

WEEKLY NEWS



The latest news and updates



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RERA Updates

The real estate sector has been disrupted by reverse migration and a supply chain break: Government.

by Maestro Legal | Advocates and Legal Consultants

The authorities on Thursday stated that because of the opposite migration of labourers, inclusive of production workers, to their local locations all through the pandemic and spoil withinside the deliver chains of production material, production sports of actual property tasks throughout the us of a had been adversely impacted. However, the precise information of the quantum of process losses and economic losses withinside the actual property region aren't maintained centrally with the aid of using the authorities. The Ministry of Housing and Urban Affairs (MoHUA) had issued an advisory to all States and Union Territories (UTs) and their regulatory government for extension of

The real estate sector has been disrupted by reverse migration and a supply chain break: Government (Contd.)

the final touch date or revised/prolonged final touch date for all actual property tasks registered under the Real Estate (Regulation and Development) Act, 2016 [RERA] for a length of 6 months, and in addition extension of three months as in keeping with the situation. The authorities stated that so that it will provide alleviation to homebuyers, builders and different borrowers, the of Reserve Bank India authorized lending establishments to provide a complete moratorium of 6 (three+three) months on bills falling due among 1st March, 2020 to 31st August, 2020. Moreover, infusion of 75,000 crore for Non-Banking Financial Corporations (NBFCs), Housing Finance Companies (HFCs) and Micro Finance Institutions (MFIs) and Rs 18.000 crore extra outlay for the Pradhan Mantri Awas Yojana - Urban have additionally helped withinside the revival of the development and realty region. The Real Estate (Regulation and Development) Act changed into enacted in March, 2016 to make sure regulation & advertising of the actual property region in an green and obvious way and guard the hobby homebuyers. Under the provisions of the RERA, as on

April, 2022, 31 States/UTs have mounted Real Estate Regulatory Authorities, 28 States/UTs have mounted Real Estate Appellate Tribunals, 78,225 actual property tasks and 61,551 actual property marketers had been registered under RERA.



The Ministry of Housing and Urban Affairs (MoHUA) had issued an advisory to all States and Union Territories (UTs) and their regulatory government for extension of the final date or revised/prolonged final date for all actual property tasks registered under the Real Estate (Regulation and Development) Act, 2016 [RERA] for a length of 6 months, and in addition extension of three months as in keeping with the situation







Data integration in Maharashtra to avoid illegal property registrations.

MahaRERA venture records could be included with that of the registration branch inside months to test rule violations. The flow follows unlawful registration of over 10,000 files withinside the metropolis and different regions of the country. "This could be an in-built check. With this. registered initiatives' MahaRERA quantity will routinely mirror withinside the survey quantity column to allow the residents and officers to understand if a venture has been registered with the country actual property authority," senior MahaRERA respectable stated Wednesday. on Around 34,280 initiatives are registered with MahaRERA throughout Maharashtra. confirmed the authority dashboard.

Of these, as many as 9,091 initiatives are complete. A assembly among the belongings registration branch and MahaRERA has already taken region on the difficulty records of integration, reassets from the branch expressed. On Monday, the country authorities had directed the country Inspector General of Registration and Stamps to provoke disciplinary motion towards forty four officials from numerous sub-registrar workplaces for registering over 10,000 files in violation

of the Real Estate Regulatory Authority (RERA) Act and the Maharashtra Prevention of Fragmentation and Consolidation of Holdings Act. The country had appointed a four-member squad for checking such files from all sub-registrar workplaces in 2020 and an in depth document became submitted final year.

The order signed via way of means of the squad member and registration respectable Govind Karad said that forty officers four had been discovered responsible of illegally registering approximately 10,561 files in Pune metropolis. Revenue minister Balasaheb Thorat has stated except the officers from the registration branch, the ones worried withinside the mutation entries too have been below the radar. 'Over 3k files in Thane violated policies' Squad member and registration respectable Govind Karad instructed TOI that they have got scanned files in Thane and feature discovered 3.three hundred files in violation of the RERA policies and fragmentation act. A overall of twenty-two officers are below the radar in Thane metropolis. The document could be submitted and the order is probable to be issued Karad stated. Aurangabad too, forty three files had been discovered in

violation of the acts and one officer is below radar. "The files are being checked and the numbers may fit up," Karad stated.





