



**THE INSTITUTE OF  
Company Secretaries of India**  
**भारतीय कम्पनी सचिव संस्थान**  
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(Under the jurisdiction of Ministry of Corporate Affairs)

# Covid 19 - Regulatory Updates

**Vol. 2**



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***Initiatives  
by  
Ministry of Corporate Affairs***

## 1. Period/Days of Extension for names reserved and resubmission of forms

[http://www.mca.gov.in/Ministry/pdf/Extension\\_22042020.pdf](http://www.mca.gov.in/Ministry/pdf/Extension_22042020.pdf)

S.No.	Issue Description	Period/Days of Extension
1	Names reserved for 20 days for new company incorporation. SPICe+ Part B needs to be filed within 20 days of name reservation.	Names expiring any day between 15 <sup>th</sup> March 2020 to 3 <sup>rd</sup> May would be extended by 20 days beyond 3 <sup>rd</sup> May 2020.
2	Names reserved for 60 days for change of name of company. INC-24 needs to be filed within 60 days of name reservation.	Names expiring any day between 15 <sup>th</sup> March 2020 to 3 <sup>rd</sup> May would be extended by 20 days beyond 3 <sup>rd</sup> May 2020.
3	Extension of RSUB validity for companies.	SRNs where last date of Resubmission (RSUB) falls between 15 <sup>th</sup> March 2020 to 3 <sup>rd</sup> May 2020, additional 15 days beyond 3 <sup>rd</sup> May 2020 would be allowed. However, for SRNs already marked under NTBR, extension would be provided on case to case basis.  <i>Note: Forms will not get marked to (Not to be taken on Record)'NTBR' due to non-resubmission during this extended period as detailed above</i>
4	Names reserved for 90 days for new LLP incorporation/change of name. FiLLiP/Form 5 needs to be filed within 90 days of name reservation.	Names expiring any day between 15 <sup>th</sup> March 2020 to 3 <sup>rd</sup> May would be extended by 20 days beyond 3 <sup>rd</sup> May 2020.
5	RSUB validity extension for LLPs.	SRNs where last date of resubmission (RSUB) falls between 15 <sup>th</sup> March 2020 to 3 <sup>rd</sup> May 2020, additional 15 days would be allowed from 3 <sup>rd</sup> May 2020 for resubmission. However, for SRNs already marked under NTBR, extension would be provided on case to case basis.  <i>Note: Forms will not get marked to (Not to be taken on Record)'NTBR' due to non-resubmission during this extended period as detailed above.</i>

**2. Holding of Annual General Meetings by companies, whose financial year has ended on 31<sup>st</sup> December, 2019**

[http://www.mca.gov.in/Ministry/pdf/Circular18\\_21042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular18_21042020.pdf)

The companies whose financial year ended on 31<sup>st</sup> December, 2019 is facing difficulty in holding annual general meetings (AGMs) due to COVID-19 related social distancing norms and consequential restrictions linked thereto.

It is to be noted that the Companies Act, 2013 allows a company to hold its AGM within a period of six months (nine months in case of first AGM) from the closure of the financial year and not later than a period of 15 months from the date of last AGM.

On account of the difficulties highlighted above, it is hereby clarified by MCA, that if the companies whose financial year (other than first financial year) has ended on 31<sup>st</sup> December, 2019, hold their AGM for such financial year within a period of nine months from the closure of the financial year (i.e. by 30<sup>th</sup> September, 2020), the same shall not be viewed as a violation. The references to due date of AGM or the date by which the AGM should have been held under the Act or the rules made thereunder shall be construed accordingly.

**3. Discontinuation of Company Affirmation of Readiness towards COVID-19**

The voluntary filing of Company Affirmation of Readiness towards COVID-19 has been discontinued w.e.f 14<sup>th</sup> April 2020 on the MCA Portal.

**4. MCA issued Clarifications on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and rules made thereunder on account of the threat posed by Covid-19**

- i. General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020

[http://www.mca.gov.in/Ministry/pdf/Circular14\\_08042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular14_08042020.pdf)

- ii. General Circular No:17/2020 dated 13<sup>th</sup> April, 2020 - Further clarification on the Practical issue with regard to Circular 14/2020.

[http://www.mca.gov.in/Ministry/pdf/Circular17\\_13042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular17_13042020.pdf)

The Ministry of Corporate Affairs vide its General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020 has clarified that the companies are allowed to conduct *Extra Ordinary General Meeting (EGM) for passing ordinary and special resolutions of urgent nature requiring approval of members (except items of ordinary business and items where any person has a right to be heard)* through Video Conferencing (VC) or Other Audio Video Means (OAVM) due to lockdown by Government of India for COVID-19 outbreak.

In case holding of an extraordinary general meeting (EGM) by any company is considered unavoidable, the following procedure needs to be adopted for conducting such a meeting

on or before 30.06.2020, in addition to any other requirement provided in the Act or the rules made thereunder:

After considering both circulars, the Procedure for calling and conducting meeting will be as under:

**A. Companies which are required to provide the facility of e-voting under the Companies Act, 2013 or any other company which has opted for such facility:**

**A1. Notice of the meeting**

- According to the provisions of rule 18 of the Companies (Management and Administration) Rules, 2014, the notices of Extra General Meeting may be given to members only through e-mails registered with the company or with the depository participant/depository.
- A copy of notice of meeting shall be published on the website of the company and due intimation may be made to the stock exchanges in case of listed company.
- While publishing the public notice in the New papers as required under rule 20(4)(v) of the Companies (Management and Administration) Rules, 2014, in addition to the matters specified in Rule 20(4)(v) the following matters shall also be stated, Namely:
  - a. a statement that the EGM has been convened through VC or OAVM in compliance with applicable provisions of the Act read with General Circular 14/2020, dated 8<sup>th</sup> April, 2020 and General Circular 17/2020, dated 13<sup>th</sup> April, 2020;
  - b. the date and time of the EGM through VC or OAVM;
  - c. availability of notice of the meeting on the website of the company and the stock exchange;
  - d. the manner in which the members who are holding shares in physical form or who have not registered their email addresses with the company can cast their vote through remote e-voting or through the e-voting system during the meeting;
  - e. the manner in which the members who have not registered their email addresses with the company can get the same registered with the company;
  - f. any other detail considered necessary by the Company.
- Notice of the meeting shall make clear disclosure with regard to the manner in which framework provided in these circular shall be available for use by the member and shall also contain clear instruction on how to access and participate in the meeting.

- The company to provide the helpline numbers through the Registrar & Transfer Agent, Technology Provider or otherwise as required for those members who need assistance with using the technology before or during the meeting.
- The Chairman of the meeting shall satisfy himself and cause to record the same before considering the business in the meeting that all efforts feasible under the circumstances have indeed been made by the company to enable members to participate and vote on the items being considered in the meeting.

*Manner of Conducting EGM:*

- EGMs, wherever unavoidable, may be held through VC or OAVM and the recorded transcript of the same shall be maintained in safe custody by the company. In case of a public company, the recorded transcript of the meeting, shall as soon as possible, be also made available on the website (if any) of the company.
- Convenience of different persons positioned in different time zones shall be kept in mind before scheduling the meeting.
- Such meeting through VC or OAVM shall allow two way teleconferencing or webex for the ease of participation of the members. The participants shall also be allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the company.
- Such facility shall have a capacity to allow at least 1000 members to participate on a first-come-first served basis.
- The restriction on account of first come first serve principle for attending the meeting will not apply to the large shareholders (i.e., shareholders holding 2% or more shareholding), Promoters, Institutional investors, Directors, Key managerial personnel, The chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
- Before the actual date of the meeting, the facility of remote e-voting shall be provided in accordance with the Companies Act, 2013 and the rules made thereunder.
- Attendance of members through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Only those members, who are present in the meeting through VC or OAVM facility and have not cast their vote on resolutions through remote e-voting

and are otherwise not barred from doing so, shall be allowed to vote through e-voting system.

- Unless the articles of the company require any specific person to be appointed as a Chairman for the meeting. The Chairman for the meeting shall be appointed in the following manner :
  - Less than 50 members present: The Chairman shall be appointed in accordance with Section 104 of the Companies Act, 2013;
  - In all other cases: The Chairman shall be appointed by a poll conducted through the e-voting system during the meeting.
- The Chairman present at the meeting shall ensure that the facility of e-voting system is available for the purpose of voting during the meeting held through VC or OAVM.
- Since general meetings under this framework will be held through VC or OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for such meetings.
- Pursuant to section 112 and 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC or OAVM.
- At least one independent director (where the company is required to appoint one) and the auditor or his authorized representative who is qualified to be the auditor shall attend such meeting through VC or OAVM.
- Where institutional investors are members of a company, they must be encouraged to attend and vote in the said meeting through VC or OAVM.
- Notice for meeting which has been served before 8<sup>th</sup> April, 2020, may adopt the framework proposed in Circular for conducting the meeting.
- In case the consent of members has been obtained in accordance with the Section 101(1) of the Companies Act, 2013 and a fresh notice of shorter duration with due disclosures in consonance with this circular is issued consequently.
- All resolutions passed in accordance with this mechanism shall be filed with the Registrar of Companies (ROC) within 60 days of the meeting. The same shall clearly indicate the mechanism provided in this circular along with other provisions of the Companies Act, 2013 and rules made thereunder has been duly complied with.

A2. *Passing of certain items only through postal ballot without convening a general meeting*

The companies may pass resolutions through postal ballot e-voting without holding a general meeting unless it is so required as per section 110(1)(b) of

the Companies Act, 2013. However, the main difficulty with the same is of dispatch of notices by companies by post and communication by the members of their assent or dissent on relevant resolutions by post under the current circumstances.

In this regard, MCA has clarified that Companies which are required to provide the facility of e-voting, under the Act, or any other company which has opted for such facility, the requirements of Rule 20 of the Companies (Management and Administration) Rules, 2014 as well as the framework provided in the General Circular 14/2020 dated 08.04.2020 and General Circular 17/2020 dated 13.04.2020 shall be applicable mutatis mutandis while transacting any item only by Postal Ballot, upto 30<sup>th</sup> June, 2020 or till further orders, whichever is earlier.

Key points to be considered while passing resolution through Postal Ballot

- a. The Company would send notice by e-mail to all its shareholders who have registered their e-mail addresses with the company or depository participant/depository;
- b. It shall be the duty of the company to provide a process of registration of email addresses of members and state so in its public notice;
- c. The communication of assent or dissent of the members would only take place through the remote e-voting system, as no meeting will be required to be called.

**B. Companies which are not required to provide the facility of e-voting under the Companies Act, 2013**

*Notice of the meeting*

- According to the provisions of rule 18 of the Companies (Management and Administration) Rules, 2014, the notices to members may be given only through e-mails registered with the company or with the depository/depository participant.
- A copy of the notice shall also be displayed on the website (if any) of the company.
- In order to ensure that all members are aware that a general meeting is proposed to be conducted the company shall:
- contact all those members whose e-mail addresses are not registered with the company over telephone or any other mode of communication for registration of their e-mail addresses before sending the notice for meeting to all its members; or
- where the contact details of any of members are not available with the company or could not be obtained as per (a) above, it shall cause a public notice by way of advertisement to be published immediately at least once in a vernacular newspaper in the principal vernacular language of the district in



which the registered office of the company is situated and having a wide circulation in that district, and at least once in an English language in an English newspaper having a wide circulation in that district, preferably both newspapers having electronic editions, and specifying in the advertisement the following information:

- That the company intends to convene a general meeting in compliance with applicable provision is of the Act read with the General Circular No. 14/2020, dated 8<sup>th</sup> April, 2020 and General Circular 17/2020, dated 13<sup>th</sup> April, 2020 and for the said purpose, It proposes to send notices to all its members by e-mail after, at least, 3 days from the date of publication of the public notice;
- The details of the e-mail address along with a telephone number on which the members may contact for getting their e-mail addresses registered for participation and voting in the general meeting.
- Notice of the meeting shall make disclosure with regard to the manner in which framework provided in this circular shall be available for use by the member and shall also contain clear instruction on how to access and participate in the meeting. The company should also provide a helpline numbers through the Registrar & Transfer Agent, Technology Provider or otherwise, for those members who need assistance with using the technology before or during the meeting.
- The Chairman of the meeting shall satisfy himself and cause to record the same before considering the business in the meeting that all efforts feasible under the circumstances have indeed been made by the company to enable members to participate and vote on the items being considered in the meeting.

*Manner of Conducting EGM:*

- EGMs, wherever unavoidable, may be held through VC or OAVM and the recorded transcript of the same shall be maintained in safe custody by the company.
- In case of a public company, the recorded transcript of the meeting, shall as soon as possible, be also made available on the website (if any) of the company.
- Convenience of different persons positioned in different time zones shall be kept in mind before scheduling the meeting
- Such meeting through VC or OAVM shall allow two way teleconferencing or webex for the ease of participation of the members. The participants shall also be allowed to pose questions concurrently or given time to submit questions in advance on the e-mail address of the company.

- Such facility must have a capacity to allow at least 500 members or members equal to the total number of members of the Company (whichever is lower) to participate on first come first serve basis.
- The restriction on account of first come first serve principle for attending the meeting will not apply to the large shareholders (i.e., shareholders holding 2% or more shareholding), Promoters, Institutional investors, Directors, Key managerial personnel, The chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
- The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.
- Attendance of members through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Unless the articles of the company require any specific person to be appointed as a Chairman for the meeting, the Chairman for the meeting shall be appointed in the following manner;
  - Less than 50 members present: The Chairman shall be appointed in accordance with Section 104 of the Companies Act, 2013;
  - In all other cases, the Chairman shall be appointed by a poll conducted in the manner as provided
- At least one independent director (where the company is required to appoint one) and the auditor or his authorized representative who is qualified to be the auditor shall attend such meeting through VC or OAVM.
- Since general meetings under this framework will be held through VC or OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for such meetings.
- However, in pursuance of section 112 and 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC or OAVM.
- Where institutional investors are members of a company, they must be encouraged to attend and vote in the said meeting through VC or OAVM.
- The company shall provide a designated email address to all members at the time of sending the notice of meeting so that the members can convey their vote, when a poll is required to be taken during the meeting on any resolution, at such designated email address.
- The confidentiality of the password and other privacy issues associated with the designated email address shall be strictly maintained by the company at

all times. Due safeguards with respect to authenticity of email address(es) and other details of the members shall also be taken by the company.

