

## **DIRECT TAX**

### **News**

#### **Tax Dept prescribes 2-year window to resolve disputes through MAP**

To provide speedy dispute resolution for investors, the Central Board of Direct Taxes (CBDT) has modified the norms for Mutual Agreement Procedures (MAP) by prescribing two years as the average time-frame for resolving cases.

MAP is aimed at bringing in certainty via an alternative dispute resolution mechanism. It forms part of a tax treaty wherein competent authorities of respective countries enter into discussions to resolve the dispute that has arisen by any action of a tax authority that is not in accordance with the tax treaty.

Earlier, there were two rules, 44G and 44H. 44G dealt with a case of an Indian resident taxpayer who was aggrieved by the action of the tax authority of another country, which was not in accordance with the tax treaty. 44H prescribed a case of reference from a competent authority of another country as regards action by the Indian income tax authority, wherein the competent authority of India called and examined the records to give his response to the competent authority of the other country in an effort to resolve the dispute. Now, CBDT has amended 44G and omitted 44H.

#### **Taxmen are using the lockdown to build stronger cases against defaulters**

The government has asked its tax officers to start collecting and analysing data on all major tax disputes as they are unable to hit the ground due to Covid19 pandemic.

The Central Board of Direct Taxes (CBDT) has asked the tax officers to not issue any notices for now but collect data that will help settle half the pending litigation.

In a note to the tax officers CBDT said that identifying issues in all major tax issues would be crucial during next three months.

Many suspect that due to the increased ground work by the revenue department the tax demands may become more in-depth and lead to more companies paying up.

“There is a major shift in the approach of the government wherein the emphasis is more towards qualitative rather than quantitative measures. The focus is more on identification and strong preparation of cases which are worth picking up for reassessment, said Rahul Garg, partner, Asire Consulting.

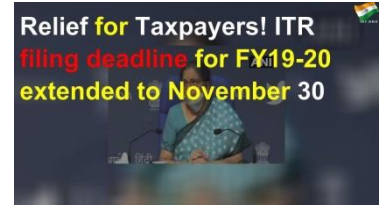
#### **Relief for Taxpayers! ITR filing deadline for FY19-20 extended to November 30**

Taxpayers who are yet to file their income tax return for FY 2019-20, the income tax return filing deadline for FY19-20 has been

extended to November 30 as announced by Finance Minister Nirmala Sitharaman.

The FM, in her press conference, announced various direct tax-related measures for taxpayers. The FM said, “Due date for all income-tax return for FY 2019-20 will be extended from 31 July 2020 to 30th November 2020 and tax audit from 30th September 2020 to 31st October 2020.”

The extension of the due date of ITR from existing 31st July and 31st October to 30th November 2020, experts say will give a significant time post lockdown to taxpayers to compile their data required for preparation of income tax return.



#### **CBDT notifies revised Form 26AS, to now include real estate, share transaction details**

The income tax department notified the revised Form 26AS, containing details of tax collected or deducted at source which will now include information pertaining to property and share transactions.

With this, Form 26AS has now been revamped to an ‘Annual Information Statement’ which apart from the TDS/ TCS details, shall now contain comprehensive information relating specified financial transactions, payment of taxes, demand/ refund and pending/completed proceedings undertaken by a taxpayer in a particular financial year that has to be mentioned in the income tax returns.

To implement this, the Budget 2020-21 had introduced a new Section 285BB in the Income Tax Act. The revamped Form 26AS will now come into effect from June 1, the Central Board of Direct Taxes (CBDT) said.

Form 26AS is an annual consolidated tax statement that can be accessed from the income-tax website by taxpayers using their Permanent Account Number (PAN).

#### **CBDT gives wholesalers relief on electronic payment norms**

The Central Board of Direct Taxes (CBDT) has pruned the list of electronic payments methods wholesalers can offer, in a bid to make

payment options more relevant to a business' customer base.

CBDT said in a circular that wholesalers need not offer certain electronic payment methods, such as debit cards powered by RuPay, unified payments interface (UPI) and UPI quick response code, which are generally used by retail customers. They were made compulsory for businesses in 2019 with the aim of promoting a less-cash economy.

The move to exempt wholesalers from compulsorily offering these payment options is based on industry suggestions that these modes are more suitable for retail transactions and usually have a maximum payment limit per transaction, or per day, which do not apply to wholesalers, who receive payments through other electronic modes such as real-time gross settlement.

**CBDT has extended or deferred the implementation of the new procedure for approval/ registration/ notification of certain entities u/s 10(23C), 12AA, 35 & 80G of the Income Tax Act, 1961 to 1st October 2020 from prescribed June 1, 2020.**

In view of the unprecedented economic crisis emanating due to the COVID-19 situation, CBDT has deferred the implementation of new procedure for approval/registration/notification of certain entities u/s 10(23C), 12AA, 35 & 80G of IT Act, 1961 to 1st October 2020. From the released information by way of tweet, the new date of compliances shall begin on October 1, 2020 and shall continue till December 31, 2020.

#### Notifications

##### **Notification No. 25/2020 dated 20<sup>th</sup> May 2020.**

The CBDT has issued Notification No. 25 of 2020 dated 20 May 2020, wherein it has notified the year of applicability of the 'Safe Harbour Rules for International Transactions' (SHR) for Assessment Year (AY) 2020-21, as the existing rules were applicable only up to AY 2019-20. The said notification are applicable from 1 April 2020. Notification No. 23/2020 dated 6th May 2020.

##### **Notification No. 26/2020 dated 21<sup>st</sup> May 2020.**

Central Government notifies 'Kerala Cooperative Development and Welfare Fund Board', Trivandrum (PAN AACTT3875A), a Board constituted by the Government of Kerala, in respect of the specified income arising to that board under section 10(46) of Income Tax Act, 1961.

##### **Notification No. 27/2020 dated 27<sup>th</sup> May 2020.**

Central Government notifies 'Cochin Special Economic Zone Authority', Kochi (PAN AAAGC0659L), a authority constituted by the Government of India, in respect of the specified income arising to that board under section 10(46) of Income Tax Act, 1961. This notification shall be deemed to have been applied for the assessment

years 2018-2019 and 2019-2020 and shall apply with respect to the assessment years 2020-2021, 2021-2022 and 2022-2023.