CONSUMER PROTECTION NEWS

by Maestro Legal | Advocates and Legal Consultants

The Delhi High Court has ordered the Centre to develop a mechanism for checking "ecommerce sites" for compliance with legal metrology rules on a regular basis.



The Delhi High Court asked the Central government to with a come up proper mechanism for conducting checks of periodical ecommerce platforms and ensure their compliance with various laws pertaining to display and packaging products.

The Court turned into listening to a public hobby litigation searching for route to the Respondents, consisting of Ministry **Affairs** Food Consumer Public Distribution, to make sure show of info like MRP of product, vendor info consisting of GST number, call of producer, country of origin of product, etc. at the ecommerce websites. The petitioner, Ajay Kumar Singh, thru his recommend argued that despite the fact that the Respondent government have admitted to non-compliance with the aid of using the nonpublic Respondents (e-trade

entities), no concrete motion has been taken accordingly far. The Petitioner had alleged non-compliance of Legal Metrology Act, 2009, Legal Metrology (Packaged Commodities) Rules, 2011 and Consumer Protection Commerce) Rules 2020 with the aid of using numerous ecommerce websites. Rule 6 of the 2011 Rules affords that each bundle shall endure thereon retail sale fee of the bundle: month and yr wherein the commodity is synthetic or prepacked or imported; the call and cope with of the producer and/ or packer and the importer; call, cope cellphone number, email cope with, if available, of the person that may be or the workplace which may be, contacted, in case of customer complaints; etc.

Rule five of the 2020 Rules affords that each market etrade entity shall offer records to its customers approximately the dealers supplying items and services, consisting of the call in their business, whether or not registered or now no longer, their geographic cope with, patron care number, etc. Upon a perusal of the same, the Bench ordered. The Respondents no 1 and a couple of have now no longer but installed region mechanism for behavior of ordinary exams on periodical foundation of all commerce web sites to make compliance sure with aforesaid rules. Respondents must have a look at this issue and region earlier than this Court a mechanism that they desire to conform to make sure compliance on ordinary foundation. Respondents must additionally document standing record in regards to notices issued to numerous e-commerce web sites.



COMPANY LAW

by Maestro Legal | Advocates and Legal Consultants



The Supreme Court of India has ruled that medical practitioners are not entitled to tax deductions for incentives and freebies.

big improvement In withinside the case of Apex Laboratories Pvt. Ltd ('the taxpayer'), the Supreme Court of India ('the Court') denied a tax deduction on charges incurred with the aid of using pharmaceutical and allied fitness quarter industries for incentives and freebies to scientific practitioners. The taxpayer, steady with the exercise withinside the pharmaceutical industry, furnished freebies along with hospitality, sponsorship of meetings and seminars, laptops, and comparable advantages to scientific practitioners to create attention and decorate the emblem recollect cost in their products. The restrained

query for dispute changed whether not expenditure incurred with the aid of using the taxpayer such freebies is tax deductible. Section 37 of the Income-tax Act 1961 ('the IT Act') offers that an expenditure incurred thoroughly and completely for the functions of enterprise is tax-deductible, furnished it isn't incurred for any reason that is an 'offence' or for any reason that is 'prohibited with the aid of using regulation'.

The Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 ('the MCI policies') prohibits scientific practitioners from accepting gifts, hospitality, and so forth

from pharmaceutical business enterprise. Censures consequences prescribed for violation of the MCI policies. The Indian tax authorities ('the Revenue') disallowed this expenditure on the premise that such freebies are violative of MCI policies and consequently prohibited with the aid of using regulation. However, the taxpayer contended that MCI policies follow simplest to medical doctors and now no longer to the business enterprise itself. It has been the taxpayer's rivalry that punitive movement may be taken in opposition to the medical doctors, however if expenditure changed into for valid merchandising



The Supreme Court of India has ruled that medical practitioners are not entitled to tax deductions for incentives and freebies. (Contd.)

of enterprise, then it need to now no longer be disallowed tax functions. of reputation expenditure incurred with the aid of pharmaceutical agencies in supplying freebies and incentives to medical doctors and different scientific practitioners been a vexed trouble with conflicting jurisprudence on each sides.

