



LEGAL UPDATE

JUNE 2020 - PART II

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

### **1. Amendment in Schedule VII of Companies Act, 2013**

MCA vide [Notification dated June 23, 2020](#) has included contribution made towards the benefit of Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans and their dependents including widows, within the ambit of CSR

### **2. Extension to hold EGM through VC or OAVM till September 30, 2020**

MCA vide [Circular dated June 15, 2020](#) has allowed companies to conduct their Extraordinary General Meetings (EGMs) through Video Conferencing (VC) or other audiovisual means (OAVM) or transit items through ballot in upto September 30, 2020. The MCA vide its earlier [Circular dated April 08, 2020](#) had allowed companies to hold relevant EGMs through VCs or OAVM or transact relevant business through postal ballots upto June 30, 2020 or till further orders, whichever is earlier.

### **3. Scheme for relaxation of time for filing forms related to creation or modification of charges**

MCA vide [Circular dated June 17, 2020](#) has introduced the Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013 in order to relax the timeline for making necessary filings for registration of creation or modification of charge on account of the COVID-19 pandemic. The key provisions of the Scheme are as follows:

- 1) Applicability: The Scheme shall be applicable for filing of Form CHG-1 and Form CHG-9 by a company/ charge holder, where the date of creation/modification of charge:
  - a. is before March 1, 2020, provided the time period for filing such form under the Companies Act, 2013 had not expired as on March 1, 2020; or
  - b. falls on any date between March 1, 2020 and September 30, 2020 (both dates inclusive).
- 2) The Scheme shall not apply in the following cases:
  - a. where the Charge Forms have already been filed before June 17, 2020;
  - b. where the timeline for filing the Charge Forms under the Companies Act had expired prior to March 1, 2020;
  - c. where the timeline for filing the Charge Forms will expire at a future date after September 30, 2020; and
  - d. for filing Form CHG-4 for satisfaction of charges.
- 3) Relaxation of time:
  - a. In case the date of creation/modification of charge is before March 1, 2020 and the time period for filing the Charge Forms has not expired, the period between March 1, 2020 and September 30, 2020 shall not be reckoned for the purpose of calculation

of the time period under sections 77 and 78 of the Companies Act for filing such Charge Forms.

- b. In case the date of creation/modification of charge falls on any date between March 1, 2020 and September 30, 2020, the period beginning from the date of creation/modification of charge to September 30, 2020 shall not be reckoned for the purpose of calculation of the time period under sections 77 and 78 of the Companies Act for filing such Charge Forms.
- 4) Applicable fees:
- a. In case the date of creation/modification of charge is before March 1, 2020 and the time period for filing the Charge Forms has not expired, the fees payable as on February 29, 2020 shall be charged in case such Charge Forms are filed on or before September 30, 2020. If such Charge Forms are filed after September 30, 2020, the applicable fees as per the Companies (Registration Offices and Fees) Rules, 2014 (Fees Rules) shall be chargeable after adding the number of days between October 1, 2020 and the date of filing such Charge Forms, and the time period lapsed from the date of creation/modification of charge till February 29, 2020.
  - b. In case the date of creation/modification of charge falls on any date between March 1, 2020 and September 30, 2020, the normal fees under the Fees Rules shall be charged if the Charge Forms are filed on or before September 30, 2020. If such Charge Forms are filed after September 30, 2020, the first day after the date of creation/modification of charge shall be reckoned as October 1, 2020 for the purpose of payment of fees under the Fees Rules.

#### **4. Extension for holding Board Meeting via VC or OAVM till September 30, 2020**

MCA vide [Notification dated June 23, 2020](#) has further allowed companies to hold board meetings through VC or OAVM till September 30, 2020. Previously vide [Notification dated March 19, 2020](#), MCA had relax the requirement of holding Board meetings with physical presence of directors under section 173(2) read with rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 for approval of the annual financial statements, Board's report, etc. till June 30, 2020.

#### **5. Extension of the deadline for registration of independent directors**

MCA vide [Notification dated June 23, 2020](#) has published the Companies (Appointment and Qualification of Directors) Third Amendment Rules, 2020. Through this amendment, MCA has extended the deadline for registration of independent directors on its online data bank till September 30, 2020. Therefore every individual who has been appointed as an independent director in a company, on the date of commencement of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, shall within a period of 10 months from such commencement apply online to the institute for the inclusion of his name in the data bank for a period of one year or five years or for his life-time, and from time to time take steps to renew it as long as he continues to hold the office of an independent director in any company.

## **6. Extension of the time for the creation of deposit repayment reserve and investment in debentures**

MCA vide [Notification dated June 19, 2020](#) has extended the timeline for compliance of requirement under Section 73(2)(c) of Companies Act 2013 to create the deposit repayment reserve of 20% of deposits maturing during the financial year 2020-21 before April 30, 2020 which has now allowed to be complied within September 30, 2020.

Further, the compliance requirement to invest or deposit at least 15% of the amount of debentures maturing in specified methods of investments or deposits before April 30, 2020, maybe complied within September 30, 2020

## **7. Extension of the time period for reservation of name and re-submission of forms**

MCA vide [Notification dated June 22, 2020](#) has extended the validity of approved names for the incorporation of new companies or LLP or for change of name of existing companies or LLP as follows:

- 1) For names reserved for 20 days for new company incorporation, SPICe+ Part B needs to be filed within 20 days of name reservation. For such reservations that are expiring between 15<sup>th</sup> 2020, to 30<sup>th</sup> June, MCA has extended the reservation period by 20 days beyond June 30, 2020.
- 2) Similarly, for existing companies, the reservation period for changing of names is 60 days, and the names expiring any day between March 15, 2020 to June 30, 2020 has been extended by 60 days beyond June 30, 2020.
- 3) For extension of RSUB validity for companies, MCA has decided that where SRNs last date of re-submission (RSUB) falls between March 15, 2020 to June 30, 2020, additional 15 days beyond 30<sup>th</sup> June would be allowed. However, for SRNs already marked under NTBR, the extension would be provided on a case to case basis.
- 4) For names reserved for 90 days for new LLP incorporation/change of name, Form 5 needs to be filed within 90 days of name reservation. MCA has provided that for names expiring any day between March 15, 2020 to June 30, 2020, FORM 5 shall be filed by 20 days beyond June 30, 2020.
- 5) Further for RSUB validity extension for LLPs, SRNs where the last date of re-submission (RSUB) falls between March 15, 2020 to June 30, 2020, additional 15 days would be allowed from June 30, 2020 for re-submission. However, for SRNs already marked under NTBR, an extension would be provided on case to case basis.