##### **Notification No. 28/2020 dated 27<sup>th</sup> May 2020.**

Central Government notifies 'Uttarakhand Environment Protection & Pollution Control Board', Dehradun (PAN AAALU0160D), a Board constituted by the Government of Uttarakhand, in respect of the following specified income arising to that Board, under section 10(46) of Income Tax Act, 1961. This notification shall apply with respect to the assessment years 2020-2021, 2021-2022, 2022-2023, 2023-2024 and 2024-2025.

##### **Notification No. 29/2020 dated 27<sup>th</sup> May 2020.**

CBDT has vide notification dated 27th may 2020 amended Guidelines for application of section 9A. Section 9A contains provisions related to Certain activities not to constitute business connection in India.

CBDT has also notified Following new forms and Annexures-

-FORM No. 3CEJA- Report from an accountant to be furnished for purpose of section 9A regarding fulfillment of certain conditions by an eligible investment fund with

-ANNEXURE TO FORM No. 3CEJA – Particulars relating to fund management activity required to be furnished for the purposes of section 9A of the Income-tax Act, 1961

-FORM No 3CEK- Statement to be furnished by an eligible investment fund to the Assessing Officer.

##### **Notification No. 30/2020 dated 28<sup>th</sup> May 2020.**

CBDT notifies new Form 26AS [Annual Information Statement] pursuant to Finance Act, 2020 and amendment, inserts new Rule 114-I to be effective from June 1st and omits Rule 31AB.

Budget 2020-21 had introduced a new Section 285BB in the Income Tax Act to implement revised Form 26AS . In that effect CBDT has notified new FORM 26AS [Annual Information Statement] via Notification No. 30/2020 dated 28th May 2020, Rule 31AB has been omitted and Rule 114-I has been inserted after Rule 114H to share annual financial information in respect of each taxpayer not only of taxes paid by of TDS/TCS or otherwise.

##### **Notification No. 31/2020 dated 29<sup>th</sup> May 2020.**

CBDT notifies Form –Sahaj (ITR-1), Form ITR-2, Form ITR-3, Form Sugam (ITR-4), Form ITR-5, Form ITR-6, Form ITR-7 and Form ITR-V for Assessment Year 2020-21 i.e. financial Year 2019-20.

#### Circulars

##### **Circular No. 12/2020 dated 20<sup>th</sup> May 2020**

As an initiative to boost the digital payments and bolster the cashless economy, the Government of India has introduced a new provision **Section 269SU prescribed Electronic Mode** and subsequently notified **Rule 119AA** through the Finance (No. 2) Act, 2019 that prescribes certain electronic modes of payments as a mandatory facility for costumers to be given by businessmen.

### Case Law

**Assessee is not expected to prove the genuineness of cash deposits in bank accounts of those creditors because under the law the assessee can be asked to prove source of credit but not the source of the source.**

**The Deputy Commissioner of Income Tax, Circle-1 (1) (2) , Surat. Versus M/S. Kejriwal Industries Ltd. 2020 (5) TMI 403 - ITAT Surat**

Assessee has discharged the initial onus which lay on him in the terms of section 68 of the Act by providing identity of creditors and same has not been doubted by the AO also. Assessee has proved the creditworthiness by way of filing ITR returns, bank account, balance sheet, confirmation of the creditors. Assessee is not expected to prove the genuineness of cash deposits in bank accounts of those creditors because under the law the assessee can be asked to prove source of credit but not the source of the source. In view of these facts and circumstances, no infirmity in the order of CIT (A), accordingly, same is upheld.

**When Assessee specifically challenged the service of Notice u/s 148 as well as u/s 142(1) since the stage of assessment. It is the duty of the Revenue to prove the service of the notice Merely producing the carbon copy of notice and dispatch register entry does not prove service of notice on the assessee.**

**Shri Harish Bhasin Versus Acit, Central Circle 3, New Delhi. 2020 (4) TMI 847 - ITAT Delhi**

No proof for service of notice u/s. 148. Further narration given by the AO as to issuance of service of notice u/s 148 shows that it does not contain facts if the notice were ever served upon the assessee, it just contains the fact that notices u/s 148 were issued on 05.06.2009. The record is altogether silent if the said notices were served upon the assessee or received back served/unserved nor copy of acknowledgement from the postal authority acknowledging the receipt of notice is there on the file. It is settled principle of law that when the assessee has specifically challenged service of notice u/s 148 as well as u/s 142 (1) since the stage of assessment it is the duty of the Revenue to prove the service of notice. Merely producing the carbon copy of notice and dispatch register entry does not prove service of notice on the assessee. Revenue has failed to prove the proper service of notice u/s 148, it is decided against revenue.

**Merely because the PCIT does not agree with the opinion of the Assessing Officer, he cannot invoke the provisions of section 263 of the Act to substitute his own opinion.**

**M/S. Sunray Cotspin (P) Ltd. Versus Pr. CIT Gurgaon 2020 (4) TMI 845 - ITAT Delhi**

The share application money has been received from very same persons from whom share application and share premium amount has been received in earlier years. No adverse inference has been drawn in earlier years in respect of money received from the very same persons. During the

year also, in the course of assessment proceedings, the assessee has furnished copy of bank statements in respect of all allottees alongwith their tax returns details.

During the course of scrutiny assessment proceedings, the assessee has furnished a certificate from the CA justifying the valuation of shares and the certificate. This clearly shows that the Assessing Officer has examined the share premium received during the year which is supported by the fact that the return was selected for scrutiny assessment only for this limited purpose.

Assessing Officer, after considering the various submissions made by the assessee, has taken a possible view. Therefore, merely because the PCIT does not agree with the opinion of the Assessing Officer, PCIT cannot invoke the provisions of section 263 of the Act to substitute his own opinion.

**Merely because the assessee is engaged in the construction business is not a ground that land and building should be treated as part of stock in trade.**

**The Commissioner Of Income-Tax And The Dy. Commissioner Of Income-Tax Circle-1 (1) , Versus Thirumala Venkateshwara Estate and Agencies 2020 (4) TMI 761 - Karnataka High Court**

The assessee had earned income by way of rent and rental income so received by the assessee was offered for taxation as income from the house property. The assessee has shown the property in question as capital asset in its balance sheet. There is no material on record to hold that the aforesaid property was converted by the assessee as an item of stock in trade. On the other hand, the said property was treated as capital asset. It has further been held that merely because the assessee is engaged in the construction business is not a ground that land and building should be treated as part of stock in trade.

Thus, the income from the sale of property has been treated as long term capital gain. The aforesaid finding of fact is based on meticulous appreciation of evidence on record and in substance is a finding of fact.