The Court has positioned the debate to relaxation with the aid of using finding out the problem in favour of the Revenue with the aid of using keeping that the expenditure incurred changed into certainly violative of regulation and changed into now no longer taxdeductible. well-In а reasoned the judgment, held Court that pharmaceutical agencies had completely been aware about MCI policies and knew that the medical doctors freebies accepting could violate the policies. The act of giving freebies changed into held to be an act of commission. The Court held that medical doctors have a quasi-fiduciary dating with their sufferers and their judgment of prescribing drugs can not be inspired with the aid of using receipt of freebies. The value of such freebies is constructed into the value of drugs that is in the end borne with the aid of

using the sufferers The ethical tenets aside, the Court held that it can not resource a celebration in inflicting an unlawful act to be committed. The Court additionally held that an act which couldn't were executed at once also can now no longer be executed indirectly. Accepting the argument that the MCI policies carried out simplest to medical doctors and now no longer to pharmaceutical agencies could be exercising in cementing the of scientific exercise practitioners. This judgment additionally legitimises the change to the IT Act with the aid of using the Finance Act 2022. which clarifies that expenditure such illegitimate with the aid of using regulation and consequently now no longer allowable as a deduction. Given the Court's judgment, the debate over whether or this change not is retrospective or potential is instructional in nature. because the judgment is thought to make clear the regulation when you consider that inception. its The iudament reaffirms that interpretation of regulation isn't simplest an exercising in cementina. and that the translation can not be accomplished in a way that might frustrate the aim of regulation.

Given the Court's decision. there are numerous regions which agencies can additionally need to examine further. Companies can also additionally disallowances associated with lawsuits which can be pending at any level. While agencies ought to guard themselves in opposition to penalty movement, there may be demanding situations in protecting opposition to hobby legal responsibility, that is consequential in nature. Companies need to reconsider their enhance tax responsibility legal minimise hobby exposure. Companies need to additionally recollect whether or not there may be any want to revise the tax returns of in advance years. The facility to report an up to date tax return, as furnished withinside the Finance Act. 2022 may be explored to optimise tax costs. Pharmaceutical agencies have labored intently with scientific practitioners to sell and facilitate fitness attention, which in a rustic like India has been traditionally very low. This has forms. diverse taken number of which can be valid and a few that won't be so. Given that this has been an industry-extensive



The Supreme Court of India has ruled that medical practitioners are not entitled to tax deductions for incentives and freebies. (Contd.)

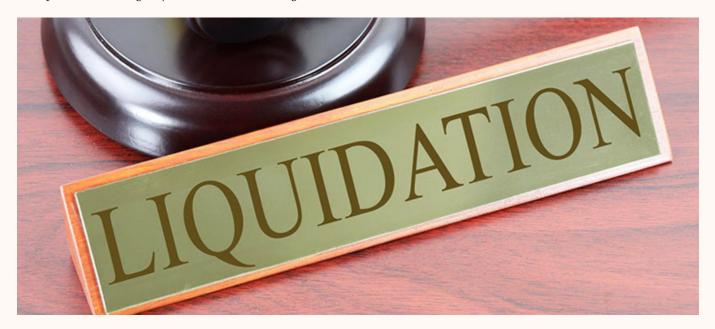
exercise, agencies will want to intently study which of the freebies could be hit with the aid of using the MCI policies, the documentation required for protecting the valid bills made withinside the past, and the way the scenario desires to adapt in future.

For example, can the availability of in-health facility gadgets with business enterprise logos, along with stationery gadgets, face masks, sanitisers, and so forth, be appeared as permissible below the MCI policies? Is the present of low-cost gadgets, along with the ones really well worth much less than the MCI law restriction of INR 1000 (\$13). permissible? sponsorship of convention expenses for medical doctors permissible below policies? Companies will want to iron out those problems and feature demarcation in location on what's and isn't permitted, as according to the MCI policies, to stable their tax deduction to the quantity permissible below the regulation. Companies will even want to definitely plan for proposed provisions supplying for the deduction of tax at source.



INSOLVENCY AND BANKRUPTCY

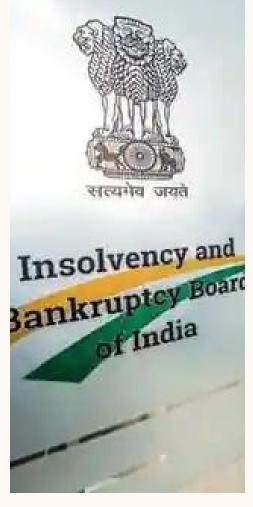
by Maestro Legal | Advocates and Legal Consultants



The IBBI modifies the regulations governing the voluntary liquidation process

The Insolvency Bankruptcy Board of India (IBBI) has amended guidelines relating voluntary liquidation manner as a part of efforts to streamline the manner. The modification seeks to streamline the voluntary liquidation manner via way of means of decreasing the timelines and enforcing obligations extra liquidator. The requirement of latest form H relieves a few burden off the adjudicating authorities, with applicable records and delight of compliance assessments being to be had to it in a dependent tabular format.