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

### **1. Relaxation of the voluntary open offer requirement till March 31, 2021**

SEBI vide [Notification dated June 16, 2020](#) has published the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2020. The Amendment is brought under regulation 3 in which it allows shareholder owning 25% or more of the shares or voting rights in a company to increase

his shareholding by up to 10% in a year, only in respect of acquisition by a promoter pursuant to preferential issue of equity shares by the target company. The threshold has been raised from 5% to 10%, for preferential issue on financial year 2020-21. Further SEBI has relaxed the provision for voluntary open offer, in which a shareholder holding 25% or more of shares or voting rights shall make a voluntary open offer subject to their aggregate shareholding after completion of the open offer not exceeding the maximum permissible non-public shareholding.

This condition has now been relaxed till March 31, 2021.

## **2. Amendments to SEBI (Issue of Capital And Disclosure Requirements)(ICDR)Regulations, 2018**

SEBI vide [Notification dated June 16, 2020](#) has published the SEBI (ICDR) (Amendment) Regulations, 2020. The Amendment is brought under regulation 172 whereby a listed company cannot make any subsequent qualified institutions placement until the expiry of two weeks against the previous ban for 6 months from the date of the prior qualified institution's placement made pursuant to one or more resolutions.

Further, SEBI vide [Notification dated June 22, 2020](#) has amended the SEBI (ICDR) Regulations, 2018 by inserting after existing Regulation 164, a new regulation 164A i.e., "Pricing in the preferential issue of shares of companies having stressed assets" Preferential Issue of shares by an issuer company having stressed assets, to any investor, not forming part of the promoter or promoter group, at a price determined as per pricing methodology of Regulation 164(A), shall be locked-in for a period of three years from the last date of trading approval.

Listed Companies coming with Preferential issue under Regulation 164A of SEBI (ICDR) Regulations, 2018 will not trigger the mandatory open offer to be made by such investors under Regulation 3 and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations, 2011.

## **3. SEBI (Substantial Acquisition of Shares and Takeovers) (Second Amendment) Regulations, 2020**

SEBI vide [Notification dated June 22, 2020](#) has amended the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Amendment is brought under regulation 10, in which the new provision (2b) has been inserted, which states that any acquisition of shares or voting rights or control of the target company by way of the preferential issue in compliance with regulation 164A of the SEBI (ICDR) Regulations, 2018 shall be exempt from the obligation to make an open offer under sub-regulation (1) of regulation 3 and regulation 4.

## **4. Relaxation for listed companies having stressed assets**

SEBI vide [Press Release dated June 23, 2020](#) has decided to relax the pricing methodology for preferential issues by listed companies having stressed assets and

exempt allottees of preferential issues from open offer obligations in such cases, with immediate effect.

Eligible listed companies having stressed assets will now be able to determine the pricing of their preferential allotments at not less than the average of weekly high and low of the volume-weighted average prices of related equity shares during the two weeks preceding the relevant date.

Allottees of the preferential issue in such eligible companies will be exempted from making an open offer if the acquisition is beyond the prescribed threshold or if the open offer is warranted due to change in control in terms of takeover regulations.

#### **5. Framework for transactions in defaulted debt securities**

SEBI vide [Circular dated June 23, 2020](#) has decided to introduce an operational framework for transactions in default debt securities post maturity date or redemption date under the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008. Key highlights of the operational framework are as follows:

- 1) Stock exchange agencies are not allowed to get into any transactions under defaulted debt securities, before the two days of maturity or redemption. Even on the date of maturity, such restrictions shall be applicable until the time and the status payment has been determined.
- 2) The status of payment shall be intimated within one working day of the payment or the redemption date.
- 3) In case the status of payment is not intimated within the stipulated period, the transaction shall be restricted until then.
- 4) All the default statuses shall be assessed, and a report shall be prepared of the default status on the April 02, end of every financial year

The provisions of this circular shall come into force from July 01, 2020.

#### **6. Further extension of time for submission of financial results**

SEBI vide [Circular dated June 24, 2020](#) has further extended the time for submission of financial results for the quarter/half year/financial year ending March 31, 2020 due to the continuing impact of the CoVID-19 pandemic. After taking into consideration various representations and operational challenges due to the CoVID-19 pandemic, SEBI has further extend the timeline for submission of financial results under Regulation 33 of the LODR Regulations, by a month, to July 31, 2020, for the quarter and the year ending March 31, 2020. Similarly, the timeline under Regulation 52 of the LODR for submission of half yearly and/or annual financial results for the period ending March 31, 2020 for entities that have listed NCDs, NCRPS', CPs, MDS' is also extended to July 31, 2020.

#### **7. Relaxation of time gap between two Board or Audit Committee meetings of listed entities**

SEBI vide [Circular dated June 26, 2020](#) has extended the relaxation given to the compliance requirement of maximum time gap between two board or audit committee meetings for listed companies till July 31, due to COVID-19 pandemic.

SEBI in its earlier [Circular dated March 19, 2020](#), had relaxed the requirement of the maximum stipulated time gap of 120 days between two meetings of the board and audit committees of listed entities as required under LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015. This relaxation was provided for the meetings held or proposed to be held between the period December 1, 2019 to June 30, 2020.

However, through this notification, SEBI has extended the relaxation till July 31, 2020. The board of directors and audit committees of listed entities shall, however, ensure that they meet at least four times a year, as stipulated under Regulations 17(2) and 18(2)(a) of the LODR Regulations.

