

# NEWSLETTER

December 2020 (Volume I: Serial No. 12/2020)

Bhatia & Bhatia  
Chartered Accountants



## Covered in this edition:

- Income Tax relief measures for real-estate developers and home buyers under Aatma Nirbhar package 3.0
- Personal Hearing Through Video Conference Under the Faceless Assessment Scheme, 2019
- PLI schemes extended to various sectors
- Chhattisgarh announces incentives under new industrial policy
- Quarterly Return Monthly Payment Scheme (QRMP)
- New Facility of Unblocking E way Bill
- GST E- Invoicing mandatory if turnover exceeds 100 crores
- India Demark Green strategic partnership
- Odisha govt extends financial incentive to 278 MSME units

## Key Dates for December:

- Companies fresh start scheme, 2020 extended to 31<sup>st</sup> December
- Depositing of TDS/TCS for the month of November is 7<sup>th</sup> December
- Advance tax payment from October 2020 to December 2020 is 15<sup>th</sup> December
- Return of income for the assessment year 2020-21(FY 19-20) to be furnished by 31<sup>st</sup> December for all assessee baring a few on whom tax audit/TP is applicable
- Tax audit report and TP certificate to be furnished by 31<sup>st</sup> December
- GSTR-1(Turnover more than 1.5 Crore) for November month is 11<sup>th</sup> December
- GSTR-3B for November month by 22<sup>nd</sup> December
- GSTR 9/9A/9C yearly return for March 2019 by 31<sup>st</sup> December
- Payment of Provident Fund & ESI contribution for the month of November by 15<sup>th</sup> December



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**Uma R. Wadhwa**

“Always keep learning. You stop doing useful things if you don’t learn. So the last part to me is key, especially if you have had some initial success. It becomes even more critical that you have the learning ‘bit’ always switched on.”

*“Success is not the key to happiness. Happiness is the key to Success. If you love what you are doing, you will be successful.”*

*-Albert Schweitzer*

# Income Tax

## **Income Tax relief measures for real-estate developers and home buyers under AatmaNirbhar package 3.0**

In order to boost demand in the real-estate sector and to enable the real-estate developers to liquidate their unsold inventory at a rate substantially lower than the circle rate and giving benefit to the home buyers, it has been decided to further increase the safe harbour from 10% to 20% under section 43CA of the Act for the period from November 12, 2020 to June 30, 2021 in respect of only primary sale of residential units of value up to INR 2 crores. Consequential relief by increasing the safe harbour from 10% to 20% shall also be allowed to buyers of these residential units under section 56(2)(x) of the Act for the said period.

Therefore, for these transactions, circle rate shall be deemed as sale/purchase consideration only if the variation between the agreement value and the circle rate is more than 20%.

## **CBDT to validate Unique Document Identification Number (UDIN) generated from ICAI portal at the time of upload of Tax Audit Reports.**

By a press release dated November 26, 2020, the CBDT has said that Unique Document Identification Number (UDIN) provided for the audit reports/certificates submitted by the Chartered Accountants in the e-filing portal shall be validated online with the ICAI. This will help in weeding out fake or incorrect Tax Audit Reports not duly authenticated with the ICAI.



## **Personal Hearing Through Video Conference Under the Faceless Assessment Scheme, 2019**

As per circular F. NO. PR. CCIT/NeAC/SOP/2020-21, dated November 23, 2020 the CCIT ReAC may allow personal hearing through Video Conference, after considering the facts & circumstances of the case, as below:

- The Assessee has submitted written submission in response to the draft assessment order (DAO).
- The Video Conference will ordinarily be of 30 minutes duration. It may be extended on the request of the Assessee or authorised representative.
- The Assessee may furnish documents/evidence, to substantiate points raised in the Video Conference during the session or within a reasonable time allowed by the AU, after considering the facts and circumstances of the case.



# Case Laws:

## **Treatment of discount on issue of ESOP allowable as expense u/s 37**

**CIT, LTU vs. Biocon Ltd. (ITA No 653 of 2013) (Karnataka HC)**

The taxpayer gave option to its employees for buying its shares at discounted price subject to the other conditions. The taxpayer claimed the difference of market price and allotment price as a discount and claimed the same as an expenditure under section 37 of the Act.