This shall resource similarly improving liberty of go out for the traders in keeping with India's bold dreams of imparting ease of doing commercial enterprise to traders for the duration of all of the levels of the lifecycle of businesses. IBBI, a key group in imposing the Insolvency and Bankruptcy Code (IBC), has notified modifications the withinside the voluntary liquidation manner guidelines.





COMPETITION LAW

by Maestro Legal | Advocates and Legal Consultants



The CCI is investigating the debt trustee sections of SBI, Axis, and IDBI for a possible fee cartel.

investigating the trustee Axis for Bank collusion on triggering а through а representing through confirmed. Indian policies additionally mandate that corporations property elevating debt rent a so- funding charge from debt and make unbiased the due-diligence exams on them.

India's antitrust frame is SBICAP Trustee Company, Trustee and gadgets of State Bank of Trusteeship - are some of India, Axis Bank and IDBI the leaders withinside the suspected commercial enterprise in fees, India overseeing loads of lawsuit billions of bucks through collection rendering trustee offerings them, files for now no longer simply Reuters debt securities, however actual different and funds. The called "debenture trustee" Competition Commission to shield the pursuits of of India (CCI) in a personal investors. The trustees fee December order said the the Trustees Association corporations issuing the India - a frame wherein trio founding are individuals - closing 12 months "substantially" accelerated the charge for

supporting corporations elevating debt and averted individuals from going under a ground fee. thereby hurting opposition. The affiliation has released a courtroom docket venture in Mumbai that seeks to quash the antitrust research directive it has termed "illegal" and "capricious", in keeping with courtroom docket filings. The lawsuit could be heard on Thursday. The antitrust probe and the approaching courtroom docket hearing, information of that have now no longer been formerly reported, should have ramifications on

The CCI is investigating the debt trustee sections of SBI, Axis, and IDBI for a possible fee cartel (Contd.)

India's nearly \$500 billion company debt marketplace through changing charges and affecting the manner trustees operate. A locating of cartelisation should result in a nice of up to 3 instances the income in every 12 months the charge become constant through the trustees, or 10% of annual sales in the course of violation, whichever is more. SBICAP Trustee and IDBI Trusteeship failed to for reply to reauests comment. Axis Trustee. that's indexed as President of the Trustee Association in files. additionally failed to reply. The CCI, which does now no longer publicly divulge its cartel probes which can be underway, did now no longer reply to an e-mail searching for comment. COMPLAINT BY BORROWER The antitrust case become induced through a criticism from Indian gold financina organization Muthoot Finance. When it desired to debt in Auaust closing 12 months, Muthoot obtained a costing inspiration which become 300% better than preceding rates. The files confirmed that once Muthoot IDBI protested, stated in an August e-mail "the brand new pricing shape is determined through the Trustee Association", including that "any deviation through us in quoting the fee

could result in unfavourable repercussion on us". The CCI, whilst ordering its research, noted: "Such collective selection making through the affiliation ... impacts opposition withinside the markets."

In February it requested the trustee affiliation to put up their assembly statistics and provide an explanation for its position in solving a minimal charge shape, one report confirmed. The trustee affiliation has defended itself courtroom withinside the docket filings through announcing the better charge become justified as their value burden had long gone up through the years of because improved regulatory compliance requirements. It stated it had knowledgeable marketplace regulator SEBI closing 12 months that the pricina shape could determined through trustees, however it "will now no lonaer be under the benchmark ground fee". The organization stated that the matter, through law, can best be investigated through a "specialized sectoral regulator", in this situation SEBI. SEBI, already "offers sufficient exams and balances to cope with any fee (cartelisation)," rigging argued. Before coming near the antitrust frame, Muthoot additionally lodged a

criticism towards the trustees with SEBI, which remains being reviewed, the files said. SEBI and Muthoot did now no longer reply to Reuters queries.