#### **8. Highlights of SEBI Board Meeting**

SEBI vide Press [Release dated June 25, 2020](#) informed regarding the decision taken in its Board Meeting dated June 25, 2020. The Key highlights from the board meeting are as follows:

- 1) The Board has decided to provide an additional option to the existing pricing methodology for preferential issuance. As per the new pricing formula, the price for allotment of shares under preferential issue will be volume weighted average of weekly highs and low for 12 weeks or two weeks—whichever is higher.
- 2) The specified securities allotted on a preferential basis using the above pricing formula shall be locked-in for a period of three years.
- 3) The board has made certain amendments to the Substantial Acquisition and Takeover Regulations, allowing acquisition of shares by way of stock exchange settlement process through bulk and/or block deals during the open offer.
- 4) For indirect acquisitions where the public announcement of an open offer has been made, 100% of the consideration payable under the open offer must be deposited in an escrow account.
- 5) In case of delays in making open offer due to acts of omission or commission of the acquirer, a 10% interest to be paid to all shareholders who have tendered the shares in the open offer.
- 6) The board has also approved amendments to SEBI (Prohibition of Insider Trading) Regulations, 2015, which includes maintaining a structured digital database containing the nature of unpublished price sensitive information and the names of persons who have shared the information. This will involve the automation of the process of filing disclosures to stock exchanges, restriction on the trading window not to be made applicable for transactions as prescribed by SEBI, and includes entities to file the non-compliances of Code of Conduct with the stock exchanges.

### **9. Further extension of time for submission of Annual Secretarial Compliance (ASC) Report**

SEBI vide [Circular dated June 25, 2020](#) has further extended the time for submission of ASC Report for the year 2019-20 by listed entities due to the continuing impact of the CoVID-19, by one more month, to July 31, 2020. SEBI vide its earlier [Circular dated March 19, 2020](#), had extended the date for submission of ASC Report by one month from May 31, 2020 to June 30, 2020.

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

#### **1. Members Lending Institutions to assign zero risk for emergency loans to MSMEs**

RBI vide [Notification dated June 21, 2020](#) has directed the member lending institutions to assign zero percent risk weight on the credit facilities extended under the Emergency Credit Line Guarantee Scheme to MSME borrowers announced by the National Credit Guarantee Trustee Company (NCGTC) vide [Circular dated May 23, 2020](#).

#### **2. Payment system operators to enhance public awareness through multiple channels on payment frauds**

RBI vide [Notification dated June 22, 2020](#) has directed all authorized payment systems operators and participants of payment systems to enhance public awareness through multiple channels on payment frauds. Since the incidence of frauds continues to bedevil digital users, such as luring them to disclose vital payment information, swapping sim cards, opening links received in messages and emails, etc. There are also cases of users being tricked into downloading spurious apps that access critical information stored on devices. It is, therefore, essential that all payment systems operators and participants – banks and non-banks – continue and reinforce efforts to spread awareness about digital safety. Therefore RBI has advised these entities to undertake targeted multi-lingual campaigns through SMSs, advertisements in print, and visual media to educate users on the safe and secure use of digital payments.

#### **3. Guidelines for lenders to follow fair business practices**

RBI vide [Notification dated June 24, 2020](#) has directed banks, NBFCs and digital lending platforms to disclose full information upfront on their websites to customers and adhere to the Fair Practices Code guidelines. RBI has mandated banks and non-banking companies, which engage with digital lending platforms as their agents to source borrowers and recover dues, ensure the following:

- 1) Wherever banks and NBFCs engage digital lending platforms as their agents to source borrowers and/ or to recover dues, they must disclose the names of digital lending platforms engaged as agents on the website of banks or NBFCs
- 2) Digital lending platforms engaged as agents should be directed to disclose upfront to the customer, the name of the bank/ NBFC on whose behalf they are interacting with him.



- 3) Issue sanction letter shall be send to the borrower on the letter head of Bank/NBFC, immediately after sanction but before execution of the loan agreement.
- 4) Furnish a copy of the loan agreement, and of all the enclosures quoted in the loan agreement, to the borrowers at the time of sanction or disbursement of loans
- 5) Effective oversight and monitoring shall be ensured over the digital lending platforms engaged by the banks/ NBFCs.
- 6) Adequate efforts should be made towards the creation of awareness about the grievance redressal mechanism.

#### IV. LABOUR

##### 1. Increase of Variable Dearness Allowance of workers in Assam

Labour Department of Assam vide [Notification dated June 23, 2020](#) increases Variable Dearness Allowance (VDA) in the State for certain categories of workers. The categories of employees and their increased VDA stand as per the order are as follows:

Category of Employees/Workers	VDA/Month	VDA/DAY
Unskilled workers	Rs 310.80	Rs 10.36
Semi-skilled/ Unskilled supervisory	Rs 363.00	Rs 12.10
Skilled workers/Clerical workers	Rs 453.60	Rs 15.12
Highly skilled workers-	Rs 583.20	Rs 19.44

##### 2. Extension of due date for filing returns under West Bengal State Tax on Professions, Trades, Callings, And Employments Act

The State Government of West Bengal vide [Order dated June 17, 2020](#) has extended the due date for filing annual return under West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979. The last date of filing the Annual return in Form-III electronically has been extended from the earlier date of June 30, 2020 to September 30, 2020 and the last date for furnishing the return paper form in extended till October 07, 2020.

##### 3. Government of Maharashtra extends the date for filing returns and taxes by the employees

The State Government of Maharashtra vide [Notification No. PFT 1220/C.R.-13/Taxation-3](#) on June 22, 2020, extends the due date for filing returns under the Maharashtra State Tax on Professions, Trade, Callings and Employments Act, 1975.

Employers who could not pay taxes or upload returns due to COVID-19 pandemic.	Returns for any period up to the month of June, 2020.	Whole of late fee payable, in respect of the return.	<p>a. Return shall be filed on or before July 31, 2020 on the website of the Maharashtra Goods and Services Tax Department.</p> <p>b. Tax payable as per return, shall be paid before filing of return.</p> <p>c. Interest on tax payable as per return shall be paid before filing of return.</p>
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#### 4. Exemptions of factories from various provisions under the Factories Act, 1948

The Labour Department, Chandigarh [vide Notification No. 12/01/106-III\(2\)-2020/7732 dated June 3, 2020](#), has exempted all factories registered under The Factories Act, 1948 in the state from the provision of Section 51 (Weekly Hour), Section 54 (Daily Hour), Section 55 (Interval Of Rest) and Section 56 (Spreadover) for a period of three months subject to following conditions-

- No worker shall be allowed or required to work in a factory for more than twelve hours in any day and Seventy-two hours in any week.
- The periods of work of workers in a factory each day shall be so fixed that no period shall exceed six hours and that no worker shall work for more than six hours before he has had an interval for rest of at least half an hour.
- No female worker shall be allowed or required to work in a factory between 7:00 P.M to 6:00 A.M.

#### 5. Medical benefit to Migrant workers under ESI Scheme

Employees' State Insurance Corporation (ESIC) [vide Notification dated June 24, 2020](#) directs that migrant workers across the country with valid ESI medical benefit entitlement may seek medical care services from nearest ESI hospital to their home.