**There was no undisclosed income found during the course of search and no incriminating material was found, hence we hold that there is no case for imposing penalty u/s 271AAB of the Act.**

**Lajwantiben M Manglani Versus The Deputy Commissioner Of Income Tax Central Circle-1, Baroda 2020 (4) TMI 741 - ITAT Ahmedabad**

No undisclosed income or the inflation of expenditure during the search/ assessment proceedings. Unable to accept the contention of the revenue that the loose sheet found during the course of search indicates





any undisclosed income or asset or inflation of expenditure. The facts of the assessee's case shows that there was no undisclosed income found during the course of search and no incriminating material was found, hence we hold that there is no case for imposing penalty u/s 271AAB of the Act.

**Rotary Club Social Securities Fund Bhavnagar Ayushya Cancer Hospital Versus Director of Income-Tax (Exemption) , Ahmedabad 2020 (4) TMI 716 - ITAT Ahmedabad**

Trust has been given a certificate from the office of the Charity Commissioner after going through the Memorandum of Association and seeing the activities of the trust. Rotary Club is carrying out charitable activities for the public at large as organizing the blood donation camp giving books to poor students and doing charity for orphanage etc. If there trust registration is legal and valid, rejecting the application for registration of the Trust is amounting to miscarriage of justice.

Trust has been given a certificate from the office of the Charity Commissioner after going through the Memorandum of Association and seeing the activities of the trust and trust is meant for deceased member of Rotary Club Family Members. If there trust registration is legal and valid why Rotary Club Social Security fund cannot held to be legal and valid, rejecting the application for registration of the Trust is amounting to miscarriage of justice. DIT(E) ought to have allowed the registration application filed to the assessee

**No error in the order passed by the AO once sufficient enquiry was made to the true character of the subsidy received by the assessee. The order passed by the Assessing Officer cannot be said to be erroneous and prejudicial to the interest of the revenue for invocation of section 263.**

**Fortuna Engineering Pvt. Ltd. Versus The Pr. Commissioner Of Income Tax-1, Nashik. 2020 (4) Tmi 648 - ITAT Pune**

AO had made adequate enquiry for the purpose of finding the true character and nature of the subsidy received by the assessee i.e. whether the same was capital in nature or revenue in nature. After making sufficient enquiry, AO allowed the claim of the assessee and held the subsidy to be revenue in nature. It is correct that the AO has not written voluminous order accepting the contentions of the assessee. AO is not required to write detailed order accepting the contentions of the assessee, once the same is in accordance with law. AO is only required to write decision on contentious issues placed before him and not to write decision on the issues on which sufficient enquiry was made and the AO and after enquiry AO is satisfied that the issue is covered in favor of the assessee in accordance with the provisions of law.

No error in the order passed by the AO once sufficient enquiry were made to the true character of the subsidy received by the assessee. The order

passed by the Assessing Officer cannot be said to be erroneous and prejudicial to the interest of the revenue.

**GST  
News**

**GST collections down 70% in April**

Centre may have held over the monthly GST collection figures for April, but data released by the Comptroller General of Accounts (CGA) suggests that GST collections have seen a precipitous drop of up to 70 per cent in April. Data released by the Comptroller General of Accounts (CGA) for April 2020 shows that the Centre's share of GST collection during the month was a paltry Rs 16,707 crore compared to Rs Rs 55,329 crore in the previous year, a drop of 70 per cent.



[Source- Business Today]

**Whatsapp allowed for GST, excise related virtual hearings**

Virtual hearing of all demand notices relating to indirect taxes including goods and services tax (GST) can be done through Whatsapp, authorities in Thane tax zone said a notice while issuing standard procedure for conducting the hearings. The decision has been taken due to situation arising from Covid 19, and the mandatory guidelines from government on maintaining social distancing norms. [Source- Economics times]

**18% GST applicable on Works Contract for NCBS: AAR**

The Authority of Advance Ruling (AAR), Karnataka ruled that the works contract service provided by the applicant to the National Centre for Biological Science (NCBS) is liable to be taxed at the rate of 9% under Karnataka Goods and Service Tax (KGST) and 9% under Central Goods and Service Tax (CGST). The Authority consisting of members M.P. Ravi Prasad and Mashud Ur Rehman Faruqui ruled that the work contract service provided by the applicant to the National Centre for Biological Science (NCBS) is liable to be taxed at the rate of 9% under Karnataka Goods and Service Tax (KGST) and 9% under Central Goods and Service Tax (CGST). M.P. Ravi Prasad. [Source- taxscan]

**Delhi HC allows Bharti Airtel to rectify GST returns of Rs 923 crores**

The Delhi high court has allowed Bharti Airtel Ltd to rectify its Goods and Services Tax (GST) returns of Rs 923 crores for July-September 2017. The government had said it did not permit rectification of the returns citing restrictions specified in a circular. Bharti Airtel said in its plea, there had been excess payment of taxes mainly due to non-operationalisation of certain GST return forms and system-related checks which could have forewarned the petitioner about the mistake. Since there were no checks on the Form GSTR-3B (summary of monthly transactions), which was

manually filled up by the company, the excess payment of tax went unnoticed, it added

[Source- livemint]

### **GST compensation to states pending for December 2020-March 2021: Finance Minister Nirmala Sitharaman.**

Finance Minister Nirmala Sitharaman on Sunday said GST compensation is due to all the states for the four-month period of December-March. GST dues are very clearly explained in the GST Council. It is not for selective states....All states' GST dues which we recognise for December, January, February, March have not been paid.

[Source- News Indian express]

### **Notifications**

#### **Notification No. 38/2020 – Central Tax dated 5th May 2020**

Furnishing of GSTR 3B through EVC: From 21st April 2020 to 30th June 2020, Companies can furnish the return under section 39 in GSTR 3B through electronic verification code (EVC) without using DSC.

Manner of furnishing of return by short messaging service facility: NIL return under section 39 in GSTR 3B can be filled through short messaging service (SMS). For this, Rule 67A inserted in CGST Rules, 2017 (This will come into effect from a date to be notified later)

#### **Notification No. 39/2020 – Central Tax dated 5th May 2020**

The said class of persons shall, with effect from the date of appointment of IRP / RP, be treated as a distinct person of the corporate debtor, and shall be liable to take a new registration (hereinafter referred to as the new registration) in each of the States or Union territories where the corporate debtor was registered earlier, within thirty days of the appointment of the IRP/RP or by 30th June, 2020, whichever is later.