- During the meeting held through VC or OAVM facility, where a poll on any item is required, the members shall cast their vote on the resolutions only by sending emails through their email address registered with the Company. The said e-mails shall only be sent to the designated email address circulated by the company in advance. However the MCA has clarified that the poll will take place during the meeting and the members may convey their assent or dissent only at such stage on items considered in the meeting by sending e-mails to the designated email address of the company.
- Where less than 50 members are present in a meeting, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member in accordance with section 109 of the Act, once such demand is made, the poll shall be conducted in the manner provided above.
- In case the counting of votes requires time, the said meeting may be adjourned and called later to declare the result.
- Notice for meeting which has been served before 8<sup>th</sup> April, 2020, the above framework may be adopted for the meeting. In case the consent of members has been obtained in accordance with the Section 101(1) of the Companies Act, 2013, and a fresh notice of shorter duration with due disclosures in consonance with this circular is issued consequently.
- All resolutions passed in accordance with this mechanism shall be filed with the Registrar of Companies (ROC) within 60 days of the meeting. The same shall clearly indicate the mechanism provided in this circular along with other provisions of the Companies Act, 2013 and rules made thereunder has been duly complied with.

Such Companies (A& B above) shall ensure that all compliances associated with the provisions relating to general meetings viz. making of disclosures, inspection of related documents by members, or authorisations for voting by bodies corporate etc., as provided in the Act and the articles of association of the company are made through electronic mode.

**5. General Circular No. 16/2020-Filings under section 124 and section 125 of the Companies Act 2013 read with IEPFA (Accounting, Audit, Transfer and Refund) Rules 2016 in view of emerging situation due to outbreak of COVID- 19, dated 13<sup>th</sup> April, 2020**

*[http://www.mca.gov.in/Ministry/pdf/Circular16\\_13042020.pdf](http://www.mca.gov.in/Ministry/pdf/Circular16_13042020.pdf)*

In view of the situation emerging out of the outbreak of COVID-19, which requires adherence of social distancing norms, the stakeholders have pointed about various difficulties and sought relaxation especially in procedures related to transfer of money remaining unpaid or unclaimed for a period of seven years in terms of the provision of section 124(5) of the Companies Act, 2013 and transfer of shares under Section 124(6)

of the of the Companies Act, 2013 read with the IEPFA (Accounting, Audit, Transfer and Refund) Rules, 2016.

In this regard, it can be noted that the Ministry of Corporate Affairs has already allowed filing in MCA-21 registry without additional fees till 30<sup>th</sup> September, 2020 through General Circular No. 11/2020, dated 24<sup>th</sup> March, 2020 and General Circular No. 12/2020, dated 30<sup>th</sup> March, 2020. Therefore, the necessary relaxation, insofar as filing of various other IEPF e-forms (IEPF-1, IEPF-1A, IEPF-2, IEPF-3, IEPF-4, IEPF -7) and e-verification of claims filed in e-form IEPF-5, is concerned, the same has already been provided.

**6. General Circular No. 15 /2020 COVID-19 related Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR), dated 10<sup>th</sup> April, 2020**

[http://www.mca.gov.in/Ministry/pdf/Notification\\_10042020.pdf](http://www.mca.gov.in/Ministry/pdf/Notification_10042020.pdf)

The Ministry of Corporate Affairs has been receiving several references/ representations from various stakeholders seeking clarifications on eligibility of CSR expenditure related to COVID-19 activities. In this regard, a set of FAQs along with clarifications are provided below for better understanding of the stakeholders:

<i>S. No.</i>	<i>Frequently Asked Questions (FAQs)</i>	<i>Reply</i>
1	Whether contribution made to 'PM CARES Fund' shall qualify as CSR expenditure?	Contribution made to 'PM CARES Fund' shall qualify as CSR expenditure under item no (viii) of Schedule VII of the Companies Act, 2013 and it has been further clarified vide Office memorandum F. No. CSR-05/1/2020-CSR-MCA dated 28 <sup>th</sup> March, 2020.
2	Whether contribution made to 'Chief Minister's Relief Funds' or 'State Relief Fund for COVID-19' shall qualify as CSR expenditure?	'Chief Minister's Relief Fund' or 'State Relief Fund for COVID-19' is not included in Schedule VII of the Companies Act, 2013 and therefore any contribution to such funds shall not qualify as admissible CSR expenditure.
3	Whether contribution made to State Disaster Management Authority shall qualify as CSR expenditure?	Contribution made to State Disaster Management Authority to combat COVID-19 shall qualify as CSR expenditure under item no (xii) of Schedule VII of the Companies Act,

		2013 and clarified vide general circular No. 10/2020 dated 23 <sup>rd</sup> March, 2020.
4	Whether spending of CSR funds for COVID-19 related activities shall qualify as CSR expenditure?	<p>Ministry vide general circular No. 10/2020 dated 23<sup>rd</sup> March, 2020 has clarified that spending CSR funds for COVID-19 related activities shall qualify as CSR expenditure.</p> <p>It is further clarified that funds may be spent for various activities related to COVID-19 under items nos. (i) and (xii) of Schedule VII relating to promotion of health care including preventive health care and sanitation, and disaster management.</p> <p>Further, as per general circular No. 21/2014 dated 18.06.2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.</p>
5	Whether payment of salary/wages to employees and workers, including contract labour, during the lockdown period can be adjusted against the CSR expenditure of the companies?	<p>Payment of salary/ wages in normal circumstances is a contractual and statutory obligation of the company. Similarly, payment of salary/ wages to employees and workers even during the lockdown period is a moral obligation of the employers, as they have no alternative source of employment or livelihood during this period. Thus, payment of salary/ wages to employees and workers during the lockdown period (including imposition of other social distancing requirements) shall not qualify as admissible CSR expenditure.</p>
6	Whether payment of wages made to casual /daily wage workers during the lockdown period can be adjusted	<p>Payment of wages to temporary or casual or daily wage workers during the lockdown period is part of the moral / humanitarian / contractual</p>

	against the CSR expenditure of the companies?	obligations of the company and is applicable to all companies irrespective of whether they have any legal obligation for CSR contribution under section 135 of the Companies Act 2013. Hence, payment of wages to temporary or casual or daily wage workers during the lockdown period shall not count towards CSR expenditure.
7	Whether payment of ex-gratia to temporary /casual /daily wage workers shall qualify as CSR expenditure?	If any ex-gratia payment is made to temporary / casual workers/ daily wage workers over and above the disbursement of wages, specifically for the purpose of fighting COVID 19, the same shall be admissible towards CSR expenditure as a one-time exception provided there is an explicit declaration to that effect by the Board of the company, which is duly certified by the statutory auditor.

#### 7. **FAQs on Companies Fresh Start Scheme (CFSS), 2020 and LLP Modified Settlement Scheme, 2020**

Taking into account the representations received from various stakeholders seeking clarifications, a set of FAQs on Companies Fresh Start Scheme (CFSS), 2020 and LLP Modified Settlement Scheme, 2020 has been provided by the Ministry of Corporate Affairs for better understanding of the stakeholders.

The same are available at [http://www.mca.gov.in/Ministry/pdf/FAQCFSS\\_15042020.pdf](http://www.mca.gov.in/Ministry/pdf/FAQCFSS_15042020.pdf)

***Initiatives  
by  
Reserve Bank of India***

**1. RBI has issued Notification no. RBI/2019-20/206A. P. (DIR Series) Circular No. 27 on April 01, 2020 on Export of Goods and Services- Realisation and Repatriation of Export Proceeds-Relaxation.**

The Reserve Bank in consultation with Government of India, had increased the present period of realization and repatriation to India of the amount representing the full export value of goods or software or services exported, from nine months to fifteen months from the date of export, for the exports made up to or on July 31, 2020.

For further details Please visit :

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11855&Mode=0>

**2. RBI has issued Notification no. RBI/2019-20/219DOR.No.BP.BC.62/21.04.048/2019-20 on April 17, 2020 on COVID19 Regulatory Package - Asset Classification and Provisioning.**

The major points related to asset classification and provisioning are as follows:

- (i) Asset Classification under the Prudential norms on Income Recognition, Asset Classification (IRAC): The RBI has clarified about moratorium period granted to term loan accounts and deferment period for working capital accounts. The RBI has clarified that the NBFC which are required to comply with Indian Accounting Standards (IndAS) are required to follow the guidelines duly approved by their Boards and as per ICAI Advisories for recognition of the impairments.
- (ii) Provisioning: In respect of accounts in default but standard where provisions of moratorium and deferment period (announced under Regulatory Package on 27<sup>th</sup> March, 2020) are applicable, and asset classification benefit is extended, lending institutions shall make general provisions of not less than 10 per cent of the total outstanding of such accounts, to be phased over two quarters which should not be less than 5% in each quarter. These provisions may be adjusted against the actual provisioning requirements for slippages from the accounts reckoned for such provisions
- (iii) The lending institution shall suitably disclose the information related to respective amounts in SMA/Overdue categories account, Respective amount where assets classification extended and provisions made and adjusted under Regulatory package announced by the RBI to cover the loss due to for Covid19.

For further details Please visit :

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11872&Mode=0>

**3. RBI has issued Notification no. RBI/2019-20/219DOR.No.BP.BC.62/21.04.048/2019-20 on April 17, 2020 on COVID19 Regulatory Package - Review of Resolution Timelines under the Prudential Framework on Resolution of Stressed Assets.**

The RBI Governor has announced certain additional regulatory measures related to moratorium period for term loan accounts, extension of time for assets classifications,



provisioning norm etc. Resulting of those announcements the resolution timelines under the *Prudential Framework on Resolution of Stressed Assets dated June 7, 2019 ('Prudential Framework')* are also extended. In terms of paragraph 11 of the Prudential Framework, lenders are required to implement a resolution plan in respect of entities in default within 180 days from the end of Review Period of 30 days.

- (i) On a review, it has been decided that in respect of accounts which were within the Review Period as on March 1, 2020, the period from March 1, 2020 to May 31, 2020 shall be excluded from the calculation of the 30-day timeline for the Review Period. In respect of all such accounts, the residual Review Period shall resume from June 1, 2020, upon expiry of which the lenders shall have the usual 180 days for resolution.
- (ii) In respect of accounts where the Review Period was over, but the 180-day resolution period had not expired as on March 1, 2020, the timeline for resolution shall get extended by 90 days from the date on which the 180-day period was originally set to expire.
- (iii) The lending institutions shall make relevant disclosures in respect of accounts where the resolution period was extended in the 'Notes to Accounts' while preparing their financial statements for the half year ending September 30, 2020 as well as the financial years FY2020 and FY2021.

For further details Please visit:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11871&Mode=0>

4. **The RBI Governor in his speech on April, 17, 2020** has announced that RBI has decided to provide special refinance facilities for a total amount of ₹50,000 crore to National Bank for Agriculture and Rural Development (NABARD), the Small Industries Development Bank of India (SIDBI) and the National Housing Bank (NHB) to enable them to meet sectoral credit needs. This will comprise ₹25,000 crore to NABARD for refinancing regional rural banks (RRBs), cooperative banks and micro finance institutions (MFIs); ₹15,000 crore to SIDBI for on-lending/refinancing; and ₹ 10,000 crore to NHB for supporting housing finance companies (HFCs). Advances under this facility will be charged at the RBI's policy repo rate at the time of availment.

For further details Please visit:

[https://www.rbi.org.in/Scripts/bs\\_viewcontent.aspx?Id=3853](https://www.rbi.org.in/Scripts/bs_viewcontent.aspx?Id=3853)

5. **RBI has issued Notification no. RBI/2019-20/224FIDD.CO.FSD.BC.No.24/ 05.02.001/ 2019-20 on April 21, 2020 on Interest Subvention (IS) and Prompt Repayment Incentive (PRI) for Short Term Crop Loans during the years 2018-19 and 2019-20: Extended Period on account of Covid-19.**

In the wake of the nationwide lockdown due to outbreak of Covid -19 pandemic and the resultant restrictions imposed on movement of people, many farmers are not able to travel

to bank branches for payment of their shortterm crop loan dues. As per RBI circular dated March 27, 2020 regarding Covid 19-Regulatory Package, moratorium has been granted for three months on payment of installments falling due between March 1, 2020 and May 31, 2020 in respect of all term loans including short term crop loans.

Accordingly, to ensure that farmers do not have to pay penal interest and at the same time continue getting the benefits of interest subvention scheme, Government has decided to continue the availability of 2% IS and 3% PRI to farmers for the extended period of repayment upto 31.05.2020 or date of repayment, whichever is earlier, for short term crop loans upto ₹3 lakh per farmer which have become due between March 01, 2020 and May 31, 2020.

RBI has advised the banks to extend the benefit of IS of 2% and PRI of 3% for short term crop loans upto ₹3 lakh to farmers whose accounts have become due or shall become due between March 1, 2020 and May 31, 2020.

For further details Please visit :

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11877&Mode=0>

## **6. Special Liquidity Scheme for NBFC/HFC/MFIs**

Government will launch Rs. 30,000 crore Special Liquidity Scheme, liquidity being provided by RBI. Investment will be made in primary and secondary market transactions in investment grade debt paper of NBFCs, HFCs and MFIs. This will be 100% guaranteed by the Government of India.

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1623601>

***Initiatives  
by  
Securities and Exchange Board  
of India***

**SEBI has relaxed the compliance requirements pertaining to various regulations as under:**

**I. Relaxation in relation to Regulation 44(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') on holding of Annual General Meeting (AGM) by top 100 listed entities by market capitalization, due to the COVID -19 pandemic. (April 23, 2020)**

Regulation 44(5) of the LODR requires top 100 listed entities by market capitalization to hold their Annual General Meeting(AGM) within a period of five months from the date of closing of the financial year.

SEBI vide Circular dated March 26, 2020 had relaxed this requirement by one month for listed entities whose financial year ends on March 31, 2020. (i.e., by September 30, 2020)

Subsequently, the Ministry of Corporate Affairs (MCA) vide Circular No.18/2020 dated April 21, 2020 has clarified that "...if the companies whose financial year (other than the first financial year) has ended on December 31, 2019 hold their AGM for such financial year within a period of nine months from the closure of the financial year (i.e., by September 30, 2020), the same will not be treated as a violation."

