Veritas Finance Private Limited

REGULATORY UPDATE

JANUARY 2023

www.veritasfin.in

INTRODUCTION

Objective:

Keeping up to date with Legislations, Rules and Practices applicable to our NBFC sector to stay compliant and be aware of repercussions, to plan consequential actions, to add value to business and to achieve a competitive edge.

Period: January 2023

Coverage:

The Newsletter would broadly cover the following applicable areas:

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Image courtesy : Reserve Bank of India (website: https://rbi.org.in/)

RESERVE BANK OF INDIA

RESERVE BANK OF INDIA

Circular Number	Date of Issue	Subject / Applicability	Gist
RBI/2022-23/160 A.P. (DIR Series) Circular No. 22	January 04, 2023	**Foreign Investment in India - Rationalisation of reporting in Single Master Form (SMF) on FIRMS Portal** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12433&Mode=0	The following changes are being implemented with respect to the reporting of foreign investment in SMF on FIRMS portal: (i) The forms submitted on the portal will be auto-acknowledged. The AD banks shall verify the same within five working days based on the uploaded documents, as specified. (ii) In cases of delayed reporting, the AD banks shall either advise the Late Submission Fee (LSF) to the applicants, which will be computed by the system or advise for compounding of contravention, as the case may be.
RBI/DOR/2022-23/95 DOR.HOL.No.95/16.13.100/2022-23	January 16, 2023	**Master Direction – Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12439&Mode=0	The Reserve Bank of India (RBI) being satisfied that it is necessary and expedient in the public interest so to do, hereby, issues the Directions hereinafter specified. These directions are to be read along with the 'Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies' issued by the RBI. **Objective**: These directions are issued with the intent of ensuring that the ultimate ownership and control of banking companies are well diversified, and the major shareholders of banking companies are 'fit and proper' on a continuing basis.
NA	January 16, 2023	**Guidelines on Acquisition and Holding of Shares or Voting Rights in Banking Companies** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12440&Mode=0	The contents of these Guidelines shall be read along with Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions, 2023, and applicable provisions of the Banking Regulation Act, 1949.
RBI/2022-23/166 DOR.AML.REC.96/14.06.001/2022-23	January 17, 2023	**Designation of individuals and one organisation under Section 35(1) (a) and 2(1) (m) of the Unlawful Activities (Prevention) Act,1967 and their listing in the First and Fourth Schedule of the Act.** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12441&Mode=0	In terms of Section 53 of our Master Direction on Know Your Customer dated February 25, 2016, as amended on May 10, 2021, the details of accounts resembling any of the individuals/entities in the lists shall be reported to FIU-IND apart from advising Ministry of Home Affairs as required under UAPA notification dated February 2, 2021.

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			In this regard, two individuals and one organization which have been declared as 'Terrorists' and 'Terrorist Organsiation' and have been listed in the Schedule I and IV of the UAPA 1967. The regulated entities to take note for necessary compliance.
RBI/2022-23/167 DOR.AML.REC.97/14.06.001/2022-23	January 17, 2023	**Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Addition of 1 entry** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12442&Mode=0	In terms of Section 51 of our Master Direction on Know Your Customer dated February 25, 2016 as amended on May 10 , 2021, in terms of which "Regulated Entities shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967, they do not have any account in the name of individuals/entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC). In this regard, one entry has been made under the ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities. The regulated entities to take note for necessary compliance.
RBI/2022-23/170 DOR.AML.REC.98/14.06.001/2022-23	January 24, 2023	**Designation of individuals and one organisation under Section 35(1) (a) and 2(1) (m) of the Unlawful Activities (Prevention) Act,1967 and their listing in the First and Fourth Schedule of the Act.** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12446&Mode=0	In terms of Section 53 of our Master Direction on Know Your Customer dated February 25, 2016, as amended on May 10, 2021, the details of accounts resembling any of the individuals/entities in the lists shall be reported to FIU-IND apart from advising Ministry of Home Affairs as required under UAPA notification dated February 2, 2021. In this regard, three individuals and one organization which have been declared as 'Terrorists' and have been listed in the Schedule I and IV of the UAPA 1967. The regulated entities to take note for necessary compliance.
RBI/2022-23/171 DOR.AML.REC.99/14.06.001/2022-23	January 30, 2023	**Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/ 1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Addition of 1 entry** https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12447&Mode=0	In terms of Section 51 of our Master Direction on Know Your Customer dated February 25, 2016 as amended on May 10 , 2021, in terms of which "Regulated Entities shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967, they do not have any account in the name of individuals/entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC).