#### **Notification No. 40/2020 – Central Tax dated 5th May 2020**

Seeks to extend the validity of e-way bills till 31.05.2020 for those e-way bills which expire during the period from 20.03.2020 to 15.04.2020 and generated till 24.03.2020

E-way bill issued on or before 24th March and whose validity were expiring between 20th March to 15th April, shall now be valid till 31st May 2020.

#### **Notification No. 41/2020 – Central Tax dated 5th May 2020**

GST Annual return for 2018-19: Last date for filing GST annual return specified under section 44 of CGST Act read with rule 80 of the CGST Rules for 2018-19 has been extended till 30th Sept 2020.

#### **Notification No. 42/2020 – Central Tax dated 5th May 2020.**

Extends the due date for furnishing FORM GSTR-3B returns for the taxpayers registered in Ladakh, for the months of • November 2019 to February 2020 – 24th March 2020 • November 2019 to

December 2019 – 24th March 2020 • January 2020 to March 2020 - 20th May 2020.

#### **Notification No. 43/2020 – Central Tax dated 16th May 2020.**

Section 140 of the CGST Act amended retrospectively w.e.f 01.07.2017, to prescribe the manner and time limit for taking transitional credit

• Sub-sections (1), (2), (3), (5), (6), (7), (8), (9) of sec. 140 are amended retrospectively from 1st July 2017 to enable the government to provide by rules the time limits to file TRAN-1 and for other compliances.

### **Circulars**

#### **Circular No. 138/08/2020-GST dated 6th May 2020**

Extension of time limit in registration of IRP/CIRP due to lockdown: Vide notification No. 39/2020-Central Tax, dated 05.05.2020, the time limit required for obtaining registration by the IRP/RP in terms of special procedure prescribed vide notification No. 11/2020 – Central Tax dated 21.03.2020 has been extended. Accordingly, IRP/RP shall now be required to obtain registration within thirty days of the appointment of the IRP/RP or by 30th June 2020, whichever is later.

### **RERA**

#### **RAJASTHAN RERA**

#### **News**

#### **Government awards Rs 200-crore MLA flat project to Rajasthan housing board**

Rajasthan Government handed over the Construction of flats for MLAs to the Rajasthan Housing Board (RHB). The announcement was



made by urban development and housing (UDH) minister during the stone laying ceremony for two schemes — Mukhyamantri Shikshak and Prahri Awas Yojana.

Earlier, the Jaipur Development Authority (JDA) was appointed as the nodal agency for construction of these houses.

The cost of the project is Rs 200-crore and will be completed within two and half years.

These flats will be constructed at Jyoti Nagar, Lal Koti and Jalupura. The JDA will cooperate and transfer the title of land to RHB, in order to achieve the task.

The Govt. also launched two schemes vis-à-vis “Mukhyamantri Shikshak and Prahri Awas Yojana.” where a total of 576 flats will be developed. To compete with private builders in terms of facilities and infrastructure, the RHB for the first time proposed to develop swimming pool, gym and cycle track, basketball and baseball courts for the residents.

In Sector 26, the board earmarked 20,925 square metre area to develop the condominiums. The built

up area of the flat will be 706 sqft, while super-built up area will be 900 sqft. The price of the flat is Rs 15.70 lakh. The board has received over 700 applications for the two schemes during the lockdown imposed to combat Covid-19.

[Source: Economic Times]

### **Lockdown impact -98% reductions in property registration earnings.**

Due to Lockdown registration of properties was dropped 98% in April Month.

While it was approximately Rs 298 crore in April last year, it nosedived to Rs 7.77 crore this year. Though, the state government's revenue increased in May, it is nowhere close with last year's figures.



According to figures available with TOI, in 2019-20, the government earned Rs 375 crore from registry in May, but in the same month this year, the income has been only Rs 48 crore. Revenue generation from property registration was adversely impacted. Attempts are being made to meet the target.

In an attempt to increase the revenue, the state government increased the surcharge on stamp duty by 10% to increase its income. However, it could become a deterrent for the real estate market to revive.

Developers alleged that at a time when the real estate market was facing a slowdown in the state, successive governments were increasing the DLC the rates since 2014. [Source: Economic Times]

### **Rajasthan seeks report from three districts for low performance under PMAY-G.**

An audit has been conducted for the progress of work under Pradhan Mantri Awas Yojana-Grameen (PMAY-G) for its first phase (2016-2019) and was pointed out that the performance of three districts - Karauli, Bundi and Tonk - was below state average of 96 per cent.

The department has sought a report from these three districts seeking to know the reason for the poor performance and the officials responsible for it and will punish for their negligence.

In the first phase of the scheme, from 2016-17-2019-20, the target was to complete 6.87 lakh houses (in three years).

The state average in the progress of work in the completion of PMAY houses was 96 per cent. However, after the audit by the accountants general (AG), they pointed out that the progress in these three districts was below state average. They sought to know the reason behind the poor performance and the officials responsible for it.

[Source: Economic Times]

### **Rajasthan: Land Pooling Act giving 45% of developed land to owners notified.**

The Rajasthan urban development and housing (UDH) department has notified the rules and

regulations for Land Pooling Act and same has been came into force from 21.05.2020.

With this, Rajasthan joined other states such as Punjab, Maharashtra, Gujarat, Andhra Pradesh



and Tamil Nadu in implementing the Act.

Owners whose land has been acquired will now receive 45% of the developed land as compensation. This was earlier at 25%. As per the provision, the civic body will give developed proportionate piece of land with all necessary infrastructures, including roads, parks and open spaces, to the land owner.

While as the facilitator, it can earn revenue by way of its share (including development cost) even as landowners get good value for their share of land.

[Source: Economic Times]

### **Cess on stamp duty hiked by 10% in Rajasthan**

The finance department of state on 15<sup>th</sup> May 2020 increased the cess on stamp duty to 20% from 10%



and added the funds will also be used for fighting natural or man-made calamities like draught, flood, epidemic and public health exigencies. With this increase the surcharge on stamp duty goes up to 30% including the Swachh cess of 10%.

The real estate industry in the state reacted strongly saying that they had expected some relief from the state for the revival of the sector which has been decimated by the lockdown.

The increase comes after the government had increased stamp duty to 6% from 5% in the February state budget. With the surcharge increase of 10%, the total stamp duty has gone up to 8.8% from 8.2%.

This increase will not benefit anybody including the government. Already the market is in a limbo-like state. Everybody wants the real estate sector to revive, including the government, the industry and the people engaged in the sector. The surcharge increase will only delay any chances of revival.

