SRNG ADVISORS LLP

OCTOBER 2020

CONNECT

NEWSLETTER

DIRECT TAX

CASE LAWS

When date of agreement fixing amount of consideration and date of registration of property is different, value adopted by stamp valuation authority on date of agreement was to be taken for purposes of computing full value of consideration of such transfer.

GOVINDBHAI PATEL *V.* ITO, WARD-6(1)(3) AHMEDABAD*JULY 28, 2020 -(AHMEDABAD - TRIB.)- SECTION 50C OF THE INCOME-TAX ACT, 1961

Assessee sold an immovable property and declared certain amount as capital gain. In course of assessment, Assessing Officer made valuation of said property on basis of stamp duty valuation as on date of registration. Accordingly, certain addition was made to assessee's income. When date of agreement of sale fixing amount of consideration and date of registration of property were different, value adopted by stamp valuation authority on date of agreement be taken for purposes of computing full value of consideration of such transfer. Since in instant case, valuation of property had been determined on basis of stamp duty valuation as on date of registration without referring matter to DVO, impugned addition made by Assessing Officer was to be deleted

Since assessee had disclosed fully and truly all relevant material facts regarding this issue during original assessment proceedings, impugned reassessment notice issued after four years from end of relevant assessment year was unjustified.

ARUN MUNSHAW HUF *VS* INCOME-TAX OFFICER, WARD 7(1) [2020] 72 (GUJARAT) HIGH COURT OF GUJARAT

Assessee sold a property being an agricultural land in form of a farmhouse along with water tank, servant quarter, etc., constructed on it for a consideration of certain amount. Assessee claimed exemption under sections 53(b), 54(1)(i) and 54E in respect of capital gains arising from sale of property. Same was allowed. After four years, Assessing Officer issued a reopening notice on ground that property in question was an agricultural land and, therefore, exemption under sections 53(b) and 54(1)(i) was wrongly allowed. Accordingly, reassessment was completed withdrawing exemption under sections 53(b) and 54(1)(i) respectively. It was noted that there was full and true disclosure of all material facts regarding this issue during original assessment. Conveyance deed, permission of appropriate authority to sell property and other documents were filed by assessee at time of original assessment proceedings. Nothing was suppressed. In such circumstances, it could be said that there was no tangible material with Assessing Officer for purpose of reopening assessment after four years. On facts, impugned reassessment notice and consequent reassessment order was unjustified

In view of fact that reason for reopening of assessment was subject matter of proceedings under section 143(3) and thereupon proceedings under section 263, once again, for very same reason, power under section 147 could not be invoked and, thus, impugned reassessment proceedings were to be set aside.

CIT *V.* NEYVELI LIGNITE CORPORATION LTD.*JULY 13, 2020 847 (MADRAS) HIGH COURT OF MADRAS

For relevant year, assessment in case of assessee was completed under section 143(3) wherein assessee's claim for depreciation was allowed. Subsequently, Assessing Officer initiated reassessment proceedings on ground that assessee had claimed depreciation at rate of 15 percent on water supply and drainage instead of treating same under block 'Building' on which depreciation was allowable at rate of 10 percent. Thus, according to Assessing Officer, assessee had raised excess claim of depreciation. It was noted that while completing assessment under section 143(3), Assessing Officer had raised an identical query and thereupon he had accepted assessee's explanation and, claim of excess rate of depreciation was restricted to non-productive assets only. It was also found that for very same reason, Commissioner had issued notice under section 263 but, after considering assessee's reply, said proceedings were dropped. On facts, when reasons for reopening of assessment were subject matter of proceedings under section 143(3) or proceedings under section 263, once again, for very same reasons, power under section 147 could not be invoked. Therefore, impugned reassessment proceedings were deserved to be set aside.

Where Assessing Officer after making due enquiries found assesee's claim for exemption of income as correct and, thus, dropped reassessment proceedings, since view taken by him was one of possible views, impugned revisional order passed under section 263 was to be set aside.

CIT *V* INTERNATIONAL SOCIETY FOR KRISHNA CONSCIOUSNESS*JUNE 9, 2020 (KARNATAKA) HIGH COURT OF KARNATAKA

Assessee was a society registered under section 12A. During proceedings for grant of registration under section 80G, assessee filed statement of accounts showing certain income before grant of exemption under sections 11 and 12. Assessee was thus required to file return under section 139(4A). Assessee, however, did not submit its return under section 139(4A) stating that its accounts have been submitted to ISKON, Mumbai, for consolidation purpose. Assessing Officer thus initiated reassessment proceedings in response to which assessee submitted its return claiming exemption of income under section 11. Assessing Officer after making due enquiries found claim for exemption of income as correct and, thus, reassessment proceedings were dropped. Director (Exemptions) passed an order under section 263 setting aside assessment and directing Assessing Officer to pass a fresh assessment order. It was noted that Assessing Officer had allowed assessee's claim for exemption of income under section 11 after making due enquiries. Moreover, Director (Exemptions) had also recorded in his revisional order that assessee had submitted its accounts to ISKON, Mumbai, for consolidation and nothing wrong was found in same. In aforesaid circumstances, it could be concluded that view taken by Assessing Officer to drop reassessment proceedings was one of possible views and, thus, impugned revisional order was to be set aside.

Where DCIT found nature of payment by assessee to associate concerns based in foreign countries was merely reimbursement of expenses and, hence, no TDS was to be made but DCIT proceeded with reassessment on ground only to safeguard interest of Revenue, such reassessment was to be quashed. 90 days time period permitted under Rule 34(5) for pronouncing order was to be computed by deducting Covid-19 pandemic lockdown period

LIONBRIDGE TECHNOLOGIES (P.) LTD.*V.*ASSISTANT COMMISSIONER OF INCOME-TAX*MAY 27, 2020 (MUMBAI - TRIB.) IN THE ITAT MUMBAI BENCH 'I'

Re-assessment was made on basis of internal audit objection much after elapse of four years from end of relevant assessment year that disallowance under section 40(a) was not made on account of non-deduction of tax at source under section 195 on payments made to foreign companies. Though DCIT categorically mentioned that nature of payment in dispute related to reimbursement of expenditure by assessee to its associate concerns based in foreign countries and since it was merely reimbursement of expenses, no TDS was to be made, DCIT proceeded with action under section 147 on ground only to safeguard interest of Revenue. In fact, detailed break-up of payment made to foreign companies was provided to Revenue by assessee with explanation thereof. Reasons for re-opening did not point out as to how assessee failed to disclose fully and truly all material facts necessary for his assessment. It was evident that internal audit objection had become prime consideration to believe that an income had escaped assessment resulting into reopening of assessment proceeding and not the decision of AO on merit. Such believe could not be basis for reopening assessment.

Where High Court upheld Tribunal's order holding that in absence of any failure on part of assessee to disclose fully and truly all material facts at time of assessment, reassessment proceedings could not be initiated after expiry of four years from end of relevant year, SLP filed against said order was to be dismissed

CIT 2 *V* .L&T LTD.*NOVEMBER 22, 2019 (SC) SUPREME COURT OF INDIA PRINCIPAL

Assessing Officer initiated reassessment proceedings in case of assessee. Tribunal noted that notice seeking to reopen assessment had been issued beyond four years from end of relevant assessment year and, there was no failure on part of assessee to disclose fully and truly all material facts at time of assessment. Tribunal thus taking a view that reassessment proceedings had been initiated merely on basis of change of opinion, set aside same - High Court upheld Tribunal's order. On facts, SLP failed against order of High Court was to be dismissed.

Merely because Assessing Officer did not examine claim for deduction under section 80IB(10) from angle of clauses (e) and (f) thereof, would not be a valid ground for reopening assessment,

Royal Infrastructure *V.* Deputy Commissioner Of Income Tax, Circle 1(2)*APRIL 29, 2019 HIGH COURT OF GUJARAT

During course of scrutiny assessment, Assessing Officer examined assessee's claim for deduction under section 80-IB(10) in detail and raised several queries and thereafter accepted same. Subsequently, Assessing Officer issued impugned notice under section 148 seeking to reopen assessment on ground that seven flats had been allotted either to family members or to same individual in contravention of clauses (e) and (f) of section 80-IB(10). Since assessee had disclosed all material facts necessary for assessment and Assessing Officer allowed claim under section 80-IB (10) after examining same in detail, merely because he did not examine such claim from angle of clauses (e) and (f) thereof, would not be a valid ground for reopening assessment.

NOTIFICATIONS FOR FACELESS APPEALS

Notification no. 76/2020 dated 25th September 2020

Faceless Appeals launched by CBDT today- Honoring The Honest

The Income Tax Department launched Faceless Income Tax Appeals. Under Faceless Appeals, all

Income Tax appeals will be finalised in a faceless manner under the faceless ecosystem with the exception of appeals relating to serious frauds, major tax evasion, sensitive & search matters, International tax and Black Money Act. Necessary Gazette notification has also been issued on this day.

Notification No. 77/2020-Income Tax 25th September, 2020 - S.O**. 3297(E)**
In exercise of the powers conferred by sub-section (6C) of section 250 of the Income-tax Act, 1961 (43 of 1961), for the purposesof giving effect to the Faceless Appeal Scheme, 2020 made under sub-section (6B) of section 250 of the Act, the Central Government has made some directions (please refer relevant notification for complete details).