#### 6. Standard Operating Procedures for resuming operations of industries and organisations in Gurugram

The District Administration, Gurugram has brought out certain guidelines to be followed by organisations before and after resuming operations. Please refer to the below link for further details.

<https://www.dropbox.com/s/6negn3tjtnq8lyh/1593172114SOPsForResumingOperationsOfIndustriesAndOrganizationsInGurugram.pdf?dl=0>

#### 7. Mobile Number and Bank Account details mandatory pre-requisite for registering as an Insured Person

ESIC [vide Notification dated June 29, 2020](#) orders to make Mobile Number and Bank Account details of an employee mandatory pre-requisite for registering as an Insured Person w.e.f July 1, 2020.

- While registering a new insured person - The employer should validate the mobile number. The employer should provide the account details which is unique in ESIC database and must not be attached with another person. Also, the employer shall scan and upload attested copy of front page of cancelled cheque or passbook of the employee showing the employee details.
- Updation of Mobile Number and Bank Account details of existing insured persons – Mobile number can be updated by employer through “Update Mobile Number” link in the employer portal. Bank account details can be updated by logging into the employer portal and accessing “Update particulars of Insured Person” link.

#### **8. Covid-19 Prevention Activities in Kerala**

Governments of Kerala vide [Order no. CE \(RT\) 1877/2020 / CE dated June 13, 2020](#) has issued Covid-19 Prevention Activities - Guidelines for adhering to commercial and non-commercial establishments.

#### **9. Puducherry Contract Labour (Regulation and Abolition) Amendment Rules, 2020**

Government of Puducherry, Labour Department vide [Order No G.O.Ms.NO.04/AIL/Lab/G/2020 dated June 09, 2020](#) has issued Puducherry Contract Labour (Regulation and Abolition) Amendment Rules, 2020. Key provisions are

- a. Amendment of Rule 38- prescribing all fees to be paid by online payment, through on-line portal of Government of Puducherry under the relevant head of Account viz. 0230-Labour & Employment, 106-Fees under the Contract Labour (Regulation and Abolition) Rules, 1973 unless otherwise provided in these rules.
- b. Amendment to Rule 74- prescribing every principal employer to maintain Register of Contracts in Form-XII in electronic form.
- c. Amendment to Rule 75- prescribing every contractor in respect of each registered establishment where he employs contract labour, to maintain o Form-XIII in electronic form.
- d. Amendment to Rule 82-
  - i. prescribing Filing of half-yearly return through the on-line portal of the Labour Department, Puducherry; &
  - ii. prescribing Filing of Annual return through the on-line portal of the Labour Department, Puducherry

#### **10. Revised guidelines for Enforcement of Lockdown measures in Puducherry.**

Government of Puducherry vide [Order No.DCK/A1/COVID-19/2020-21](#) dated June 22, 2020 has issued Guidelines for enforcement of extended Lockdown measures w.e.f June 23, 2020. Key provisions are

- a. All shops, establishments (including liquor shops, petrol pumps) shall function from 6.00AM to 02.00 PM only.
- b. Dining in restaurants are permitted upto 02.00 PM. Restaurants are permitted to operate upto 08.00 PM for take-away only.
- c. This restriction is not applicable to Industrial/Agricultural/Fishing activities/Government Offices and Hospitals

#### **11. Advisory for Hotels and Hospitality units in Bangalore**

Commissioner Bruhat Bangalore Mahanagara Palike (BBMP) vide [advisory No: COMM/CWR/ADVISORY-HOTELS & HOSPITALITY UNITS/2020-21 dated June 10, 2020](#) has issued advisory for Hotels and Hospitality units in Bangalore. Key provisions are

- a. Hotels and Other Hospitality Units in containment zones shall remain closed. Only those outside containment zones will be allowed to open up.
- b. Hotels must adopt contactless processes like QR code, online forms, digital payments like e-wallet, etc. for both check-in and check-out Tables to be sanitized each time customer leaves.
- c. Large gatherings/congregation continue to remain prohibited.
- d. There shall be restrictions on the number of people in the lift areas to ensure Physical Distancing norms. The demarcation of space shall be made inside the lifts.
- e. All Hotels and other Hospitality Units should conduct thermal screening provisions at the entrance and only asymptomatic person(s) shall be allowed.
- f. Frequent cleaning and disinfection of floors, doorknobs, elevator buttons, handrails, benches, escalators, etc. are mandatory.
- g. Proper disposal of face covers/masks/gloves leftover by visitors and/or employees should be ensured.
- h. The staff for food deliveries shall be screened thermally every day by the Hotels and other Hospitality Units authorities before allowing deliveries.
- i. All workers/customers/visitors to be allowed entry only if using face covers/masks. The face covers/masks always have to be worn inside the hotels and other hospitality units.

#### **12. Advisory for Office/Workspace in Bangalore**

Commissioner BBMP vide [advisory No: COMM/CWR/ADVISORY-OFFICE/2020-21 dated June 10, 2020](#) has issued advisory for Offices/Workplace. Key provisions are

- a. Offices / Workplaces in containment zones shall remain closed
- b. Work from Home (WFH) shall be encouraged for the above persons and, in general, to reduce the movement of persons.
- c. Staggering of office hours, lunch hours/coffee breaks to be looked at for adoption in the office schedule, as far as possible
- d. Staggering of working hours to be done, to the maximum extent possible
- e. Separate entry and exits for visitors, workers, and goods/supplies shall be organized.

- f. In the canteen/cafeteria/dining hall, not more than 50% of the seating capacity to be permitted.
- g. Prominently display the IEC materials and Audio / Video clips to spread awareness on preventive measures for COVID-19 should be regularly taken up.