AO rejected the expense claimed and consequently, question arose before the High Court whether the discount on issue of ESOP is allowable as deduction in computing the income under the head profits and gains of the business.

High Court observed that Section 37 of the Act permits deduction for the expenditure laid out or expended and does not contain a requirement that there has to be a pay out. If an expenditure has been incurred, provision of section 37(1) of the Act would be attracted.

High Court observed that the market value and the face value at which shares are allotted are part of remuneration, which are paid to the employees in order to compensate them for the continuity of their services to the company and therefore, the same is allowable as an expenditure under Section 37 of the Act. It was further held that the expenditure is not contingent in nature. Hence, the appeal was concluded in favour of the taxpayer.



## **Depreciation allowed on intangible assets acquired from erstwhile partnership firm upon corporatization of the firm into a company.**

**Padmini Products Pvt. Ltd. Vs. DCIT(IT APPEAL NO. 154 OF 2014) (Karnataka HC)**

The taxpayer succeeded the business of a partnership firm on corporatization of the firm into a company. Prior to corporatization, the intangible assets were revalued by the firm. On corporatization, all the assets and liabilities stood transferred to the taxpayer for a consideration. The taxpayer claimed depreciation on intangible assets at the value at which they were acquired from the firm.

While the Tax Authority and Bangalore Income Tax Appellate Tribunal (Tribunal) disallowed the depreciation claim on the ground that the Taxpayer had adopted its own valuation methods and that the Taxpayer did not acquire these intangible assets for any consideration, the HC quashed the Tribunal's order and held that the intangibles represented trademarks of the predecessor and were valuable assets acquired by the Taxpayer for a valuable consideration. Hence, the Taxpayer was eligible to claim depreciation on the intangible assets with respect of the actual cost incurred by the Taxpayer.

The HC further held that the provisions dealing with the restriction on allowance of depreciation in certain cases of succession in the hands of the successor and the predecessor, would be applicable only in the year of succession, and not in subsequent years.

The HC further held that the Tax Authority cannot exercise discretionary powers to amend the actual cost since the Tax Authority had failed to establish that the primary purpose of the Taxpayer was to claim enhanced depreciation to reduce the tax liability.



**Section 10AA benefit on export by SEZ units is available on commercial profits before claim of tax depreciation and investment allowance.**

**Reliance Industries Ltd. v. ACIT (ITA No. 7299/Mum/2017)**

The taxpayer had set up refinery (eligible unit) within an SEZ for refining of mineral oil, from which the taxpayer earned export turnover. During the relevant assessment year (AY), the taxpayer claimed deduction under Section 10AA. It was allowed by the tax department with reference to the income computed under the business head of the SEZ unit after considering tax depreciation and investment allowance under the Act.

However, before the Tribunal, the taxpayer relied on the three-judges Bench decision of the Supreme Court in the case of Vijay Industries, and raised an additional ground contending that the deduction should have been granted with respect to commercial profits of the SEZ unit (i.e., without claim of tax depreciation and investment allowance under the Act).

The Supreme Court in the case of Vijay Industries observed that the scheme of the Act itself differentiates between the concept of 'Income' under the Act and 'profits and gains'. On reference to 'income-linked deduction requires computation of 'income' after allowance of all deductions and allowances wherein, in case of deduction linked to 'profits and gains' deduction can be allowed with reference to commercial profits without considering the tax depreciation and other allowances.

The language of Section 10AA and Section 80HH is similar in so much as both the sections allows deduction of a certain percentage of 'profits and gains derived from' eligible activity and, hence, the ratio of the Supreme Court in the case of Vijay Industries was applicable to the taxpayer.

The tax department's contention, that the Supreme Court decision in the case of Vijay Industries is not applicable in the present case since it dealt with an assessment year when Section 80AB was not in force and there was change in law thereafter due to the introduction of Section 80AB, was not correct.

Provisions of Section 80AB, even though made applicable to Deduction Chapter, have not been extended to Section 10AA. Accordingly, the ratio of the Supreme Court decision can be invoked to interpret the phrase 'profits and gains' under Section 10AA. The provisions of Section 80-IA relied on by the tax department was also not correct since such provisions deal with a case where deduction is permitted at the stage of computing total income after taking into consideration all deductions and allowances as against under Section 10AA (prior to the insertion of Explanation thereof with effect from AY 2018-19) deduction is available at the interior stage.