Accordingly, regulation 44(5) of the LODR is relaxed whereby the top 100 listed entities by market capitalization whose financial year ended on December 31, 2019 may hold their AGM within a period of nine months from the closure of the financial year (i.e., by September 30, 2020).

**II. Relaxation in time lines for compliance with regulatory requirements by Depository and depository participants. (April 23, 2020)**

In view of the situation arising due to COVID-19 pandemic and extended lockdown period, it has been decided to provide relaxation in timelines for compliance with regulatory requirements by Depository and depository participants as under:

<i>S. No.</i>	<i>Compliance Requirements</i>	<i>Existing Timelines / Due Date</i>	<i>Extended Timelines / Due Date</i>
I.	Submission of BO Grievances Report to Depositories.	10 <sup>th</sup> of the following month i.e. 10 <sup>th</sup> April for the month of March 2020.	May 18, 2020 for the month of March 2020 and April 2020.
II.	Submission of half yearly Internal Audit Report (IAR) by DPs for half year ended 31st March 2020.	15th May 2020 for half year ending March 2020.	June 30, 2020, for half year ended March 2020.

III.	Redressal of investor grievances.	Within 15 days of the date of receipt of the complaint through SCORES & within 30 days of the date of receipt of the complaint other than received through SCORES.	Period of exclusion shall be from March 23, 2020 till May 17, 2020.
IV.	Transmission of securities.	Within 7 days, after receipt of all requisite documents.	Period of exclusion shall be from March 23, 2020 till May 17, 2020.
V.	Closure of demat account.	Within a period of 30 days.	Period of exclusion shall be from March 23, 2020 till May 17, 2020.
VI.	Systems audit on annual basis.	Within three months of the end of the financial year.	July 31, 2020 for the financial year ended March 31, 2020.
VII.	Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications.	Within 15 calendar days of the expiry of the quarter.	May 31, 2020 for quarter ended March 2020.
VIII.	Risk Based Supervision	15 <sup>th</sup> May for half year ended March 31, 2020.	June 30, 2020 for half year ended March 2020.

For compliance requirements at S. Nos. III, IV and V above, a 15-day time period after May 17, 2020 is allowed to Depository / depository participants, to clear the back log.

### III. **Relaxation in Regulation 24(i)(f) of the SEBI (Buy-back of Securities) Regulations, 2018 due to the COVID 19 pandemic. (April 23, 2020)**

Considering the developments relating to the COVID 19 pandemic, SEBI has provided relaxation of conditions with respect to raising of funds from the securities market.

Currently, regulation 24(i)(f) of SEBI (Buy-back of Securities) Regulations, 2018 provides a restriction that the companies shall not raise further capital for a period of one year from the expiry of buyback period, except in discharge of their subsisting obligations.

It has been represented that the said period of one year may be reduced to six months, which would be in line with section 68(8) of the Companies Act, 2013.

To enable relatively quicker access to capital, it has been decided to temporarily relax the period of restriction provided in Regulation 24(i)(f) of the Buy-back Regulations. Accordingly the words “one year” shall be read as “six months” in the said regulation.

This relaxation will be applicable till December 31, 2020.

**IV. Review of provisions of the circular dated September 24, 2019 issued under SEBI (Mutual Funds) Regulations, 1996 due to the COVID -19 pandemic and moratorium permitted by RBI. (April 23, 2020)**

SEBI vide its circular dated September 24, 2019 has prescribed the guidelines on valuation of money market and debt securities. Clauses 5.1.1.2 and 9.1.2 of the said circular states that-

*“5.1.1.2 A money market or debt security shall be classified as “Default” if the interest and/or Principal amount has not been received, on the day such amount was due or when such Security has been downgraded to “Default” grade by a CRA. In this respect, Mutual Funds shall promptly inform to the valuation agencies and the CRAs, any instance of non-receipt of payment of interest and /or principal amount (part or full) in any security.”*

*“9.1.2 Any extension in the maturity of a money market or debt security shall result in the Security being treated as “Default”, for the purpose of valuation.”*

Currently, Valuation agencies appointed by AMFI recognize default of security in terms of Clause 5.1.1.2 and 9.1.2 of SEBI circular dated September 24, 2019.

In view of the nationwide lockdown and the three-month moratorium/ deferment on payment permitted by RBI, a differentiation in treatment of default, on a case to case basis, needs to be made as to whether such default occurred solely due to the lockdown or loan moratorium.

Accordingly, based on assessment, if the valuation agencies appointed by AMFI are of the view that the delay in payment of interest/principal or extension of maturity of a security by the issuer has arisen solely due to COVID-19 pandemic lockdown and/or in light of the moratorium permitted by Reserve Bank of India (RBI) (vide notification no. RBI/2019-20/186, dated March 27, 2020) creating temporary operational challenges in servicing debt, then valuation agencies may not consider the same as a default for the purpose of valuation of money market or debt securities held by Mutual Funds.

However, in the scenario as stated above, if there is any difference in the valuation of securities provided by two valuation agencies, the conservative valuation shall be accepted.

The above modification to circular dated September 24, 2019 shall be in force till the period of moratorium by the RBI as referred above. However, as per the Principles of Fair Valuation

specified in Eighth Schedule of SEBI (Mutual Funds) Regulations, 1996, and other circulars issued, AMCs shall continue to be responsible for true and fairness of valuation of securities.

**V. Relaxation in timelines for compliance with regulatory requirements by trading members / clearing members. (April 21,2020)**

In view of the situation arising due to COVID-19 pandemic and extended lockdown period, it has been decided to extend the timelines for the following compliance requirements by their trading members / clearing members:

<i>S.No.</i>	<i>Compliance</i>	<i>Extension/Relaxation</i>
I.	Submission towards weekly monitoring of client funds under the provisions of Enhanced Supervision.	The delay in submission of the reports specified at S. Nos. I -III shall not attract penal provisions till May 17, 2020.
II.	Submission of data on monthly basis towards clients' and fund balance under the provisions of Enhanced Supervision.	
III.	Daily margin trading reporting.	
IV.	Update in Income Tax Permanent Account Number of Key Management Personnel / Directors.	The date for compliance requirements at S. Nos. IV-V is extended by one month from the due date.
V.	Issue of Annual Global Statement to clients.	

**VI. Relaxations from certain provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in respect of Rights Issue. (April 21,2020)**

In the wake of challenges for the Indian economy arising out of the Covid-19 pandemic and with a view to improving access to funding to the corporates through capital markets, SEBI has decided to grant certain temporary relaxations from the regulatory provisions related to rights/ public issuances by listed entities.

1. *Fast Track Rights Issue [Regulation 99]*

Towards expanding the universe of listed entities for the purpose of fast track rights issuances, SEBI has relaxed the following eligibility conditions:

- The requirement related to period of listing of equity shares of the issuer for at least three years has been reduced to listing for eighteen months only. [Reg. 99(a)]

- The eligibility requirement of average market capitalisation of public shareholding of INR 250 crores has been reduced to INR 100 crores. [Reg. 99(c)]
- The requirement related to compliance with the equity listing agreement or the SEBI (LODR) Regulations, 2015 for a period of at least three years immediately preceding the reference date has been reduced to the compliances for eighteen months only. [Reg. 99(f)]
- The requirement related to no show cause notices or prosecution proceedings have been initiated and pending against the issuer or its promoters or whole time directors has been replaced with “no show cause notices, excluding under adjudicating proceedings, have been issued by the Board and pending against the issuer or its promoters or whole time directors as on the reference date.

Further, In case where against the issuer or its promoters/ directors/ group companies, a show cause notice has been issued by the Board in an adjudication proceeding or prosecution proceedings have been initiated by the Board, necessary disclosures in respect of such action along – with its potential adverse impact on the issuer shall be made in the letter of offer.” [Reg. 99(h)]

- The requirement related to issuer or promoter or promoter group or director has not settled any alleged violation has been replaced with “If issuer or promoter or promoter group or director has settled any alleged violation of securities laws through the consent or settlement mechanism with the Board, the issuer has fulfilled the settlement terms or adhered to directions of the settlement order”. [Reg. 99(i)]
- The requirement related to issuer has not been suspended from trading as a disciplinary measure during last three years has been reduced to eighteen months only. [Reg. 99(j)]
- The condition related to no audit qualifications on issuer’s audited accounts has been replaced with the requirement “for audit qualifications, if any, in respect of any of the financial years for which accounts are disclosed in the letter of offer, the issuer shall provide the restated financial statements adjusting for the impact of the audit qualifications.

Further, for the qualifications wherein impact on the financials cannot be ascertain the same shall be disclosed appropriately in the letter of offer.” [Reg. 99(m)]

## 2. *Minimum Subscription [Regulation 86(1)]*

- To provide greater flexibility in fund raising, the threshold for minimum subscription requirements for a rights issue has been reduced from existing 90% to 75% of the offer size.



- If the issue is subscribed between 75% to 90%, issue will be considered successful subject to the condition that out of the funds raised atleast 75% of the issue size shall be utilized for the objects of the issue other than general corporate purpose.
3. *Threshold for not filing draft letter of offer with SEBI*
- In regulation 3(b), proviso to regulation 3 and in regulation 60, the words 'ten crores' shall be read as 'twenty-five crores'.
- To reduce the time involved in fund raising and ease compliance requirements, listed entities raising funds upto INR 25 crores in a rights issue will not be required to file draft offer document. The existing threshold in this regard is INR 10 crores.

These temporary relaxations are applicable to right issues that open on or before March 31, 2021.

## **VII. One-time relaxation with respect to validity of SEBI Observations. (April 21,2020)**

### **A. *Validity of SEBI observations***

In terms of Regulation 44(1), 85 and 140 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, a public issue/rights issue may be opened within twelve months from the date of issuance of observations by SEBI.

- Considering the prevailing economic scenario and based on requests from various industry bodies, it has been decided to extend the validity of SEBI observations on all public issues/ rights issues by six months from the date of expiry for issuers whose observation has expired/ shall expire between March 01, 2020 and September 30, 2020 subject to an undertaking from lead manager of the issue confirming compliance with Schedule XVI of the ICDR Regulations while submitting the updated offer document to the Board

### **B. *Flexibility on Issue size***

In terms of Schedule XVI (1) (f)(i) of the ICDR Regulations, 2018 any increase or decrease in estimated fresh issue size by more than twenty percent (20%) of the estimated fresh issue size shall require fresh filing of the draft offer document along with fees.

- An issuer shall be permitted to increase or decrease the fresh issue size by up to 50% of the estimated issue size (instead of the present limit of 20%) without requiring to file fresh draft offer document with the Board.
- An issuer shall be permitted to increase or decrease the fresh issue size as above subject to following conditions:
  - (a) there has been no change in the objects of the issue.

- (b) the lead manager undertakes that the draft offer document is in compliance with provisions of Regulation 7(1)(e).
- (c) the lead manager shall ensure that all appropriate changes are made to the relevant section of DRHP and an addendum, in this regard, shall be made public.

The relaxation on change in fresh issue size shall be applicable for issues (IPO/Right Issues/FPO) opening before December 31, 2020.

**VIII. Regulatory measures introduced by SEBI to continue in view of ongoing uncertainty. (April 20, 2020)**

In view of the uncertainty observed in the recent past owing to concerns relating to COVID-19 pandemic and the resultant fear of economic slowdown, SEBI vide Press Release dated March 20, 2020 had introduced various regulatory measures for a period of one month w.e.f. March 23, 2020. The measures were taken with the objective of ensuring orderly trading and settlement, effective risk management, price discovery and maintenance of market integrity.

As the stock markets (both domestic and global) are expected to be volatile in the near future owing to concerns relating to COVID-19 pandemic and the resultant fear of economic slowdown, keeping in view the objective of ensuring orderly trading and settlement, effective risk management, price discovery and maintenance of market integrity, it has been decided that the measures implemented since March 23, 2020 will continue to be in force till May 28, 2020.

The stock exchanges and clearing corporations will be issuing necessary instructions to the market participants in this regard. SEBI and Market Infrastructure Institutions viz. Stock Exchanges Clearing Corporations and Depositories are continuously monitoring the market developments and will take any further suitable actions as may be required.

**IX. Additional relaxations / clarifications in relation to compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') due to the COVID - 19 pandemic. (April 17, 2020)**

SEBI vide its Circular dated March 19, 2020 and March 26, 2020 had provided relaxations from compliance with certain provisions of the LODR. SEBI has granted following further relaxations / issue clarifications regarding provisions of the LODR in the face of challenges faced by listed entities due to the COVID-19 pandemic.

- As per regulation 29(2), prior intimation to stock exchanges about meetings of the board (excluding the date of the intimation and date of the meeting) shall be reduced to 2 days, for board meetings held till 31<sup>st</sup> July, 2020.
- Regulation 39(3) requires listed entity for the intimation to Stock Exchanges within 2 days regarding loss of share certificates and issue of the duplicate certificates. It has

been decided that any delay beyond the stipulated time will not attract penal provisions for intimations to be made between 1<sup>st</sup> March, 2020 to 31<sup>st</sup> May, 2020.

- Authentication / certification of any filing / submission made to stock exchanges under LODR may be done using digital signature certifications until June 30, 2020.
- Newspaper advertisement requirement for the entities which have listed their NCDs and NCRPS' as required under regulation 52(8) is also exempt till May 15, 2020.

**X. Relaxation in time period for certain activities carried out by depository, RTAs / issuers, KRAs, stock brokers. (April 16, 2020)**

- In view of the situation arising due to COVID-19 pandemic and extended lockdown period, relaxation in time period for compliance with the following activities carried out by the depository participants, stock brokers, share transfer agent / issuer, has been decided to provide as under:

<i>S.No.</i>	<i>Requirements</i>	<i>Existing timeline</i>	<i>Period of exclusion</i>
VI.	Processing of the demat request form by Issuer/RTA.	15 days	From March 23, 2020 till May 17, 2020.
VII.	Processing of the demat request form by the Participants.	7 days	
VIII.	KYC application form and supporting documents of the clients to be uploaded on system of KRA within 10 working days.	10 days	

- As specified in the table above, the period beginning from March 23, 2020 till May 17, 2020 shall be excluded for computing the existing timelines as specified in the regulations and circulars issued by SEBI.
- Further, a 15-day time period after May 17, 2020 is allowed to the SEBI registered intermediary, to clear the back log.