The CCI has ordered an investigation into the business methods of Zomato and Swiggy.

The Competition Commission of India (CCI) has ordered a probe into the operations and commercial enterprise fashions of meals shipping majors, Swiggy and relating alleged violations of Section 3(1) and 3(4) of the Competition Act. The CCI, in its order dated April 4, 2022, said that there exists a prima facie case with recognize to a number of the behavior of Zomato and Swiggy, which calls for an research through the Director General ('DG'), to decide whether or not the behavior of those organizations have ended in contravention of the provisions of Section 3(1) 3(4) of the Competition Act. The DG is, thus, directed to perform an in depth research, in phrases of Section 26(1) of the Act, and put up a record to the Commission, inside 60 days from the date of receipt of this order, the opposition watchdog stated. The probe is reaction to a grievance filed through the National Restaurant Association of India (NRAI) with recognize alleged anti-aggressive practices through Swiggy, Zomato, which as in line with the association's instructions extra than ninety in line with cent marketplace percentage of meals shipping enterprise in India. The NRAI had alleged that those on line meals aggregators take pleasure in deep discounting, distinct



tie-ups and preferential remedies of eating place companions in violation of the country's opposition rules, which additionally affects the commercial enterprise eating places in addition to inhibits the access of recent gamers into the marketplace. . The CCI located that a number of the assertions positioned forth through the NRAI, particularly connection with Swiggy, Zomato-owned cloud kitchen/non-public label manufacturers at once running at the platform, deserves research. The different issues of the eating place body, inclusive of behind schedule charge cycle, imposition of one-sided withinside clauses the charging agreement. of exorbitant fee etc, do now no longer appear to have an

impact on opposition withinside the statistics and occasions of the prevailing case. The opposition watchdog, however, stated а case is likewise constructed from charge parity allegations through the wherein it's claimed that the eating place companions aren't allowed to listing the meals gadgets on their very own web sites or different third-celebration a decrease programs at charge than Swiggy Zomato. The Commission located that this will gift access limitations to brand new gamers with out accruing any blessings to the consumers. While Zomato in its reaction to the NRAI's plea has knowledgeable the CCI that it does now no longer perform any charge parity policy.

MAESTRO LEGAL

WhatsApp updated new privacy policy Probe by Competition **Commission of India**

In a suo moto case, the Commission passed a 21page order directing a probe desperately into the recently updated WhatsApp privacy policy alleging it of abuse of dominance (copy of order the case of Vinod Gupta v. available here). The Commission, inter alia, has recognised the competitive of 'non-price significance service. quality. customer innovation' etc. has taken note of the 'network effects of and has alleged WhatsApp abusing its of dominance by trying to impose 'unfair terms and conditions upon the users' in violation of the provisions of the Competition Act.

For competition authorities across the globe, privacy has been the elephant in the room since 2012, when the European Commission started recognising the network effects of data on digital platform markets. Since various then. competition authorities have come forward to recognise data privacy as an integral part of market competition on various occasions. It hasn't been easy, though. Data privacy comes under the jurisdiction of privacy officials, and hence competition authorities have often been reluctant of crossing the boundaries of competition law and stepping into the regulatory jurisdiction privacy officials. Lately,

however, it has happened frequently as the markets needed regulatory crossover.

Three years back, in June 2017, CCI passed an order in WhatsApp Inc holding that privacy is not a competition concern, and allegations relating to breach of privacy of service like do not fall within the purview of the competition law. Since then. CCI had been completely silent about the competitive significance of privacy, and how Indian users consistently exploited by various digital platforms in the zero-price markets. It was silent when JIO came in with its digital app linking virtually every aspect of consumers' lives into a single app with default privacy permissions; it was silent when Facebook came uр with face detection technologies; but it has sprung to action WhatsApp now has updated its privacy policy.