Notification No. 80/2020-Income Tax 25th September, 2020 - S.O. 3308(E)
In exercise of powers conferred by sub-sections (1) and (2) of section 120 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Act) and to give effect to the Faceless Appeal Scheme, 2020 (hereinafter referred to as the Scheme), the Central Board of Direct Taxes (hereinafter referred to as the Board) hereby directs that the Income-tax authorities of the National Faceless Appeal Centre (hereinafter referred to as the NFAC) specified in column (2) of the Schedule below, having its headquarter at Delhi, shall exercise the powers and perform functions, in order to facilitate the conduct of Faceless Appeal Proceedings, in respect of such territorial areas or persons or class of persons or incomes or class of incomes or cases or class of cases as specified by the Board in para 3 of the Scheme, with respect to appeals filed under section 246A or 248 of the Act, pending or instituted on or after 25.09.2020

Notification No. 81/2020-Income Tax 25th September, 2020- S.O. 3309(E)
In exercise of powers conferred by sub-sections (1) and (2) of section 120 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Act) and to give effect to the Faceless Appeal Scheme, 2020 (hereinafter referred to as the Scheme), the Central Board of Direct Taxes (hereinafter referred to as the Board) hereby directs that the Income-tax authorities of the Regional Faceless Appeal Centres (hereinafter referred to as the RFAC) specified in column (2) of the Schedule below (please refer relevant notification), having their headquarters at the places mentioned in column (3) of the said Schedule, shall exercise the powers and perform functions, in order to facilitate the conduct of Faceless Appeal Proceedings, in respect of such territorial areas or persons or class of persons or incomes or class of incomes or cases or class of cases as specified by the Board in para 3 of the Scheme, with respect to appeals filed under section 246A or 248 of the Act, pending or instituted on or after 25.09.2020.

OTHER NOTIFICATIONS

Notification no. 72/2020 dated 8th September 2020 -S.O. 3035(E)
Whereas the Central Government in exercise of the powers conferred by clause (iii) of sub-section(4)of section 80-IA of the Income-tax Act, 1961, has framed and notified a scheme for industrial park, *vide* notification of the Government of India in the Ministry of Commerce and Industry (Department of Industrial Policy and Promotion), number S.O.354(E), dated the 1st day of April, 2002, for the period beginning on the 1st day of April, 1997 and ending on the 31st day of March, 2006.

Notification no.73/2020 dated 10th September 2020- S.O. 3088(E)
In exercise of the powers conferred by clause (46) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government has notified for the purposes of the said clause, 'District Mineral Foundation Trust' as specified in the schedule to this notification, constituted by Government in exercise of powers conferred under section 9(B) of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 (10 of 2015) as a 'class of Authority'.

Notification no. 74/2020 dated 11th September 2020 -S.O. 3122(E)
In exercise of the powers conferred by clause (47) of section 10 of the Income-tax Act, 1961 (43 of 1961), the Central Government has notified the Infrastructure Debt Fund namely, the 'L&T Infra Debt Fund (PAN: AACCL4493R)' for the purposes of the said clause, for the assessment year 2018-2019 and subsequent years subject to the following conditions, namely:- (i) that the Infrastructure debt fund shall conform to and comply with the provisions of the Income-tax Act, 1961, rule 2F of the Income-tax Rules, 1962 and the conditions provided by the Reserve Bank of India in this regard, and (ii) that the Infrastructure debt fund shall file its return of income as required by sub-section (4C) of section 139 of the Income-tax Act, 1961 on or before the due date.

Notification no. 75/2020 dated 22nd September 2020 G.S.R. 574(E)
In exercise of the powers conferred by section 295 read with section 195 and rule 5 of the First Schedule to the Income- tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes, has made the following rules further to amend the Income-tax Rules, 1962,namely:-
(a) in rule 29B for the words "banking company", wherever they occur, the words "banking company or an insurer" shall be substituted;
(b) after sub-rule (5), the following explanation shall be inserted, namely — "*Explanation.*— for the purposes of this rule, "insurer" shall have the same meaning as assigned to it in sub-clause (d) of clause (9) of section 2 of the Insurance Act, 1939 (4 of 1938)."

Notification No. 78/2020-Income Tax 25th September, 2020 - S.O. 3303(E)
In exercise of the powers conferred under section 118 and sub- section (1) and (2) of section120 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes has made certain amendments in the notification of the Government of India, Ministry of Finance, published in the Gazette of India, Extraordinary, Part II, section 3, sub-section (ii) vide no. S.O. 2753 (E) dated the 22nd October, 2014 (please refer relevant notification for details).

Notification No. 79/2020-Income Tax 25th September, 2020 - S.O. 3304(E)
In exercise of powers conferred under sub-section (2) of section 143 of Income-tax Act, 1961 (43 of 1961) (the Act) read with Rule 12E of the Income-tax Rules, 1962, the Central Board of Direct Taxes hereby authorises the Assistant Commissioner/Deputy Commissioner of Income-tax (National e-Assessment Centre) having his headquarters at Delhi, to act as the Prescribed Income-tax Authority for the purpose of sub-section (2) of **section 143** of the Act, in respect of returns furnished under **section 139** or in response to a notice issued under subsection (1) of section 142 of the said Act, for the purpose of issuance of notice under sub section (2) of section 143 of the said Act. This notification shall come into force from 13th August 2020.

CIRCULARS

Circular No. 17/2020 – Income Tax 29th September 2020 - Sub. Guidelines under section 194-0 (4) and section 206C (1-1) of the Income-tax Act, 1961
Section 194O has been inserted in the Income Tax Act, 1961. According to Section 194O, an e-Commerce operator is required to deduct TDS for facilitating any sale of goods or providing services through an e-Commerce participant. TDS on e-commerce operators under section 194-O is applicable from 1 October 2020.

Sub-section (1 H) in section 206C of the Act also inserted which mandates that with effect from 1 st day of October, 2020 a seller receiving an amount as consideration for sale of any goods of the value or aggregate of such value exceeding fifty lakh rupees in any previous year to collect tax from the buyer a sum equal to 0.1 per cent (subject to the provisions of proposed sub-section (lOA) of the section 206C of the Act) of the sale consideration exceeding fifty lakh rupees as income-tax.

F. No. 225/150/2020-ITA-II - Order under Section 119(2)(a) of the Income-tax Act, 1961
On further consideration of genuine difficulties being faced by the taxpayers due to the outbreak of COVID-19 pandemic, the Central Board of Direct Taxes (CBDT), in exercise of powers conferred under section 119(2)(a) of the Act, has, further extended the date for furnishing of belated and revised returns for the Assessment Year 2019-20 under sub-section (4) and (5) of section 139 of the Act respectively, from 30 September, 2020 to 30th November, 2020.

NEWS

Faceless appeals for direct tax cases launched
The Board said that faceless appeal system will include allocation of cases through data analytics and AI under the dynamic jurisdiction with central issuance of notices which would have a Document Identification Number (DIN).
On the lines of faceless assessment launched by the government over a month ago, the income-tax department said that its appeals systems would also become anonymous and move to the faceless regime with immediate effect to eliminate physical interface between tax officials and taxpayers. However, certain cases related to serious frauds, major tax evasion, sensitive and search matters, cases related to international tax and Black Money Act would be exempt.
The process of challenging an Income-Tax assessment order begins at the lowest level of Commissioner (appeals), which is a quasi-judicial forum presided over by a Commissioner-rank official of the department. Its decision can subsequently be challenged in the income-tax Tribunals, High courts and the Supreme Court by the aggrieved party.
The Central Board of Direct Taxes (CBDT), the policy-making body for the Income-Tax department, said that 88% of the current pending appeals at the commissioner (appeals) level would now be handled under the faceless system. To execute this, "85% of the present strength of Commissioners (appeals) shall be utilised for disposing of the cases under the faceless appeal mechanism," the Board said.
Currently, there are 4.6 lakh appeals pending with Commissioner (appeals).
For Income-Tax Appeals, everything from e-allocation of appeal, e-communication of notice/ questionnaire, e-verification/e-enquiry to e-hearing and finally e-communication of the appellate order, the entire process of appeals will be online, dispensing with the need for any physical interface between the appellant and the department, the Board said.
"There will be no physical interface between the taxpayers or their counsel/s and the income-tax department. The taxpayers can make submissions from the comfort of their home and save their time and resources," it added.

The Board said that faceless appeal system will include allocation of cases through data analytics and AI under the dynamic jurisdiction with central issuance of notices which would have a Document Identification Number (DIN).
Further, as part of dynamic jurisdiction, the draft appellate order will be prepared in one city and will be reviewed in some other city resulting in an objective, fair and just order, the Board said.

"The faceless appeal will provide not only great convenience to the taxpayers but it will also ensure just and fair appeal orders and minimise any further litigations. The new system will also be instrumental in imparting greater efficiency, transparency and accountability in the functioning of the income-tax department," it added.
Though the scheme provides for the conduct of personal hearing at the request of the appellant, faceless appeals may pose practical difficulties for taxpayers who find the need to argue and counter argue the issue to validate their tax position and to orally explain their complex business transactions," Rakesh Nangia, chairman at Nangia Andersen India said. He added that appellate proceedings need court-room play to give a fair chance to the taxpayer to put his case strongly with the help of subject matter experts such as chartered accountants and lawyers.
[SOURCE: FINANCIAL EXPRESS]

Clarification on doubts arising on account of new TCS provisions

There are reports in certain sections of media wherein certain doubts have been raised regarding the applicability of the provisions relating to Tax Collection at Source (TCS) on certain goods introduced vide Finance Act, 2020. This press note is being issued to clarify those doubts about the applicability of these provisions.