Explanation to Section 10AA has prospective effect from 1 April 2018 and cannot be invoked for determining the amount of deduction in the present case which pertains to an earlier year. After the well-reasoned Supreme Court decision in the case of Vijay Industries on the issue, there cannot be any scope for ambiguity in interpreting the words 'profits and gains'. Accordingly, the Tribunal held that the taxpayer is eligible to claim deduction under Section 10AA with reference to commercial profits (i.e. without deducting tax depreciation and investment allowance).



# International Taxation & Transfer pricing

## Case Laws:

**Software purchase payments to foreign AE liable to TDS u/s 195**

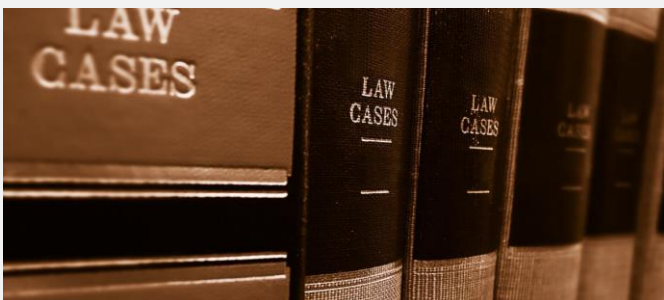
**Kaseya Software India Private Limited [ITA No. 1304/Bang/2018]**

The taxpayer contended that it is only a mere distributor of the software to Indian customers and also pointed out that the amount debited by the taxpayer as purchase of software license is just the price being payable to AE after retaining its applicable margin of 15%. The main dispute was whether the software expense debited in the books of the taxpayer was purchase of software by the taxpayer or a mere reimbursement to the AE. The Tribunal however ruled in favour of the revenue stating that the product is produced by the AE of the taxpayer and not by the taxpayer and therefore, the amount payable by the taxpayer to its AE in this regard is nothing but purchase price of the computer software and various judgments followed by the lower authorities including Karnataka HC judgments in CIT vs. Samsung Electronics Co. Ltd. [345 ITR 494] and Synopsis International Ltd. vs. CIT [28 taxman.com 162] are applicable because in these cases also, computer software was imported by the assessee without deducting TDS and it was held that it is payment of Royalty and therefore, the taxpayer should have deducted TDS.

**Tribunal allows assessee's contention of treating credit card services as business expense**

**Standard Chartered Grindlays [ITA No. 2920/Del/2008 and ITA No. 2995/Del/2008]**

The taxpayer (Standard Chartered Grindlays Bank, earlier ANZ Grindlays Bank), a non-resident banking company carrying on banking business through its PE in India made payments for obtaining technical services for its Indian operations from ANZ Banking Group. The services mainly comprised of Commercial Banking System, Operations and Technology Services and Cards Technology services. The CIT(A) examined all the three service agreements before rejecting the claim of payment towards credit card support services stating that the same was not incurred for the purpose of taxpayer's business in India. The CIT(A) also placed reliance on the Memorandum which did not stipulate that ANZ Banking Group would provide credit card support services to PE of the taxpayer in India. The Tribunal examined the Memorandum of agreement, tax reports, notes to accounts, details of tax payment under the tax treaty provisions of India-Australia and also external auditor's report stating that all the charges including the services in respect of credit cards were incurred on behalf of the Indian PE of the taxpayer. Finally, the Tribunal concluded that technical fees are not covered under the head office executive and general administrative expenditure as specified in section 44C of the Act and would be deductible under section 37(1) read with the proviso to section 40(a)(i) of the Income Tax Act.





# आयकर अपीलीय अधिकरण INCOME TAX APPELLATE TRIBUNAL

## **ITAT upholds working capital adjustment granted by TPO in case of substantial revenue locked in sundry debtors Transcend MT Services Pvt Ltd [ITA No. 6200/Del/2015 and CO No. 49/Del/2016]**

The major apprehension raised by the taxpayer is with regard to the suo-moto working capital adjustment made by the TPO without appreciating that the taxpayer did not bear any working capital risk. The Revenue has held that the contention of the taxpayer that it does not bear any working capital risk is fundamentally flawed as the fund flowing regularities in the related uncertainties would remain even in case of such a captive entities, because of the reason that certain receivables/fund inflows are needed towards basic sustenance and upkeep even when business flows. From the records of the taxpayer, it has been apparent that substantial revenue of the taxpayer is locked into the sundry debtors and therefore, working capital adjustment is justified in the case of the taxpayer.