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			In this regard, one entry has been made under the ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities. The regulated entities to take note for necessary compliance.
Press Release: 2022-2023/1614	January 25, 2023	**RBI releases Discussion Paper on Securitisation of Stressed Assets Framework (SSAF)** **https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=55112**	As part of the Statement on Developmental and Regulatory Policies released on September 30, 2022, RBI had proposed to introduce a framework for securitisation of stressed assets, in addition to the ARC route. Accordingly, RBI has today released the Discussion Paper on SSAF inviting comments from stakeholders. The Discussion paper broadly covers nine relevant areas of the framework including asset universe, asset eligibility, minimum risk retention, regulatory framework for special purpose entity and resolution manager, access to finance for resolution manager, capital treatment, due diligence, credit enhancement, and valuation. It draws upon similar frameworks introduced in other jurisdictions, while trying to keep it structurally aligned with the framework for securitisation of standard assets.

सत्यमेव जयते

Ministry of Corporate Affairs

Government Of India

Image courtesy : Ministry of Corporate Affairs (website http://www.mca.gov.in/MinistryV2/homepage.html)

MINISTRY OF CORPORATE AFFAIRS

Notification Number	Date of Issue	Subject	Gist
General Circular No. 01/2023	January 09, 2023	**Release plan of 45 company e-forms in MCA-21 Version 3.0** **https://www.mca.gov.in/bin/dms/getdocument?mds=xHxXexcBmc5%252Bd%252FsJEZzXiw%253D%253D&type=open**	It was informed that as the Ministry of Corporate Affairs was in the process of introducing 45 e-forms in MCA 21 V.3.0, these 45 e-forms were not made available from 07.01.2023 till 22.01.2023. In this regard, an additional time period of 15 days have been allowed to the stakeholders to file these 45 e-forms without additional fees in cases where the due date falls between 07.01.2023 till 22.01.2023.
General Circular No. 02/2023	January 09, 2023	**Filing of Form GNL 2 and MGT 14 due to migration from V2 version to V3 version in MCA 21 Portal** **https://www.mca.gov.in/bin/dms/getdocument?mds=WsznZ2ZG2R%252BWuZ7rNx7pWA%253D%253D&type=open**	In the process of introducing 45 e-forms in MCA 21 V.3.0, 45 e-forms were not made available from 07.01.2023 till 22.01.2023, which includes Form GNL-2 and MGT-14. MCA has permitted physical submission of Form GNL 2 pertaining to prospectus related documents and MGT 14 in the period from 07.01.2023 till 22.01.2023, duly signed by person concerned as per relevant forms, along with a copy thereof in electronic media, with the concerned Registrar without payment of fee. Such filing will be accompanied by an undertaking from the Company that once the filing of such Forms is enabled on the portal, the Company shall file relevant Form in electronic form on MCA 21 portal along with fees payable.
G.S.R. 44(E)	January 21, 2023	**The Companies (Management and Administration) Amendment Rules, 2023** **https://www.mca.gov.in/bin/dms/getdocument?mds=KzknWVtaIXfLUIGhXKWBJw%253D%253D&type=open**	The Companies (Management and Administration) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The revised Form MGT - 3 and Form MGT-14 has been introduced vide this circular. The Form MGT-3 covers details pertaining to notice of situation of where foreign register shall be kept and its changes thereof whereas the Form MGT-14 is used for filing of Resolutions and agreements to the Registrar pursuant to 117(1) of the Companies Act, 2013 and Rule 24 of The Companies (Management and Administration) Rules, 2014.
G.S.R. 46(E)	January 20, 2023	**The Companies (Miscellaneous) Amendment Rules, 2023.** **https://www.mca.gov.in/bin/dms/getdocument?mds=3oMsDCPMBjXN4d0IQCj%252BDw%253D%253D&type=open**	The Companies (Miscellaneous) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • MSC -01: Application to ROC for obtaining the status of dormant Company. • MSC -03: Return of dormant company. • MSC -04: Application for seeking status of active company.