Finance Act, 2020 amended provisions relating to TCS with effect from 1st October, 2020 to provide that seller of goods shall collect tax @ 0.1 per cent (0.075% up to 31.03.2021) if the receipt of sale consideration from a buyer exceeds Rs. 50 lakh in the financial year. Further, to reduce the compliance burden, it has been provided that a seller would be required to collect tax only if his turnover exceeds Rs. 10 crore in the last financial year. Moreover, the export of goods has also been exempted from the applicability of these provisions.
It has been reported in the media that TCS has been made applicable to the amount received before 1stOctober, 2020. It is clarified that this report is not correct. In this connection, it may be noted that this TCS shall be applicable only on the amount received on or after 1st October, 2020. For example, a seller who has received Rs. 1 crore before 1st October, 2020 from a particular buyer and receives Rs. 5lakh after 1st October, 2020 would be required to collect tax on Rs. 5 lakh only and not on Rs. 55 lakh [i.e Rs.1.05 crore - Rs. 50 lakh (threshold)] by including the amount received before 1st October, 2020.
It has also been reported in certain section of the media that every transaction will attract this TCS. This report is not correct. It may be noted that this TCS applies only in cases where receipt of sale consideration exceeds Rs. 50 lakh in a financial year. As the threshold is based on the yearly receipt, it may be noted that only for the purpose of calculation of this threshold of Rs. 50 lakh, the receipt from the beginning of the financial year i.e. from 1st April, 2020 shall be taken into account. For example, in the above illustration, the seller has to collect tax on receipt of Rs. 5 lakh after 1st October, 2020because the receipts from 1st April, 2020 i.e. Rs. 1.05 crore exceeded the specified threshold of Rs. 50lakh.

Further, the seller in most of the cases maintains running account of the buyer in which payments are generally not linked with a particular sale invoice. Therefore, in order to simplify and ease the compliance of the collector, it may be noted that this TCS provision shall be applicable on the amount of all sale consideration received on or after 1st October, 2020 without making any adjustment for the amount received in respect of sales made before 1st October, 2020. Mandating the collector to identify and exclude the amount in respect of sales made up to 30th September, 2020 from the amount received on or after the 1st of October, 2020 would have resulted into undue compliance burden for the collector and also litigation.
It has been reported in certain section of the media that this TCS is an additional tax. This is obviously not correct. In this regard, it may be noted that TCS is not an additional tax but is in the nature of advance income-tax/TDS for which the buyer would get the credit against his actual income tax liability and if the amount of TCS is more than his tax liability, the buyer would be entitled for refund of the excess amount along with interest.
It may also be noted that this TCS shall be applicable only on the receipt exceeding Rs. 50 lakh by a seller from a particular buyer. Therefore, on payment of Rs. 1 crore made by a buyer to a particular seller only Rs.5,000 (Rs. 3,750 this year) i.e. [0.1% of (Rs. 1 crore - Rs. 50 lakh)] shall be collected. Hence, in case of a person making payment of Rs.1 crore each to 10 different sellers, the total tax collected shall be only Rs.50,000 (Rs. 37,500 this year) i.e 10 x [0.1% of (Rs. 1 crore- Rs. 50 lakh)] on the total payment made for purchase of Rs. 10 crore to ten different sellers.
Assuming a net profit of 8% on sales, his business income in respect of this payment of Rs. 10 crore made for purchase would be around Rs. 87 lakh. The income-tax liability on the income of Rs. 87 lakh for an individual in the new taxation regime would be around Rs. 27 lakh. Hence, the amount of TCS collected i.e. Rs.50,000 (Rs. 37,500 this year) would be a miniscule part of his actual tax liability and would be easily adjusted against his tax liability. In a rare case, if his tax liability is less than even Rs.50,000 (Rs. 37,500 this year), he shall be entitled for refund of excess TCS with interest.
It has also been reported in certain section of media that every seller will have to collect TCS. This is also not correct. In this context, it may be noted that in order to reduce the compliance burden, this TCS is made applicable to only those sellers whose business turnover exceeds Rs. 10

crore. In other words, those having turnover of less than Rs. 10 crore will not be required to collect TCS. There are only around 3.5 lakh persons who have disclosed business turnover of more than Rs. 10 crore in FY 2018-19. There are around 18 lakh entities which already deal with TDS/TCS. Therefore, this TCS collection under these new provisions would be required to be made by persons who, in most of the cases, would already be complying with the other provisions of TDS/TCS.
[SOURCE: PIB]

No requirement of scrip wise reporting for day trading and short-term sale or purchase of listed shares

There was a report in certain section of media that stock traders/day traders are required to furnish scripwise details in the return of income for AY 2020-21. The gain from share trading in case of stock traders or day traders is generally categorised as short-term capital gains or business income. This is because their holding period of shares/units in most of the cases is less than one year which is a prerequisite for the gains to be categorised as long-term capital gains. As there is no requirement in the return of income for scrip wise reporting in case of short-term/business income arising from share transactions, these reports are distorted and misleading.
The Finance Act, 2018 allowed exemption to the gains made on the listed shares/specified units up to 31.01.2018 by introducing grandfathering mechanism for computation of long-term capital gains for these shares. The scrip wise details in the return of income for AY 2020-21 is required to be filled up only for the reporting of the long-term capital gains for these shares/units which are eligible for the benefit of grandfathering.
As the grandfathering is to be allowed by comparing different values (such as cost, sale price and market price as on 31.01.2018) for each shares/units, there is a need to capture the scrip wise details for computing capital gains of these shares/units. The scrip wise details are not required in income tax return forms for AY 2020-21 for computation of capital gains/business income from shares/units which are not eligible for grandfathering.
Without this reporting requirement, there may be situations where taxpayer may not claim or wrongly claim the benefit of grandfathering due to lack of understanding of the provisions. Also, if the above calculation is not made scrip wise and taxpayer is allowed to enter the total figures only, there will be no way for the income tax authorities to check the correctness of the claim and therefore many returns will require to be audited, which may lead to unnecessary grievances/rectifications at a later stage. If scrip wise long-term gain is available, it can be cross verified by the Department electronically with stock exchange, brokerage companies, etc and there will be no need to subject these income tax returns to further audits or scrutiny.
Thus, the main intent behind requiring scrip wise detail is to facilitate the taxpayer in correctly computing the long-term capital gains on these shares/units. Requirement to provide scrip wise information in the income tax return is not unique to India. Internationally also, the taxpayer is required to provide scrip wise information for reporting capital gains. For example in USA, a taxpayer having capital gains from transfer of shares is required to fill scrip wise details in Schedule-D of Form 1040 –income tax return form in USA.
[SOURCE: PIB]

Government to study the arbitration case award in Vodafone International Holding BV

The Finance Ministry has said that it has just been informed that the award in the arbitration case invoked by Vodafone International Holding BV against Government of India has been passed. The Government will be studying the award and all its aspects carefully in consultation with its counsels. After such consultations, the Government will consider all options and take a decision on further course of action including legal remedies before appropriate fora.
[SOURCE: PIB]

35,074 taxpayers opt for Vivad Se Vishwas Scheme

The total number of taxpayers who have opted for the Direct Tax Vivad Se Vishwas Act since its enactment is 35,074 through Form-1 (Declaration under the scheme) that have been submitted till8 September, 2020.
Giving more details, the Minister further said that the revenue generated till date through the Act is Rs. 9,538 crore. This figure does not include the payments made by the taxpayers who are yet to file their declarations under the Scheme. The time-limit for filing of declaration under the scheme has been extended till 31 December, 2020.
[SOURCE: PIB]

GST

NOTIFICATIONS

Notification No. 65/2020 – Central Tax dated 1st September, 2020

Govt. of India on the recommendations of GST Council has amended the Notification Number 35/2020-Central Tax, dated 3rd April, 2020 in first paragraph clause (i) and inserted a proviso by which Govt of India Extended the time limit for completion or compliance of any action, by the authority, which has been prescribed or notified or specified under section 171 of the GST Act which falls during the period from the 20th day of March, 2020 to the 29th day of November, 2020, and where completion or compliance of such action has not been made within such time, then, the time limit for completion or compliance of such action,

shall be extended upto the 30th day of November, 2020.

Notification No. 66/2020 – Central Tax dated 21st September, 2020

Govt. of India on the recommendations of GST Council, has amended the Notification Number 35/2020-Central Tax, dated 3rd April, 2020 in first paragraph clause (i) and inserted a proviso after first proviso, by which Govt of India Extended the time limit for completion or compliance of any action, by any person, which has been prescribed or notified or specified under sub section (7) of section 31 of the GST Act in respect of goods being sent or taken out of India on approval for sale or return, which falls during the period from the 20th day of March, 2020 to the 30th day of October, 2020, and where completion or compliance of such action has not been made within such time, then, the time limit for completion or compliance of such action, shall stand extended upto the 31st day of October, 2020.

Notification No. 67/2020 – Central Tax dated 21st September, 2020

Govt. of India on the recommendations of GST Council, has amended the Notification Number 73/2017-Central Tax, dated 29th December, 2017 and inserted a proviso after second proviso that late fee payable under section 47 of the said Act, shall stand waived which is in excess of two hundred and fifty rupees and shall stand fully waived where the total amount of central tax payable in the said return is nil, for the registered persons who failed to furnish the return in FORM GSTR-4 for the quarters from July, 2017 to March, 2020 by the due date but furnishes the said return between the period from 22th day of September, 2020 to 31st day of October, 2020.

Notification No. 68/2020 – Central Tax dated 21st September, 2020

Govt. of India on the recommendations of GST Council had waives the amount of late fee payable under section 47 of the said Act which is in excess of two hundred and fifty rupees, for the registered persons who fail to furnish the return in **FORM GSTR-10** by the due date but furnishes the said return between the period from 22th day of September, 2020 to 31st day of December, 2020.

Notification No. 69/2020 – Central Tax dated 30th September, 2020

Govt. of India on the recommendations of GST Council amended the filing date mentioned in the notification no. 41/2020-Central Tax dated 5th May, 2020. Govt. extended the date of Filing the Annual Return under GST Act for the Financial Year 2018-19 from 30th September, 2020 to 31st October, 2020.