### **13. Advisory for Restaurants in Bangalore**

Commissioner BBMP vide [advisory No: COMM/CWR/ADVISORY-RESTAURANTS/2020-21 dated June 10, 2020](#) has issued advisory for Restaurants in Bangalore. Key provisions are

- a. Restaurants in containment zones shall remain closed.
- b. Large gatherings/congregation continue to remain prohibited
- c. Gaming Arcades / Children Play Areas / Cinema halls inside shopping malls shall remain closed.
- d. All restaurants should conduct thermal screening provisions at the entrance and only asymptomatic person(s) shall be allowed.
- e. Tables to be sanitized every time customer leaves compulsorily.
- f. In the kitchen, the staff to follow physical distancing norms.
- g. Valet parking, if available, shall not be allowed.
- h. The staff for home deliveries shall be screened thermally by the restaurant management/authorities before allowing home deliveries

### **14. Curfew measure in State of Tamil Nadu**

Tamil Nadu Government vide [Press Note No: 090 dated June, 15, 2020](#) has implemented curfew measures in Chennai, Kanchipuram, Chengalpattu and Thiruvallur districts of Tamil Nadu from June 19, 2020 to June 30, 2020 night 12 o'clock, for 12 days.

Workers in the Chennai - Metropolitan Police Boundary Area are permitted to work in the vicinity of the factory premises for the next 12 days by performing an RT PCR test. Similarly, RTPCR inspection of workers who work from other parts of the metropolitan Chennai police area will be allowed to work in or near the factory premises. Although workers are not allowed to go to work from the Chennai Metropolitan Area during these 12 days, there is a continuous process. Continuous Process Industries and Essential Products Industries manufacturing essential commodities will be allowed to continue to operate with appropriate safety provision.

[Vide order number G.O.\(Ms\) No.35 dated June 17, 2020](#) it is clarified that

- a. if the workers are already staying within the premises of Industries, they need not be tested for RTPCR. E-passes will be issued by the Industries Department to the Managerial and supervisory categories of the Industries for movement in and out of Greater Chennai Police Commissionerate areas and other areas enforcing lockdown to their industrial units. These E-passes will be valid for the entire period of lockdown. These E-passes should be used properly

- b. Tele-communication, Essential IT/ITES services will function with minimal staff. E-pass will be provided only to the workers In the list provided by Tele-communication, Essential IT/ITES service companies.

Tamil Nadu Government vide [press release No. 451 June 29, 2020](#) has extended curfew in the State of Tamil Nadu.

## V. ENVIRONMENT

### 1. Guidelines for Handling, Treatment, and Disposal of Waste Generated during Treatment/Diagnosis/ Quarantine of COVID-19 Patients

The Central Pollution Control Board (CPCB) on [10th June 2020](#) has issued guidelines to incorporate guidance on segregation of general solid waste and biomedical waste. Further, these guidelines also address safety of waste handlers / sanitation workers associated with healthcare facilities, local bodies (ULBs) and CBWTFs in handling of biomedical waste and solid waste generated from quarantine centers/homecare/healthcare facilities treating COVID-19 patients

COVID-19 Isolation wards: (isolation wards are those where COVID-19 positive patients are being kept for treatment / diagnosis)-

- i. Keep separate colour coded bins (with foot operated lids) 1 /bags/containers in wards and maintain proper segregation of waste as per BMW Rules, 2016 as amended and CPCB guidelines for implementation of BMW Management Rules
- ii. General solid waste like wrappers of medicine/syringes etc., fruit peel offs, empty juice bottles or tetra packs, empty water bottles, discarded papers, carton boxes of medicines, empty bottles for of disinfectants and any other items which were not contaminated by the patients secretions, body fluids should be collected separately as per SWM Rules, 2016. To minimize waste generation, as far as possible, non-disposable items must be used, which are to be handled with appropriate precautions and cleaned and disinfected as per hospital guidelines. The wet and dry solid waste bags to be securely tied and handed over to authorized waste collector of ULB's on daily basis
- iii. Items like left over food, disposable plates, glass, used masks, used tissues, used toiletries, etc. used by COVID-19 patient shall become biomedical waste and shall be segregated in yellow bag. Used gloves and plastic bottle from patients will be disposed off in red bags
- iv. Provide training to Waste handlers about infection prevention measures such as Hand hygiene, Respiratory etiquettes, social distancing, use of appropriate PPE, etc. via videos and demonstration in local language. Designated nodal officer for biomedical waste management in hospital shall provide training. Nodal officers, in turn, need to be trained by Health Departments / professional agencies in association with SPCB/ PCC of the States/ UTs

### 2. Gujarat PCB implements the Environment Audit Scheme

The Gujarat Pollution Control Board (GPCB) vide [Order No. GPCB/EAC-C-28\(6\)/561394](#) on June 06, 2020 has implemented the Environment Audit Scheme for the year 2020-21. The allotment of Environment Auditor for industries is executed through XGN portal of GPCB. Keeping in mind the Covid-19 pandemic it is informed that the environment audit will commence from July 01, 2020 for the year starting from April 01, 2020 and the allotment of Environment Auditor would be done through randomization before July 01, 2020. Whereas the audit period will remain unchanged from April 01, 2020 to March 31, 2020.

**3. Assam PCB implements online consent management and monitoring system**

The Assam Pollution Control Board (Assam PCB) vide [Notification No. WB/COM-13/10-11/176](#) on June 09, 2020 has directed all industries, entrepreneurs in the State to submit online applications for obtaining consent to operate and consent to establish from the Board as required under various environmental laws. The registration under E-waste (Management) Rules, 2016 and Plastic waste Management Rules, 2016 at the old portal is closed.

**4. Goa SPCB requests all hazardous waste generating units to submit Annual Return by June 30, 2020**

The Goa State Pollution Control Board (SPCB) vide [Notification No- Order No. 1/20/20-PCB/Tech/2564](#) on June 05, 2020 has directed all hazardous waste generating units to submit annual returns under Hazardous and Other Waste (Management and Transboundary movement) Amended Rules 2016 for the year 2019-2020 by June 30, 2020. The annual return can be filed at [www.goaocmms.in](http://www.goaocmms.in). Failure to pay tax will initiate actions as per Rules.

**5. Levying Environmental Compensation Charges against HCFs for Violation of BMWM Rules, 2016 in Andhra Pradesh**

Andhra Pradesh Pollution Control Board (APPCB) vide [Order dated June 10, 2020](#), informed levying of environmental Compensation Charges against Healthcare Facilities (HCFs) for violations of the provisions of the Biomedical Waste Management (BMWM) Rules, 2016. As per the recent order issued by APPCB, all the Regional Officers were directed to inform all the Health Care Establishments (HCFs) and Common Bio Medical Waste Treatment and Disposal Facilities (CBMWTFs) about the guidelines issued by the CPCB on Management of Healthcare Waste as per BMWM Rules, 2016 and on the provisions to levy of Environmental Compensation charges against them. The order also directed to initiate action against the defaulting HCFs and CBMWTFs irrespective jurisdiction and submit action taken report to the concerned Zonal Office to levy Environmental Compensation charges as per CPCB guidelines.