## **TDS applicability on payment to foreign attorneys**

### **Shri Hariharan Subramaniam [ITA No. 7418/Del/2019]**

The main contention of the taxpayer is that services were rendered by the foreign attorneys/law firms and the payment made do not fall within the scope of Fees For Technical Services [ FTS] as defined under explanation 2 to Section 9 (1) (vi) of the Income Tax Act. It was further contested that the fees paid on professional services do not fall into the definition of fees for technical services and that the payments are made to various residents of different countries with whom India has signed DTAA. The lower tax authorities did not agree with the view of the taxpayer that the nature of the services provided is in the nature of Independent Personal Services stating that the argument of the taxpayer clearly shows that the services rendered by the foreign professionals in those countries (France, Israel, Hungary and Belgium) is Fees For Technical Services and it cannot be considered as income under Independent Personal Services clause or Business Profits. The Tribunal finally concluded that payments made to recipients in specified countries (Brazil, China, Czech Republic, Japan, Philippines, Thailand and Vietnam) shall be taxable in the country of residence under the DTAA article dealing with independent personal services and accordingly directs Revenue to allow the deduction subject to verification of residency of the recipient in the respective countries.

Further, the Tribunal held that payments which are not eligible for benefit under DTAA will be taxable as FTS and accordingly, subject to TDS u/s 195.



**Transactions between taxpayer and AE concluded to be of “negotiation services” and not “deemed international transaction of purchases”**

**Gujarat Gas Trading Company Ltd [ITA No. 3397/Ahd/2014]**

The taxpayer’s AE had negotiated a transaction with a third party, Cairn Energy Group for purchase of natural gas from its gas field. The contract for purchase of gas was transferred by AE to Gujarat Gas Company Limited (GGCL) and subsequently, it was transferred to the taxpayer. The AO stated that the transactions of purchase of gas by the taxpayer from Cairn Energy Group were covered under the definition of “international transaction” as per provision of Sec. 92B(2) of the Act. The taxpayer argued that AE had only rendered negotiation services with Cairn Group and there was no prior agreement between the third party and AE, therefore, the application of Sec.92B(2) was not justified.

The Tribunal observed that since the taxpayer would be the beneficiary of the long term agreement and therefore, it had paid commission to the AE for carrying out negotiation with the Cairn. Tribunal also noted that AE had also extended guarantee for the performance of the contract and therefore, the taxpayer had paid annual commission equivalent to 1% of the guaranteed amount equivalent to the comparative rate of 1% quoted by the ICICI Limited. Thus, the Tribunal held that the transactions with the AE is in accordance with the arm’s length principles.



*“Most people don’t listen with the intent to understand, they listen with the intent to reply”*

*--Stephen Covey*



# Indirect Tax

## Quarterly Return Monthly Payment Scheme (QRMP)

This scheme is notified by the Government allowing a registered person having aggregate turnover up to five crore rupees in the preceding financial year to furnish return on a quarterly basis i.e. GSTR 1 and GSTR 3B along with monthly payment of tax.

This new Scheme will be effective from 1 January 2021.

In case the aggregate turnover exceeds five crore rupees during any quarter in the current financial year, the registered person shall not be eligible for the Scheme from the next quarter.

The said details of outward supplies shall, however, not exceed the value of fifty lakh rupees in each month.



## GST Return Information now to be included in 26AS

CBDT vide its order dated 29<sup>th</sup> September hereby authorizes the Principal Director General of Income-Tax (Systems) or the Director-General of Income Tax (Systems) to upload information relating to GST return, which in possession, in the Annual Information Statement in Form 26AS, within three months from the end of the month in which the information is received by him