INTELLECTUAL PROPERTY RIGHT NEWS

by Maestro Legal | Advocates and Legal Consultants



For Covid-19, a legislative group advises the government to use obligatory and voluntary licencing.

accessibility of such tablets

manufacturing

parliamentary committee has encouraged the authorities to lodge to obligatory voluntary or licensing in conditions while the harmful variations of Covid-19 virus pose extreme danger to lives and assist cope with deliver facet constraints. In its record, the status committee on trade additionally encouraged enacting or editing present legal guidelines on IPR with view а accommodate Artificial Intelligence (AI)-primarily based totally innovations and favoured granting proprietary rights to Al innovators. "It is of the opinion that issuing of obligatory licenses inspiring voluntary licensing in exceptional occasions of public fitness disaster could be instrumental for ramping up less expensive

and vaccines," the committee stated in its record on "Action Taken via way of means of Government at the Recommendations/ Observations of the Committee contained in its One Hundred and Sixty First Report on 'Review of the Intellectual Property Rights Regime in India". This could authorise manufacturing of a drug or vaccine on a mass scale and could cope with any deliver facet constraints at some stage in such times, it stated. his could authorise manufacturing of a drug or vaccine on a mass scale and could cope with any deliver facet constraints at some stage in such times, it stated.

On the authorities scrapping

Property

Intellectual

Appellate Board (IPAB),

the

Tthe committee stated the circulate could result moving of all IP-associated appeals consisting of the pending instances to High Courts and Commercial Courts (in copyright matters). "This may also create extra burden on such courts that are already reeling under large backlog of instances with insufficient knowledge in hand to address IPR matters," it stated. This could authorise manufacturing of a drug or vaccine on a mass scale and could cope with any deliver facet constraints at some stage in such times, stated. The panel additionally stated that Alpushed improvements have to be included via way of means of imposing policies and requirements withinside the country have to be the manner forward.



GAMING LAWS

by Maestro Legal | Advocates and Legal Consultants



The 'User Guide to Fantasy Sports' has been released by the Federation of Indian Fantasy Sports in conjunction with Meta.

The Federation of Indian Fantasy Sports (FIFS), enterprise frame for Fantasy Sports (FS), launched a 'User Guide To Fantasy Sports,' compiled with guide from international social media massive Meta. The first-of-itstype person manual prepare via way of means of a myth sports activities federation with guide from a social media platform is aimed toward developing healthful environment for accountable play on myth sports activities platforms. The guide is a treasured addition to the inventory of reference substances particular to this zone and offers an perception into what precisely is myth sports activities, a sport of talent

way it's and the miles wonderful from numerous comparable codecs and isn't always associated with betting, playing or wagering and has been known as a valid enterprise hobby included beneathneath Article 19(1)(q) of the Constitution of India in more than one decisions via way of means of numerous courts. Anwar Shirpurwala, leader government officer (CEO), FIFS, stated, "The Fantasy sports activities enterprise is modern present process changes, in particular after the latest bulletins made via way of means of the Central Government along formation of an Animation, Visual, Gaming and Comics (AVGC) promoting

assignment force, 5G rollout and others to assist make India a international hub of this zone as it's miles presently the most important sports activities marketplace withinside the international with thirteen crore customers countrywide. Thus, the 'User Guide to Fantasy Sports,' is a primary step to sell recognition, bust myths, enhance purchaser notion and safety thereby having a superb effect at the efforts of this enterprise. We are grateful for the guide prolonged via way of means of Meta to co-increase the competencies assist and revolutionise myth sports activities via way of means of constructing greater recognition some of the



The 'User Guide to Fantasy Sports' has been released by the Federation of Indian Fantasy Sports in conjunction with Meta. (Contd.)

customers to domesticate more secure and healthful gaming/gambling habits." The term sports 'myth activities.' describes extensive variety of contests wherein contributors assemble digital groups to compete towards different contributors' groups, usage of records generated via way of means of actuallifestyles athletes in teamprimarily based totally wearing events. Indian Courts have held myth activities to be a sport that happens over predetermined range rounds wherein taking part customers select, build, and act as managers in their digital groups. The effects are tabulated primarily based totally on records, scores, achievements, and effects

generated via way of means of the actual sports activities men and women or groups in formally sanctioned or professionally prepared wearing events.

added. "As Anwar an organisation, Meta has evolved severa enterprise-first competencies through the years and maintains to push the bounds to carry patron delight, create shared cost withinside the social media area and we consider it'll in addition assist our enterprise create and nurture nonpublic connections with the myth sports activities person community." The person manual additionally mentions what all of the courts have stated withinside the numerous decisions granting felony reputation to the myth sports activities

enterprise thereby extending constitutional the safetv. Going forward, the FIFS User Guide will function a sensible compendium that may be cited via way of means of numerous stakeholders and the overall public to offer all of the applicable statistics and distinctive components approximately this unexpectedly developing sunshine enterprise.