Further, all the Zonal Officers are directed to submit proposals to the Task force Cell and Board Office based on ROs Action Taken Reports with details of Environmental

Compensation charges to be levied against the defaulting HCFs & CBMWTFs as per CPCB Guidelines.

## **VI. HEALTHCARE**

### **1. MoHFW issues guidelines on preventive measures to be taken by Restaurants**

The Ministry of Health and Family Welfare (MoHFW) on [June 11, 2020](#), issues guidelines on preventive measures to be taken by Restaurants.

- Mandatory sanitizer dispensers and thermal screening provisions at entrance.
- Only asymptomatic staff/guests allowed
- Workers/Customers /Visitors/Staff to be allowed entry only if wearing masks
- Separate entry and exit for guests, staff and goods/supplies
- Specific markings with sufficient distance for queue management and social distancing norms
- Proper Crowd Management in hotel & outside the premises like parking lot
- Air-conditioning (Temp of 24–30 degree C, Relative humidity of 40–70%, Intake of fresh air, Cross ventilations
- Posters/ standees/ AV media on COVID preventive measures always displayed
- Effective and frequent sanitation (esp. lavatories, drinking and hand/foot washing stations)
- Cleaning and regular disinfection (using 1% sodium hypochlorite of frequently touched surfaces)
- Deep cleaning of washrooms
- Safe Disposal of face covers/ masks/gloves; Staff to additionally wear hand gloves
- Valet parking operational (Face covers/ masks & gloves for staff and disinfection of steering, door handles, keys)
- Restricted number of people in elevators Use of escalators with one person on alternate steps
- Adequate Manpower to be deployed by Hotels for ensuring social distancing norms.

### **2. MoHFW issues guidelines on preventive measures to be taken by hotels**

MoHFW on [June 11, 2020](#), issues guidelines on preventive measures to be taken by hotels-

- Mandatory sanitizer dispensers and thermal screening provisions at entrance
- Only asymptomatic staff/guests allowed
- Workers/Customers /Visitors/Staff to be allowed entry only if wearing masks
- Separate entry and exit for guests, staff and goods/suppliers
- Specific markings with sufficient distance for queue management and social distancing norms
- Proper Crowd Management in hotel & outside the premises like parking lot



- Air-conditioning (Temp of 24–30 degree C, Relative humidity of 40–70%, Intake of fresh air, Cross ventilation)
- Posters/ standees/ AV media on COVID preventive measures always displayed
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- Cleaning and regular disinfection (using 1% sodium hypochlorite of frequently touched surfaces)
- Deep cleaning of washrooms
- Safe Disposal of face covers/ masks/gloves; Staff to additionally wear hand gloves
- Valet parking operational (Face covers/ masks & gloves for staff and disinfection of steering, door handles, keys)
- Restricted number of people in elevators Use of escalators with one person on alternate steps
- Adequate Manpower to be deployed by Hotels for ensuring social distancing norms.

### **3. MOHFW issues guidelines for the opening of office**

MOHFW on [June 11, 2020](#), has issued guidelines for opening of the offices.

- Adequate social distancing is to be maintained. It is mandatory to wear face masks and gloves.
- All the employees are to be scanned for temperature and sanitisers shall be kept in every corner of the office
- Aarogya Setu app is to be downloaded and updated by all the employees. 6 feet distance is to be maintained by the employees.
- Large gatherings should not take place in the office.
- Visitors should only be allowed if they wear face mask. Posters for the awareness should be stuck on walls at every corner.
- Separate entry and exit should be there for staff and visitors. Lifts should not be used except in emergency cases.
- The premise must be disinfected at regular intervals. All the meetings should happen on video conferencing.
- Risk assessment should happen.

### **4. Levy of Environmental Compensation charges against Health Care Establishments (HCFs) in Andhra Pradesh**

Andhra Pradesh Pollution Control Board [vide notification dated June 10, 2020](#) informs that all the Health Care Establishments (HCFs) will be levied Environmental Compensation charges as per CPCB guidelines.

Following cases will be considered for taking cognizance of non-compliance and fit for levying Environmental Compensation:

- 1) Incinerator emissions not complying with standards notified under BMW Rules, 2016;
- 2) Treated wastewater not complying with standards prescribed under BMW Rules, 2016;
- 3) Not complying with standards of autoclave/microwave prescribed under BMW Rules, 2016
- 4) Not collecting the biomedical waste from all the member HCFs timely; and
- 5) Other violations to the conditions stipulated under BMW Rules, 2016 / CPCB guidelines.

**5. Involvement of private hospitals, nursing homes registered under Karnataka Private Medical Establishments Act in the treatment of COVID-19 patients**

Government of Karnataka [vide Notification dated June 23, 2020](#) orders the sharing of beds in private hospitals between Government referred and Private patients and regulates the package rates to be charged by the Private Healthcare Providers (PHP) for the treatment of Government referred COVID-19 patients and the package rate ceiling for treating Private COVID-19 patients. Following are the key points:

- 50% of the beds in Private hospitals having facilities to treat COVID-19 patients shall be reserved for the treatment of patients referred by the public health authorities.
- The package rates and package rate ceilings referred by Public Health Authorities shall be followed.
- The rates will not be applicable for the patients subscribing to insurance packages as well as for the agreements/MoUs entered into between the hospitals and the corporate entities.
- While calculating 50% of the beds to be utilized by the Government patients, the number will be counted irrespective of the fact that the beds are located in general wards, sharing wards or in private wards.

**6. Fixation of retail price rates of new drugs**

Ministry of Chemicals and Fertilizers has [vide Order dated June 9, 2020](#) fixes the rate of Vildagliptin + Metformin Tablet (each film coated tablet contains Vildagliptin 50 mg Metformin Hydrochloride IP 1000 mg and 500 mg) and Escitalopram + Clonazepam Tablet.

**7. Issuance of Order for compulsory wearing of face masks**

The Government of Gurugram [vide Order dated June 9, 2020](#) directs that wearing of facial masks is compulsory in public places like streets, hospital, market and workplace. Violation of the same will be punishable by imposition of fine of Rs. 500/.

In case of non-payment of fine, the violator will be liable to be punished under Section 188 of the Indian Penal Code.