**XI. Relaxation in timelines for compliance with regulatory requirements by trading members / clearing members. (April 16, 2020)**

- In view of the situation arising due to COVID-19 pandemic and extended lockdown period, it has been decided to extend the due date for the following regulatory filings and compliance requirements by their trading members / clearing members:

<i>S.No.</i>	<i>Compliance</i>	<i>Due Date</i>	<i>Extended Date</i>
I.	Client Funding Reporting.	08-Apr-2020	31-May-2020
II.	Reporting for Artificial Intelligence (AI) and Machine Learning (ML) applications.	15-Apr-2020	31-May-2020
III.	Compliance certificate for Margin Trading for CM Segment.	30-Apr-2020	30-June-2020
IV.	Risk based supervision.	31-May-2020	30-June-2020
V.	Internal Audit Report for half year ending (HYE) March 31, 2020.	31-May-2020	30-June-2020
VI.	System Audit Report (Algo).	30-June-2020	31-July-2020
VII.	System Audit Report.	30-June-2020	31-July-2020
VIII.	Net worth certificate in Margin Trading for CM Segment for HYE March 31, 2020.	30-Apr-2020	30-June-2020
IX.	Net worth certificate for all members for HYE March 2020.	31-May-2020	30-June-2020
X.	Penalty for non-collection / short collection of upfront margins in cash segment.	-	17-May-2020
XI.	Maintaining call recordings of orders/instructions received from clients.	-	17-May-2020

- For trading members / clearing members in International Financial Services Centres, relaxations in compliance requirements at S. Nos. II, V, VI, VII and IX in the above table, will be effective from their due date till the extended date as mentioned in the above table.

**XII. SEBI Notification on COVID 19. (April 15, 2020)**

Securities and Exchange Board of India had issued a notification dated March 24, 2020 notifying various entities to provide capital and debt market services for a period of 21 days with effect from March 25, 2020.

The Ministry of Home Affairs vide its Order dated April 15, 2020 has issued revised guidelines on the measures to be taken for containment of COVID-19 in the country and directed that these measures will continue to remain in force upto May 03, 2020. These guidelines permit continuation of certain services which includes the Securities and Exchange Board of India and Capital and Debt Market Services as notified by SEBI.

Accordingly in terms of clause 7 iii, of the said Guidelines, the Notification dated March 24, 2020 (as above stated) issued by SEBI will continue to remain in force in all parts of the country upto May 03, 2020.

**XIII. Relaxation in adherence to prescribed timelines issued by SEBI due to Covid 19. (April 13, 2020)**

1. In wake of the current nationwide lock down of 21 days as directed by Government of India due to issue of Covid-19, a need has been felt to extend the timelines for processing of various investor requests pertaining to physical securities and Compliance and disclosures to be made under SEBI Regulations and various SEBI circulars. The directions are being issued for Registrars to an Issue and Share Transfer Agents / Issuer Companies, holding SEBI registration under Category 1 or Category 2 of RTI/STA.
2. Considering the nationwide lock down and marginal / skeleton staff strength of RTAs / Issuer companies, "relaxation is hereby being given to intermediaries / market participants for equivalent period of lock down declared by Government of India i.e. 21 days, over and above the prescribed time limits, respectively, for activities / investor requests / compliance as per the annexure to this circular.
3. In the event of further extension in the lock down period as directed by Government of India / State Governments, additional relaxation in prescribed timelines for equal number of extended days in lock down is also being given to intermediaries / market participants.

## **SEBI Consultative Paper- For Public Comments**

### **I. Extension of timeline for submission of public comments on consultation papers. (March 31, 2020)**

SEBI had put up following consultation papers on its website. It has been decided to extend the timelines for seeking public comments on the following consultation papers from March 31, 2020 to April 30, 2020 due to impact of CoVID-19 pandemic-

- guarantees provided by a listed company
- e-voting facility provided by listed entities
- relaxation with respect to QIP issues
- Amendment to SEBI (Delisting of Equity Shares) Regulations, 2009 for schemes of Arrangement.

*(For more details, please click on [https://www.sebi.gov.in/reports-and-statistics/reports/mar-2020/extension-of-timeline-for-submission-of-public-comments-on-consultation-papers\\_46479.html](https://www.sebi.gov.in/reports-and-statistics/reports/mar-2020/extension-of-timeline-for-submission-of-public-comments-on-consultation-papers_46479.html))*

***Initiatives  
by  
Central Board of Direct Taxes***

## 1. **Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020 [Dated 31<sup>st</sup> March, 2020]**

In order to give effect to the announcements made by the Union Finance Minister *vide* Press Release dated 24.03.2020, regarding several relief measures relating to statutory and regulatory compliance matters across sectors in view of COVID-19 outbreak, the Government has brought in an Ordinance on 31.03.2020 which provides for extension of various time limits under the Taxation and Benami Acts. It also provides for extension of time limits contained in the Rules or Notification which are prescribed/ issued under these Acts.

Some of the important features and time limits which get extended by this Ordinance are as under:

- a. Extension of last date of filing of original as well as revised income-tax returns for the FY 2018-19 (AY 2019-20) to 30th June, 2020.
- b. Extension of Aadhaar-PAN linking date to 30th June, 2020.
- c. The date for making various investment/payment for claiming deduction under Chapter-VIA-B of Income Tax Act which includes Section 80C (LIC, PPF, NSC etc.), 80D (Mediclaim), 80G (Donations), etc. has been extended to 30th June, 2020. Hence the investment/payment can be made up to 30.06.2020 for claiming the deduction under these sections for FY 2019-20.
- d. The date for making investment/construction/purchase for claiming roll over benefit/deduction in respect of capital gains under sections 54 to 54GB of the Income Tax Act has also been extended to 30th June 2020. Therefore, the investment/ construction/ purchase made up to 30.06.2020 shall be eligible for claiming deduction from capital gains arising during FY 2019-20.
- e. The date for commencement of operation for the SEZ units for claiming deduction under deduction 10AA of the IT Act has also extended to 30.06.2020 for the units which received necessary approval by 31.03.2020.
- f. It has provided that reduced rate of interest of 9% shall be charged for non-payment of Income-tax (e.g. advance tax, TDS, TCS) Equalization Levy, Securities Transaction Tax (STT), Commodities Transaction Tax (CTT) which are due for payment from 20.03.2020 to 29.06.2020 if they are paid by 30.06.2020. Further, no penalty/prosecution shall be initiated for these non-payments.
- g. Under Vivad se Vishwas Scheme, the date has also been extended upto 30.06.2020. Hence, declaration and payment under the Scheme can be made up to 30.06.2020 without additional payment.
- h. The donation made to the PM CARES Fund shall be eligible for 100% deduction under section 80G of the Income Tax Act. Further, the limit on deduction of 10% of gross



income shall also not be applicable for donation made to PM CARES Fund. Further, the due date for claiming deduction u/s 80G under Income Tax Act has been extended up to 30.06.2020 i.e. contribution made to PM care fund update 30.06.2020 is eligible for Deduction for FY 2019-20.

<https://pib.gov.in/newsite/PrintRelease.aspx?relid=200868>

**2. Order u/s 119 of The Income Tax Act, 1961 on issue of certificates for lower rate / Nil deduction/collection of TDS or TCS u/s 195, 197 and 206C(9) [Dated 31<sup>st</sup> March, 2020]**

There is severe disruption in the normal working of almost all the sectors, including the functioning of Income tax department due to covid-19 outbreak. The applications filed by the payees u/s 195 and 197 of the Act for lower or nil rate of deduction of TDS and applications by buyers/ licensees/lessees u/s 206C (9) of the Act for lower or nil rate of collection of TCS for F.Y. 2020-21 have not been attended in a timely manner by the TDS/TCS - Assessing Officers causing hardship to tax payers.

In view of this, the CBDT vide its order issues following directions / clarifications.

<i>Sl. No.</i>	<i>Scenario</i>			<i>Certificates Validity / Procedure</i>
a)	All the assesses who have filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	Applications are pending as on date	Applicants have been issued such certificates for FY 2019-20	Such certificates would be applicable till 30.06.2020 of F.Y. 2020-21 or disposal of their applications by the Assessing Officers, whichever is earlier in respect of the transaction and the deductor or collector, if any, for whom the certificates was issued for F.Y. 2019-20.
b)	All the assesses who could not filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	N/A	Applicants have been issued such certificates for FY 2019-20	Such certificate will be applicable till 30.06.2020 of F.Y. 2020-21. However, they need to apply at the earliest giving details of the transactions and the Deductor/Collector to the TDS/TCS Assessing Officer as per procedure laid down in sub para c) below,

				as soon as normally is restored or 30.06.2020. whichever is earlier
c)	All the assesses who could not filed application for lower or nil deduction of TDS/TCS on the Traces Portal for F.Y.2020-21	N/A	Applicants also not having any such certificate for FY 2019-20	Modified procedure for application and consequent handling by the TDS/TCS Assessing Officer is laid down which is enclosed as Annexure.
d)	On payments to Non-residents (including foreign companies) having Permanent Establishment in India and not covered by (a) and (b) above,			Tax on payments made will be deducted at the rate of 10% including surcharge and cess, on such payments till 30.06.2020 of F.Y. 2020-21, or disposal of their applications, whichever is earlier.

*Annexure*

*Application for lower/Nil deduction certificates: An applicant shall apply for the lower/Nil deduction / collection certificates u/s 197/206C(9) of the Income Tax Act, 1961 vide an email addressing to the Assessing Officer concerned. The email shall contain data / documents as under:*

1. Duly filed in Form 13
2. The documents / information as required to be uploaded on TDS-CPC website while filling up Form 13
3. Projected Balance Sheet and P&L of FY 2020-21
4. Provisional Balance Sheet and P&L of FY 2019-20
5. Balance Sheet and P&L of FY 2018-19
6. 26AS for FY 2019-20 & 2018-19
7. ITR pertaining to FY 2018-19

The Certificates shall be issued upto 30.06.2020 or any other date earlier than 30.06.2020 as specified by the A.O.

<https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/389/Order-Us-119-F-No-%20275252020-IT.pdf>

**3. Order u/s 119 of the Income-tax Act, 1961 (the Act) regarding submission of Form 15G and 15H for Financial Year-2020-21 [Dated 3<sup>rd</sup> April, 2020]**

In the context of the COVID-19 situation and to mitigate the genuine hardship of persons, the CBDT clarified that in case if a person had submitted valid Forms 15G and 15H to the Banks or other Institutions for F.Y. 2019-20, then these Form 15G and 15H will be valid up to 30.06.2020 for FY 2020-21 also. It is reiterated that the payer who has not deducted tax on the basis of said Forms 15G and 15H, shall require to report details of such payments/credits in the TDS statement for the quarter ending 30.06.2020 in accordance with the provisions of rule 31A(4)(vii) of the Income-tax Rules, 1962.

*[https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/394/order-us119-f.no.-275-25-2020-it\(b\)-15g-15h-forms-0304.pdf](https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/394/order-us119-f.no.-275-25-2020-it(b)-15g-15h-forms-0304.pdf)*

**4. Order u/s 119 of the Income-tax Act, 1961 on issue of certificates for lower rate/nil deduction/collection of TDS or TCS u/s 195, 197 and 206C (9) of the Act for Financial Year 2019-20 [Dated 3<sup>rd</sup> April, 2020]**

There is severe disruption in the normal working of almost all the sectors, including the functioning of Income tax department due to covid-19 outbreak. The applications filed by the payees u/s 195 and 197 of the Act for lower or nil rate of deduction of TDS and applications by buyers/ licensees/lessees u/s 206C (9) of the Act for lower or nil rate of collection of TCS for F.Y. 2020-21 have not been attended in a timely manner by the TDS/TCS - Assessing Officers causing hardship to tax payers.

In view of this, the CBDT vide its order issues following directions / clarifications.

In all the cases where assesseees (payees or buyers/licensees/lessees) have timely filed application for lower or nil deduction of TDS/TCS on the TRACES Portal for F.Y. 2019-20 and such applications are pending for disposal as on date, the applicant shall intimate, vide an e-mail addressed to the Assessing Officer concerned, the pendency of such applications for FY 2019-20 for the lower/nil deduction/collection certificate under sections 195, 197 or 206C(9) of the Income-tax Act along with the required documents and evidences of filing their application in TRACES Portal.

The Assessing Officer shall dispose of the applications by 27.04.2020 and communicate to the applicant regarding the issuance/rejection of certificate vide email. The certificate issued for lower/nil rate TDS or lower TCS shall be applicable for the amount credited/debited during the FY 2019-20 after the date of making of application u/s 195,197 or 206C(9) but remained unpaid or not received till the date of issuance of the certificate by the Assessing Officer.

The issuance of certificate shall be communicated to the applicant who in turn shall share the same with the deductor/collector.

[https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/393/order-us119-f.no.-275-25-2020-it-\(b\)-0304.pdf](https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/393/order-us119-f.no.-275-25-2020-it-(b)-0304.pdf)

**5. Income Tax Department to release all pending income tax refunds up to Rs 5 lakhs [Dated 8<sup>th</sup> April, 2020]**

In the context of the COVID-19 situation and with a view to provide immediate relief to the business entities and individuals, it has been decided to issue all the pending income-tax refunds up to Rs. 5 lakh, immediately.

<https://www.pib.gov.in/pressreleaseiframepage.aspx?prid=1612291>

**6. Submission of Certificate for claiming deduction u/s 80G of the Income Tax Act, 1961 in respect of donation made by an employee to the “Prime Minister’s Citizen Assistance and Relief in Emergency situation Fund “PM CARE FUND” [Dated 9th April, 2020]**

The PM care fund may not be able to issue separate certificate to every such employee who made donation to the “Prime Minister’s Citizen Assistance and Relief in Emergency situation Fund “PM CARE FUND” as the contributions made to the fund are in the form of consolidated payment, it is hereby clarified that the deduction in respect of such donations will be admissible u/s 80G of the Act on the basis of Form 16/ certificate issued by the Drawing and Disbursing Officer / Employer in this regard.

