



LEGAL UPDATE

AUGUST 2020 - PART II

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## **I. MINISTRY OF CORPORATE AFFAIRS (MCA)**

### **1. Clarification on Extension of Annual General Meeting (AGM) for the Financial Year (FY) ended as at March 31, 2020**

MCA vide [Circular dated August 17, 2020](#), has clarified that the companies which are not able to hold their AGM for the FY ended March 31, 2020, despite availing the relaxation provided in its earlier [Circular dated May 05, 2020](#), regarding holding of AGM through Video conferencing or other audio visual means, are ought to file applications in Form GNL-1 for seeking an extension of time in holding of AGM with the Registrar of Companies on or before September 29, 2020.

### **2. Companies (Corporate Social Responsibility Policy) Amendment Rules, 2020**

MCA vide [Notification dated August 24, 2020](#) has amended item ix of Schedule VII of the Companies Act, 2013. Post amendment the following 2 activities shall be considered as Corporate Social Responsibility (CSR) activities:

- a) Contribution to incubators or research and development (R&D) in various fields of science, technology, medicine etc. funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government
- b) Contributions to certain specified Institutions/Department which are engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals.

Subsequently MCA vide [Notification dated August 24, 2020](#) has amended the CSR Policy Rules, 2014 as follows:

- a) Under Rule 2 a provision has been inserted which allows companies involved in R&D of making vaccines, drugs, medical devices in normal course of business to undertake the same for COVID-19 and to take such cost of R&D for financial years 2020-21, 2021-22 and 2022-23 as a CSR expenditure upon fulfilment of the below conditions:
  - such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act.
  - details of such activity shall be disclosed separately in the Annual Report on CSR included in the Board's Report
- b) Under Rule 4 and 6 the phrase “excluding activities undertaken in pursuance of its normal course of business” has been excluded

## **II. SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)**

### **1. Handling of SCORES complaints by stock exchanges and Standard Operating Procedure (SOP) for non-redressal of grievances by listed companies**

SEBI vide [Circular dated August 13, 2020](#) has laid down the procedures for handling complaints by the stock exchanges and SOP for actions to be taken against listed companies for failure to redress investor grievances. The detailed procedure has been provided under the below 3 categories:

- 1) Handling of Complaints by stock exchanges
- 2) Action for failure to Redress Investor Complaints
- 3) Action after Redressal of Investor Grievance by the Company

The circular shall come into force from September 01, 2020. The recognized stock exchanges shall disclose on their website the action(s) taken against the listed entities for non-compliance(s) with grievances, amount of fine levied, details regarding the freezing of shares, compliance etc.

### **2. Extension of timeline for implementation of Grievance Resolution between listed entities and proxy advisers**

SEBI vide [Circular dated August 27, 2020](#) has extended the timeline for implementation of previous circulars on [Procedural Guidelines for Proxy Advisors](#) and [Grievance Resolution between listed entities and proxy advisers](#) by 4 months. Previously the above Circulars were applicable with effect from September 01, 2020. Post this circular the provisions shall be applicable with effect from January 01, 2021.

## **III. RESERVE BANK OF INDIA (RBI)**

### **1. Clarification on new definition of Micro, Small and Medium Enterprises (MSMEs)**

RBI vide [Circular dated August 21, 2020](#) has issued the below clarifications regarding applicability of certain aspects on the new criteria for classifying the enterprises as MSMEs:

#### **1) Classification of Enterprises as per new definition –**

- a) Classification / re-classification of MSMEs is the statutory responsibility of the Ministry of MSME and shall be as per the provisions of the MSMED Act, 2006.
- b) All enterprises are required to register online and obtain ‘Udyam Registration Certificate’. All lenders may, therefore, obtain ‘Udyam Registration Certificate’ from the entrepreneurs.

#### **2) Validity of EM Part II and UAMs issued till June 30, 2020 –**

- a) The existing Entrepreneurs Memorandum (EM) Part II and Udyog Aadhaar Memorandum (UAMs) of the MSMEs obtained till June 30, 2020 shall remain valid till March 31, 2021. Further, all enterprises registered till June 30, 2020, shall file new registration in the Udyam Registration Portal well before March 31, 2021.
- b) 'Udyam Registration Certificate' issued on self-declaration basis for enterprises exempted from filing GSTR and / or ITR returns will be valid for the time being, upto March 31, 2021.