### **Rajasthan housing department eases norms for stressed real estate**

The Urban Development and Housing (UDH) department has provided some relief to the real estate sector by giving relaxation in depositing betterment levy fee, which is charged on additional floor area ratio (FAR).

At present, the developers must deposit betterment levy (25% of the reserve price) in four instalments. While, 25% of the amount is deposited at the time of building plan approval, remaining 75% must be deposited in installments generated after every six months.

As per the relaxation, the developers can deposit betterment levy after one year from building plan



approval. This is much-needed breather to real estate developers who are facing financial setbacks. The developers were demanding this relaxation in the state since long. Till the time additional FAR is utilised, the government was taking 75% of the betterment levy from the developers, which was a burden.

[Source: Economic Times]

### **Flat ownership act to be in place after lockdown**

The urban development and housing (UDH) department will implement the long-pending Apartment Ownership Act in the state once the lockdown is over.



The town planning department has prepared rules and sub-rules of the Act after inviting public suggestions and objections. Now, the draft will be forwarded to the legal and finance department to receive approval.

Implementation of the Apartment Ownership Act, which ensures land rights of flat owners, is in the final stage. The notification will be issued once lockdown is over. [Source: Economic Times]

### **Rajasthan RERA order no. F1(146) RJ/RERA/2020/848 dated 13.05.2020**

The Authority has appreciated the fact that the measures taken to control the Corona pandemic have affected the availability of resources for real estate projects and given rise to difficulties and uncertainties that may cause a delay of upto one year in completion of the projects. Therefore the Authority has issued the following guidelines-

#### **1. Across the Board Extension of 12 months of end date of all projects registered before 19.03.2020 and after 19.03.2020 upto 13.05.2020.**

Estimated finish date and Period of Validity of Registration extended by 12 months all projects. To avail the extension the promoter will be required to file an online application at any time upto 31.03.2021 along with payment of Standard fees i.e. 50% of the fee paid at the time of registration of the project.

For extension of the projects registration of which has already lapsed before 19.03.2020, the promoter will have to first apply for usual extension and pay extension fee, standard fee and penalty as applicable and then apply for across the board extension.

Extension to be in addition to the extension already granted by the authority or may be granted by the authority on ground of reasonable circumstances defined in proviso of section 6 and section 8 of the Act.

#### **2. Interest, Compensation & Refund Orders**

- Interest and Compensation shall not be payable to the allottees for the above extended period i.e. extended period of 12 months.
- Up to 31.03.2021 no coercive action shall be taken by the Authority against the refund

orders already issued by the authority or may be issued by the authority in meanwhile.

### **3. Extension of time limit for regular compliance**

- The time limit of various compliances such as quarter compliance, submission of audit report, of which due dates are between March 2020 to December 2020 has been extended to 31.03.2021 i.e. the updates can be filed upto 31<sup>st</sup> March 2021. Here it is important to note that all quarterly updates have to be filed. Only the date of submission has been extended.

### **4. Consent from 2/3 allottees**

- Where the curtailment, alteration or division of the Project does not affect adversely to the allottees then authority will not insist for the consent from 2/3 allottees for such change.
- If alterations are in allotted units in that case consent from those concerned allottees are required.
- If the interest of the existing allottees in common areas and amenities is adversely affected, in that case consent of 2/3 allottees will be required.

Approval of competent authority to be taken where ever applicable.

### **Rajasthan RERA order no. F1(146) RJ/RERA/2020/852 dated 15.05.2020**

#### **Deferment of Registration of Agreement to Sell**

- Agreement to sell to be undertaken on stamp papers of appropriate value of stamp duty applicable on the document to be registered.
- The registration of document can be done preferably within four months of the date of execution or upto eight months.

Allottees are allowed to make payment and banks allowed to disburse loans even where the ATS is not registered for the said period.

### **Rajasthan RERA order no. F1(83) RJ/RERA/2019/873 dated 22.05.2020**

#### **Extension of Registration beyond one year in deserving cases**

The directions have been issued in view of the interpretation of provisions of RERA observed in the case of "Neelkamal Realtors Suburban Pvt. Ltd. and anr. Versus Union of India and ors."

Procedure for obtaining extension-

1. An application in the prescribed form, stating the exceptional and compelling circumstances and reasons for non-completion of the project even within the extended period of one year will have to be filed before the expiry of extended period granted u/s 6.
2. Extension fee and Standard fee as specified in order dated 16.08.2020 will have to be paid.
3. In cases where the extended period of one year has elapsed or will elapse in meanwhile, the application for further extension along with payment of fees can be filed within three months from the date of this order.
4. In case of delay in filing the application, extension fee, standard fee and penalty as

specified in order dated 16.08.2020 shall be payable.

- The Authority will take decision on each application on case to case basis, no decision in a case will be a precedent for another case.

- The allottees or the association of allottees (where formed u/s 11(4)(e) will be given an opportunity of being heard.

- The extension granted under this order shall not absolve the promoter from his obligations to allottees and shall be without prejudice to rights and interest of allottees under AFS.

- In case the application for extension under this order is not filed or is refused and the project is incomplete at the end of extension granted u/s 6, it shall be treated as lapsed project and the authority shall be entitled to invoke provisions of Section 8.

## UP RERA

### News

#### **UP-RERA starts virtual hearing of cases**

The Uttar Pradesh Real Estate Regulatory Authority (UP Rera) has started virtual hearing of cases from 18 May 2020.

Hearings will take place in two benches of



UPRERA at Gautam Buddha Nagar and Lucknow. As many as 40 cases were listed before the bench on the first day of the hearing on Monday. The date and time of virtual hearing was communicated through emails and SMSs to both the parties whose cases were in the argument stage. The authority also made phone calls to remind and help the parties for facilitating the process and to offer technical help to the parties. UPRERA is using Microsoft's Team View application for conducting video conferencing. As of now, the authority has decided to take up 10 cases per day per bench. Each case will be allotted 15 minutes for discussion and representation. In a press release issued on 18 May, UPRERA said, "By virtual hearing of cases, the authority is ensuring normal functioning of the hearing and disposal of the complaints notwithstanding the dislocation caused by the covid-19 pandemic. It is expected that virtual hearings will prove to be a very strong instrument of imparting justice to the aggrieved parties in a transparent, efficient and time-bound manner.

The authority has also decided to start listing the cases before the adjudicating Officer and Conciliation Forum through virtual medium of hearing, the press release added.