**8. List of Drugs, Medical Devices and Cosmetics declared as Not of Standard Quality/Spurious/Adulterated/Misbranded**

Central Drugs Standard Control Organisation (CDSCO) vide [DrugAlert, May 2020](#) has published a list of Drugs, Medical Devices and Cosmetics declared as Not of Standard Quality/Spurious/Adulterated/Misbranded for the month of month of May 2020.

**9. Cost of treatment for patients referred by Public Health Institutions**

The Health and Family Welfare Department, Karnataka [vide press note states that in continuation to Notification No. HFW 228 ACS 2020 dated June 23, 2020](#) following conditions is to be applicable to all those patients who are referred by Public Health Institutions to private healthcare providers:

- For COVID 19 patients referred by the PHIs to private healthcare providers, the cost of the treatment is completely free for the patient and Government will pick up the cost.
- Patients wishing to avail treatment in private hospital directly by-passing Public Health Authorities, the cost of the treatment will be borne by the patient.
- All COVID-19 positive patients including those belonging to BPL and APL categories, migrant labourers and interstate returnees not possessing PDS card shall be considered as eligible in view of the unprecedented pandemic situation.
- It is compulsorily for all hospitals to empanel themselves in Suvarna Arogya Suraksha Trust web portal.

**10. Clinical Management Protocol: COVID-19**

MoHFW has [vide notification dated June 27, 2020](#) published Clinical Management Protocol: COVID-19. Following are the key points covered in the protocol:

- Clinical features of patients
- Risk factors
- Clinical Severity
- Infection Prevention and Control Practices
- Laboratory Diagnosis
- Management of Mild Cases
- Management of Moderate Cases
- Management of Severe Cases
- Investigational Therapies

**VII. TAX**

**1. CBDT further extends various due dates for compliance under the Income Tax Act, 1961 ('IT Act')**

Central Board of Direct Taxes (CBDT) vide [Notification No. 35/2020 dated June 24, 2020](#) has extended the various due dates, which were previously extended, to June 30, 2020 by the Taxation and Other Laws (Relaxation of Certain Provisions) Ordinance, 2020. A few silent features of the notification are as under:

- Due date for furnishing revised/belated ITR for AY 2019-20 extended to July 31, 2020. Further, due date for furnishing ITR for AY 2020-21 has been extended to November 30, 2020 (for all categories of assessees).
- Though the due date for filing of ITR for AY 2020-21 has been extended to November 30, 2020 but there would be no relief in interest chargeable u/s 234A if the tax liability exceeds Rs. 1 lakh.
- The date for making various investment/ payment for claiming deduction under Chapter-VIA-B which includes section 80C (LIC, PPF, NSC etc.), section 80D, section 80G, etc. has also been extended to July 31, 2020.
- The date for passing of order or issuance of notice by the authorities and various compliances under various Direct Taxes & Benami Law which are required to be passed/ issued/ made by December 31, 2020 has been extended to March 31, 2021.
- The date for commencement of operation for the SEZ units for claiming deduction u/s 10AA of the IT Act has also been further extended to September 30, 2020 for the units which received necessary approval by March 31, 2020.
- The date for furnishing of TDS/ TCS statements and issuance of TDS/ TCS certificates pertaining to the FY 2019-20 has been extended to July 31, 2020 and August 15, 2020 respectively.

## **2. Relief provided by lowering of interest rate for a prescribed time for tax periods from February 2020 to July 2020**

Central Board of Indirect Taxes and Customs (CBIC) has vide [Notification No. 02/2020-Union Territory](#), [Notification No. 05/2020-Integrated Tax](#) and [Notification No. 51/2020-Central Tax](#) notified that interest rate has been lowered for the registered class of persons who are required to furnish the return in Form GSTR-3B but fail to furnish the said return along with payment of tax for the months from February 2020 till July 2020.

## **3. Companies allowed furnishing of Form GSTR-3B and Form GSTR-1 through EVC till September 30, 2020**

CBIC has vide [Notification No. 48/2020-Central Tax](#) notified that the companies registered under the provisions of the Companies Act, 2013 shall be allowed to furnish Form GSTR-3B return through EVC during the period from April 21, 2020 to September 30, 2020. Also, the said companies shall be allowed to furnish Form GSTR-1 through EVC during the period from May 27, 2020 to September 30, 2020.

## **4. GST rate notified under Composition Scheme**

CBIC has vide [Notification No. 50/2020-Central Tax](#) notified GST rates for service providers registered under Composition Scheme at the rate of 6% of the turnover of taxable supplies of goods and services in the State or Union territory by amending Rule 7 of the CGST Rules.

**5. Relaxations pertaining to Form GSTR-3B**

CBIC vide [Notification No. 52/2020-Central Tax](#) has provided that in cases where tax liability is nil, late fees have been waived off for registered person who failed to furnish the return in GSTR-3B for the months of July 2017 to January 2020, by the due date but furnishes the same between July 1, 2020 to September 30, 2020.

Also, in other cases, the late fee payable for a tax period has been capped at INR 250 each in CGST and SGST and excess shall be waived off for the registered person who failed to furnish the return in GSTR-3B for the months of July 2017 to January 2020, by the due date but furnishes the same between the period as mentioned above.

**6. Relaxations for levy of late fees for Form GSTR-1**

CBIC has vide [Notification No. 53/2020-Central Tax](#) provided relief by waiver of late fee for delay in furnishing Form GSTR-1 for tax periods for months from March 2020 to June 2020 for monthly filers and for quarters from January 2020 to June 2020 for quarterly filers if the same is filed as per the due dates mentioned in the notification.

**7. Extension of due date for filing Form GSTR-3B for August 2020 for small taxpayers**

CBIC has vide [Notification No. 54/2020-Central Tax](#) extended the due date for furnishing Form GSTR-3B for supply made in the month of August 2020 for taxpayers with annual turnover up to INR 5 crore.

**8. Extension of due date for compliances**

CBIC has vide [Notification No. 55/2020-Central Tax](#) extended the due date of compliance which falls during the period from March 20, 2020 to August 30, 2020 till August 31, 2020.

**9. Extension of period to pass order u/s 54(7) of the CGST Act**

CBIC has vide [Notification No. 56/2020-Central Tax](#) notified that in cases where a notice has been issued for rejection of refund claim, in full or in part and where the time limit for issuance of order u/s 54(5) and 54(7) of CGST Act falls during March 20, 2020 to June 30, 2020, in such cases the time limit for issuance of the said order shall be extended to fifteen days after the receipt of reply to the notice from the registered person or August 31, 2020, whichever is later.