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			Further it has been amended that the following need not be attached to the MSC 1 for obtaining the status of dormant company: 1. Concurrence of the lender in case there is any outstanding unsecured loan. 2. Certificate that there is no dispute in the management or ownership of the Company
G.S.R. 40(E)	January 20, 2023	**The Companies (Accounts) Amendment Rules, 2023.** https://www.mca.gov.in/bin/dms/getdocument?mds=URBkg0OQEvExHY9sWlCZbQ%253D%253D&type=open	The Companies (Accounts) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The revised Form AOC-5 filed for Notice of address at which books of account are to be maintained has been introduced vide this circular. With the amendment, a photo of Registered office showing external building and one photo (inside office) with at least one Director/KMP has to be attached in the form.
G.S.R. 39(E)	January 20, 2023	**The Companies (Authorized to Register) Amendment Rules, 2023** https://www.mca.gov.in/bin/dms/getdocument?mds=XcGdPrlsMJTYfnc9%252BXAl1w%253D%253D&type=open	The Companies (Authorized to Register) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The revised form URC -1 has been introduced vide this circular. The form URC – 1 is filed for Application by a company for registration under section 366.
G.S.R. 37(E)	January 20, 2023	**The Companies (Prospectus and Allotment of Securities) Amendment Rules, 2023** https://www.mca.gov.in/bin/dms/getdocument?mds=a4r89hvUpe4unaFIE9fhBw%253D%253D&type=open	The Companies (Prospectus and Allotment of Securities) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • Form-PAS-2: Information Memorandum • Form-PAS-3: Return of Allotment • Form-PAS-6: Reconciliation of Share Capital Audit Report (Half-yearly) The form PAS 3 is amended to enter the details of Valuation report including name of Registered Valuer, UDIN, date of report, Method of Valuation, Price at which the shares are issued, rationale if the price issued by the Company is less than that of valuation report (wherever applicable).

Notification Number	Date of Issue	Subject	Gist
G.S.R. 36(E)	January 20, 2023	**The Companies (Registration of Foreign Companies) Amendment Rules, 2023** **https://www.mca.gov.in/bin/dms/getdocument?mds=AUcAKkFj6qD9VsQT1arCcQ%253D%253D&type=open**	The Companies (Registration of Foreign Companies) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • FORM FC-1: Information to be filed by foreign company • FORM FC-2: Return of alteration in the documents filed for registration by foreign company • FORM FC-3: Annual accounts along with the list of all principal places of business in India established by foreign company • FORM FC-4: Annual Return of a Foreign Company
G.S.R. 38(E)	January 20, 2023	**The Companies (Appointment and Qualification of Directors) (Amendment) Rules, 2023** **https://www.mca.gov.in/bin/dms/getdocument?mds=SVZ6q8e7oYGouCHnMwGHZQ%253D%253D&type=open**	The Companies (Appointment and Qualification of Directors) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • Form DIR-3 • Form DIR-3C • Form DIR-5 • Form DIR-6 • Form DIR-8 • Form DIR-9 • Form DIR-10 • Form DIR-11 • Form DIR-12 Further, every Director shall inform the Company about his disqualification under sub-section (1) or under sub-section (2) of section 164, if any, in Form DIR-8 before he is appointed or re-appointed. Earlier, the said declaration does not cover disqualification under Sec 164 (1). The Company shall give intimation and file DIR 9 to the ROC within 30 days of receipt of DIR 8. An application for removal of disqualification of Directors shall be made in Form DIR-10 and filed before the Regional Director.

Notification Number	Date of Issue	Subject	Gist
G.S.R. 43(E)	January 21, 2023	**The Companies (Share Capital and Debentures) Amendment Rules, 2023** https://www.mca.gov.in/bin/dms/getdocument?mds=p7DFz8PggzipaCKcHi8DEg%253D%253D&type=open	The Companies (Share Capital and Debentures) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • Form No. SH-7 - Notice to Registrar of any alteration of share capital • Form No. SH-8 - Letter of offer • Form No. SH-9 - Declaration of solvency
G.S.R. 41(E)	January 19, 2023	**The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2023** https://www.mca.gov.in/bin/dms/getdocument?mds=KOPgOjylxvDtUW18%252BOESSA%253D%253D&type=open	The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • Form No. MR.1 – Return of appointment of managerial personnel • Form No. MR.2 – Form of application to the Central Government for approval of appointment of managing director or whole-time director or manager Confirmation with reference to provision of Sec 196 of Companies Act, 2013 read with Schedule V have been brought in the form.
G.S.R. 42(E)	January 19, 2023	**The Companies (Incorporation) Amendment Rules, 2023** https://www.mca.gov.in/bin/dms/getdocument?mds=ePWdYPBEJzswvfrz%252Fkb6og%253D%253D&type=open	The Companies (Incorporation) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: RUN, INC 4, INC 6, INC 9, INC 12, INC 13, INC 20, INC 20A, INC 22, INC 23, INC 24, INC 27, INC 28, INC 31, SPICE+ (INC-32), INC-33, INC-34, INC-35 and RD-1.
G.S.R. 45(E)	January 20, 2023	**The Companies (Registration Offices and Fees) Amendment Rules, 2023.** https://www.mca.gov.in/bin/dms/getdocument?mds=XLgcI1xHIs9Sjmhyk6ogqg%253D%253D&type=open	The Companies (Registration Offices and Fees) Amendment Rules, 2023, has been introduced and shall come into force with effect from January 23, 2023. The following revised forms have been introduced vide this circular: • Form GNL-2 - Form for submission of documents with the Registrar • Form GNL-3 - Particulars of person(s) charged for the purpose of sub clause (iii) or (iv) of clause 60 of section 2 • Form GNL-4 - Form for filing Addendum for rectification of defects or incompleteness