### **3) Value of Plant and Machinery or Equipment**

The online form for Udyam Registration captures depreciated cost as on March 31 each year of the relevant previous year. Therefore, the value of Plant and Machinery or Equipment for all purposes and for all the enterprises shall mean the Written Down Value (WDV) as at the end of the Financial Year as defined in the Income Tax Act and not cost of acquisition or original price, which was applicable in the context of the earlier classification criteria.

## **IV. HEALTH AND SAFETY**

### **1. Advisory on Covid-19 in West Bengal**

Government of West Bengal vide [Circular dated August 17, 2020](#) has provided the below advised on the Covid-19 situation in the country:

1. Make sure the workplaces are clean and hygienic
2. Make necessary arrangements for adequate hand sanitizers, hand wash and mark inside the workplace for the use of the workers
3. Follow necessary circulars/guidelines/advisories/news issued by Government time to time
4. Display posters of Do's and Don'ts at main gate and notice Board

### **2. Extension of Unlock 3 in Bihar**

Government of Bihar vide [order dated August 17, 2020](#) has extended the restriction as imposed vide its earlier Order dated July 30, 2020. The aforesaid order has put additional restrictions and conditions in Bihar over and above the unlock-3 guidelines notified by the Government of India. This further restriction will remain effective till September 06, 2020.

## **V. HEALTHCARE**

### **1. Guidelines on Safe Ophthalmology Practices in Covid-19 Scenario**

Ministry of Health and Family Welfare vide [Notification dated August 19, 2020](#) states the guidelines on Safe Ophthalmology Practices in Covid-19 Scenario. Key points in the notification are as follows:

- Basic preventive measures like Physical distancing of at least 6 feet, use of face covers/masks, frequent hand washing with soap, Respiratory etiquettes is to be maintained.
- Tele-counselling and teleconsultation should be encouraged to lessen patient visits.
- Entrance to hospital/clinic to have mandatory hand hygiene and thermal screening provisions
- The patients should be queried about Covid-19 like symptoms and contact history.
- A daily list of all HCW, patients and their attendants & any hospital visitors with their mobile numbers and IDs should be maintained (for contact tracing if needed in future)  
Please refer to the link provided for further details.

## **2. Additional restrictions for COVID-19 in Mohali District, Punjab w.e.f August 18, 2020**

The Government of Punjab [vide notification dated August 17, 2020](#) has issued additional restrictions within municipal limits of all the cities of Mohali District w.e.f. 18th August, 2020 till further orders as follows:

- Movement of individuals for all the non-essential activities shall remain prohibited between 9.00 pm to 5.00 am.
- Restaurants, Hotels, and other Hospitality Units will be opened till 8:30 pm.
- Shops and shopping Malls will be opened till 8:00 pm.
- Restaurants/Hotels situated within shopping malls will be opened till 8:30 pm.

## **VI. ENVIRONMENT**

### **1. Maharashtra Pollution Control Board issues services to be provided under Maharashtra Right to Public Services Act, 2015**

The Maharashtra Pollution Control Board (MPCB) vide [Circular No. MPCB/RO \(HQ\)/B-200824-FTS-003](#) dated August 24, 2020, published a circular for the services provided under Section 3 of the Maharashtra Right to Public Services Act, 2015 by Maharashtra Pollution Control Board working under the environment department. The following services are to be provided for the public and industry:

- i. The registration according to the rules for Plastic Waste Management Rules, 2016 and their amendments must be made within 90 days of receipt of the request. Fee for the same is Rs.500
- ii. Authorization / registration under the E-Waste Management Rules 2016 and any amendment in the same must be made within 120 days from the date of receipt of the application in accordance with the provisions of the E-Waste Management Rules and no fees shall be charged for the same.
- iii. Approval for the treatment, recycling and recovery of hazardous waste under Hazardous and Other Waste (Management & Transboundary Movement) rules, 2016 and their modification must be made within 120 days from the date of receipt the request and no fee will be charged for the same

iv. The individual permit for the import of hazardous waste as per Part-D Schedule-III of Hazardous and Other Waste (Management & Transboundary Movement) rules, 2016 and its amendments must be made in the 120 days free of charge.