Notification No. 70/2020 – Central Tax dated 30th September, 2020

Govt. of India on the recommendations of GST Council substituted the term to "Preceding Financial Year from 2017-10 onwards" in place of Financial Year and also inserted words " or for exports" after the words 'goods or services or both to a registered person' mentioned in the notification no. 13/2020-Central Tax dated 21st March, 2020 in which Govt. notifies that registered person whose aggregate turnover exceeds 100 Crore rupees in a financial year shall prepare invoice and other prescribed documents in terms of sub-rule (4) of rule 48 of the said rules in respect of supply of goods or services or both to a registered person.

Notification No. 71/2020 – Central Tax dated 30th September, 2020

Govt. has deferred the requirement to mention Dynamic Quick Response (QR) code on invoices issued by a registered person whose aggregate turnover in a financial year from 2017-18 exceeds Rs. 500 crores to an unregistered person (B2C invoices) from 1-10-2020 to 31-12-2020

Notification No. 72/2020 – Central Tax dated 30th September, 2020

Govt. of India on the recommendations of GST Council has notified rules to further amend the Central Goods and Services Tax Rules 2017 namely Central Goods and Services Tax Rules (Eleventh Amendment) 2020 and shall come into force on the date of their publication in the Official Gazette, which are follows:

1. In Rule 46, After clause (q), clause (r) inserted which says that in case invoice has been issued in the manner prescribed under sub-rule (4) of rule 48 Quick Reference code, having embedded Invoice Reference Number (IRN) shall be part of the invoice.

2. In the said rules, in rule 48, in sub-rule (4), the following proviso shall be inserted, namely:-
   "Provided that the Commissioner may, on the recommendations of the Council, by notification, exempt a person or a class of registered persons from issuance of invoice under this sub-rule for a specified period, subject to such conditions and restrictions as may be specified in the said notification."

3. In the said rules, in rule 138A, for sub-rule (2), the following sub-rule shall be substituted, namely:-
   "In case, invoice is issued in the manner prescribed under sub-rule (4) of rule 48, the Quick Reference (QR) code having an embedded Invoice Reference Number (IRN) in it, may be produced electronically, for verification by the proper officer in lieu of the physical copy of such tax invoice."

Notification No. 04/2020 – Central Tax (Rate), dated 30-9-2020, Notification No. 04/2020 – Integrated Tax (Rate), dated 30-9-2020, Notification No. 04/2020 –UTGST (Rate), dated 30-9-2020

The Govt. has extended the exemption provided on services by way of transportation of goods by a vessel/aircraft from customs station of clearance in India to a place outside India upto 1 year, i.e., 30-9-2021. Earlier the exemption was available only till 30-9-2020.

CIRCULARS

Relaxation granted in case of non-issuance of E-invoice during October, 2020: Press Release dated 30-9-2020

Relaxation has been given to taxpayers from the requirement to generate IRN in respect of invoices issued during the month of October, 2020. In these cases, Invoice Reference Number ('IRN') for such invoices from Invoice Reference Portal ('IRP') can be generated within 30 days from the date of invoice.

Extension of timelines of various compliances under the erstwhile indirect tax laws
G.S.R. 601(E) dated 30-9-2020

Time limit for various activities like issuance of SCN, filing of reply and appeal etc. under Central Excise, Customs and Service Tax regime have been extended from 30 September, 2020 to 31 December 2020.

REAL ESTATE

RAJASTHAN

NEWS

ADB approves $300 million loan to develop Rajasthan's secondary towns

The Asian Development Bank (ADB) has approved a 300 million-dollar (about Rs 2,200 crore) loan to finance inclusive water supply and sanitation infrastructure and services in secondary towns of Rajasthan.

The project is expected to build citywide access for improved water supply services for about 5.7 lakh people and enhanced sanitation services for about 7.2 lakh people in at least 14 secondary towns. These localities have 20,000 to one lakh residents.

Specifically, ADB will help ensure that the project incorporates practical lessons and innovations. The use of smart technologies and a cost-effective system are the key innovative features that could be widely replicated in other cities in Rajasthan and beyond. Through the project, water supply systems in at least eight project towns are expected to improve by 2027 with about one lakh households including all urban poor households benefiting from five new or rehabilitated water treatment plants and 1,350 km of distribution networks.

Citywide sanitation systems based on the most cost-effective solutions will also be developed. The project will build on three earlier related projects and sector reforms funded by ADB in Rajasthan. The project will strengthen institutional capacity of local governments and Rajasthan Urban Drinking Water, Sewerage, and Infrastructure Corporation Ltd, a corporate entity established with ADB's technical support. The project will provide enhanced support to women and vulnerable groups through skills training, paid internships, and community engagement and awareness activities.

[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/adb-approves-300-million-loan-to-develop-rajasthans-secondary-towns/116334.html]

After 13 years, property survey in Jaipur to begin in October

After 13 years, a new property survey will begin in October to make a wholesome assessment of Urban Development (UD) tax in Jaipur. The Jaipur Municipal Corporation (JMC) has finally tendered the project for six years to a firm.

Last property survey was conducted in 2007 when there was house tax imposed in the city. Under the house tax, owner had to give tax on the basis of rental value of the property which was changed after implementation of UD tax in 2008. Now, any residential property above 300 square metre and commercial property above 100 square metre is taxable. This firm will start surveying the property from the scratch and will also collect the tax from the owners till six years. It will geo-tag the property giving each and every property its unique QR Code. Firm will be paid 9.95% of the total amount collected from the property surveyed."

On a trial basis, 50 properties in Jaipur Greater and 50 in Jaipur Heritage whose data were already with the corporation, were surveyed by the firm. A lot of discrepancies were found in them. If the property survey is done perfectly, JMC will earn more than Rs 400 crore of revenue every year.

[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/after-13-years-property-survey-in-jaipur-to-begin-in-october/116307.html]

Jaipur civic body rolls back one-time urban development tax

Jaipur Municipal Corporation (JMC) has rolled back the order that allowed residents to pay urban development tax at one goes.

In February 2018, the state government came up with a new order that a person could pay urban development tax at one go for eight years. This, however, was considered to be a big loss for JMC as people started misusing it.

People who made alterations in their properties after paying the advance tax will be charged again accordingly as the order is now been rolled back. Any property that is still in the same form as it

was when the advance tax was paid will not be charged anything till the 8-year term expires.
This order was issued because the collection of urban development tax was really poor in the JMC. The government wanted to motivate people to pay more tax even that included one-time payment.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/jaipur-civic-body-rolls-back-one-time-urban-development-tax/116185.html]

Jaipur development body plans to issue freehold lease online

The Jaipur Development Authority (JDA) on September 22 decided to issue freehold lease to the plot owners who will deposit 10-year lease amount collectively. The landholders who have taken the lease deed (patta) from the JDA after depositing one-time lease amount of eight years

will be contacted by the JDA. The JDA will offer these owners to procure the freehold lease after depositing additional two years' lease money. The amount for remaining two years can be deposited online. The JDA has also decided to develop an online system for accepting the application and issuing freehold lease. Explaining the freehold lease concept, At present, an owner can claim a right on a residential property only for 99 years. In current scenario, the state government levies eight times of the lease money, payable one time to grant 99 years lease on residential properties. Once the one-time lease money is deposited, the allottee receives a certificate from the department. For the freehold lease, the department charges increased lease money amount by 10 times from the normal eight times.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/jaipur-development-body-plans-to-issue-freehold-lease-online/116242.html]

Rajasthan housing board to launch flats for IAS, IPS and IFS officers

The Rajasthan Housing Board (RHB), will develop high-end flats for the Rajasthan cadre, All India Services (IAS, IPS and IFS) officers in Pratap Nagar Sector-17. This scheme will be self-funded in which 192 flats will be built.
The built-up area of a flat will be 3,211 sqft. The flat will be 3-BHK, with a drawing room and a servant room. The estimated cost of a flat will be around Rs 91,58,000. It will be mandatory for the applicant to produce a certificate and salary slip issued by the competent authority. Certification from IAS Group Housing Co-operative Society will have to be compulsorily submitted.
In the application form, spouse, mother, father, brother, sister, son/daughter, grandson and daughter-in-law could be the applicant nominee. Any flat allotted by lottery will not be changed, but if any two or more allottees want to exchange the allotted flat with mutual consent, it will be allowed. Applications registered under this scheme will not be able to get transfers to other schemes and cities.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/rajasthan-housing-board-to-launch-flats-for-ias-ips-and-ifs-officers/116189.html]

Rajasthan CM approves amnesty scheme for mines, construction departments

Rajasthan State CM has approved an amnesty scheme for three months for the department of mines for outstanding cases of dead rent, royalty, penalty, royalty recovery contracts and short-term permission letter and contractors of construction department.
As part of the scheme, the administrative department will make sure that minimum 90% of the arrears are recovered. This scheme will be applicable in cases of fixed balance, surcharge, penalty, arrears of royalty collection contracts or excess royalty collection contracts (RCC or ERCC), dues of STP and construction department contractors and other department arrears except for 31 principal minerals as notified by Government of India on February 10, 2015.
The scheme will include those cases in which the orders for demand have been issued till March 31, 2019, regarding the arrears and other arrears of mining leases and contracts and arrears of contractors of STP and construction department.
Cases, in which the borrower has withdrawn his suit from the court and submitted an undertaking that he will not challenge any court in respect of arrears of cases settled under this scheme, can also be considered.
The benefit of the scheme will be applicable only to those outstanding amounts to be deposited till the date of implementation of the scheme. The amount deposited earlier will be considered subject to the liabilities of that time and will not be adjusted in the plan.
If any of the defaulters had already deposited the principal amount of all outstanding stationary, surcharge, excess surcharge or other arrears and only the interest is remaining, the interest amount may be waived by the mineral engineer or assistant mineral engineer concerned.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/rajasthan-cm-approves-amnesty-scheme-for-mines-construction-departments/116062.html]