[https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/397/Submission\\_certificate\\_claiming\\_deduction\\_80G\\_10\\_4\\_20.pdf](https://www.incometaxindia.gov.in/Lists/Latest%20News/Attachments/397/Submission_certificate_claiming_deduction_80G_10_4_20.pdf)

**7. Clause 30C (GAAR) and Clause 44 (GST) of Revised Form 3CD regarding Tax Audit Report further extended upto 31st March, 2021 [Circular No. 10/2020 Dated 24th April, 2020]**

Section 44AB of the Income-tax Act, 1961 ('the Act') read with rule 6G of the Income-tax Rules, 1962 ('the Rules') requires specified persons to furnish the Tax Audit Report along with the prescribed particulars in Form No. 3CD. The existing Form No. 3CD was amended vide notification no. GSR 666(E) dated 20th July, 2018 with effect from 20th August, 2018. However, the reporting under clause 30C and clause 44 of the Tax Audit Report was kept in abeyance till 31<sup>st</sup> March, 2019 vide Circular No. 6/2018 dated 17.08.2018, which was subsequently extended to 31 .03.2020 vide Circular No. 9/2019.

Central Board of Direct Tax further extend the reporting requirements of revised Tax Audit Report Form 3CD relating to Clause 30C (GAAR) and Clause 44 (GST) upto 31st March 2021 in view of Covid-19 pandemic.

[https://www.incometaxindia.gov.in/communications/circular/circular\\_no\\_10\\_2020.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_no_10_2020.pdf)

8. **Reduction in Rates of TDS / TCS** : The TDS rates for all non-salaried payment to residents, and tax collected at source rate will be reduced by 25 % of the specified rates for the remaining period of FY 20-21. This will provide liquidity to the tune of Rs. 50,000 Crore.

**Extension in Due Date of Income Tax Return AY 2020-21** : The due date of all Income Tax Returns for Assessment Year 2020-21 will be extended to 30 November, 2020. Similarly, tax audit due date will be extended to 31 October 2020.

**Income Tax Refunds** : The pending Income Tax refunds to charitable trusts and non-corporate businesses and professions including proprietorship, partnership and LLPs and cooperatives shall be issued immediately.

**Extension in Due Date of Payment under “Vivad Se Vishwas”** : The due date for making payment without additional amount under the “Vivad Se Vishwas” scheme will be further extended to 31 December, 2020.

*<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1623601>*

***Initiatives  
by  
National Securities  
Depository Limited (NSDL)***

**Extension of Quarterly TDS/TCS statement filing dates [Dated 20th April, 2020]**

Attention of all TIN-Facilitation Centre (TIN -FCs) is hereby invited to the notification issued by Government of India (The Gazette of India) in view of COVID-19 outbreak. Vide aforementioned notification, all the due dates, prescribed or notified under the Income Tax Act which fall during the period from March 20, 2020 to June 29, 2020 have been extended to June 30, 2020. In view of the same, the timelines to submit the quarterly TDS/TCS statement has been extended. The revised timelines to finish the TDS/TCS statement for quarter four for financial year 2019-20 is till June 30, 2020.

*[https://www.caclubindia.com/notice\\_circulars/extension-of-quarterly-tds-tcs-statement-filing-dates-9414.asp](https://www.caclubindia.com/notice_circulars/extension-of-quarterly-tds-tcs-statement-filing-dates-9414.asp)*

***Initiatives  
by  
Central Board of Indirect Taxes  
and Customs***



## Goods and Services Tax

### 1. Clarification in respect of various measures announced by the Government for providing relief to the taxpayers in view of spread of Novel Corona Virus (COVID-19) – Reg.

[Circular No. 136/06/2020 - File No. CBEC-20/06/04-2020-GST, Central Tax, dated 3<sup>rd</sup> April, 2020]

The spread of Novel Corona Virus (COVID-19) across many countries of the world, including India, has caused immense loss to the lives of people and resultantly impacted the trade and industry. In view of the emergent situation and challenges faced by taxpayers in meeting the compliance requirements under various provisions of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as the “CGST Act”), Government has announced various relief measures relating to statutory and regulatory compliance matters across sectors.

### 2. Government has issued following notifications in order to provide relief to the taxpayers:

<i>S. No.</i>	<i>Notification</i>	<i>Remarks</i>
1.	Notification No. 30/2020-Central Tax, dated 03.04.2020	Amendment in the CGST Rules so as to allow taxpayers opting for the Composition Scheme for the financial year 2020-21 to file their option in FORM CMP-02 till 30th June, 2020 and to allow cumulative application of the condition in rule 36(4) for the months of February, 2020 to August, 2020 in the return for tax period of September, 2020.
2.	Notification No. 31/2020-Central Tax, dated 03.04.2020	A lower rate of interest of NIL for first 15 days after the due date of filing return in FORM GSTR-3B and @ 9% thereafter is notified for those registered persons having aggregate turnover above Rs. 5 Crore and NIL rate of interest is notified for those registered persons having aggregate turnover below Rs. 5 Crore in the preceding financial year, for the tax periods of February, 2020 to April, 2020. This lower rate of interest shall be subject to condition that due tax is paid by filing return in FORM GSTR-3B by the date(s) as specified in the Notification.

3.	Notification No. 32/2020-Central Tax, dated 03.04.2020	Notification under section 128 of CGST Act, 2017 for waiver of late fee for delay in furnishing returns in FORM GSTR-3B for the tax periods of February, 2020 to April, 2020 provided the return in FORM GSTR-3B by the date as specified in the Notification.
4.	Notification No. 33/2020-Central Tax, dated 03.04.2020	Notification under section 128 of CGST Act, 2017 for waiver of late fee for delay in furnishing the statement of outward supplies in FORM GSTR-1 for taxpayers for the tax periods March, 2020 to May, 2020 and for quarter ending 31 <sup>st</sup> March 2020 if the same are furnished on or before 30 <sup>th</sup> day of June, 2020.
5.	Notification No. 34/2020-Central Tax, dated 03.04.2020	Extension of due date of furnishing statement, containing the details of payment of self-assessed tax in FORM GST CMP08 for the quarter ending 31 <sup>st</sup> March, 2020 till the 7 <sup>th</sup> day of July, 2020 and filing FORM GSTR-4 for the financial year ending 31 <sup>st</sup> March, 2020 till the 15 <sup>th</sup> day of July, 2020.
6.	Notification No. 35/2020-Central Tax, dated 03.04.2020	Notification under section 168A of CGST Act for extending due date of compliance which falls during the period from the 20 <sup>th</sup> day of March, 2020 to the 29 <sup>th</sup> day of June, to 30 <sup>th</sup> day of June, 2020.

3. Various issues relating to above mentioned notifications have been examined. In order to ensure uniformity in the implementation of the provisions of the law across the field formations, the Board, in exercise of its powers conferred under section 168(1) of the CGST Act, 2017 hereby clarifies each of these issues as under:-

<i>S. No.</i>	<i>Issue</i>	<i>Clarification</i>
1	What are the measures that have been specifically taken for taxpayers who have opted to pay tax under section 10 the CGST Act, 2017 or those availing the option to pay tax under the notification No.	1. The said class of taxpayers, as per the notification No. 34/2020- Central Tax, dated 03.04.2020, have been allowed, to,- (i) furnish the statement of details of payment of self assessed tax in FORM GST CMP-08 for <u>the quarter January to March, 2020</u> by 07.07.2020; and

	02/2019- Central Tax (Rate), dated the 7 <sup>th</sup> March, 2019?	<p>(ii) furnish the return in FORM GSTR-4 for the <u>financial year 2019-20</u> by 15.07.2020.</p> <p>2. In addition to the above, taxpayers opting for the composition scheme <u>for the financial year 2020-21</u>, have been allowed, as per the notification No. 30/2020- Central Tax, dated 03.04.2020, to,-</p> <p>(i) file an intimation in FORM GST CMP-02 by 30.06.2020; and</p> <p>(ii) furnish the statement in FORM GST ITC-03 till 31.07.2020.</p>
2.	Whether due date of furnishing FORM GSTR-3B for the months of February, March and April, 2020 has been extended?	<p>1. The due dates for furnishing FORM GSTR-3B for the months of February, March and April, 2020 has not been extended through any of the notifications referred in para 2 above.</p> <p>2. However, as per notification No. 31/2020- Central Tax, dated 03.04.2020, NIL rate of interest for first 15 days after the due date of filing return in FORM GSTR-3B and reduced rate of interest @ 9% thereafter has been notified for those registered persons whose aggregate turnover in the preceding financial year is above Rs. 5 Crore. For those registered persons having turnover up to Rs. 5 Crore in the preceding financial year, NIL rate of interest has also been notified.</p> <p>3. Further, vide notification as per the notification No. 32/2020- Central Tax, dated 03.04.2020, Government has waived the late fees for delay in furnishing the return in FORM GSTR-3B for the months of February, March and April, 2020.</p> <p>4. The lower rate of interest and waiver of late fee would be available only if due tax is paid by filing return in FORM GSTR-3B by the date(s) as specified in the Notification.</p>
3.	What are the conditions attached for availing the reduced rate of interest for the months of February, March and April, 2020, for a	<p>1. As clarified at sl.no. (2) above, the due date for furnishing the return remains unchanged; i.e. 20th day of the month succeeding such month. The rate of interest has been notified as</p>

	<p>registered person whose aggregate turnover in the preceding financial year is above Rs. 5 Crore?</p>	<p>Nil for first 15 days from the due date, and 9 per cent per annum thereafter, for the said months.  2. The reduced rate of interest is subject to the condition that the registered person must furnish the returns in FORM GSTR-3B on or before 24th day of June, 2020.  3. In case the returns in FORM GSTR-3B for the said months are not furnished on or before 24th day of June, 2020 then interest at 18% per annum shall be payable from the due date of return, till the date on which the return is filed. In addition, regular late fee shall also be leviable for such delay along with liability for penalty.</p>															
4.	<p>How to calculate the interest for late payment of tax for the months of February, March and April, 2020 for a registered person whose aggregate turnover in preceding financial year is above Rs. 5 Crore?</p>	<p>1. As explained above, the rate of interest has been notified as Nil for first 15 days from the due date, and 9 per cent per annum thereafter, for the said months. The same can be explained through an illustration:  <i>Illustration</i> :- Calculation of interest for delayed filing of return for the month of March, 2020 (due date of filing being 20.04.2020) may be illustrated as per the below Table:</p> <table border="1" data-bbox="824 1199 1469 1877"> <thead> <tr> <th data-bbox="824 1199 906 1402"><i>S. No.</i></th> <th data-bbox="906 1199 1024 1402"><i>Date of filing GSTR-3B</i></th> <th data-bbox="1024 1199 1143 1402"><i>No. of days of delay</i></th> <th data-bbox="1143 1199 1312 1402"><i>Whether condition for reduced interest is fulfilled?</i></th> <th data-bbox="1312 1199 1469 1402"><i>Interest</i></th> </tr> </thead> <tbody> <tr> <td data-bbox="824 1402 906 1514">1</td> <td data-bbox="906 1402 1024 1514">02.05.2020</td> <td data-bbox="1024 1402 1143 1514">11</td> <td data-bbox="1143 1402 1312 1514">Yes</td> <td data-bbox="1312 1402 1469 1514">Zero interest</td> </tr> <tr> <td data-bbox="824 1514 906 1877">2</td> <td data-bbox="906 1514 1024 1877">20.05.2020</td> <td data-bbox="1024 1514 1143 1877">30</td> <td data-bbox="1143 1514 1312 1877">Yes</td> <td data-bbox="1312 1514 1469 1877">Zero interest for 15 days + interest rate @9% p.a. for 15 days</td> </tr> </tbody> </table>	<i>S. No.</i>	<i>Date of filing GSTR-3B</i>	<i>No. of days of delay</i>	<i>Whether condition for reduced interest is fulfilled?</i>	<i>Interest</i>	1	02.05.2020	11	Yes	Zero interest	2	20.05.2020	30	Yes	Zero interest for 15 days + interest rate @9% p.a. for 15 days
<i>S. No.</i>	<i>Date of filing GSTR-3B</i>	<i>No. of days of delay</i>	<i>Whether condition for reduced interest is fulfilled?</i>	<i>Interest</i>													
1	02.05.2020	11	Yes	Zero interest													
2	20.05.2020	30	Yes	Zero interest for 15 days + interest rate @9% p.a. for 15 days													

		3	20.06.2020	61	Yes	Zero interest for 15 days + interest rate @9% p.a. for 46 days
		4	24.06.2020	65	Yes	Zero interest for 15 days + interest rate @9% p.a. for 50 days
		5	30.06.2020	71	No	Interest rate @18% p.a. for 71 days (i.e. no benefit of reduced interest)
5.	What are the conditions attached for availing the NIL rate of interest for the months of February, March and April, 2020, for a registered person whose aggregate turnover in preceding financial year is up to Rs. 5 Crore?	<p>1. As clarified at sl.no. (2) above, the due date for furnishing the return remains unchanged. The rate of interest has been notified as Nil for the said months.</p> <p>2. The conditions for availing the NIL rate of interest is that the registered person must furnish the returns in FORM GSTR-3B on or before the date as mentioned in the notification No. 31/2020- Central Tax, dated 03.04.2020.</p> <p>3. In case the return for the said months are not furnished on or before the date mentioned in</p>				

		<p>the notification then interest at 18% per annum shall be charged from the due date of return, till the date on which the return is filed as explained in the illustration at sl.no (4) above, against entry.</p> <p>4. In addition, regular late fee shall also be leviable for such delay along with liability for penalty.</p>
6.	Whether the due date of furnishing the statement of outward supplies in FORM GSTR-1 under section 37 has been extended for the months of February, March and April 2020?	Under the provisions of section 128 of the CGST Act, in terms of notification No. 33/2020-Central Tax, dated 03.04.2020, late fee leviable under section 47 has been waived for delay in furnishing the statement of outward supplies in FORM GSTR-1 under Section 37 of CGST Act, 2017, for the tax periods March, 2020, April 2020, May, 2020 and quarter ending 31 <sup>st</sup> March 2020 if the same are furnished on or before the 30 <sup>th</sup> day of June, 2020.
7.	Whether restriction under rule 36(4) of the CGST Rules would apply during the lockdown period?	Vide notification No. 30/2020- Central Tax, dated 03.04.2020, a proviso has been inserted in CGST Rules 2017 to provide that the said condition shall not apply to input tax credit availed by the registered persons in the returns in FORM GSTR-3B for the months of February, March, April, May, June, July and August, 2020, but that the said condition shall apply cumulatively for the said period and that the return in FORM GSTR-3B for the tax period of September, 2020 shall be furnished with cumulative adjustment of input tax credit for the said months in accordance with the condition under rule 36(4).
8.	What will be the status of e-way bills which have expired during the lockdown period?	In terms of notification No. 35/2020- Central Tax, dated 03.04.2020, Issued under the provisions of 168A of the CGST Act, where the validity of an e-way bill generated under rule 138 of the CGST Rules <u>expires</u> during the period 20 <sup>th</sup> day of March, 2020 to 15 <sup>th</sup> day of April, 2020, the validity period of such e-way bill has been extended till the 30 <sup>th</sup> day of April, 2020.