## 2. Industries producing hazardous waste to install display boards in Assam

Assam Pollution Control Board vide [Notification No. WB/T-237/19-20/95](#) dated August 17, 2020 has directed all hazardous chemicals and generating hazardous waste industries to install display board outside the factory gate. The display board shall contain all information regarding effluent discharge, air emissions, and waste generated on the factory premises in the format attached to the notification. In addition, the installation of the in-line display panel has been mandated in all large, medium and small units, and it can also be regulated to install a manual environmental data display panel of a size appropriately outside the factory gate. Please see the notification for more information.

## 3. Categorization of Restaurants by Kerala State Pollution Control Board

The Kerala State Pollution Control Board vide [Notification No. PCB/T4/115/97\(B\)](#) dated August 25, 2020 has categorized Restaurants in the below mentioned categorization:

Sr No	Item Categorized (Restaurants)	Category
1	Seating capacity upto 20 seats	White
2	Seating capacity 20-100 seats	Green

## 4. Punjab Pollution Control Board has revised the procedure and documents required for obtaining the one-time authorization for a specified quantity of waste

The Punjab Pollution Control Board (PPCB) vide [Order No. SEE\(HQ-2\)/2020/475](#) dated August 21, 2020 has revised the procedure and documents required for obtaining the one-time authorization under of the 2016 Hazardous Waste Rules and other waste (management and cross-border movements) under Rule 13. The procedure for obtaining a single permit from a trader who intends to import other wastes listed in Schedule III Part D on behalf of the actual user (s) as follows:

- The authority grants a one-time approval for a certain amount instead of granting it monthly basis. When the mentioned certain amount of waste is imported, the permit ends
- The period of validity of the individual permit is 18 months or until the specified amount of waste is imported, whichever comes first.
- Permits issued after January 31, 2019 will be deemed to have expired 18 months from the date of issue of this permit.

- In the event of a breach of the Terms, the PPCB may suspend or revoke this approval after giving the opportunity to be heard and recording the reasons.
- The PPCB has also revised the processing fees in accordance with the new procedure.
- The trader must obtain a certificate of suitability for the scrap / waste storage area from the relevant municipal administration or the town planner of the relevant district.
- The revised documents and the revised format for the issue of an individual license are mentioned in Annex A (page 4) and Annex B (page 8) of this regulation.

**5. Implementation of Central Pollution Control Board Revised Guidelines (Revision-4) for Handling, Treatment, and Disposal of Waste Generated during treatment/ Diagnosis/ Quarantine of COVID-19 Patients-reg.**

Karnataka Pollution Control Board vide [Notification No. KSPCB/MS/BMW/2020/114](#) dated August 24,2020 has extracted key portions from the CPCB guidelines on Handling and Disposal of Waste Generated During COVID-19 issued on 17th July 2020, for the purpose of implementation of the same for departments/organizations/stakeholders in the state. Please refer the notification for details.

**6. Punjab Pollution Control Board has extended the Validity Period Of CTE/CTO, Authorization, Registration and Any Other Mandatory Regulatory Clearances**

Punjab State Pollution Control Board vide [Notification No. SEE\(HQ-2\)/2020/453](#) dated August 08, 2020 has extended the validity for the Consent to Establish, Operate, Authorization, Registration, and any other mandatory regulatory clearances which were to expire by 30<sup>th</sup> June 2020 will now be valid till 31<sup>st</sup> March 2021. The extension will be granted on the fulfilment of the below mentioned conditions:

- Consent/authorization/registration application shall be submitted along with fee and undertaking to the effect that the industry will always be complying with the consent/authorization conditions and achieve the effluent/emission standard.
- The site inspection shall be carried out in due course of time.
- In case of any complaint/violation, the consent/authorization shall be automatically considered to be revoked. Please refer the notification for more details

## **VII. FOOD SAFETY**

**1. SoP for applying and processing of refund of erroneous/inadvertent payments in respect of license/registration fee**

Food Safety Standards Authority of India (FSSAI) vide [Notification No. 15\(6\)2020/FLRS/RCD/FSSAI dated August 18, 2020](#) states the Standard Operating Procedure (SoP) as follows for applying and processing of refunds of erroneous/inadvertent payments credited into FSSAI Account in respect of license/registration:

- The refund request with application reference number and payment transaction details should be made within one year of the payment through the FSSAI's online licensing and registration portal (Food Licensing and Registration System <https://foodlicensing.fssai.gov.in> or Food Safety Compliance System <https://foscos.fssai.gov.in>). The request shall be sent to FSSAI HQ through email at [enforcement1@fssai.gov.in](mailto:enforcement1@fssai.gov.in)
  - Refunds of less than Rs.100 may not be processed
- 2. Food Safety and Standards (Contaminants, toxins and Residues) First Amendment Regulations, 2020 relating to Metal Contaminant in food**  
FSSAI vide [Notification No. F. No. Stds/SP/\(Contaminants\)/Notification-1/FSSAI-2018 dated August 7, 2020](#) issued Food Safety and Standards (Contaminants, toxins and Residues) First Amendment Regulations, 2020 to amend the Food Safety and Standards (Contaminants, toxins and Residues) Regulations, 2011. According to the amendment, no article of food as specified in the notification shall contain any metal specified in excess of the quantity specified in column 3 of the table provided in the notification. Please refer to the link provided for the detailed table.
  - 3. Waving off the penalties during COVID-19 pandemic due to non-submission of Annual/Half-yearly returns by food businesses**  
FSSAI [vide notification dated August 24, 2020](#) declares that the period from March 22, 2020 to December 31, 2020 is not to be counted for accumulation of penalties under clause 2.1.13 of FSS (Licensing and Registration of Food Businesses) Regulations, 2011 due to non-submission of returns.
  - 4. Food Safety and Standards (Packaging and Labelling) First Amendment Regulations, 2020**  
FSSAI [vide Notification No. F. No. REG-18/Menu Labelling/FSSAI-2018 dated August 21, 2020](#) has issued Food Safety and Standards (Packaging and Labelling) First Amendment Regulations, 2020 to amend Food Safety and Standards (Packaging and Labelling) Regulations, 2011. Following are the amendments:
    - Insertion of new regulation 2.4.6 which states that Food Service Establishments having central license or outlets at ten or more locations shall mention the calorific value (in kcal per serving and serving size) against the food items displayed on the menu cards or boards or booklets and the reference information on calorie requirements shall also be displayed clearly and prominently as “An average active adult requires 2,000 kcal energy per day, however, calorie needs may vary”.
    - Food Service Establishments shall also mention the information relating to allergens and logo for vegetarian or non-vegetarian against the food items displayed on the menu cards or boards or booklets.



- E-commerce Food Business Operators shall get the information as stated from respective Food Business Operator and provide on their website wherever applicable.

## **VIII. MUNICIPAL**

### **1) Haryana Fire Service (Amendment) Ordinance, 2020 amending Haryana Fire Service Act, 2009**

The Haryana Government has [vide Notification No. Leg. 21/2020 dated August 17, 2020](#) issued the Haryana Fire Service (Amendment) Ordinance, 2020 to amend Haryana Fire Service Act, 2009. As per the amendment, any person proposing to construct a building to be used for any purpose other than residential purpose or a residential building of more than 16.5 mtrs. in height proposed on residential plot or proposed for other residential purposes of more than 15 mtrs. in height, such as group housing, multi-storeyed flats, walk-up apartments, etc., 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 issue of no objection certificate on such form, along with such fee, as may be prescribed.

## **IX. PROPERTY**

### **1. Extension of time for registration of ongoing projects in Kerala Real Estate Regulatory Authority (K-RERA)**

K-RERA vide [Public Notice dated August 21, 2020](#) has decided to further extend the date for submission of applications for registration of ongoing real estate projects without penalty till September 30, 2020. Due to social distancing concerns during the pandemic submission of application through courier/post is highly recommended, only one person can visit the office at a time, promoter, or agent. Other modes of sending application shall be avoided.

## **X. TAX**

### **1. Department can verify documents of place of business, instead of a visit, in case Aadhaar authentication for registration is not done**

Central Board of Indirect Taxes and Customs (CBIC) vide [Notification No. 62/2020 - Central Tax dated August 20, 2020](#) has notified that CGST Rules, 2017 has been amended to provide that w.e.f. August 21, 2020, where a person fails to undergo authentication of Aadhaar number or does not opt for authentication of Aadhaar number, then the registration shall be granted only after physical verification of the

place of business in the presence of such person. Also, the proper officer may, in lieu of the physical verification of the place of business, carry out the verification of such documents which the officer deems fit.