### Turnover upto 5 Crores

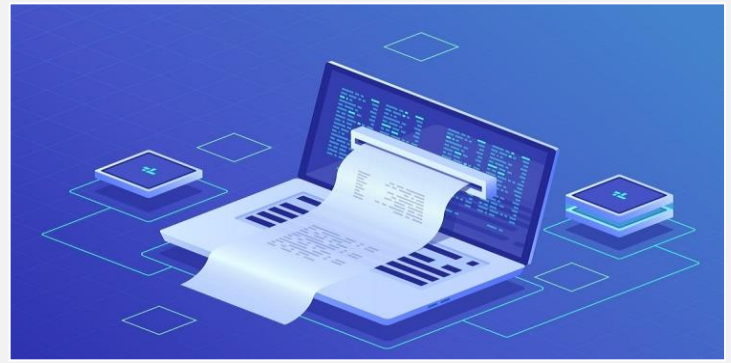
Return & Period	(Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana or Andhra Pradesh or the Union territories of Daman and Diu and Dadra and Nagar Haveli, Pondicherry, Andaman and Nicobar Islands and Lakshadweep)	(Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand or Odisha or the Union territories of Jammu and Kashmir, Ladakh, Chandigarh and Delhi)
GSTR 3B for the month of November, 2020	22.12.2020	24.12.2020

### **New Facility of Unblocking E way Bill**

In terms of Rule 138E (a) and (b) of the [CGST Rules, 2017](#), the E-Way Bill (EWB) generation facility of a taxpayer is to be blocked, in case the taxpayer fails to file their returns in Form GSTR-3B or Statement in Form CMP-08, for two or more consecutive tax periods.

A facility has now been provided to the taxpayers on the GST Portal, from 28th November, 2020 onwards, to file an application online for unblocking of their EWB generation facility (in Form EWB-05), in case their EWB generation facility has been blocked on the EWB Portal.

As earlier, taxpayers were applying to tax officials vide manual application for unblocking of their EWB generation facility and department were issuing orders online on GST portal, in form GST EWB-06.



### **GST E- Invoicing mandatory if turnover exceeds 100 crores**

CBIC in its vide [No. 88/2020 – Central Tax](#), dated the [10th November, 2020](#), notifies that e- invoicing will be mandatory for notified tax payers whose aggregate turnover (TO) in previous financial year exceeds Rs. 100 Crores.

## **DUE DATES:**

<b>Return</b>	<b>Period</b>	<b>Due dates</b>
GSTR-1 Monthly Taxpayers (Turnover more than INR 1.5 Crore)	November 2020	11.12.2020
GSTR-1 Quarterly Taxpayers (Turnover upto INR 1.5 Crore)	October - December 2020	13.01.2021
	January – March 2021	13.04.2021
GSTR-3B (Turnover more than 5 Crore)	November 2020	20.12.2020
GSTR-9 (Annual return)	FY 2018-19	31.12.2020
GSTR-9A (Composition annual return)	FY 2018-19	31.12.2020
GSTR-9C	FY 2018-19	31.12.2020

# Secretarial, Regulatory & Business Updates

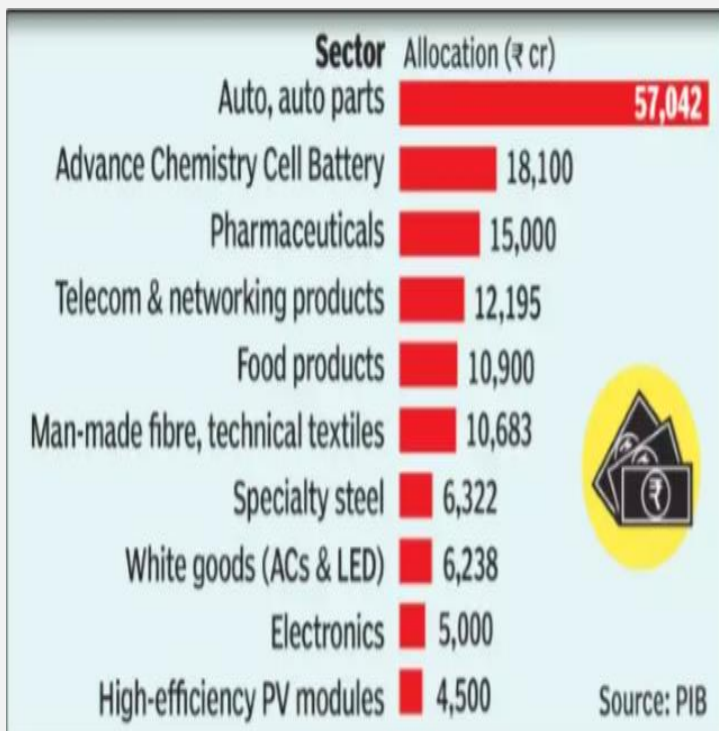
## PLI schemes extended to various sectors

The Government of India announced extension of the Production-Linked Incentive (PLI) scheme for 10 sectors recently. These are pharmaceuticals, automobiles and auto components, telecom and networking products, advanced chemistry cell battery, textile, food products, solar modules, white goods, and specialty steel. Sector wise allocation under the scheme by the government is as follows. Further, the government of India is also intending to extend the PLI scheme to Solar modules.