Landless can't be evicted despite not having title: HC

Stating that every person has a right to life, the state cannot not evict any landless person from a land even if he did not have title of the land, a division bench of High Court observed and barred

the government from removing residents of Sahava village in Churu district who inhabited a johar land.
The bench directed the government to verify the nature of encroachment as well as the land and make arrangements to allot land and a building in case of encroachers being landless for 3-6 months

over 300 houses had been built in the village a long time ago but few people approached the High Court terming it to be encroachment demanding that encroachers be removed.
The single bench had given directions to identify those encroachments, demolish them and clear the land. These encroachers then challenged the order in the High Court and prayed for alternative arrangements.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/landless-cant-be-evicted-despite-not-having-title-hc/116056.htm]

Jaipur development body to issue lease deeds to commercial establishments
The Jaipur Development Authority (JDA) will issue lease deeds (patta) to commercial establishments situated on 21 major roads of the city. The pilot project will be start from Gopalpura Road.
These roads, including JLN Marg, Tonk Road, Sikar Road will be developed accordingly, after preparing a detailed development zonal plan.Commercial activities are already going on these major roads. The JDA will prepare a plan which will include parameters such as size of a shop, link road, parking, height and others. The decision was taken in the Building Plan Committee (BPC) and implementation would be done soon. The fixed expenses such as remuneration of employees and payment of contractors are high. JDA also invited tenders for many civil works for road patch work, drainage, gardens etc. The work will be taken on priority basis.
[SOURCE: MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/jaipur-development-body-to-issue-lease-deeds-to-commercial-establishments/115895.html]

Rajasthan: Fresh building bylaws likely to be notified later this week
The suggestions and objections received against the bylaws draft have been clarified by the department. The notification will be issued once it receives approval from the UDH minister. The implementation of new bylaws is in the final stage. Minister's nod is awaited and it would be enforced likely in this week.
Once the notification is released, a promoter can construct a building up to a height of 18 metres (5 storeys) on a 500 square-metre plot and above. The department has now amended the minimum height for a building under the highrise category to 18 metres from 15 metres earlier.
The department has also allowed small plot owners having plot size 90 square-meter to construct an additional floor. Town planners claimed during the pandemic it was learnt that in smaller plots, basic per capita built-up area is less than the minimum average in terms of general health. As per the calculation, minimum per capita built-up area should be of 9.5 square metres, but it ranges from 2 sqm to 8 sqm per built area.
Permission to construct extra floor would pave the way for more space in the same plot. As in urban areas, more than 60% of the plots are up to 90 square-metres of area. On this size, one can currently construct ground floor + 1 storey, while the requirement of the built-up area is almost the same for all area plots. Therefore, it is necessary to have additional built-up area available for these small plot holders as well."
Permission will be granted to construct and additional floor. The department has also simplified the process of map approval for construction on plots of area up to 500 square-metre. One can start construction immediately after submitting site plan and charges at local bodies. Earlier, this provision was only for owners who had a plot measuring 250 square-metres.
[SOURCE:- MAGICBRICKS
https://content.magicbricks.com/property-news/other-cities/rajasthan-fresh-building-bylaws-likely-to-be-notified-later-this-week/116365.html]

Rajasthan: Government beats private sector in launching housing schemes
During pandemic, more housing colonies were launched by the government as compared to those in the private sector in the state.
The trend could be seen in the Real Estate Regulation Authority (RERA), Rajasthan, registrations in August. While 18 colonies were registered by government agencies, private players listed 14.
Many private developers are waiting for the market condition to revive, government agencies are launching schemes to benefit the masses as well as to earn profits. In times of pandemic, government's aim is to provide houses and commercial establishments to consumers at affordable prices. Govt agencies are developing cost effective schemes on 20 years instalments. Few claimed the government agencies can never compete with private sector in launching schemes and developers will launch the schemes once the system to receive approvals would revive once Covid goes away. Developers will start construction once labourers and other supply is resumed properly. Also, many are not approaching the civic agencies at the time of pandemic to get projects approved. However, the market would roll again as demand will surge.
[SOURCE :- MAGICBRICKS

https://content.magicbricks.com/property-news/other-cities/rajasthan-government-beats-private-sector-in-launching-housing-schemes/116355.html]

UTTAR PRADESH
NEWS

UP RERA comes out with Performance Report 2020

The Uttar Pradesh Real Estate Regulatory Authority launched its 'Performance Report 2020' which includes information related to its functioning as well as details of various projects in the state. The report would serve as a ready directory of the projects registered with UP RERA providing a snapshot for the project status for reference. The report also outlines the way forward and road map for UP RERA mentioning the upcoming initiatives such as regulation of the real estate projects and monitoring of separate accounts of the projects, adjudication of complaints, execution of orders, constructive interface with all stakeholders and many more. The report consists of the current initiatives, achievements and best practices adopted by the authority for effective implementation of provisions of the RERA Act. A project-wise compilation of vital information like the project registration details, facts pertaining to towers and project progress, among others, are included in the report.

UP RERA issues notice to Supertech over Supernova project in Noida

The Uttar Pradesh Real Estate Regulatory Authority (RERA) has issued a notice to realtor Supertech asking why its registration should not be revoked over failure to submit a revalidated map of its project Supernova in Noida. The Supertech group, however, said it did not receive the RERA's notice issued in February and cited lockdown-related reasons for the delay in submission of the revalidated map of the premium project. The Authority issued show cause notice to the developer under section 7 of the RERA for revoking the registration of its project Supernova Phase – IV. The Authority had granted "conditional registration" to the project on assurance by Supertech chairperson R K Arora that a revalidated map would be submitted in six months. On the other hand, chairperson R K Arora submitted that his application for revalidation of the map is submitted to (Noida) Authority and is under process but due to lockdown, the revalidation of map has not been released by the Authority. Once the map will be received, the same will be submitted to RERA Authority.

Reduce stamp duty by 2% to boost housing demand: UP-RERA to state government

Uttar Pradesh Real Estate Regulatory Authority (UP-RERA) has recommended the state government to reduce stamp duty on registration of properties by 2 percent to boost demand in the state. It has recommended that the reduction be valid until August 31, 2021. It has also proposed that the registration fee levied for agreement to sale documents should be capped at Rs 2,000. This is currently at 25 percent of the stamp duty. The stamp duty in the state currently ranges from 5 percent to 7 percent of the property value.

Real estate developers said that reduction in stamp duty is much needed considering that demand has been hit following the pandemic.

To boost the stagnant real estate market hit by COVID-19, the Maharashtra government on August 26 decided to temporarily reduce stamp duty on housing units from 5 percent to 2 percent until December 31, 2020. Stamp duty from Jan 1, 2021, until March 31, 2021, will be 3 percent.

Real estate developers had been asking for a reduction in stamp duty following the lockdown to encourage homebuyers to purchase properties during the pandemic.

Madhya Pradesh government also on September 7 also announced that it was reducing stamp duty by 2 percent in municipal areas to boost the stagnant real estate market hit by COVID-19. The reduction is valid until December 31.

UP-Rera nudges state govt to implement SC order on lower interest rate to realty developers

Two months after the Supreme Court ordered the Noida and Greater Noida authority to charge a lower interest rate on residential project developers for the land they bought, the Uttar Pradesh government is still to implement it. Now, Uttar Pradesh real estate regulatory authority (UP-RERA) has recommended to the state to follow the order as it would help revive the real estate sector According to a state government official, the government is reviewing the order and considering all legal options before it. According to their policies, Noida and Greater Noida authorities charge an interest rate of 11% on developers, who pay for the housing land in installments. On defaulting, a penal interest is imposed.

Going by the old interest rates, Noida has around 25,000 crore in land dues that it has to recover while GNIDA has to recover around 7,000 crore from developers.

On July 10, the Supreme Court, while hearing petitions in the matter, directed Noida and GNIDA to only charge an interest rate of 8.5%, as per the marginal cost of funds-based lending rate (MCLR) on land cost, fixed by the State Bank of India. The Supreme Court's order also says that developers should deposit 25% of total dues within three months and the rest within one year from the date of the order if they want to avail benefits of the apex court's order.

UP-RERA wrote its recommendation to the state additional chief secretary of the industrial development department and said the sector was

witnessing a liquidation crisis in the wake of the corona virus pandemic Covid-19.

HARYANA

NEWS

DTCP eases fire safety NOC norms for four-storey buildings in Gurugram

Giving relief to plot owners, the department of town and country planning (DTCP) has eased fire safety no-objection certificate (NOC) norms for residential buildings with four floors. Now, owners of such buildings that reach up to a height of 16.5 metres are no longer required to get an NOC from the fire department.

According to the recent amendment in the Haryana Building Code, "Any residential building of more than 16.5 m in height, before the commencement of the construction, shall apply for the approval of Fire Fighting Scheme conforming to National Building Code of India, the Disaster Management Act, 2005 (Central Act 53 of 2005), the Factories Act, 1948 (Central Act 63 of 1948) and the Punjab Factory Rules, 1952, and issuance of no objection certificate."

Earlier, residential buildings with a height of up to 15m were not required to have a fire safety NOC. But last year, after the state government allowed construction of fourth floor in licensed colonies, HSVP sectors and MCG areas, the average height of the buildings increased to around 16.5m. As a result, fire NOCs became mandatory for them.