If the proper officer fails to take any action, within a period of 21 days from the date of submission of the application in case a person does not opt for authentication of Aadhaar number; then the registration application shall be deemed to have been approved.

**2. CBDT notifies conditions to be satisfied by pension fund to become eligible for exemption u/s 10(23FE)**

Central Board of Direct Taxes (CBDT) vide [Notification No. 67/2020 dated August 17, 2020](#) has notified conditions to be satisfied by pension fund to become eligible for exemption u/s 10(23FE).

The Finance Act, 2020, has inserted section 10(23FE) to provide that any income in the nature of dividend, interest or long-term capital gains arising from an investment made in India is exempt from tax subject to fulfilment of certain conditions. This exemption is available to a wholly-owned subsidiary of the Abu Dhabi Investment Authority, a sovereign fund and pension fund. However, a pension fund is required to fulfil certain additional conditions.

Now, the CBDT has inserted a new rule 2DB to provide that a pension fund shall be required to satisfy certain conditions.

Further, Rule 2DC has been inserted to provide that the pension fund is required to make an application in Form No. 10BBA in order to become eligible to claim exemption u/s 10(23FE).

**3. Amendment of Section 50 of Central Goods and Services Tax Act, 2017**

CBIC vide [Notification No. 63/2020–Central Tax dated August 25, 2020](#) has appointed September 01, 2020, as the date on which the provisions of section 100 of the [Finance \(No. 2\) Act, 2019 \(23 of 2019\)](#), shall come into force.

**XI. LABOUR**

**1. Automatic non-discretionary deemed renewal for renewal of registration/ licenses granted under the different labour laws in Himachal Pradesh**

The Labour and Employment Department, Himachal Pradesh [vide Notification No. Shram \(F\)2-1/2020 dated July 30, 2020](#) orders that renewal of registration/ license granted under the following labour laws shall be in automatic nondiscretionary deemed renewal manner subject to submission of renewal applications online along with online deposit of renewal fee through existing portals of department for the purpose:—

- 1) The Factories Act, 1948.
- 2) The Contract Labour (Regulation and Abolition) Act, 1970.

- 3) The H.P. Shops & Commercial Establishment Act, 1969.
- 4) The Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

**2. The Contract Labour (Regulation and Abolition) (Punjab Amendment) Ordinance, 2020 to amend the Contract Labour (Regulation and Abolition) Act, 1970**

The Department of Labour, Punjab has [vide notification dated August 11, 2020](#) issued the Contract Labour (Regulation and Abolition) (Punjab Amendment) Ordinance, 2020 to amend the Contract Labour (Regulation and Abolition) Act, 1970. As per the amendment, the Act will now be applicable to the establishments employing fifty or more employees.

**3. Industrial Disputes (Punjab Amendment) Ordinance, 2020 to amend Industrial Disputes Act, 1947**

The Department of Labour, Punjab has [vide notification dated August 11, 2020](#) has issued Industrial Disputes (Punjab Amendment) Ordinance, 2020 to amend Industrial Disputes Act, 1947. Following are the amendments brought in by the Ordinance:

- New sub-section 2A(4) has been inserted which states that no dispute or difference between workman and his employer connected with, or arising out of, such discharge, dismissal, retrenchment or termination shall be deemed to be an industrial dispute if such dispute is not raised in conciliation proceeding within a period of three years from the date of such discharge, dismissal, retrenchment or termination.
- In Section 25K(1), the provisions of Chapter VB shall apply to an industrial establishment (not being an establishment of a seasonal character or in which work is performed only intermittently) in which not less than **Three hundred** workmen were employed on an average per working day for the preceding twelve months.

**4. Withdrawal of restrictions on Inter-state and Intra-state movement of Persons and Goods**

The Ministry of Home Affairs [vide notification no. D.O.No. 40-3/2020-DM-I\(A\)](#) dated August 22, 2020 has withdrawn the restrictions imposed on Inter-state and Intra-state movement of persons and goods and services. No separate permission/approval/e-permit will be required for such movement.