## India's broadcasting ministry to regulate streaming services and online content

India's Ministry of Information and Broadcasting, which oversees programs beamed on television and screened in theatres in the country, will now also regulate policies for streaming platforms and digital news outlets in a move that is widely believed to kick start an era of more frequent and stricter censorship on what online services air.



*"There are no secrets to success. It is a result of preparation, hard work, & learning from failure"*

*--Colin Powell*

### **Odisha govt extends financial incentive to 278 MSME units**

In its bid to strengthen the Micro, Small and Medium Enterprises (MSMEs) sector, Odisha government has extended financial incentives to 278 units during the current fiscal. With this, the total number of units getting incentives increased to 639 since April this year. The total amount of incentive has touched Rs 69.99 crore.

Mainly three types of direct financial incentives like capital investment subsidy (at two slabs of 25% and 33%), interest subvention @ of 5% per year for five years and VAT reimbursement for five years are provided to the MSMEs under different policies.

Besides, the government departments and PSUs have been directed to procure at least 20 per cent of their requirement from local MSMEs.

# INCENTIVES

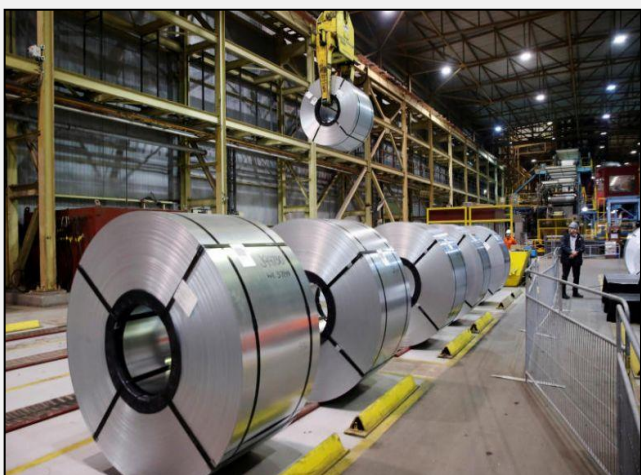
### **Chhattisgarh announces incentives under new industrial policy**

The Chhattisgarh government has introduced a new industrial policy to provide a special incentive package for investment in ultra-mega projects of sponge iron and steel sector.

The region-wise subsidy limit has been increased from 60 per cent to 150 per cent for industries of the sponge iron and steel sector and investment incentive of maximum Rs 500 crore (Rs 1,000 crore for Bastar) will be valid under this initiative. The proposed units will have to start production by October 31, 2024, to avail this.

Likewise, financial investment incentive will be provided to those new units, which have started commercial production after investing Rs 100 crore in the permanent capital investment fund.

Industries of the core sector across the state have also been made eligible for subsidised electricity supply by the state government.



*“Business opportunities are like buses, there’s always another one coming”*

*--Richard Branson*

## Joint Venture Agreement to Offer Cloud and Infrastructure Support Services to the Insurance, Banking and Healthcare Industries

Ebix, Inc, a leading international supplier of On-Demand software and E-commerce services to the insurance, financial, healthcare and e-learning industries today announced a strategic agreement with Data Glove Technologies, a New Jersey based firm specializing in Infrastructure, Managed Services and Cloud Services. The agreement entails various facets including outsourcing of certain back office functions and strategic joint ventures (JV) to provide cloud and infrastructure support services to the Insurance, Banking and Healthcare marketplace.

The Companies announced the setting up of two joint ventures in the US and India to target the cloud and infrastructure support areas in the BFSI industry in both geographies. The JV in the US will target the US and Canadian markets while another JV set up in India will service the Asia Pacific, Africa, Europe and ASEAN Regions. The joint ventures will focus on providing Infrastructure Assessment including Cloud Readiness, Cloud Migration, Development Services (Dev Ops), and Maintenance Services for both Public and Private Cloud solutions.



