teamleaseregtech.com