Image courtesy : Securities and Exchange Board of India (website :https://www.sebi.gov.in/)

SECURITIES AND EXCHANGE BOARD OF INDIA

SECURITIES AND EXCHANGE BOARD OF INDIA

Notification Number	Date of Issue	Subject	Gist
SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4	January 05, 2023	**Limited relaxation –dispatch of physical copies of financial statements etc. – Regulation58 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** **https://www.sebi.gov.in/legal/circulars/jan-2023/limited-relaxation-dispatch-of-physical-copies-of-financial-statements-etc-regulation-58-of-sebi-listing-obligations-and-disclosure-requirements-regulations-2015_67033.html**	MCA vide Circular dated December 28, 2022, has inter-alia now extended the relaxations from dispatching of physical copies of financial statements due in the year 2023 (i.e., till September 30, 2023). Considering the above, it has been decided to relax up to September 30, 2023, the requirements of Regulation 58 (1)(b) of the Listing Regulations which prescribes that an entity with listed non-convertible securities shall send a hard copy of statement containing the salient features of all the documents, as specified in Section 136 of Companies Act, 2013 and rules made thereunder to those holders of non-convertible securities who have not registered their email address(es) either with the listed entity or with any depository.
SEBI/HO/DDHS/RACPOD1/CIR/P/2023/0002	January 05, 2023	**Monitoring and Periodical reporting of the compliance with the requirements pertaining to 'Security and Covenant Monitoring' system hosted by Depositories** **https://www.sebi.gov.in/legal/circulars/jan-2023/monitoring-and-periodical-reporting-of-the-compliance-with-the-requirements-pertaining-to-security-and-covenant-monitoring-system-hosted-by-depositories_67043.html**	The Depositories are advised to ensure periodic monitoring regarding compliance with the requirements of various circulars pertaining to 'Security & Covenant Monitoring System' issued by SEBI from time to time, including the circulars dated August 13, 2021 and March 29, 2022, and also bring to the notice of SEBI, any instances of non-compliance, on a quarterly basis, not later than one month from the end of the quarter, in the format specified. The provisions of this circular shall come in force from April 01, 2023.
No. SEBI/LAD-NRO/GN/2023/117.	January 17, 2023	**Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023** **https://www.sebi.gov.in/legal/regulations/jan-2023/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-amendment-regulations-2023_67410.html**	SEBI vide notification dated January 17, 2023, notifies SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2023 and implemented the following amendments: • Corporate governance norms will be applicable on SEBI-registered InvITs and ReITs from April 01, 2023. • The definition of 'senior management' now includes 'Functional Heads' of the listed entities as well. All compliances mentioned under SEBI LODR Regulations for senior management would now has to be followed by the Functional Heads of the organizations as well.