**5. Revised protocol for Inter-state Travellers to Karnataka**

The Karnataka Government [vide Notification No. HFW 317 ACS 2020 dated August 24, 2020](#) has issued revised guidelines for inter-state travellers to Karnataka. Following are the activities discontinued:

- Registration on Seva Sindhu Portal

- Entry and medical check-up at the state borders, bus stations, railway stations and airports.
- Hand stamping
- 14 days quarantine
- Isolation and testing

#### **6. Labour Laws (Madhya Pradesh Amendment) Ordinance, 2020**

The Madhya Pradesh Government [vide Notification dated August 20, 2020](#) has issued the Labour Laws (Madhya Pradesh Amendment) Ordinance, 2020 to amend the Factories Act, 1948 and Contract Labour (Regulation and Abolition) Act, 1970. As per the amendment: -

- The provisions of the Factories Act, 1948 will now be applicable to fifty or more workers.
- The provisions of the Contract Labour (Regulation and Abolition) Act, 1970 will now be applicable to fifty or more workmen.

#### **7. Specific reforms formulated by the Karnataka Government for the purpose of ease of doing business**

The Government of Karnataka vide [Notification No. KUM/E9/EODB/DB-RAP/111/2020-21](#) dated August 17, 2020 has issued a notice introducing additional government borrowing of 2%, subject to government reforms to make business easier.

**Below mentioned are the eliminations of renewals:**

- The government has stated that certificate / approval / license renewal processes should be abolished for various companies.
- In addition, the authorities have stated that a simple fee collection applies if the renewal process is carried out efficiently and with sufficient transparency via online portals. The below mentioned services should be considered:
  - i. Registration according to the law on companies and businesses
  - ii. License for contractors under the Contract Labor Act (ordinance and abolition).
  - iii. Establishment registration under the Interstate Migrant Workers Act 1979.
  - iv. Licensed under the Factories Act of 1946.

**Computerized central random inspection system:**

- The government has expressed the need to develop a central computerized random inspection system so that the assignment of inspectors can be carried out.
- The same inspection officers cannot be assigned to the same site in subsequent years and the officers must be notified within 48 hours of the inspection.

In addition, the reforms must be integrated and presented to the authorities by September 15, 2020.

**8. Self-certification cum Online Common Inspection Scheme has been formulated by the Government of Puducherry for all Shops and Establishments within the Union Territory**

The Government of Puducherry vide [Order No. G.O. Ms. No/05/Lab/AIL/G/2020](#) dated August 07, 2020 has introduced the Self-certification cum Online Common Inspection Scheme for Shops and other Establishments within the Union Territory of Puducherry to liberalise the enforcement of various Labour Laws in the pursuance of the implementation of the “Business Reform Action Plan- Ease of doing Business as formulated by Government of India. Please refer the notification for further details.

**9. The Rajasthan Minimum Wages Notification**

The Government of Rajasthan vide [Notification No: F8\(5\)\(6\)Min. M/Labour/2000/Part/15744](#) dated August 19, 2020 has released minimum wages applicable for business of various nature in the State of Rajasthan. The Notification has been made effective from 1st May 2019. Please refer the notification for further details.

**10. The Maharashtra State Tax on Professions, Trades, Callings, And Employments (Amendment) Rules, 2020**

The Government of Maharashtra vide [Notification No No.PFT-1220 / C.R. 16 / Taxation-3](#) dated August 07,2020 has made the below mentioned amendment in The Maharashtra State Tax on Professions, Trades, Callings, and Employments Rules, 1975.

Employers registered under Companies Act 2013 shall furnish first return from the month in which it is liable to pay tax and shall continue to furnish monthly return till the end of that year and thereafter they shall furnish the return as per the provisions of sub-rule (3) of rule 11.

**11. Karnataka New Industrial Policy 2020-2025**

The Government of Karnataka vide [Order No. CL 199 SPI 2018](#) dated August 13, 2020 published a new industrial policy 2020-25. The new industrial policy will contribute to the proper implementation of industrial policy and the new opportunities, especially in manufacturing, will increase. The aim is to strengthen the industrial sector of Karnataka and fulfill its role as the engine of state development.