9.	What are the measures that have been specifically taken for taxpayers who are required to deduct tax at source under section 51, Input Service Distributors and Non-resident Taxable persons?	Under the provisions of section 168A of the CGST Act, in terms of notification No. 35/2020-Central Tax, dated 03.04.2020, the said class of taxpayers have been allowed to furnish the respective returns specified in sub-sections (3), (4) and (5) of section 39 of the said Act, for the months of March, 2020 to May, 2020 on or before the 30 <sup>th</sup> day of June, 2020.
10.	What are the measures that have been specifically taken for taxpayers who are required to collect tax at source under section 52?	Under the provisions of section 168A of the CGST Act, in terms of notification No. 35/2020-Central Tax, dated 03.04.2020, the said class of taxpayers have been allowed to furnish the statement specified in section 52, for the months of March, 2020 to May, 2020 on or before the 30 <sup>th</sup> day of June, 2020.
11.	The time limit for compliance of some of the provisions of the CGST Act is falling during the lock-down period announced by the Government. What should the taxpayer do?	Vide notification No. 35/2020- Central Tax, dated 03.04.2020, issued under the provisions of 168A of the CGST Act, except for few provisions covered in exclusion clause, any time limit for completion or compliance of any action which falls during the period from the 20 <sup>th</sup> day of March, 2020 to the 29 <sup>th</sup> day of June, 2020, and where completion or compliance of such action has not been made within such time, has been extended to 30 <sup>th</sup> day of June, 2020.

For further details Please visit : [http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular\\_Refund\\_136\\_6\\_2020.pdf](http://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_136_6_2020.pdf)

## Customs

### 2. Notification to exempt customs duty on ventilators, personal protection equipments, covid-19 testing kits and inputs for these goods.

[Notification No. 20/2020 - Customs, dated 9<sup>th</sup> April, 2020]

The Central Government on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods of the description specified in column (3) of the Table below falling within the Chapter, heading, sub-heading or tariff item of the First Schedule to the said Customs Tariff Act specified in column (2) of the Table below, from whole of the duty of customs leviable thereon under the First Schedule to the said Customs Tariff Act and the whole of health cess leviable thereon under section 141 the said of Finance Act, 2020:

**Table**

<i>S. No.</i>	<i>Chapter or Heading or sub-heading or tariff item</i>	<i>Description of goods</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
1.	9018 or 9019	Artificial respiration or other therapeutic respiration apparatus (Ventilators)
2.	63 or any chapter	Face masks and surgical Masks
3.	62 or any chapter	Personal protection equipment (PPE)
4.	30, 38 or any chapter	Covid-19 testing kits
5.	Any Chapter	Inputs for manufacture of items at S. Nos. 1 to 4 above, subject to the condition that the importer follows the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017.

For further details Please visit : <http://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs20-2020.pdf>



***Initiatives  
by  
Competition Commission of India***

## 1. Pre-Filing Consultation through video-conferencing (March 20, 2020)

The Competition Commission of India allows for pre-filing consultation (PFC) to Parties seeking informal guidance inter alia on

- (i) determining filing related requirement (s)
- (ii) information to be given in the notice to be filed for a proposed combination
- (iii) Green Channel.

In order to avoid travel from Mumbai to Delhi for PFCs, the CCI has made arrangements for conducting PFCs through the video conferencing mode at the Office of Regional Director, Registrar of Companies, Ministry of Corporate Affairs, Mumbai.<sup>1</sup> Parties desirous of using this facility have to follow the procedure given in the guidance note on Pre-filing Consultation available on Commission's website and have to specifically mention in their request for PFCs about the availing of video conferencing facility.

The link to guidance note on PFC is [https://www.cci.gov.in/sites/default/files/cci\\_pdf/pfc.pdf](https://www.cci.gov.in/sites/default/files/cci_pdf/pfc.pdf)

## 2. Green Channel Combination Filed Under Sub-Section (2) Of Section 6 of the Competition Act, 2002 (April 2, 2020)

CCI received the following green channel combination filed under sub-section (2) of Section 6 of the Competition Act, 2002 (Act) read with regulation 5A of the Competition Commission of India (Procedure in regard to the transactions of business relating to combinations) Regulations, 2011 (Combination Regulations):

Acquisition of up to 18.951% (Eighteen point Nine Five One percent) of the equity share capital of the Religare Health Insurance Company Limited (Religare / Target) by the Trishikhar Ventures LLP (Trishikhar / Acquirer) ("Proposed Combination").

Trishikhar is a special purpose vehicle set up for the purposes of the Proposed Combination. The Acquirer is a part of the Kedaara Group which invests in a variety of companies through acquisitions and corporate restructurings.

Religare provides general insurance products relating to health segment, which comprises of health insurance, personal accident insurance and travel insurance. Further, as per the Insurance Regulatory and Development Authority of India (General Insurance - Reinsurance) Regulations, 2016, it can also do inward reinsurance business.

Summary of the Proposed Combination is available at: [https://www.cci.gov.in/sites/default/files/notice\\_order\\_summary\\_doc/C-2020-04-739\\_0.pdf](https://www.cci.gov.in/sites/default/files/notice_order_summary_doc/C-2020-04-739_0.pdf)

[Filing under sub-section (2) of Section 6 of the Act read with regulation 5A of the Combination Regulations (i.e. notice for approval of the Proposed Combination under Green Channel) shall be deemed to have been approved upon filing and acknowledgment thereof.]

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<sup>1</sup> [https://www.cci.gov.in/sites/default/files/press\\_release/PR482019-20.pdf](https://www.cci.gov.in/sites/default/files/press_release/PR482019-20.pdf)

### 3. Notes to Form-I<sup>2</sup> (March 28, 2020)

As part of its ongoing and regular efforts to streamline M&A filings process and make it simpler and faster, in August 2019, the CCI introduced an automatic system of approval for combinations under Green Channel and revised Form I to file the notice under Section 6(2) of the Competition Act, 2002 (Act) and Regulation 5(2) of the Combination Regulation.

- The Commission issues guidance notes for parties to facilitate them to make a filing before the Commission.
- The Commission has now revised these guidance notes to Form I with a view to incorporate the changes made in therein.
- The guidance notes provide the scope of information and documents to be submitted along with the form. It also provides clarification regarding eligibility criterion for Green Channel.
- In case of any other guidance on the information requirement in the Form I, the parties may request Pre-Filing Consultation (PFC) with the officers of the Commission.
- The parties are encouraged to seek PFC as per the guidelines available on the Commission's website.
- The revised notes to Form I are available at [https://www.cci.gov.in/sites/default/files/page\\_document/Form1.pdf](https://www.cci.gov.in/sites/default/files/page_document/Form1.pdf)

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<sup>2</sup> [https://www.cci.gov.in/sites/default/files/press\\_release/PR492019-20.pdf](https://www.cci.gov.in/sites/default/files/press_release/PR492019-20.pdf)

***Initiatives  
related to  
Economic and Commercial Laws***

## **1. Government amends the extant FDI policy for curbing opportunistic takeovers/acquisitions of Indian companies due to the current COVID-19 pandemic (April 17, 2020)**

The Government of India has reviewed the extant Foreign Direct Investment(FDI) policy for curbing opportunistic takeovers/acquisitions of Indian companies due to the current COVID-19 pandemic and amended para 3.1.1 of extant FDI policy as contained in Consolidated FDI Policy, 2017.

Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry has issued Press Note No. 3 (2020 Series) in this regard. The detailed Press Note is available at [https://dipp.gov.in/sites/default/files/pn3\\_2020.pdf](https://dipp.gov.in/sites/default/files/pn3_2020.pdf)

*The present position and revised position in the matters will be as under:*

### ***Present Position***

Para 3.1.1: A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, a citizen of Bangladesh or an entity incorporated in Bangladesh can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

### ***Revised Position***

Para 3.1.1:

3.1.1(a) A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

3.1.1(b) In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/purview of the para 3.1.1(a), such subsequent change in beneficial ownership will also require Government approval.

*The above decision will take effect from the date of FEMA notification.*

## **2. Revised Timelines for Sunset Review Investigation for Anti-Dumping Duty (April 21, 2020)**

Vide Trade Notice No. 02/2017 dated 12th December, 2017, the Directorate General of Trade Remedies (DGTR), Ministry of Commerce and Industry had prescribed the procedure and timelines for initiating an Anti-dumping Sunset Review investigation (SSR) under the

Customs Tariff Act 1975 and the Anti-dumping Rules. The said notice prescribed a minimum time of 270 days prior to the expiry of the anti-dumping measure in force, for filing the SSR application, which could be relaxed till 240 days with justification of delay.

It has been observed that the prescription of time limit for filing the SSR application, i.e. either 270 days prior to expiry of measure or 240 days prior to expiry of measure with justification of delay, has brought a reasonable degree of discipline and has resulted in the SSR application being filed well before the expiry of the measure. However, representations are often received from the domestic industry that on account of unavoidable circumstances, they are unable to adhere to the prescribed timeline of minimum 240 days prior to expiry of measure, in certain situations.

To redress this grievance of the industry, a Trade Notice (No. 02/2020) has been issued by DGTR on 20<sup>th</sup> April 2020, providing a relaxation of the said time limit up to 180 days prior to the date of expiry of the measure for filing the SSR application, on account of genuine e difficulty faced by the domestic industry in meeting the deadline of 270 days. The Designated Authority may further relax the timeline up to 120 days prior to the expiry of the measure, in exceptional circumstances.

**3. Department of Commerce has provided a number of Relaxations / Extensions of various Compliance Deadlines etc. to address Corona Pandemic Related Hardships of Exporters (April 11, 2020)**

In order to give relief to businesses and affected individuals amidst the stress caused by the novel coronavirus pandemic, Department of Commerce, Ministry of Commerce and Industry has introduced several relaxations and extensions in deadlines etc. with regard to compliances mandated under its schemes and activities. The key relaxations pertaining to the Department of Commerce are as follows:

**A. FACILITATION UNDER FOREIGN TRADE POLICY (FTP) 2015-20 BY DGFT**

1. Extension of FTP beyond 31<sup>st</sup> March 2020 : The Foreign Trade Policy (FTP) 2015-2020 and Handbook of Procedures (HBP) which was valid till 31<sup>st</sup> March 2020, have been extended by one year till 31<sup>st</sup> March 2021
2. Advance Authorizations and EPCG Authorizations : Extension of Export Obligation Period etc.
  - (i) In respect of those Advance Authorizations and EPCG Authorizations wherein the extended Export Obligation Period has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the Export Obligation Period has been extended for further six months from the date of expiry.
  - (ii) In respect of those Advance Authorizations and EPCG Authorizations wherein the import validity period has either expired or is expiring

between 1st February, 2020 to 31st July, 2020, the import validity period has been extended for further six months from the date of expiry.

- (iii) In respect of those EPCG Authorizations wherein Block period to fulfill the Block-wise export obligation has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the Block period has been extended for further six months from the date of expiry.
  - (iv) In respect of those EPCG Authorizations wherein the time period to produce the Installation Certificate before the RA concerned has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the time period has been extended for further six months from the date of expiry.
3. Extension of validity of Registration cum Membership Certificate (RCMC) beyond 31st March, 2020: It has been decided that Regional Authorities (RAs) of DGFT will not insist on valid RCMC (in cases where the same has expired on or before 31 March, 2020) from the applicants for any incentive/authorizations till 30 September, 2020.
  4. Service Exports from India Scheme (SEIS): The last date for filing annual claims under SEIS is 12 months from the end of relevant financial year of the claim period, which is expiring for 2018-19 claims on 31<sup>st</sup> March, 2020, has been extended to 31st December, 2020.
  5. Merchandise Exports from India Scheme (MEIS): The last date for filing MEIS claims is 1 year from the Let Export Order (LEO) date of each Shipping Bill, and another 2 years beyond that with imposition of a late cut. The last date of filing MEIS claims without late cut for all Shipping Bills for which the initial one-year period expired / will be expiring on or after 1<sup>st</sup> Feb 2020 and on or before 31<sup>st</sup> May 2020, has been extended by 3 months beyond the expiry date of the initial one-year period.
  6. Rebate of State and Central Taxes and Levies (RoSCTL): The last date for filing RoSCTL claims for export shipments (Between March 7 to December 31, 2019) of 30th June, 2020, has been extended to 31st December 2020.
  7. Status Holder: The validity period of all Status Certificates issued under FTP 2015-20 to an IEC holder has been extended up to 31st March, 2021.
  8. Remissions under provisions of Hand Book of Procedure (HBP)
    - i. Under para 4.12 (vi) of the Handbook of Procedure (HBP), validity date of norms ratified is limited to 31.3.2020 or three years whichever is later. This has been relaxed to be co-terminus with extended date of foreign trade policy / 3 years whichever is later.