## India Denmark Green strategic partnership

India and Denmark recently signed a Green Strategic Partnership, the first such agreement for either country. Denmark is a front runner in renewable energy, especially in offshore wind where they are in the process of using this technology to create “energy islands”. India on the other hand has ambitious plans for renewable energy. The Green strategic partnerships is aimed at using the skills and technology that Denmark has to offer so that India can achieve their goals on the renewable energy.



### India-US extend MoU on nuclear energy

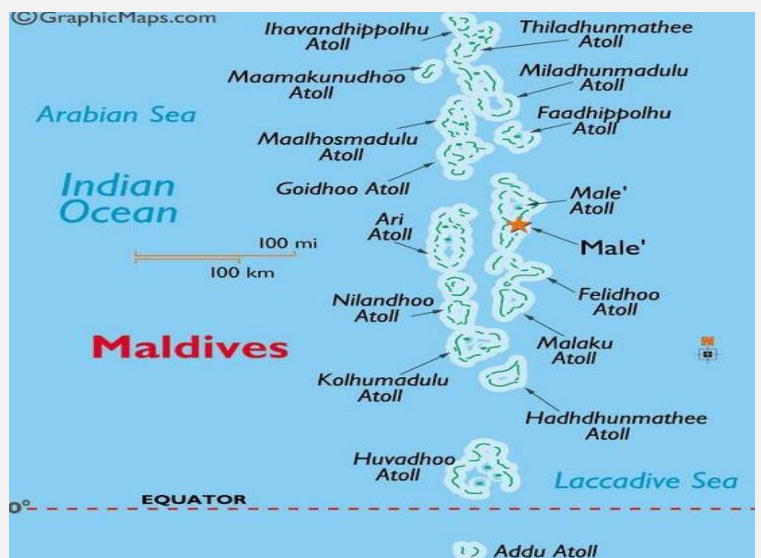
The MoU for cooperation on nuclear energy between India and America have been extended by an additional 10 years

### Cabinet nod to ink MoU between India and UK

The Government has given its approval for signing a Memorandum of understanding (MoU) between the Central Drugs Standard Control Organization (CDSCO) and the United Kingdom Medicines and Healthcare Products Regulatory Agency for cooperation in medical products regulation, The main areas of cooperation between the two regulatory authorities include exchange of safety information, including pharma co vigilance.

### India – Maldives ink 4 MoUs

Four MoUs have been signed between India and Maldives, including a \$100 million Indian grant for an ambitious connectivity project. In addition to two MoUs for “high impact” community development projects, the countries signed an MoU on cooperation in sports and youth affairs and another for the \$100 million grant, which is part of India’s “\$500 million package” for the Greater Male Connectivity Project (GMCP). Last month, the two governments inked a deal for a \$400 million line of credit from the Exim Bank of India.



### India – Finland sign MoU

India and Finland sign MOU for developing cooperation in the field of environmental protection and biodiversity conservation. The MoU will strengthen technological, scientific and management capabilities and develop bilateral cooperation in the field of environmental protection and biodiversity conservation on the basis of equality, reciprocity and mutual benefit with due respect to promotion of sustainable development.



### **India-Italy sign 15 MoUs to strengthen bilateral relations**

India and Italy, signed 15 MoUs in various sectors with an objective to strengthen bilateral relations. The two countries underlined the need to intensify cooperation in high technology, clean energy and energy sector development, infrastructure, food processing. The two leaders acknowledged the untapped potential of bilateral industrial partnership and projects and encouraged respective “national champions” and SMEs to explore new avenues of cooperation. They agreed to promote innovative financial schemes capable of supporting bilateral investments.

### **Adani Group announces strategic collaboration with Italy based Snam**

The Adani Group added a new chapter to its legacy of nation-building by announcing strategic collaboration with Italy-based Snam, Europe's leading gas infrastructure company. The collaboration, an integral part of the virtual summit between India and Italy, would envisage exploration of the hydrogen value chain in India and global markets, as well as the development of biogas, biomethane, and low-carbon mobility. As part of the strategic partnership, Adani Group and Snam intend to explore several opportunities in the energy space, where each Group brings complementary capabilities to the table.