[Source: Realty Economic Times]

RERA

Extension for Compliance of Section 4(2)(l)(D) of the Real Estate (Regulation and Development) Act, 2016 for Financial year 2019-2020

The 'due date' for submission of compliance report for Financial year 2019-20 is 30 September 2020 for compliance of provisions of section 4(2)(l)(D) of the Real Estate (Regulation and Development) Act, 2016. Due to COVID-19 pandemic, the Central Board of Direct taxes has extended the deadline for filling the tax audit returns for Financial 2019-2020 from 30 September 2020 to 30 November 2020, therefore Haryana Real Estate Regulatory Authority, Gurugram has decided to extended the time period for submission of compliance report under section 4(2)(l)(D) of the Real Estate (Regulation and Development) Act 2016 from 30 September 2020 to 31 December 2020.

In case of failure to comply with the above directions within the specified time, the penal provisions under section 60 and section 63 of the Real Estate (Regulation and Development) Act,2016 shall prevail.

[Source:https://haryanarera.gov.in/login/viewPdf/NzI0]

NEW DELHI

NEWS

South Delhi civic body plans to levy compensatory regulatory charges for building plans

After introducing garbage user charges, approving professional tax, hiking licensing fee and increasing commercial property tax rates, the cash-strapped South Delhi Municipal Corporation is planning to introduce 'compensatory regulatory charges'. The civic body proposes to levy this new charge when building plans are sanctioned and it is likely to vary on the basis of area categorisation and prevailing circle rates.

The proposal of SDMC's executive wing states that the new charge will be calculated at the rate of 0.2% of circle rates for houses of more than 50 square metre area and 0.1% of circle rates for plots smaller than that. The circle rates in Delhi vary according to the category of the location and range from Rs 7.7 lakh for A category colonies to Rs 23,000 for H category.

According to the proposal that has to be approved by SDMC's standing committee, while the new compensation/regulatory charge is expected to be Rs1,548 for A category colonies, Rs 491 for B category and Rs319 for C category colonies, the impact will be double for industrial units and three times for consumers who apply for sanction of building plans for commercial units. The maximum impact will relate to agricultural land and low-density residential areas, for which 2% of the circle rate will be charged.

[Source: Realty Economic Times]

Civic bodies in Delhi to resume sealing of over 13,000 illegal factories in residential areas

The municipal corporations are likely to resume the sealing and closure procedure of more than 10,000 factories operating illegally in residential areas.

"The step-1 and step-2 for the closure of such polluting units were completed last year. The process of survey and closure was suspended in March due to the pandemic lockdown, but we have been directed to resume the sealing process from October," a senior official of South Delhi Municipal Corporation (SDMC) said.

According to the latest joint report, more than 13,000 illegal factories have been surveyed in all three municipal corporations under step-3, over 9,000 units have got showcause notice and 565 have been sealed, a senior official said.

"We had assured courts and National Green Tribunal that the process was stopped due to Covid-19 and the lockdown, which prompted suspension of activities in all industries after March 22. We are duty bound as per the Supreme Court orders to ensure that no polluting industry is allowed in residential or non-conforming areas," the official said.

[Source: Realty Economic Times]

PUNJAB

RERA

Circular Notice vide No. RERA.PB.2020/ENF/22 dated 17.09.2020

Circular Notice regarding the exact rate of interest payable by the Promoter to the Allottee, or vice versa, under the Real Estate (Regulation and Development) Act, 2016

Interest payable under Rule 16 of the Rules would be SBI's highest MCLR prevalent on the date of passing of the order regarding payment of interest plus 2%.

[Source:https://rera.punjab.gov.in/pdf/circulars/20200917_CircularNoticeERIPBPAVS2016.pdf]

RERA CASE LAWS

As per Section 20 of the Act, the authority consist of Chairperson and atleast 2 full time member, but that doesn't mean that every single act of the Authority has to be performed collectively by these functionaries. Not only had the Apex Court held that the existence of an arbitration clause would not exclude the jurisdiction of the Authority but also the NCDRC held that the disputes relating to the real estate were essentially not-arbitrable.

Second: An Agreement which bound the buyer to pay a higher rate of interest in case of any default but obliged the promoter to pay only the fixed compensation in such an eventuality was bad in law.***

Case Name:Parvesh Bansal vs M/s SushmaBuildtech Limited Compliant No.: GC 1193 of 2019. Date of Decision: 18.08.2020

Facts: The complainant Shri Parvesh Bansal booked an apartment (No.1701, measuring 2250 sq. ft) in the project 'Chandigarh Grande' being developed by the respondents at Zirakpur. The allotment letter was issued on 01.12.2014 and the Apartment Buyer's Agreement was executed on 13.12.2016. As per this latter document, possession of the unit was to be handed over within 6 months le by 13.06.2017. Since possession has not yet been delivered the complainant has initiated the present proceedings under Section 31 of the Real Estate (Regulation and Development) Act, 2016 (hereinafter referred to as the Act). It is further alleged in the complaint that basic sale price of the apartment was Rs.70.00 lakhs and the total price including Preference Location Charges etc. was Rs.71,67,500/-. As against this a sum of Rs.62.50 lakhs had already been paid by the complainant between October 2014 and August 2015. The relief sought in the complaint is the delivery of possession of the apartment and payment of interest for the period of delay in handing over possession.

Respondent Contentions:

It is submitted that the Authority did not have the power to order payment of interest to the complainant and this could only be exercised by the Adjudicating Officer;

It is submitted that the Authority did not have the power to order payment of interest to the complainant and this could only be exercised by the Adjudicating Officer;

That there was a clause for resort to arbitration in case of any disputes between the parties in the Apartment Buyer's Agreement, and hence the jurisdiction of this Authority was excluded.

Held:

As per the judgement of the Appellate Tribunal in 'Sandeep Mann and others Vs Real Estate Regulatory Authority' (Appeal No.53 of 2018 and connected appeals) this issue is within the jurisdiction of the Authority.

It is no doubt true under Section 20 of the Real Estate (Regulation and Development) Act, 2016 the Authority is to consist of a Chairperson and at least 2 full-time Members. However, this does not mean that every single act of the Authority has to be performed collectively by these functionaries. In fact Section 81 clearly provides for delegation of the Authority's powers to any Member or officer of the Authority or any other person.

The National Consumer Disputes Redressal Commission in its order dated 13.07.2007 in the case of Aftab Singh Vs. EMAAR MGF Land Ltd. and Anr. decided that disputes relating to the real estate sector were essentially non-arbitrable. Hence, the existence of an arbitration clause would not exclude the jurisdiction of this Authority. This view was upheld by the Hon'ble Supreme Court, and has been followed by the Authority.

It is now settled law that even If there is a clause providing a fixed rate of compensation for the delay In delivery of possession it cannot be used to defeat the demand for payment of interest in case of such delay. The Hon'ble Supreme Court has in 'Pioneer Urban Land and Infrastructure Limited Vs. GovindanRaghavan (CIvil Appeal No.12238 of 2018) held that provisions of an Agreement which bound the buyer to pay a higher rate of interest in case of any default but obliged the promoter to pay only the fixed compensation in such an eventuality was bad in law and could not be sustained.

Therefore it is ordered that the respondents shall pay interest at the rate prescribed in Rule 16 of the Punjab State Real Estate (Regulation and Development) Rules, 2017 as applicable from time to time to the complainant with effect from 12.12.2017 (considering the 6 months grace period allowed in the Agreement) till the date of actual delivery of Possession.

The amount already paid to the complainant by way of monetary compensation for the delay is allowed to be set off against the interest due to avoid his unjust enrichment. The complainant in turn will be bound to take over possession within 2 months of it being offered after obtaining the Completion Certificate.

MAHARASHTRA
RERA CASE LAWS

Bombay HC upholds Rs 5 crore compensation awarded by the Maharashtra RERA Appellate Tribunal

The Bombay High Court recently affirmed the award of Rs 5 crores compensation payable to a party who had not been handed over the possession of certain property even after a delay of around 80 months. The order was passed by Justice SC Gupte on September 25 2020, who dismissed a second appeal in the matter filed by Renaissance Infrastructure Ltd. i.e. the promoter & upheld the orders of the Maharashtra real estate regulatory authority and the RERA appellate tribunal that had ordered for the compensation amount to be paid to the purchaser.

The developer had approached the HC, challenging orders of RERA and the RERA appellate tribunal passed in January this year. As per the HC order, the purchaser bought six plots of land and some warehousing buildings from the developer in December 2009. According to the sale agreement, the warehousing buildings and plots were to be handed over to the purchaser by March 9, 2010. The agreement also said that if the developer failed to hand over the properties on time, he would be liable to pay the purchaser a compensation amount at the rate of Rs 10 per sq feet per month. When the developer failed to hand over the property, the purchaser approached the RERA that calculated the compensation amount as Rs 5.04 crore. The Renaissance Infrastructure challenged this order before the appellate tribunal, which asked the developer to deposit 50 per cent of the compensation amount as per the RERA Act for entertaining the appeal. But, when the developer failed to pay the pre-deposit, the appellate tribunal dismissed the appeal.

The developer then filed a second appeal in the HC where, Justice Gupte dismissed the second appeal after holding that there were no infirmities in the orders passed by the RERA and the appellate tribunal. He held that the orders do not give rise to "any substantial question of law for the consideration of the high court" & directed the developer to pay Rs 5.04 crore to the purchaser within four weeks.