[Source - livemint]

#### **UP RERA extends real estate project timelines by six months**

UP RERA has also decided to extend the deadline for completion of real estate projects by six months in the face of the coronavirus outbreak.

The deadline for RERA projects that were registered or were to be completed by or on March

25 should be extended, the Centre's advisory issued to states earlier this month had said, giving relief to the stressed sector. The advisory came a few hours after Finance Minister Nirmala Sitharaman told media that the deadline would be extended in the face of the coronavirus outbreak.

The outbreak of COVID-19, the respiratory illness caused by the coronavirus, be treated as an "act of God" and a "force majeure" event under the Real Estate Regulatory Authority (RERA) Act, the housing and urban affair ministry said in the advisory issued on May 13.[Source -moneycontrol]

#### **Noida Ghaziabad builders seek more time relief from UP RERA citing labour liquidity issues**

Noida (UP), Builders in Noida and Ghaziabad have hailed the six-month extension given by Uttar Pradesh Real Estate Regulatory Authority (UP-RERA) for completing projects but hoped the relaxation could be extended by up to a year, citing labour and liquidity issues. The UP-RERA had decided to extend the deadline for completion of real estate projects in the state by six months in view of disruptions caused by the coronavirus disease. Gaur's Group CMD Manoj Gaur said every halt in construction work affects the delivery dateline and realtors should be given just extension that could help them deliver quality project. "Before the COVID-19 pandemic, real estate sector struggled with almost two-and-a-half month halt of construction due to NGT order in November 2019, which was also not in the hands of developers. While welcoming the six month extension given, we would request that it should be relooked and increased to 9-12 months," he said. "Issues like labour migration are being faced by many developers. We have to factor in the reality that things have not normalised as yet and still there is no clarity over how much time it will take," Gaur, also the chairman of the Affordable Housing Committee in CREDAI.

[Source- the week]

## HARYANA RERA

### News

#### **Panchkula administration notifies new collector rates, seeks suggestions**

- The district evaluation committee of the Panchkula administration has prepared a draft of collector rates of all the four blocks of Panchkula. They have uploaded the documents online and asked for suggestions from residents.
- According to the draft collector rates of 2020-21 in Panchkula, the prices per square metre of all residential plots, covered area of the Haryana Urban Development Authority (Huda) residential and commercial sites, industrial area, commercial place (booth), service booths, double storey shops, shop-cum-office (SCO) and grain market in Sector 20, remains the same as it was in 2019-2020.
- Only the prices of SCF (shop-cum-flats) in Sectors 7, 8, 9 and 11 have been decreased from Rs 2 lakh per square metre to Rs 1,90 lakh per square metre. [Source: Economic Times]



### **Haryana to give 25% rebate to property owners who pay dues by August 31**

The Haryana government has announced a one-time rebate of 25% to property owners who pay their dues for the years 2010-11 to 2016-17 by August 31. The special rebates aims at reducing the property tax obligation of residents during Covid restrictions.



[Source: Economic Times]

### **Haryana Real Estate Regulatory Authority, Gurugram vide its Office ORDER NO. 9/3-2020 HARERA/GGM (Admn) Dated 26.05.2020**

Notwithstanding anything contained to the contrary and by virtue of powers conferred under section 37 read with section 34 (f) of the RERA, the registration or extension thereto under section 5,6,7(3) of, the RERA or rules thereunder, all registered projects under jurisdiction of Haryana Real Estate Regulatory Authority 'Gurugram' for which the completion date or revised completion date or extended completion date as per registration expired on or after 25th March, 2020, the Authority has decided as under:

- (i) Haryana Real Estate Regulatory Authority, Gurugram hereby issues order/direction to extend the registration and completion date or revised completion date or extended completion date automatically by 6 months, due to outbreak of COVID-19 (corona virus), which is a calamity caused by nature and is adversely affecting regular development of real estate projects by invoking '**force majeure**' clause. (no need for making fresh application in this regard)
- (ii) Haryana Real Estate Regulatory Authority, Gurugram hereby further decided to issue fresh '**Project Registration Certificates**' with revised timeline in each such registered real estate project with the Haryana Real Estate Regulatory Authority, Gurugram at the earliest. The project registration branch may submit 'Revised project Registration certificates' accordingly.
- (iii) Haryana Real Estate Regulatory Authority, Gurugram hereby decides to extend concurrently the timelines of all statutory compliances in accordance with the provisions of RERA and the rules and regulations made thereunder.  
Development

This is issued in pursuant to the direction under section 83 of Real Estate (Regulation and Development) Act, 2016 for extension of registration of real estate project due to '**Force Majeure**' under the provisions of Real Estate (Regulation and Development) Act, 2016 (RERA) regarding COVID-19 Pandemic issued vide memo No.1/32/2020-ITCP dated 15.5.2020.

### **Haryana Real Estate Regulatory Authority, Panchkula vide its Office Order No. HRERA-PKL/ED/2020/3167-73 dated 26/May/2020:**

Considering the State Government Memo No. 1/32/2020-1TCP dated 15/May/2020 issued by the TCP department as well as Office Memorandum No. O-17024/230/2018-Housing-UD/EFS-9056405 dated 13/May/2020 from Ministry of Housing and Urban Affairs, GOI has issued direction for giving relaxation and relief amidst the COVID-19 outbreak to the developers/real estate projects.

The Relaxation/Relief given by Authority pursuant to Section 37 of the Real Estate (Regulation and Development) Act, 2016 and rules prescribed thereunder are as follows:

1. The COVID-19 being a natural calamity shall be considered as force majeure event for all intents and purpose.
2. The developer/real estate project shall get relief in compliance with the provisions of the Act and Rules prescribed thereunder, for a period of six months from 25/March/2020 to 24/September/2020.
3. The period of registration, extension and for compliance of various provisions of the RERA Act/Rules shall stand extended for a period as mentioned above in point 2.
4. No Late fee/penalty shall be paid/payable by the developer to the Authority \*on account of delay in filing application for registration/submission of requisite information of the project during the aforementioned period.