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			• **Approval of shareholders within 3 months in case of 're-appointment':** Earlier under notification dated January 24, 2022, SEBI had stated that the approval of shareholders would be required within 3 months from the date of appointment or a general meeting, whichever is earlier. But, with the current amendment now approval of shareholders would be required within 3 months both in cases of appointment and re-appointment of a director/ manager. • Listed public sector companies are exempted from seeking shareholders' approval for the appointment of director/manager within 3 months from the date of appointment. These Companies can now obtain shareholders' approval at the next general meeting. • The details of material subsidiaries such as the date and place of incorporation, the name and date of appointment of the statutory auditors should be disclosed in the annual report by the listed companies. This is applicable for Annual Reports prepared for FY 22-23 & onwards.
SEBI/HO/DDHS/RACPOD1/CIR/P/2023/003	January 05, 2023	**Extension of timelines for entering and verification of the details of the existing outstanding non-convertible securities in the 'Security and Covenant Monitoring' system hosted by Depositories** https://www.sebi.gov.in/legal/circulars/jan-2023/extension-of-timelines-for-entering-and-verification-of-the-details-of-the-existing-outstanding-non-convertible-securities-in-the-security-and-covenant-monitoring-system-hosted-by-depositories_67045.html	SEBI is in receipt of further representations from DTs citing operational/technical difficulties owing to the advanced nature of the technology involved and seeking extension of timeline for verifying the entries made by issuer. Accordingly, it has been decided that for existing outstanding non-convertible securities, issuers shall ensure that they enter the details into the system on or before January 31, 2023, and DTs shall verify the same by February 28, 2023. DTs shall submit a fortnightly progress report of status of compliance regarding the details pertaining to existing outstanding non-convertible securities being entered in the system by the issuers and verification of the same by DT, till the extension of the timeline for compliance is in place. The progress report shall be submitted within five days of the end of the fortnight.
SEBI/HO/DDHS/DDHS-RACPOD2/P/CIR/2023/6	January 06, 2023	**Operational Circular for Credit Rating Agencies** https://www.sebi.gov.in/legal/circulars/jan-2023/operational-circular-for-credit-rating-agencies_67080.html	This Operational Circular is a compilation of the existing circulars as on December 31st ,2022, with consequent changes. The stipulations contained in these circulars have been detailed chapter-wise in this operational circular. Accordingly, the list of existing circulars for CRAs which have been superseded by Operational Circular is placed at Annexure A. The provisions of the circular shall come into effect from February 01, 2023.

GST UPDATES

GST UPDATE

Notification Number	Date of Issue	Subject	Gist
NA	January 12, 2023	**Module wise new functionalities deployed on the GST Portal for taxpayers** **https://www.gst.gov.in/newsandupdates/read/564**	Various new functionalities are implemented on the GST Portal, from time to time, for GST stakeholders. These functionalities pertain to different modules such as Registration, Returns, Advance Ruling, Payment, Refund and other miscellaneous topics. Various webinars are also conducted as well informational videos prepared on these functionalities and posted on GSTNs dedicated YouTube channel for the benefit of the stakeholders and the same can be viewed here: https://tutorial.gst.gov.in/downloads/news/new_functionalities_compilation_december_2022.pdf
NA	January 12, 2023	**Advisory on "Initiating Drop Proceeding" by taxpayers** **https://www.gst.gov.in/newsandupdates/read/565**	Recently, a functionality of Automated Drop Proceedings of GSTINs suspended due to non-filing of returns has been implemented on the GST Portal. This functionality is for the taxpayers who have filed their pending 6 monthly or 2 Quarterly returns. Such taxpayers are advised to revoke the suspension once the due returns have been filed by clicking on "INITIATE DROP PROCEEDING" for which navigation is as follows: **"Services > User Services > View Notices and Orders > Initiate Drop Proceeding"**
Circular No. 189/01/2023-GST	January 13, 2023	**Clarification regarding GST rates and classification of certain goods based on the recommendations of the GST Council in its 48th meeting held on December 17, 2022** **https://taxinformation.cbic.gov.in/view-pdf/1003143/ENG/Circulars**	Based on the recommendations of the GST Council in its 48th meeting held on 17th December, 2022, clarifications, with reference to GST levy, related to the following are being issued through this circular: • Rab -classifiable under Tariff heading 1702 • Applicability of GST on by-products of milling of Dal/ Pulses such as Chilka, Khanda and Churi/Chuni • Applicability of GST on Snack pellets manufactured through extrusion process (such as 'fryums') • Applicability of Compensation cess on Sports Utility Vehicles (SUVs) • Applicability of IGST rate on goods specified under notification No. 3/2017-Integrated Tax (Rate)