**10. Extension granted in period of revocation of cancellation for registrations cancelled till June 12, 2020**

CBIC has vide [Order No. 01/2020-Central Tax](#) allowed taxpayers to file application for revocation of cancellation of registration up to September 30, 2020, in all cases where registrations have been cancelled till June 12, 2020.

## **VIII. PROPERTY**

### **1. Estimate cost of the Project in Andhra Pradesh Real Estate Regulatory Authority (AP-RERA)**

AP-RERA vide [Circular No.P/2/2017-4, Dated 09-06-2020](#), has authority observed that many promoters are submitting wrong estimated cost of the project. AP-RERA for the better understanding has divided the estimated cost of the project which the promoter has to submit while registering the project with AP-RERA. AP-RERA has decided to inform as to what components falls under the estimated cost of the project. as follows:

#### **I. Land cost Components.**

- 1) Acquisition cost of land: - If the land is acquired/purchased cost of acquisition (or) latest revised value as per Sub-registrar records whichever is higher. If the land is inherited cost of land is the latest revised value as per sub- registrar records.
- 2) Acquisition cost of Development rights: -Amount paid for acquiring rights through registered development agreement or deed for the purpose of execution of projects under consideration
- 3) Lease premium/ Rent: -Value as per registered lease agreement which is under force.
- 4) Interest cost incurred or payable on land cost: - Applies in case the land is acquired by obtaining a loan -secured or unsecured. Amount of Interest payable/paid to the lender for acquiring the land on which the project shall be executed. Also, includes bank charges & other expenses incurred to obtain the loan in land.
- 5) Legal cost: -Amount paid to lawyer/advocate/court (in case of disputed land) to obtain opinion on clear title of the land Any other amounts paid to lawyer/advocate/court (in case of disputed land) in the process of obtaining developments rights.
- 6) Amount of TDR payable to obtain: -
  - Development rights (or)
  - additional floor area (or)
  - fungible area: - Transfer of development rights (TDR) means making available certain amount of additional built up area in lieu of the area relinquished or surrendered by the owner of the land, so that he can use extra built up area either himself or transfer it to another in need of the extra built up area for an agreed sum of money amounts paid towards purchase of TDR's

7) Duties & Taxes: -Amounts payable to state Govt or competent authority or any other statutory authority of the state or Central Government, towards stamp duty, transfer charges, registration fees etc.

II. Development/ construction cost components: -

- Chartered engineers' certificate, estimated cost of construction as certified by engineer
- Chartered accountant's certificate Actual cost of construction incurred as per the books of accounts as verified & certified by the CA
- Onsite expenditure development of entire projects: Salaries, consultant fees, site overheads, development works, cost of services including water, electricity, sewerage, drainage, layout roads.
- Taxes, cess, fees, Duties etc: - Payment of Taxes, cess, fees, charges premiums, interest etc to any statutory authority.
- Finance/ Interest cost: - Interest payable to financial institutions, scheduled banks non-banking financial institution (NBFC) or money lenders on construction funding or money borrowed for construction Bank Charges.

## IX. FOOD SAFETY

### 1. Extension of timeline for compliance with Food Safety and Standards (Recovery and Distribution of Surplus Food) Regulations, 2019

Food Safety and Standards Authority of India (FSSAI) has [vide Notification No. 01/FFRC/FSSAI/2017 dated June 25, 2020](#) extended the timeline for compliance with Food Safety and Standards (Recovery and Distribution of Surplus Food) Regulations, 2019 upto January 1, 2020.

### 2. Extension of timeline for the compliance of Food Safety and Standards (Food Product Standards and Food Additives) Fourth Amendment Regulations, 2019 dated 30 October 2019 related to the standards of packaged Drinking Water (other than Mineral Water)

FSSAI vide [F.No. REG/PDW/Ext/FSSAI-2020 dated June 16 2020](#) has further extend the timeline for compliance related to the limits of Calcium and Magnesium for the standards of Packaged Drinking Water (other than Mineral Water) up to 15th January, 2021.

### 3. Extending the Grace period till 31st July 2020 for applying for renewal of Licenses or registrations which are expired or expiring in the period of 22nd March 2020 to 31st July 2020 -reg.

FSSAI vide [No. 15\(6\)2020/FLRS/RCD/FSSAI dated June 18 2020](#) has granted a grace period till 31<sup>st</sup> July 2020 to food businesses to apply for renewal of Licenses or Registrations which were expiring or had expired between 22<sup>nd</sup> March 2020 to 31<sup>st</sup> May 2020 (in case of UTs of J&K and Ladakh, Licenses or Registrations expiring or expired between 1st August 2019 to 31st May 2020).

**4. Direction under section 16(5) of Food Safety and Standards Act, 2006 regarding compliance of provisions relating to six monthly testing report of food products during nationwide lockdown due to COVID-19 Pandemic.**

FSSAI vide [File No. 12\(7\) 2017/Associations/RCD/FSSAI dated June 18 2020](#)

Considering the difficulties faced by Food Business Operators in six monthly testing of food products and maintenance of records for food products stipulated under clause 12 of conditions of License in Annexure 3, Schedule 2 of Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 due to nationwide lockdown on account of current COVID-19 pandemic. it has been decided that FBOs shall not be penalized if they have not maintained such records during lockdown periods. However, all FBOs have to ensure the said compliance within two months after lockdown is over.

**X. OTHERS**

**1. A new digital platform for import export code (IEC) related service**

The Directorate General of Foreign Trade (DGFT) vide [Trade Notice dated June 25, 2020](#) has undertaken an initiative to revamp its service delivery mechanisms to promote and facilitate foreign trade. As a part of the initiative it has decided to launch a new digital platform on July 13, 2020 to provide services related to the IEC issuance, modification, amendments etc. The IEC is mandatory for companies and businesses to start a business that deals with import and export and the Access to the services would be through a username and password-based system. Digital Signature (DSC)/Aadhaar based e-Sign will be required for applying and modifying IEC or adding or updating the IEC-linked users.

The new platform is designed for the smooth migration of legacy (older) data of DGFT and its stakeholders. The existing data will be used for the online processing of the previous applications henceforth. The users will be able to monitor the status of their applications and the pending obligations thereof.

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