- ii. Under para 4.41 (a) of HBP, Validity of Advance Authorizations for imports is capped at 12 months. Now the validity period of the Authorization for imports stands automatically extended by six months for Authorizations where import validity is expiring after 01 Feb 2020. The option to avail further validity extensions under para 4.41(c) shall be available.
- iii. Under para 4.42 (a) & (c) of HBP, Export Obligation (EO) period allowed under Advance Authorization Scheme is 18 and 24 months respectively. The EO period under this para now stands automatically extended by 6 months for Authorizations expiring after 01 Feb 2020. Option for further extensions as per HBP 4.42 (e) and (f) shall remain available after this period is over.
- iv. Under para 4.42 (d) of HBP, items under 4J get EO extension equal to half of the initially allowed period of EO. Now the EO period for items falling under appendix 4J stands automatically extended for a further period of six months for Authorizations expiring after 01 February 2020.
- v. Under para 4.80 (C) (D) (E) of HBP, the period allowed for exhibition exports are restricted to 60/90/120/45/365 days (depending on conditions mentioned) for replenishment of inputs of precious metals used. All durations mentioned under the given paras of HBP now stand extended by six months in addition to allowed durations for cases expiring after 01 February 2020.
- vi. Under para 4.82 (c) and (d), 4.83(b), 4.84(c) of HBP, replenishment scheme / outright purchase / loan basis period allowed for exports realisation is capped at 90, 180 days or credit terms, 120 days and 150 days etc. All durations mentioned under the given paras of HBP now stand extended by six months in addition to allowed durations for cases expiring after 01 February 2020.
- vii. Under para 4.85(b) and (c) of HBP, EO period under Advance Authorisation for Gems & Jewelry allowed at 120 and 90 days respectively. All EO periods now stand extended by six months for cases falling under these paras which expire after 01 February 2020.

In addition, following changes are also implemented based on feedback, representation and inputs from other departments in light of COVID-19:

- a. Extension in replenishment scheme for G&J under Para 4.59(e) also extended by 6 months.



- b. Extension of 6 months under Para 4.75(c) and para 4.77(c) for Diamond exports and exports against supply by foreign buyer for G&J Sector.
  - c. As approved by Department of Revenue, Exemption of IGST and Compensation Cess under Advance Authorisation, EPCG Scheme and EOUs till 31.03.2021 has been notified.
9. Chapter 6 of Hand Book of Procedures (HBP)-EOU/EHTP/STP/BTP
- i. Under para 6.01(b)(ii) of HBP, any LOP/LOI issued under the FTP has an initial validity period of 2 years. Such validity may be extended by the competent authority. Now All such LOPs/LOIs whose original or extended validity expires on or after 1st March 2020, would be deemed to be valid up to 31st December, 2020.
  - ii. Under Para 6.06 (c): Special provisions have been laid down allowing a shorter period of export obligations in case of some sensitive products. In such cases where ever the export obligation period expires during 1<sup>st</sup> March, 2020 to 30<sup>th</sup> June, 2020, the same has been extended up to 30<sup>th</sup> of September, 2020
10. Chapter 7 of Hand Book of Procedures (HBP)-Deemed Exports: Under para 7.05(a) of HBP, an application for refund of TED / Drawback may be filed within 12 months from the date of realization / supply. Now in all such cases where the above dates fall on or after 1st March, 2020, the date of filing of applications for refund of TED/Drawback will now be deemed to be extended up to 30<sup>th</sup> September, 2020.
11. Chapter 7A of Hand Book of Procedures (HBP)- Transport and Marketing Assistance (TMA) Scheme: As per para 7A.01(d) of HBP, an application for claim of TMA may be filed within one year from the date of quarter ending. Now application for refund of such claims for the quarter ending 31st March, 2019 and 30th June, 2019 may be filed up to 30th September, 2020.
12. Chapter 9 of Hand Book of Procedures (HBP)- Miscellaneous Matters : As per Para 9.02 of HBP, provisions of late cut have been laid down wherever any application is received after expiry of last date for submission of such application. Now last date of submission of application for the purpose of late cut would be taken to be extended as per the extension given above for the regular application.

**B. FACILITATION FOR SPECIAL ECONOMIC ZONE (SEZ) UNITS**

- i. In respect of SEZ Developers/Co- developers/ Units relaxations have been allowed on following compliances:

- a. Requirement to file Quarterly Progress Report (QPR) attested by Independent Chartered Engineers by Developers/ Co-developers
  - b. SOFTEX form to be filed by IT/ITES units
  - c. Filing of Annual Performance Reports (APR) by SEZ units
- ii. Development Commissioners have been directed to facilitate all extensions of Letter of Approvals (LoAs) and other compliances through electronic mode in a time-bound manner. In the cases where it is not possible to grant extension through electronic mode or in cases where a physical meeting is required, Development Commissioners shall ensure that the Developer / Co-developer / Units do not face any hardship due to such expiry of validity during this period of disruption, and ad-hoc interim extension / deferment of the expiry date may be granted without prejudice till 30.06.2020 or further instructions of the Department on the matter, whichever is earlier. Such extensions will cover following type of cases:
  - a. Developers/co-developers who are in the process of developing and operationalizing the SEZS
  - b. Units which are likely to complete their 5 year block for NFE assessment
  - c. Units which are yet to commence operations
- iii. Similarly, in case of expiry of LOPs of Export Oriented Units (EOU)s also, DCs have been directed to ensure that there is no hardship to EOUs during the lockdown period and if possible, all extension of LOPs may be facilitated through electronic mode in time bound manner. Where it is not possible to grant extension through electronic mode or such cases where physical meeting is required, in such cases expiry of validity of EOUs may be deferred suitably till 30<sup>th</sup> June, 2020. Such extensions will cover following type of cases:
  - a. Letter of Permission (LoP) of existing EOUs whose five period for calculation of NFE is completed during the lockdown period.
  - b. LoP of EOUs whose validity is expiring during the lockdown period.
- iv. Along with IT/ITES Units, Non IT/ITES Units in SEZs have also been allowed to take desktop/laptop outside SEZs for work from home. .
- v. Power has been delegated to Development Commissioners for broadbanding in case of manufacturing of essential items like masks, sanitizer, gowns and other protective preventive products/instruments subject to post-facto ratification by UAC.

- vi. All DCs have been sensitized to adopt electronic working culture and to extend support to the units involved in manufacturing of drugs, essential items etc and to follow COVID guidelines.
- vii. Department, in coordination with Development Commissioners is monitoring the situation on a daily basis. As on date, 403 units, engaged in manufacture of essential supplies like drugs, pharmaceuticals, medical supplies, etc. are functioning. In addition to this, 2055 units engaged in IT/ITES and other sectors have been allowed to work-from-home.

*C. FACILITATION BY ECGC:*

- i. Time for filing returns like declarations, extension applications, report of default etc., under the insurance covers that are due in March and April, extended up to May 31, 2020.
- ii. Time for filing claim/ replies due during this period extended up to 30<sup>th</sup> June, 2020.
- iii. Waiver of credit limit application fee till 30<sup>th</sup> June, 2020.
- iv. Reduction in policy proposal processing fee by 50% for policies due for renewal / issue from 1st March till 30<sup>th</sup> June, 2020.
- v. Discretion to exporters to extend due date for payment by buyers for shipments accepted earlier.
- vi. Discretion to decide about shipments (i.e. resale / reimport / or abandon) that reached destination but not cleared by overseas buyers due to lockdown in the destination countries.
- vii. Claim eligibility period under insurance cover reduced from the present 4 months period to 1 month.

*D. FACILITATION BY AGRI EXPORTERS BY AGRICULTURAL & PROCESSED PRODUCTS EXPORT DEVELOPMENT AUTHORITY (APEDA):*

- i. For facilitating exporters, APEDA extended the validity of RCMC, Recognition/Registration of packhouses, groundnut processing unit, Meat plants, wherever expiring up to 30th April, 2020.
- ii. Advisory has been issued for providing additional one month validity of certificate as a one-time measure for exporters of Organic products.
- iii. An advisory was issued on 28/03/2020 to all the laboratories authorized in HortiNet / GrapeNet as well as those for APEDA scheduled products, which carry out sampling and analysis of fresh fruits and vegetables, to bring any impediment related to movement of samplers and laboratory staff to the notice of APEDA and the local Authorities for quick resolution.

- iv. APEDA Certification Bodies have been advised to extend the validity of organic certificates. This will enable the farmer to continue with certification without losing organic status.
- v. Provision has also been made for interim extension of certificates of food processors and exporters whose physical inspection could not be conducted.
- vi. With the intervention of APEDA, few packing units in Navi Mumbai were able to get the permission to resume operations for production of essential packaging material for supplies.

*E. FACILITATION BY THE TOBACCO BOARD:*

The last date for submission of monthly returns by various traders for the month of February is 15<sup>th</sup>March. The last date for submission of returns for the month of March is 15<sup>th</sup>April. Tobacco Board has extended these dates up to 30<sup>th</sup>April 2020. Tobacco board in consultation with State Govt. and other stakeholders has planned to start auctioning of Tobacco w.e.f.15<sup>th</sup> April, 2020 in order to prevent loss of the Tobacco Crop.

*F. FACILITATION BY THE TEA BOARD:*

- i. Tea board has extended various timelines as follows :

<i>Sl. No.</i>	<i>Return Name</i>	<i>Provision under</i>	<i>Frequency</i>	<i>Stakeholder</i>	<i>Due data</i>	<i>Purpose</i>	<i>Extension Grant ed</i>
1	Production return (Form-E)	TMCO	Monthly	Tea Manufacturers	07.04.2020	Captures monthly production, green leaf price paid to growers, Tea Waste generated and disposal data- to be used for IIP too	Revised to 30 04.2020
2	Buyer Return (Form-F)	TMCO	Quarterly	Tea Buyers	31.03.2020	Captures Tea purchase and sale data	Revised to 30.04.2020
3	Instant Tea Return	TMCO	Monthly	Instant Tea Manufacturers	07.04.2020	Instant Tea manufactured data	Revised to 30.04.2020
4	Ware House	TWCO	Monthly	Tea ware houses	07.04.2020	Tea storage and disposal details	Revised to 30.04.2020

	Return (Form M)						
5	Export Return	TDECO	Monthly	Tea Exporters	07.04.2020	Captures monthly export quantity, value, port of shipment, category wise teas exported etc.	Revised to 30.04.2020
6	Import return	TDECO	Monthly	Tea Importers	No date	Captures monthly import quantity, and CIF value, purpose for which the import was made	Revised to 30.04.2020
7	Annual Return	Tea Act	Yearly	Tea Garden owners	31.03.2020	Captures development activities carried out during the year including age of bushes and no of workers employed and their welfare activities	Revised to 31.05.2020

MHA vide notification dated 24.03.2020 has allowed functioning of Tea Industry, including plantation with maximum of 50% workers.

**G. *FACILITATION BY THE MARINE PRODUCTS EXPORT DEVELOPMENT AUTHORITY (MPEDA) :***

MPEDA has started issuing most of the Certificates for exports online i.e. DS 2301 certificates for the USA market w.e.f.1st April 2020. This is an essential certificate for the export of shrimp to USA. By making it online, the physical movements for the exporters have reduced. Another Certificate (Asia -Pacific Trade Agreement (APTA) also has been made online after the lock down was introduced.

**H. *MEASURES TAKEN BY GOVERNMENT E-MARKET PLACE (GEM) TO FACILITATE PROCUREMENT IN VIEW OF THE COVID-19 PANDEMIC***

The status of various interventions for ease of procurement for COVID-19 related items are as follows:

- i. New page introduced for tracking COVID-19 categories and the number of sellers.
- ii. Shorter duration Bids with shorter delivery period enabled. Bid Cycle for COVID-19 related categories has been reduced to 3 days from existing 10 days. Buyers would also be able to reduce the Delivery Period for such items to 2 days considering the critical nature of the items.
- iii. A filter has been put in for Local Supplier and for Lead Time for delivery selection by the buyer, to facilitate early delivery.
- iv. Prioritization is being done in Product/Brand approval of the Covid Specific Categories.
- v. A new business rule has been put in place for controlling unreasonable price increase.
- vi. Delivery Period Extension have been allowed for 30 days beyond the expiry of the original Delivery Period.
- vii. New business rule to stock out sellers who do not update stock within 48 hours of notification for specific categories.
- viii. Original Equipment Manufacturers (OEMs) & Sellers for eight new COVID categories have been identified.
- ix. A Business Continuity Plan has been put in place for MSP and GeM to ensure continuity of system operations.

*I. MEASURES TAKEN BY DEPARTMENT TO FACILITATE PREFERENTIAL EXPORTS IN THE COVID-19 PANDEMIC*

- i. In the wake of the lockdown, the agencies authorized to issue the certificates of origin for India's preferential exports under the free trade agreement (FTAs) are either not functional or are operating with a skeletal staff. In the light of this, Department of Commerce had included some specific FTAs on this digital platform which had facilitated online application by exporters for these certificates. Trade Notice 1 dated 7.4.2020 has added India's main FTAs namely those with ASEAN, Japan, SAARC countries and Asia Pacific Trade Agreement (APTA) onto this digital platform. A related Trade Notice 62 dated 6.4.2020 has asked the agencies to issue the digitally signed certificates to the exporters on this platform as also keep a uniform fee for certificates even if they are issued retrospectively. The platform issues digitally signed certificates and we have been successful in getting the trading partners to accept these digitally signed certificates. This would ensure that our preferential exports are facilitated even during this lockdown period.

- ii. Most of the exporters to the European Union (EU) avail of the EU Generalised System of Preferences (GSP) Scheme wherein they get tariff preferences on exports. While the EU GSP is on a self-certification basis, the exporters have to apply to the prescribed agencies in India for getting a REX (registered exporter) number. In view of the closure of the offices of these agencies, Trade Notice 61 dated 2.4.2020 has prescribed the acceptance of scanned documents for getting the REX number so that the exporter has no physical interface with the agencies. This would ensure that exporters to EU under the EU GSP who have not got the REX number can apply electronically to the agencies (also known as Local Administrators for registration)

*J. FACILITATION BY THE DIRECTOR GENERAL TRADE REMEDIES (DGTR)*

Submission of documents in the Trade remedies investigation process has been done online or through digital transmission without having to submit physical copies. This has been enabled for both new investigations and ongoing investigations. Also the hearings and consultations are being carried out through Video conferencing.