Notification Number	Date of Issue	Subject	Gist
Circular No. 190/02/2023-GST	January 13, 2023	**Clarifications regarding applicability of GST on certain services** https://taxinformation.cbic.gov.in/view-pdf/1003144/ENG/Circulars	Representations have been received seeking clarifications on the following issues: (i) Applicability of GST on accommodation services supplied by Air Force Mess to its personnel (ii) Applicability of GST on incentive paid by Ministry of Electronics and Information Technology (MeitY) to acquiring banks under Incentive scheme for promotion of RuPay Debit Cards and low value BHIM-UPI transactions. The above issues have been examined by GST Council in the 48th meeting held on 17th December, 2022, and accordingly clarifications have been issued.
NA	January 16, 2023	**Advisory on taxpayers facing issue in filing GSTR-3B** https://www.gst.gov.in/newsandupdates/read/567	According to Hon'ble Supreme Court's directives, filing of TRAN forms were made available for aggrieved taxpayers from the period between **01.10.2022** to **30.11.2022**. It was observed that, in the process of filing TRAN forms, few taxpayers have submitted their forms on the portal but did not finally **File** it within the specified time. After submitting the Tran Forms, filing was to be done with e-sign. Further, such taxpayers have not raised any ticket for difficulty faced by them in filing Tran Forms. Some taxpayers were also contacted by GSTN and they informed that they do not intend to file TRAN forms. As the TRAN forms of these taxpayers are submitted but not filed, these taxpayers are not able to file their GSTR-3B. The TRAN filing window has already been closed. Hence, such taxpayers have been advised to raise a ticket on **GST Grievance Portal** giving **consent that their TRAN filing status may be reset by GSTN.** Once the consent for resetting their unfiled TRAN forms is received, the TRAN forms will be reset and the taxpayer will be able to file their GSTR-3B.
NA	January 24, 2023	**Advisory on facility of 'Initiating Drop Proceedings' of Suspended GSTINs due to Non-filing of Returns** https://www.gst.gov.in/newsandupdates/read/568	A functionality of "Automated Drop Proceedings" of GSTINs suspended due to non-filing of returns had been implemented on the GST Portal which is available for the taxpayers who have filed their pending returns i.e., 6 monthly or 2 Quarterly returns. It has been notified that if such taxpayers have filed all their pending returns, the system will automatically drop the proceedings and revoke suspension. If the status of the GSTIN does not automatically turn 'ACTIVE', then taxpayers are advised to revoke the suspension once the due returns have been filed, by clicking on 'Initiate Drop Proceeding.'

Notification Number	Date of Issue	Subject	Gist
			In case the system does not automatically drop the proceedings or taxpayer is unable to revoke the suspension by clicking on 'Initiate Drop Proceeding', then taxpayer is advised to contact Jurisdictional Officer. Note: This functionality is applicable to the taxpayers whose GSTINs have been suspended after December 01, 2022.

IT UPDATES:

Notification Number	Date of Issue	Subject	Gist
Circular No. 1 of 2023	January 06, 2023	**Extension of time limit for compliance to be made for claiming any exemption under Section 54 to 54GB of the Income-tax Act,1961 ('Act') in view of the then-Covid-19 pandemic.** https://incometaxindia.gov.in/communications/circular/circular-1-2023.pdf	In view of the representations received and on further consideration of the then prevailing COVID-19 pandemic and resultant restrictions imposed, causing genuine hardship faced by taxpayers it has been notified that the compliances to be made by the taxpayers such as investment, deposit, payment, acquisition, purchase, construction or such other action, by whatever name called, for the purpose of claiming any exemption under the provisions contained in Section 54 to 54 OB of the Act, for which the last date of such compliance falls between 01 April, 2021 to February 28, 2022 (both days inclusive), may be completed on or before March 31, 2023.
Notification No. 1 of 2023	January 05, 2023	**Addendum to Notification 2 of 2021: Format, Procedure and Guidelines for submission of Statement of Financial Transactions (SFT) for Interest income (Abolishing of limit of Rs 5,000/-)** https://incometaxindia.gov.in/communications/notification/notification-1-2023-systems.pdf	Section 285BA of the Income Tax Act, 1961 and Rule 114E requires specified reporting persons to furnish statement of financial transaction (SFT). For the purposes of prefilling the return of income, CBDT had issued to include reporting of information relating to interest income. The Remarks column point 1 at Annexure A-Guidelines for Preparation of Statement of Financial Transactions (SFT) is hereby being modified to be read as "*The information is to be reported for all account/deposit holders where any interest exceeds zero per account in the financial year excluding Jan Dhan Accounts*." In the view of the changes mentioned above, the limit of Rs. 5000 prescribed earlier stands abolished, and this addendum will come into effect from January 05, 2023.