### **MAHARASHTRA RERA**

### **Maha-RERA declares Covid-19 Pandemic as Force Majeure and issue relaxations**

Maharashtra Real Estate Authority by following the advisory of Ministry of Housing and Urban Affairs (MoHUA) via its order no. 14/2020 on 18.05.2020 decided as follows: -

- For all MahaRERA Registered projects where completion date, revised completion date or extended completion date expires **on or after 15th March 2020**, the period of validity for registration of such projects shall be extended by **six months**.
- MahaRERA Authority shall accordingly issue project registration certificates, with revised timelines for such projects.
- For further extension beyond the aforesaid 6 months, for adversely affected projects, concerned promoters will have to apply in accordance with provisions of Section 6. MahaRERA may at its discretion waive the fee for such extension due to force majeure in accordance with rule 7 of Maharashtra Real Estate Registration Rules, 2017.
- The time limits for compliances under Section 11, which become due anytime during force majeure period, stand automatically extended for a period till the expiry of force majeure period. Force majeure period shall be from 15<sup>th</sup> March to 14<sup>th</sup> September, 2020.
- The Force Majeure period will be treated as a "moratorium period" for the purpose of

calculating interest under section 12, 18 19(4) and 19(7) of the Act.

- The work of registration of sale documents has been adversely affected due to non-functioning of the offices of the Sub-Registrar. Therefore, any registration of agreement for sale, which becomes due during the force majeure period under Section 13 of the Act, can be registered in a period extending till the expiry of force majeure period.
- The dates of possession mentioned in already registered agreements for sale, shall be deemed to be extended by the Force Majeure period.
- Due to non-functioning of the concerned offices, the work of transfer of title and conveyance has been adversely affected. Therefore, any compliance under Section 17 that becomes due during the Force Majeure period is allowed to be completed in a period extending till the expiry of the force majeure period.
- To ensure that the available liquidity in the designated RERA Accounts get utilized, on priority, for completion of the project, any refund, which under rule 19 of MahaRERA Rules becomes due during the Force Majeure period is allowed to be executed in a period extending up to one month after the expiry of the Force Majeure period. Similarly, any amount, which under Section 40 of the Act becomes payable during the Force Majeure period, shall be recovered after the expiry of the Force Majeure period. [Source: MahaRERA]

## **GUJARAT RERA**

### **News**

#### **Extension of Registration of Real Estate Project due to 'Force Majeure'**

Acting on Centre's advisory asking real-estate regulators in states and union territories to extend by at least six months the deadline for completion of projects in the face of the coronavirus outbreak, the Gujarat RERA authorities have extended by six months the completion deadlines for real estate projects vide Order-35 dated May 16, 2020



The deadline for RERA projects that were registered or were to be completed by or on March 25, 2020 should be extended, the Centre's advisory issued to states on May 13, 2020 had said, giving relief to the stressed sector.

The advisory came a few hours after Finance Minister Nirmala Sitharaman told media that the deadline would be extended in the face of the coronavirus outbreak.

The outbreak of COVID-19, the respiratory illness caused by the coronavirus, be treated as an "act of God" and a "force majeure" event under the Real Estate Regulatory Authority (RERA) Act, the housing and urban affair ministry said in the advisory.

In its advisory to the state RERA authorities, the Centre had said that the regulators could extend by another three months the date of completion, if needed. They can also issue fresh "project registration certificates" with a revised timeline at the earliest.

"The completion date or extended completion date is hereby automatically (without application) extended by 6 months due to outbreak of COVID-19 (Corona Virus), which is a calamity caused by nature and is adversely affecting regular development of real estate projects, by invoking force majeure clause," the Gujarat order said.

Promoters of these projects will be able to download Fresh 'Project Registration Certificates' with extended project completion date from their log-in on GujRERA PORTAL and the same will also be available in Public view section of registered project on GujRERA PORTAL in due course of time, it said.

According to the order, the cut-off date for the relief announced on April 13 now has been revised from March 31, 2021 to September 30, 2021.

The order noted that the extension will also be applied to all buyer-seller agreements entered into prior to March 25, 2020 for which the project completion date is on or after March 25.

"This general order on extension will also apply to all buyer-seller agreements (AFS) entered into prior to 25th March, 2020 for which the project completion date is on or after 25th March, 2020. Only for such agreements, the agreed possession date would be understood to be extended by six months. Promoter shall extend similar extension in payment due date to Allottee, when requested for, where these due dates are between 25th March, 2020 and 30th September, 2020," the Gujarat RERA order said. [Source: Gujarat RERA]

#### **Implementation of Financial Quarter Based QPR filing with effect from 7th July, 2020**

Real estate developers will now be able to file Quarterly Progress Report (QPR) according to financial quarters. Currently, realtors have to submit their progress reports every three months from the month their projects are registered with Gujarat Real Estate Regulatory Authority (Gujarat RERA).

Considering the real estate project promoters' demand of extending the time for filing QPRs in the wake of extension in the lockdown, Gujarat RERA has decided to implement financial quarter based project progress reporting system for registered realty projects.

Irrespective of their last QPR filing, the developers will now be required to file their QPRs during a financial quarter and the last date of filing will be the 7th day after a financial quarter ends. For the April-June quarter of fiscal year 2020-21, QPRs will be due to be filed by July 7, 2020, the authority said in the order issued on May 06, 2020 vide Order-34.

The authority will also exempt defaulting projects (as on March 2020) from any regulatory action if QPRs for such projects are filed by July 7.

Stringent action, however, will be taken against the promoters who fail to submit QPRs for the first quarter of this fiscal by July 7, Gujarat RERA made it clear in the order. [Source: Gujarat RERA]

### **PUNJAB RERA**

#### **Punjab Real Estate Regulatory Authority vide circular no. RERA/ENF-2020/20 Dated 13/05/2020**

The Real Estate Regulatory Authority, Punjab has considered the existing situation from all aspects and hereby determines that the current COVID-19 pandemic is a 'Force Majeure' situation for the purposes of the Real Estate (Regulation and Development) Act, 2016 In the State. In view of this it has been decided as follows:

a. For all registered projects where completion date or revised completion date or extended completion date is on or after 15th March, 2020, the period of validity for registration of such projects shall be automatically extended by six months from the original date.

b. For all projects whose registration had lapsed prior to 15th March 2020 and in which applications for extension are under consideration, the period of validity for registration of such projects shall be extended by six months In addition to the extension period that would normally be granted on processing the application.

c. For all registered projects the registration of which has lapsed prior to 15th March, 2020 and in which application for extension has not yet been made, the period of validity for registration of such projects shall be extended by six months in addition to the period that would normally be granted on processing the application, provided they apply for extension after paying the necessary late fee. In calculation of late fee, the period from 15th March, 2020 to 30th June, 2020 shall be excluded.