[SOURCE: https://realty.economictimes.indiatimes.com/news/regulatory/bombay-hc-asks-renaissance-infrastructure-to-pay-rs-5-crore-for-delay-in-property-hand-over/78405019]

The respondents cannot deny the fact of delay in possession/failure to give possession because he is estopped from doing so by not executing the Agreement for sale or the issue of Allotment letter

(Maha RERA Authroity in case of Mr. Raakesh Kuchunarayan VS M/s. Nirmal Lifestyle (Kalyan) Private Limited)

(Compliant No.: CC006000000110719)

Maharashtra Real Estate Regulatory Authority on 07th August 2020 during proceeding of a case through its order to refund to the complainant with simple interest. The complainant contends that he booked flat No. 2005 C Wing of the respondents' registered project Thames situated at Village Vadavali, Kalyan West. The respondents agreed to handover the possession of the flat by December 2016. They have not issued the allotment letter or they have not executed the agreement for sale even after accepting Rs. 20,97,067/- which is more than 20% as per section 4(1) of MOFA and section 13(1) of RERA. Therefore, he claims refund of his amount with interest.

When the complainant booked the flat in the year 2013, Maharashtra Ownership of Flats Act was in force at that time, as per its section 4 (1), the promoter was obliged to execute and register the agreement for sale first before accepting more than 20% of the consideration. Similarly, Section 13 (1) of the RERA has come in force with effect from 1st May, 2017, it also provides that the promoter shall not accept more than 10% of the total consideration of the flat unless and until he executes and registers the agreement for sale. Here the respondents have accepted Rs. 20,97,067/- as against the total consideration of the flat Rs. 47,53,091/-, which is more than 10% of the total consideration. Therefore, there is a clear violation of the Section 13 (1) of the RERA.

The complainant has filed an affidavit contending that at the time of booking the respondents promised him to give possession of the flat by December 2016. The respondents cannot deny this fact because they are estopped from doing so on account of their failure to execute the agreement for sale or to issue the allotment letter. The fact remains that the complainant has paid the huge amount from 2013 and the transaction still survives. Even the Supreme Court has observed in case of Fortune Infrastructure vs. Trivor Dilemma (2018) 5 S.C.C. 442 that the reasonable time for possession is not more than 3 years. Hence complainant contention to hold that the respondents agreed to handover the possession of the flat by December 2016 was admitted and the possession of the flat has not been given on that date. Therefore, the complainant is justified in exercising his right to withdraw from the project and claim the refund of his amount with interest at the prescribed rate u/s 18 of the RERA.

Therefore, the respondents shall refund Rs. 20,97,067/- to the complainant with simple interest at the rate of 9% p.a. from the date of the receipts till the refund. The respondents shall also pay the complainant Rs. 20,000/- towards the cost of the complaint.

GUJARAT

NEWS

Extension of Due Date for Submission of Annual Report on Statement of Accounts in Form-5 for FY 2019-20

As per the provision of section 4(2)(l)(D) of The Real Estate (Regulation and Development) Act, 2016 read with Regulation 4 of the Gujarat Real Estate Regulatory Authority (General) Regulation, 2017, every promoter is required to submit the annual report on statement of accounts in Form-5 within six months after the end of every financial year for every registered project.

Gujarat RERA Authority has made available the online facility of filing of Form-5 by Chartered Accountants on the Guj-RERA portal for promoter of Registered Project.

Owing to the COVID 19 pandemic and country-wide lockdown which has halted all activities in the Real Estate Sector, Gujarat RERA Authority has decided vide order GujRERA/Order-43 dated 30.09.2020 that the last date for the submission of Form 5 for Financial year 2019-20 which is due on 30th September 2020, is extended up to 31st December 2020.

RERA CASE LAWS

Whether the words mentioned in the advertisement that "Bookings shall start after RERA approval" is a breach of RERA Act.

(Samanvay Sapphire Vs Gujarat Real Estate Regulatory Authority) (Appeal No 32/2019)

Gujarat RERA Tribunal has upheld the order of Gujarat RERA Authority (on **29.06.2019**) that even if it is mentioned that bookings shall start after RERA approval, it is a breach of RERA Act and hence promoter was imposed a penalty of Rs 75,000/- for advertising its project without obtaining RERA Registration number.

The brief facts of the case are as follows:

The promoter "Samanvay Sapphire" (the appellant in this case) had published the advertisement of its 6 projects in the newspaper mentioning the words that "Visit Project Offices for further Details Booking shall start after RERA approval" and hence contended that there was no intention to breach the provisions of the RERA Act.

Arguments of Gujarat RERA Authority (the respondent in this case):

The words mentioned in the advertisement clearly shows that project offices of all the six projects have already been opened. Therefore intention of appellant is to advertise its 6 projects. The conduct of the appellant clearly shows that the intention of the appellant is to breach the provisions of the RERA Act.

Hence, it was decided as follows:

The penalty of Rs 75,000/- had been imposed on the promoter for advertising its projects without obtaining the registration number. The Gujarat RERA Tribunal dismissed the appeal of the appellant (i.e the promoter).

CORPORATE LAWS & OTHER COMMERCIAL POLICIES

NEWS

The Ministry of Corporate Affairs has directed all Registrar of Companies (RoC) to accord its approval of three months extension to companies who have not able to hold their Annual General Meetings (AGMs) for the financial year ended March 31, 2020.

In terms of the power vested under the third proviso to sub-section (1) of Section 96 of the Act, the Registrar of Companies extended the time to hold AGM, other than the first AGM, for the financial year ended on March 31, 2020, for Companies within the jurisdiction of this office, which are unable to hold their Annual General, without requiring the for such period within the due date of holding the AGM by a period of three months from the due date by which the AGM ought to have been held in accordance with companies to file applications for seeking such extension by filing the prescribed Form No. GNL-1.

[SOURCE:
http://www.mca.gov.in/MinistryV2/extensionofagm.html]

The MCA notifies Companies (Acceptance of Deposits) Amendment Rules, 2020 which shall come into force on the date of their publication in the Official Gazette i.e 07-09-2020.

The amendment is made in the existing Rule 2(1)(c)(xvii) of Companies (Acceptance of Deposits) Rules, 2014, which deals with the amount received by a Start-up Company by way of the convertible notes. Accordingly, a start-up company is now allowed to receive an amount of twenty-five lakh rupees or more, by way of a convertible note (convertible into equity shares or repayable within a period not exceeding Ten years from the date of issue) in a single tranche, from a person. Earlier this period was up to 5 years which is now extended up to 10 years.

[SOURCE:
http://www.mca.gov.in/Ministry/pdf/Rule_08092020.pdf]

Govt asks top 500 private companies to clear MSME dues

The Union ministry for micro, small and medium enterprises (MSMEs) on 13th September said it has "strongly" taken up with top 500 private companies the issue of delayed payments and dues to small businesses. The outbreak of covid-19 and a consequent nationwide lockdown has battered small businesses, with most of them struggling to survive. Against this backdrop, MSME secretary A.K. Sharma has written to the companies, asking them to clear all dues as the payments are crucial for the survival of small businesses.

[SOURCE:
https://www.livemint.com/news/india/govt-asks-top-500-private-companies-to-clear-msme-dues-11600073395149.html]

The Lok Sabha has passed the Companies (Amendment) Bill, 2020 through voice vote. The Bill to further amend 48 sections of the Companies Act, 2013 by decriminalizing various non-compoundable offences in case of defaults, but not involving frauds, omitting imprisonment for various offences which were considered procedural and technical in nature. The bill removes the penalty, imprisonment for 9 offenses which relate to non-compliance with orders of the national company law tribunal (NCLT), and reduces the amount of fine payable in certain cases. These include matters relating to winding-up of companies, default in publication of NCLT order relating to the reduction of share capital, the rectification of registers of security holders, the variation of rights of shareholders, and payment of interest and redemption of debentures. Further, the bill seeks to allow public companies to directly list certain prescribed classes of securities in foreign jurisdictions. Under the current legal framework, Indian companies cannot directly list their securities abroad without getting themselves listed in domestic bourses. This Bill also stipulates that specified classes of unlisted companies will have to prepare and file their periodic financial results. Furthermore, the Bill provides that Companies that have CSR spending obligation up to Rs. 50 lakh would not be required to constitute a CSR committee. Also, eligible companies under CSR provision will be allowed to set off any amount spent in excess of their CSR spending obligation in a particular financial year towards such obligation in subsequent financial years. Besides introducing a separate chapter for "Producer Companies", the Bill also pave the way for setting up of Benches of the National Company Law Appellate Tribunal.
[SOURCE:
http://www.mca.gov.in/Ministry/pdf/Amendment_18032020.pdf]

Modi govt's crackdown on shell firms: Nearly 4 lakh companies struck off RoC records
More than 3.82 lakh companies were struck off the Registrar of Companies (RoCs) in the past three years for failing to submit their annual returns for two years or more. The Ministry of Corporate Affairs had removed the names of these companies from the official records following the "Special Drive for identification and strike off Shell Companies," MoS Finance and Corporate Affairs Anuraj Singh Thakur said in the Rajya Sabha on 20th September. "After following due process of law as provided under Section 248 of the Companies Act, 2013 read with the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016, there are 3,82,581 number of Companies were struck off during the last three years," Thakur said in a written reply to a question in the Upper House.
[SOURCE:
https://www.financialexpress.com/industry/modi-govts-crackdown-on-shell-firms-nearly-4-lakh-companies-struck-off-roc-records/2087661/]

The Lok Sabha has passed three Bills that complete the government's codification of 29 labour laws into four codes, with the Rajya Sabha passing the Industrial Relations Code, 2020, the Occupational Safety, Health, and Working Conditions Code, 2020 and the Social Security Code, 2020
The three Bills that merge 25 laws were passed by the Lok Sabha, the first, of the four codes proposed by the government, the Code on Wages, was passed by Parliament in 2019. The Occupational Safety, Health and Working Conditions Code 2020, seeks to amend the laws regulating the occupational safety, health and working conditions of the persons employed in an establishment. The second bill, The Industrial Relations Code 2020, aims at amending the laws relating to Trade Unions, conditions of employment in industrial establishment or undertaking, investigation, and settlement of industrial disputes and the third bill, The Code on Social Security, 2020 seeks to amend the laws relating to the social security of the employees in the country.
[SOURCE: http://newsonair.com/Main-News-Details.aspx?id=400585]

MCA has decided to extend the timeline for Companies Fresh Start Scheme, 2020 & LLP Settlement Scheme, 2020 for filing of all pending statutory documents till December 31 this year. These decisions came on the back of continued disruption faced by the companies on account of the COVID-19 pandemic. MCA has extended the timeline for Companies Fresh Start Scheme, 2020, which was originally valid from April 1, 2020 to September 30, 2020. A similar facility for LLPs, the LLP Settlement Scheme, 2020, has also been extended till December 31. Originally valid from April 1 June 13, the scheme was extended till September 30 to allow LLPs to make good on their defaults.
[SOURCE:
http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.30_28092020.pdf]

MCA has announced 'Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013' has been extended till December 31
Companies that raised funds via loans or debentures have to create a charge on their assets or undertakings within or outside India to acquire these instruments. The scheme, introduced on June 17, pardoned delay in regulatory filings of charges on property, assets, or any undertaking created on March 1, 2020. Further. The MCA has allowed companies to hold their extraordinary general meetings (EGMs) through video conference or other audio-visual means till the same date.