### **Karnataka, Tamil Nadu Announce Incentives To Attract Pegatron**

Pegatron, an iPhone manufacturer, is planning an initial investment of \$150 million (Rs 1,110 crore) to build manufacturing facilities in India. The Taiwanese smartphone manufacturing giant is expected to begin production from the upcoming Indian facility in the second half of next year or in early 2022. Further, the company plans to make more successive investments in the next two years.

The states of Karnataka and Tamil Nadu are lining up a slew of offers to attract Pegatron.

Tamil Nadu government which has held four round of talks with Pegatron has identified a large tract of land near Vallakottai outside Chennai as a possible site for the plant. Tamil Nadu has promised a capital subsidy under its Electronics Hardware Manufacturing Policy, based on the range of investment and location chosen. The subsidy is capped at 15 per cent for investment below Rs 500 crore and at 18 per cent for investments of more than that amount. Tamil Nadu will also give a 50 per cent exemption on stamp duty if the land is leased from state agencies like ELCOT, SIDCO, SIPCOT.

Karnataka on the other hand is offering 50 acres of land outside Bengaluru along with a 25 per cent capital subsidy on land value and plant and machinery. The state is also offering a stamp duty concession and a 1 per cent additional incentive on turnover over and above the 5 per cent stipulated under the PLI scheme.

### **ETO Motors signs MoU with Telangana government**

ETO Motors which has offices in Hyderabad, Bengaluru as well as New Delhi has today signed a MoU with the Telangana government. It will be setting up a greenfield facility for its electric three wheelers in Telangana. An investment of over Rs 150 crore is being planned in this facility and this in turn will generate employment for 1,500 people. The investment will be put into the company over the next five years. ETO will start the facility under its subsidiary, Keto Motors. ETO is looking to bring in electric three-wheelers both in the cargo as well as the passenger vehicle format.



### **Maharashtra Signed MOUs to Bring Investments and Create jobs**

Various MOUs has been signed by the government of Maharashtra with 15 National and international companies to bring an investment of 34,850 crores and to create 23,000 jobs.

Of all the MOU signed 7 pertains to data centers- Net Magic IT Services, Nextra, Mantra Data center, Adani Enterprise, STT Global Data Centres, Colt data center, and Holding India LLP for which 25000 crore rupees will be invested. This initiative is part of the state endeavor to become a data center hub.

Mitsubishi Electric India (Japan), Bright Cino holding, Oriental aromatics, Malpani warehousing and industrial park, Evermint logistics, and ESR India will invest the rest of the money.

The agreement was entered as a part of the magnetic Maharashtra 2.0 initiative which has a target to bring investment of rupees one lakh crores to the state.



### **ESR India inks MoU with the government of Maharashtra to invest Rs 4,310 crore**

ESR India, a leading Asia Pacific focused industrial and logistics real estate platform has inked an MoU with the government of Maharashtra envisaging Rs 4,310 crore investment for setting up 11 projects around Mumbai and Pune.

The MoU will see ESR invest Rs 4,310 crore to develop industrial and logistics parks in Maharashtra and will see multiple direct & indirect job opportunities.

### **Anti-dumping duty**

India has extended the impose of Anti-Dumping duty on Fluoroelastomers (FKM) originating in or exported from China PR for a period of 5 years starting from 27 November 2020, in pursuance of sunset review final findings issued by Directorate General of Trade Remedies.



### **SIDBI signs MoU with TN to develop MSME ecosystem**

Small Industries Development Bank of India (SIDBI) has signed a MoU with TN government to develop micro, small and medium enterprises eco system in the state.

SIDBI would deploy a project management unit (PMU) for training and capacity-building programmes in areas like technology transfer, intellectual property rights and research and development, among others. SIDBI is also structuring a cluster development fund to support the infrastructural aspects of cluster development.



**SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA**

### **Karnataka to sign MoUs with global innovation alliance countries**

Karnataka has created a dedicated track for global innovation alliance (GIA) sessions for its flagship tech event, Bengaluru Tech Summit, which will be held virtually for the first time this year from November 19 to 21.

Countries will host technology sessions for ecosystem connects, exchange of ideas and people, and deliberations on policy environment. Minister-level delegations from key GIA partner countries are expected throughout the summit. The track will also see government-to-government meetings and MoUs to activate projects for skilling, R&D and start-ups. Australia, France, Germany, Israel, Netherlands, Switzerland and UK are among the 25 countries expected to participate.



# Our Offices:



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