The time limit for all statutory compliances in relation to real estate projects and real estate agents, in accordance with the Real Estate (Regulation and Development) Act, 2016 and the rules and regulations made thereunder, which has become due till date is extended upto 30th June 2020.

### **MADHYA PRADESH RERA**

#### **Case Laws**

#### **Judgment by MP Rera Adjudicating Officer as on 29.05.20 for Dr. Naresh Tiwari vs M/s Greenland Shelters Private Limited**

**Facts:** Promoter took more than 50% amount of booking before registry in 2011 and till date neither has executed any registry and sale deed nor showed any interest in development to give possession. Aggrieved allottee filed complaint to to either provide possession or refund the amount paid along with interest at 15%.

**Decision:** After considering the current position of the project and the promoter there is high uncertainty regarding the completion of the project in future, hence giving possession in due time is not possible. Hence, authority decided to refund the amount along with interest.

But interest will be provided at which rate was a question in itself. 15% rate was nowhere mentioned in any contract between the allottee and developer. As per Rule 17(2) of MP Rera Rules, 2017 the rate can be which is displayed on the website of the authority for the time being. But this rate is not necessary to be used, in fact rate should be used seeing the circumstances of the case.

Hence, after considering above facts authority decided to give refund of the amount paid along with interest at 8% (SBI Lending Rate) and 10,000 Rs. in addition for mental and physical inconvenience faced by the allottee.

#### **Judgment by MP Rera Authority as on 30.05.20 for Piyush Kumar Agrawal vs Sarthak Innovation Private Limited**

**Facts:** Allottee paid Rs. 50 lacs out of Rs. 65 lacs and was always ready to pay the balance amount but



till date neither any sale deed nor possession has been provided. Hence he demanded the refund along with interest and compensation.

Promoter in response presented following facts:

- i. Completion Certificate has already been obtained on 21.05.15 i.e. before RERA came into force, hence authority has no right to interfere.
- ii. Allottee is a shareholder in the project for 26.71%.
- iii. Allottee's close relative was the director of the company till 31.03.17.
- iv. Building is complete in all respects. Allottee never asked promoter to execute sale deed and showed willingness to pay the remaining amount to get possession.
- v. Allottee paid Rs. 10L after selling shares and paid 40L Rs. from bank loan.

Promoter said that allottee has hidden facts and demanded to get remaining amount with 18% interest.

On analyzing above facts following came into picture:

- Completion certificate obtained on 21.05.15 was for part of the project, which includes complainant's house but was not for the whole project. Also, the project got registered in RERA on 14.01.19 and got extension for the project till 30.06.20, which clearly shows that project is still ongoing and within the powers of the authority to adjudicate.
- Agreement between the allottee and the promoter was to give possession on payment of all the dues and no date was mentioned. On



21.05.15 though the project got completed, still as per bank loan statement 40L Rs. were been paid till 31.03.18 and the remaining amount has not been paid till date.

- Merely holding shares doesn't mean that complainant can't be an allottee. But even after being a shareholder, who knew the terms and conditions of the possession very well, did not pay what was required till 21.05.15.
- Photograph submitted by promoter clearly showed that house of the allottee was complete in all respect on 21.05.15.

**Decision:** Allottee is not entitled to any compensation as he did not pay the full amount even though the house was duly complete. But he is entitled to get the possession after paying the remaining amount. Interest rate demanded I.e. 18% is too high seeing the present circumstances of the case. No decision given in case of interest.

### **CORPORATE LAWS & OTHER COMMERCIAL POLICIES**

#### **Companies prefer pre-litigation mediation to force majeure.**

Companies in the manufacturing services and real estate sectors, in particular, are looking at mediation to end disputes with suppliers, vendors, consumers and even lenders.

[Source: economictimes]

#### **MCA allows companies to hold AGMs through video conferencing**

The Ministry of Corporate Affairs (MCA) on May 5 allowed companies to hold their annual general meeting (AGM) by video conferencing (VC) or other audio-visual means (OAVM) during 2020. In the need for continued adherence to social distancing norms and restrictions placed on the movement of persons as reasons for the same. [Source: MCA]

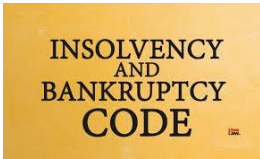
### **MISCELLANEOUS**

#### **An alternative mechanism to flatten the bankruptcy curve**

An ordinance to suspend fresh filings under the Insolvency and Bankruptcy Code (IBC) by any category of creditors or even the corporate debtor for a period of six months is now imminent. This is required to obviate the likelihood of multiple businesses facing financial fragility being pushed through the insolvency process. [Source: livemint]

#### **IBC: Retrospective Application of Revised Threshold**

Central Government had, vide notification bearing no. SO 1205(E) dated March 24, 2020 ("Notification"), increased the threshold of the minimum amount of default for the purpose of maintainability of an application for initiation of corporate insolvency resolution. [Source: livelaw]



#### **SARFEASI Act Applicable To Cooperative Banks**

The Supreme Court has held that the Securitization and Reconstruction of Financial

Assets and Enforcement of Security Act 2020 is applicable to cooperative banks. [Source: livelaw]

#### **CBIC enables Facility for Registration of Insolvency Resolution Professionals on GST Portal**

The Central Board of Indirect Taxes and Customs (CBIC) has enabled the facility for registration of Insolvency Resolution Professionals/ Resolution Professionals (IRPs/RPs) on the GST Portal.

[Source: taxscan]

#### **MSMEs may now get their grievances resolved within 7 days through this new govt portal**

MSME ministry has launched portal -- ideas.msme.gov.in- for MSMEs to share their ideas, innovation, and research in respective sectors for public reviews for vetting before launching them within the Champions portal.

[Source: financial express]

#### **New MSME definition has a message: No longer have to stay small to avail benefits**

Government broadened the definition of Micro, Small and Medium Enterprises (MSMEs) by revising the limit of investment in machinery or equipment and introducing a "turnover" criteria in its economic stimulus package.

[Source: indianexpress]

#### **Existing and Revised Definition of MSMEs**

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment <Rs. 25 lac	Investment <Rs. 5 cr.	Investment <Rs. 10 cr.
Services Enterprise	Investment <Rs. 10 lac	Investment <Rs. 2 cr.	Investment <Rs. 5 cr.
Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment <Rs. 1 cr. and Turnover <Rs.5 cr.	Investment <Rs. 10 cr. and Turnover <Rs.50 cr.	Investment <Rs. 20 cr. and Turnover < Rs.100 cr.

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