[SOURCE:
http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.32_28092020.pdf]

The Ministry of Corporate Affairs has notified the Companies (Meetings of Board and its Powers) Third Amendment Rules, 2020 to further amend the Companies (Meetings of Board and its Powers) Rules, 2014 which shall come into force on the date of their publication in the Official Gazette i.e 28-09-2020

The amendment is brought under Rule 4(2) which specifies certain matters to be not dealt in a meeting through video conferencing or other audio-visual means, however, it has now allowed matters like approval of the annual financial statements, the approval of the Board's report, and the approval of the prospectus etc which shall be held through video conferencing or other audio visual until 31st December 2020. The MCA has relaxed this provision up to 30/09/2020 initially and now extended the same up to 31/12/2020.
[SOURCE:
http://www.mca.gov.in/Ministry/pdf/ThirdAmendmentRules_29092020.pdf]

MCA has issued a circular for Extension of the period for the creation of deposit repayment reserve, investment of debentures under the provisions of Section 72(2)(c) of the Companies Act, 2013.

In continuation of earlier issued by the MCA and keeping in view the requests received from various stakeholders seeking an extension of time for compliance of the subject requirements on account of Covid-19, it has been decided to further extend the time in respect of matters referred to in Paras V, VI of the original circular, up to 31st December, 2020. All other requirements shall remain unchanged. Accordingly, the time is extended for the creation of a deposit repayment reserve of 20% u/s. 73 (2) (C) of the Companies Act 2013 and to invest or deposit 15% of the amount of debentures u/r.18 of Companies (Share Capital and Debentures) Rules 2014 up to 31/12/2020.
[SOURCE:
http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.34_29092020.pdf]

JUDGEMENTS / ORDERS

DHFL Insolvency Case: Auditor identifies fraudulent transactions worth Rs 17,394 crore

Fraudulent transactions worth Rs 17,394 crore happened at debt-ridden mortgage firm DHFL during FY07 to FY19, according to transaction auditor Grant Thornton. Earlier this year, the administrator of Dewan Housing Finance Corporation Limited (DHFL), appointed under the Insolvency and Bankruptcy Code (IBC), obtained assistance from Grant Thornton to conduct investigation into the affairs of the mortgage firm.
[SOURCE:
https://www.businesstoday.in/current/corporate/dhfl-insolvency-case-auditor-identifies-fraudulent-transactions-worth-rs-17394-crore/story/414990.html]

Can an ex parte order be passed against a Corporate Debtor after substituted service through newspaper publication? NCLAT answers

The National Company Law Appellate Tribunal (NCLAT) has held that an ex parte order after substituted service through publication in a newspaper, without exploring modes like email, is not permissible merely because the notice remains unserved because of "insufficient address" of a Corporate Debtor. The order was passed by a three-member bench of Justice Jarat Kumar Jain, Member (Judicial); Balvinder Singh, Member (Technical) and V. P. Singh, Member (Technical). The plea was admitted ex parte by the National Company Law Tribunal, Cuttack and Corporate Insolvency Resolution Process was initiated against the Corporate Debtor.
[SOURCE:
https://images.assettype.com/barandbench/2020-09/59edb2a6-e014-4104-99d7-712cf9cc72a2/Prakash_Kalash_vs_Apeejay_Surrendra_Park_Hotels.pdf]

ACCOUNTING & AUDIT

ICAI would issue Forensic Accounting and Investigation Standards

Frauds have been on rise in Forensic Accounting creating a path for more investigations in order to identify ways in which these frauds arise and addressing the issues involved therein. With this, there is a pressing need to lay down a certain set of principles governing the Forensic Accounting and Investigation to understand finer nuances of conducting the related engagements

Forensic accounting and Investigation play a vital role in cases involving financial fraud, breach of contract, hidden assets, etc. With the increased no. of cases involving financial, accounting and loan irregularities, the Digital Accounting and Assurance Board (DAAB) of ICAI has come up with a decision of issuing Forensic Accounting and Investigation Standards (FAISs).

With the decision of issuing Forensic Accounting and Investigation Standards (FAISs), all the FAI engagements shall be required to be performed on the basis of some pre-defined basic principles fundamental to the profession. In view of above, an exposure draft on Basic Principles of Forensic Accounting and Investigations has been recently providing a guide to a set of principles on which all the FAI engagements should base.

Bank Audit: RBI revised the Long Form Audit Report (LFAR); applicable from F.Y. 2020-21

The Reserve Bank of India (RBI) has revised the Long Form Audit Report (LFAR) vide notification dated 5 September, 2020 which shall be applicable for Bank Audits from F.Y. 2020-21 onwards. The changes in new LFAR, 2020 have been made in respect of requirements for Statutory Central

Auditor, Branch Auditor, Specialized Branches and Large/ Critical/ Irregular accounts for branch auditors.

SEBI issues Consultation Paper on format for business responsibility and sustainability reporting

The Market Regulator, SEBI has come up with Consultation Paper on format for business responsibility and sustainability reporting which shall be applicable to the top 1000 listed entities by market capitalization. It is also proposed that to begin with, the new format will be adopted by such top listed entities on a voluntary basis for the financial year 2020-21.

Exposure Draft issued on SAE 3410 Assurance Engagement on Green House Gas Statements

As a part of Sustainability Reporting, entities are required to report on Green House Gas (GHG) Statements including a list of removals or gas emission in order to improve the competitiveness and to be a part of global leader in the environmental font. With a view to set a standard in this area, Sustainability Reporting Standards Board of ICAI has issued an exposure draft proposing Standard on Assurance Engagement (SAE) 3410 – Assurance Engagement on Green House Gas Statements.

MISCELLANEOUS

Affordable Rental Housing Complexes (ARHCS),Sub-Scheme Under Pradhan Mantri Awas Yojana- Urban (PMAY-U) Will Be Implemented by Public/Private Bodies

Affordable Rental Housing Complexes (ARHCs), a sub-scheme under Pradhan Mantri Awas Yojana - Urban (PMAY-U) will be implemented by Public/Private bodies either by converting the existing Government funded vacant complexes into ARHCs or by constructing, operating and maintaining ARHCs on their own available vacant land. This scheme has been formulated in line with the vision of "Aatma Nirbhar Bharat" to create a sustainable ecosystem of affordable rental housing solutions for urban migrants/ poor. It envisages to create a conducive ecosystem for Public/ Private Entities through policy incentives which will leverage investment for creating affordable rental housing stock. In order to provide impetus to the Public Private Partnership under this scheme, various incentives/ benefits have been proposed by Government of India and State/UT Government. Beneficiaries for ARHCs will be from Economically Weaker Section (EWS)/ Low Income Group(LIG) who are urban migrants/poor. They include labour, urban poor (street vendors, rickshaw pullers, other service providers etc.), industrial workers and migrants working with market/ trade associations, educational/ health institutions, hospitality sector, long term tourists/ visitors, students or any other persons of such category.

Facilitating Collateral free Working Capital Loans upto Rs 10,000 under PM SVANidhi

Consequent on the announcement of the Aatma Nirbhar Bharat Abhiyan package, Ministry of Housing and Urban Affairs has, on June 01, 2020, launched 'Prime Minister Street Vendor's Aatma Nirbhar Nidhi Scheme (PM SVANidhi). It aims at facilitating collateral free working capital loans upto Rs 10,000 of 1year tenure, to about 50 lakh street vendors across the country. It provides for incentives in the form of interest subsidy @ 7% per annum on regular repayment of loan and cash-back upto Rs. 1,200 per annum on undertaking prescribed digital transactions. Further, on timely or early repayment, the vendors will be eligible for the next cycle of working capital loan with an enhanced limit.

Amended FCRA comes into effect

The Foreign Contribution (Regulation) Amendment Act, 2020, was passed by Parliament during the recently concluded Monsoon Session. "In exercise of the powers conferred by sub-section (2) of section 1 of the Foreign Contribution (Regulation) Amendment Act, 2020 (33 of 2020), the central government hereby appoints the 29th day of September, 2020, as the date on which the provisions of the said Act, shall come into force," the notification said.

As per the amended law, furnishing of Aadhaar numbers by office-bearers of NGOs has become mandatory for registration. The Act also provides for reduction in administrative expenses of any NGO receiving foreign funding, from 50 per cent to 20 per cent of annual funds to ensure spending on their main objectives. Among other provisions, the law proposes to enable the Centre to allow an NGO or association to surrender its FCRA certificate.