1) The goals of Policy are:

- To attract investments worth 5 crore and more.
- Creation of employment opportunities for over 20 lakh.
- Karnataka is aiming for third place in export of goods within the next 5 years.
- Industrial growth of 10% per year.
- Providing an ecosystem for the growth and adoption of new and innovative technologies.

2) Duration of the policy:

- The Directive applies for a period of 5 years from the date of publication in the Official Journal.
- 3) Priority Sectors:
- Automobiles and automotive components are one of them. It contributes 8.5% to the manufacturing sector.
  - Medicines and medical devices, which generate 40% of the state's income.
  - Technology and machine tools have a beautiful ecosystem in Karnataka.
  - Knowledge-based industries will contribute to the introduction of the innovative and technological ecosystem.
- 4) Promotion of micro, small and medium-sized enterprises (MSMEs):
- As part of this program, the government has planned to develop an online platform that will help solve the problems in this sector.
  - The platform offers all raw material suppliers a central point of contact for purchasing quality products.
  - You can access the market in a larger area.
  - The platform provides information on quality standards on a larger scale.
  - The platform will help integrate conventional and unconventional sources for providing corporate credit.

## **12. Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987- Rationalization of Tax Rates on Certain Categories of Taxpayer**

The Government of Andhra Pradesh vide [Notification No G.O.Ms.No.223](#) dated August 25, 2020 has made amendments in the First Schedule ( Rationalisation of tax rates on certain categories of tax payers) of the Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987. Please refer the Notification for further details.

## **13. Maharashtra State Tax on Professions, Trades, Callings and Employments (Amendment) Ordinance, 2020**

The Maharashtra Finance Department vide [Ordinance No. XIII of 2020](#) dated July 22, 2020 has further amended the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and issued the Maharashtra State Tax on Professions, Trades, Callings and Employments (Amendment) Ordinance, 2020. Below mentioned are the amendments made in Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975:

- Section 5 has a new sub-section 3A has been inserted specifying the guidelines for obtaining registration certificate under this Act: -  
“Notwithstanding anything contained in this section, a company, which has been incorporated under the provisions of the Companies Act, 2013, after the date of commencement of the Maharashtra State Tax on Professions, Trades, Callings and

Employments (Amendment) Ordinance, 2020, shall at the time of its incorporation, obtain the certificate of enrolment and certificate of registration under this Act”.

- A new proviso has been inserted in Section 6(1) which specifies the details regarding the showcase of filing of tax returns stating that the employer registered under Section 5(3A), after the commencement of his liability to pay tax, furnish to the prescribed authority, return in such form, for such period and by such dates as may be prescribed.

#### **14. Permission to operate Industries Manufacturing essential commodities during lockdown in Kerala**

Government of Kerala vide [Order No. G. O.\(Rt\)No.596/ 2020 IID](#) dated August 07,2020 has issued Permission to operate Industries Manufacturing essential commodities during lock down.

#### **15. The Factories (Goa Amendment) Ordinance, 2020**

Government of Goa vide [Notification No. 8/2/2020-LA](#) dated August 10, 2020 has brought into force the Factories (Goa Amendment) Ordinance, 2020. The government has increased threshold limit for applicability to the Factories Act, 1948 from ten or more workers to twenty or more workers for factories operating with the aid of power and from twenty or more workers to forty or more workers for factories operating without the aid of power.

#### **16. The Contract Labour (Regulation and Abolition) (Goa Amendment) Ordinance, 2020**

The Government of Goa vide [Notification No.8/1/2020-LA](#) dated August 10, 2020 has brought into force The Contract Labour (Regulation and Abolition) (Goa Amendment) Ordinance, 2020 and has amended the applicability to the act for the establishments employing twenty or more workmen to fifty or more workmen.

#### **17. Extension in due date for payment of Online Maharashtra Labour Welfare Fund**

[Government of Maharashtra](#) has extended the due date for paying contribution of Maharashtra Labour Welfare Fund till 15<sup>th</sup> September 2020.

## **XII. OTHERS**

#### **1. Central Consumer Protection Authority (Allocation and Transaction of Business) Regulations, 2020**

Central Consumer protection Authority vide [Notification dated August 13, 2020](#) has issued Central Consumer Protection Authority (Allocation and Transaction of Business) Regulations, 2020.

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