This entire information is available at <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1616113>

**4. Relaxation in the Terms and Conditions for Other Service Provider in the wake of Corona virus (COVID-19) concerns (March 13, 2020)**

In the context of Corona Virus disease (COVID-19) and the request received from Other Service Providers (OSPs) and in the larger public interest, the Department has decided to grant the following relaxations for a period up to 30.04.2020 in the terms and conditions for the Other Service Providers (OSPs) issued vide letter No. 18-5/2009-CS-I dated 7.10.2011 in respect of the Work-From-Home (WFH):-

1. The requirement of Security Deposit and agreement for "Work from Home" facility for OSPs is exempted.
2. The requirement of authorized Service Providers Provisioned secured VPN is exempted. During this period, the OSPs are permitted to use secured VPN configured using "Static IP" address by themselves for interconnection between Home agent position and OSP Centre with pre-defined locations. In this regard, the agents at home shall be treated as Extended Agent Position of the OSP.
3. The requirement of seeking prior permission for WFH facility is exempted. The OSPs are now required to provide prior intimation to the respective LSA field units of DoT before starting WFH facility. While intimating the field units, the OSP shall submit complete details for 'Extended Agent Positions' i.e. name,

physical address and "Static IP" address assigned thereto. The CDRs/ call logs shall be maintained by OSPs for one year as per existing guidelines.

In case of violation of terms and conditions of WFH facility by any agent/employee or by the OSP during this period, the OSP shall be subjected to a penalty upto Rs. 5 lakh per WFH location which is in violation. In addition to above, the OSP registration is also liable to be cancelled. Other Terms & Conditions of OSP registration including maintaining of all logs of the activities carried out by Extended Agents shall remain unchanged.

**5. MHA clarifies Misplaced Apprehensions of Industry Associations regarding Legal liability on Company CEOs, if employees found COVID-19 positive (April 23, 2020)**

*(No Separate/Fresh Permissions required from Authorities for Industries already permitted to operate prior to 15.04.2020, in areas falling outside Containment Zones)*

Ministry of Home Affairs (MHA), on 15.04.2020, had issued an order to exempt certain activities under the consolidated revised guidelines to fight COVID-19, in certain areas not included in hotspots/containment zones.

*([https://www.mha.gov.in/sites/default/files/MHA%20order%20dt%2015.04.2020%2C%20with%20Revised%20Consolidated%20Guidelines\\_compressed%20%283%29.pdf](https://www.mha.gov.in/sites/default/files/MHA%20order%20dt%2015.04.2020%2C%20with%20Revised%20Consolidated%20Guidelines_compressed%20%283%29.pdf))*

Along with these guidelines, National Directives for COVID-19 Management and Standard Operating Procedure (SOP) for social distancing and hygiene measures to be followed by offices, workplaces, factories and other establishments have also been specified. The workplaces and industrial and commercial establishments are required to follow these guidelines, as well as standard health protocols as notified by Ministry of Health and Family Welfare (MoHFW).

Some apprehensions, based on wrong interpretation of the guidelines, have been raised in the media and by some companies having manufacturing facilities. Some of these are as under:

- States may take legal action, including imprisonment of CEO, in case a COVID-19 positive employee is found in the factory.
- In Such a situation, the premises of the factory would be sealed for 3 months.
- In case of non-compliance of precautionary measures, the factory may be closed down for 2 days and may be allowed to restart after full compliance.

It is clarified that there is no such clause in the consolidated revised guidelines and therefore there is no basis for such misplaced apprehensions.

It is further clarified that the activities allowed under the consolidated revised guidelines dated 15.04.2020 have subsumed all the earlier activities that were permitted under the earlier guidelines issued on 24.03. 2020 (including those permitted under the addendums), in addition to certain new activities that have also been permitted. Hence, the consolidated revised guidelines do not curtail the exemptions already provided earlier, unless the exempted activity falls within a containment zone.



Therefore, no separate/ fresh permissions are required from authorities for industries already permitted to operate prior to 15.04.2020, in areas falling outside containment zones. It is emphasized that subject to compliance with the SOP on social distancing, no fresh license or statutory approval is required for resumption of permitted activities during the lockdown period.

MHA in a communication to all States/UTs has requested them that the industrial field establishments and field offices may be apprised of the guidelines of lockdown measures, which should be followed to prevent the spread of epidemic. It has also been directed that these should not be misused to harass the management of any manufacturing/ commercial establishments.

**6. Extension of premium payment period for Postal Life Insurance & Rural Postal Life Insurance till 30th June 2020 (April 09, 2020)**

In view of the threat posed by the outbreak of Corona Virus (COVID-19), and the complete lockdown across India, Central/State Governments have issued several advisories and imposed restrictions on the movement of general public. Postal Life Insurance/Rural Postal Life Insurance customers are facing difficulty in approaching post offices for payment of premium inspite of the fact that many Post Offices are functional as part of essential services.

As a measure of convenience to all the PLI / RPLI customers, Directorate of Postal Life Insurance, Department of Posts, Ministry of Communications has given an extension of period for payment of their due premium of March 2020, April 2020 & May 2020 upto 30th June 2020 without charging any penalty/default fee. The decision has been taken because The Department has advised Customers registered on portal to pay premium online using PLI customer Portal.

**7. No Global tenders for Government tenders of up to Rs 200 crores (May 13, 2020)**

General Financial Rules (GFR) of the Government will be amended to disallow global tender enquiries in procurement of Goods and Services of value of less than Rs 200 crores

**8. Partial credit guarantee Scheme 2.0 for Liabilities of NBFCs/MFIs of Rs 45,000 crores (May 13, 2020)**

Existing Partial Credit Guarantee scheme is being revamped and now will be extended to cover the borrowings of lower rated NBFCs, HFCs and other Micro Finance Institutions (MFIs). Government of India will provide 20 percent first loss sovereign guarantee to Public Sector Banks.

**9. Liquidity Injection for DISCOMs of Rs 90,000 crore (May 13, 2020)**

Power Finance Corporation and Rural Electrification Corporation will infuse liquidity in the DISCOMS to the extent of Rs 90000 crores in two equal instalments. This amount will be used by DISCOMS to pay their dues to Transmission and Generation companies. Further, CPSE GENCOs will give a rebate to DISCOMS on the condition that the same is passed on to the final consumers as a relief towards their fixed charges.

**10. Relief to Contractors (May 13, 2020)**

All central agencies like Railways, Ministry of Road Transport and Highways and CPWD will give extension of up to 6 months for completion of contractual obligations, including in respect of EPC and concession agreements

**11. Relief to Real Estate Projects (May 13, 2020)**

State Governments are being advised to invoke the Force Majeure clause under RERA. The registration and completion date for all registered projects will be extended up to 6 months and may be further extended by another 3 months based on the State's situation. Various statutory compliances under RERA will also be extended concurrently.

*<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1623601>*

***Initiatives  
by  
Insolvency and Bankruptcy  
Board of India***

1. **Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2020. [Dated 20<sup>th</sup> April, 2020]**

In order to obtain assignments to act as the Insolvency Resolution Professional, Resolution Professional, Liquidator, Bankruptcy Trustee, authorized representative or in another role under the Code, the IPs were required to register themselves with the IPAs.

With respect to the application received on and from the date of commencement of the Insolvency and Bankruptcy Board of India (Model Bye- Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2020 and ending on the 30th September 2020, if the authorisation for assignment is not issued, renewed or rejected by the Agency within thirty days of the date of receipt of application, the authorisation shall be deemed to have been issued or renewed, as the case may be, by the Agency.

However, where an application for issue of authorisation for assignment has been rejected by an insolvency professional agency, on and from the date of commencement of the Insolvency and Bankruptcy Board of India (Model Bye- Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2020 and ending on the 30th September, 2020, the applicant aggrieved of an order of rejection may appeal to the Membership Committee within thirty days from the date of receipt of order.”

<https://ibbi.gov.in/uploads/legalframework/685f38c7444a9a6b8ddad11ac23c90cf.pdf>

2. **Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2020 [Dated 20<sup>th</sup> April, 2020]**

In the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, after regulation 40B, the regulation 40C shall be inserted as under:

“40C” Special provision relating to time-line - Notwithstanding the time-lines contained in these regulations, but subject to the provisions in the Code, the period of lockdown imposed by the Central Government in the wake of Covid-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to such lockdown, in relation to a corporate insolvency resolution process.”

<https://ibbi.gov.in/uploads/legalframework/3d8c8efd906d320e296833445c91a0a4.pdf>

3. **Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2020.**

In the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, in regulation 40B, for sub-regulation (4), the following sub regulation shall be substituted, namely

The filing of a Form under this regulation after due date of submission, whether by correction, updation or otherwise, shall be accompanied by a fee of five hundred rupees per Form for each calendar month of delay after 1st October, 2020.  
<https://ibbi.gov.in/uploads/legalframework/ba2702f58a4ed1841e0e7a9a71ba40ec.pdf>

Earlier the IPs were to file the forms as prescribed in the said Regulation which was to be enforced from 1<sup>st</sup> April, 2020, however, the said Regulation, vide this amendment, shall be made applicable from 1<sup>st</sup> October, 2020.

4. **Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2020 [Dated 20<sup>th</sup> April, 2020]**

As per Regulation 7(2)(ca) of the IBBI Insolvency Professional Regulations: Pay to the Board, a fee calculated at the rate of 0.25 percent of the professional fee earned for the services rendered by him as an insolvency professional in the preceding financial year, on or before the 30th of April every year, along with a statement in Form E of the Second Schedule;

*“Provided that for the financial year 2019-2020, an insolvency professional shall pay the fee under this clause on or before the 30th June, 2020.”*

As per Regulation 13(2)(b) of the IBBI Insolvency Professional Regulations,, the Insolvency Professional Entity were to inform the Board upon cessation of the director of the Insolvency Professional Entity or its partner within 7 days in Form F.

*“Provided that when an individual ceases to be its director or partner, as the case may be, on and from the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2020 and ending on the 31st December 2020, the insolvency professional entity shall inform the Board, within thirty days of such cessation.*

Likewise, as per Regulation 13(2)(b) of the IBBI Insolvency Professional Regulations, upon joining of any director or partner of the Insolvency Professional Entity, the said Insolvency Professional Entity was to inform the Board within 7 days of the said joining in Form F.

*“Provided that when an individual joins as its director or partner, as the case may be, on and from the date of commencement of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Amendment) Regulations, 2020 and ending on the 31st December 2020, the insolvency professional entity shall inform the Board, within thirty days of such joining;”;*

<https://ibbi.gov.in/uploads/legalframework/ac467ecac3ad7a0f66433d3cbedfa03d.pdf>

5. **Insolvency and Bankruptcy Board of India (Liquidation Process) (Second Amendment) Regulations, 2020**

*(Liquidation Process) Regulations, 2016, after regulation 47, regulation 47A shall be inserted as under:*

*47A "Exclusion of period of lockdown*

*Subject to the provisions of the Code, the period of lockdown imposed by the Central Government in the wake of Covid-19 outbreak shall not be counted for the purposes of computation of the timeline for any task that could not be completed due to such lockdown, in relation to any liquidation process."*

<https://ibbi.gov.in/uploads/legalframework/51250311f7791102b612ff9c9810b997.pdf>

***Initiatives  
related to  
Information Technology Laws***

**1. e-Commerce companies to continue to operate for Essential Goods as has been allowed earlier (April 19, 2020)**

Ministry of Home Affairs (MHA) issued an order to exempt certain activities under the consolidated revised guidelines to all Ministries/Departments regarding the nationwide lockdown to fight COVID-19.

*([https://www.mha.gov.in/sites/default/files/MHA%20order%20dt%2015.04.2020%2C%20with%20Revised%20Consolidated%20Guidelines\\_compressed%20%283%29.pdf](https://www.mha.gov.in/sites/default/files/MHA%20order%20dt%2015.04.2020%2C%20with%20Revised%20Consolidated%20Guidelines_compressed%20%283%29.pdf))*

*In an Order on April 19, 2020, clause 14(v) of the consolidated revised guidelines, relating to E-commerce companies has been excluded.*

In this regard it is again clarified that while operations of e-commerce companies for non-essential goods stands prohibited, however they will continue to operate for essential goods as has been allowed earlier and continue to be allowed under clause 13(i) of these guidelines.

MHA has communicated this to all States/UTs and requested them to clarify this to all the field agencies and also adequately disseminate amongst the general public so as to ensure smooth movement of the entire supply chain of essential goods, including by e-commerce. It has also been communicated that the guidelines/ Orders issued by the State Governments/ UT Administration in pursuance to MHA Orders may be suitably modified to reflect the correct position.

States must ensure Smooth Movement of the entire Supply Chain of Essential Goods, including by e-Commerce.

**2. Government of India Gives 4 Months' Rental Waiver to the IT Companies Operating from Software Technology Parks of India (STPI) Centers (April 16, 2020)**

In view of the challenges thrown by COVID19 outbreak and consequent lockdown, the Government on April 16, 2020 took a major decision to provide relief from payment of rental to the small IT units operating out of the Software Technology Parks of India (STPI). Most of these units are either Tech MSMEs or startups.

The Ministry of Electronics and Information Technology (MeitY) has decided to provide rental waiver to these units housed in STPI premises in the country from 01.03.2020 till 30.06.2020 i.e. for 4 months period as of now.

Software Technology Parks of India (STPI) is an autonomous society under Ministry of Electronics & Information Technology, Government of India and it has 60 centers across the country. The initiative to provide rental waiver to the units located in these centers will provide relief to the industry in this crisis situation emerged due to COVID19 pandemic. This initiative will provide benefit to nearly 200 IT/ ITes MSMEs, operating from these 60 STPI centers. The total cost of the rental waiver provided to these units during 4 months period from 01.03.2020 to 30.06.2020 is estimated to be around Rs. 5 Crore. This effort is also in the larger interest of around 3,000 IT/ ITes employees who are directly supported by these units.



### 3. **AarogyaSetu : A Multi-Dimensional Bridge (April 2, 2020)**

The Government of India on April 2, 2020 has launched a mobile app developed in public-private partnership to bring the people of India together in a resolute fight against COVID-19.

The App, called 'AarogyaSetu' joins Digital India for the health and well-being of every Indian. It will enable people to assess themselves the risk for their catching the Corona Virus infection. It will calculate this based on their interaction with others, using cutting edge Bluetooth technology, algorithms and artificial intelligence.

Once installed in a smart phone through an easy and user-friendly process, the app detects other devices with AarogyaSetu installed that come in the proximity of that phone. The app can then calculate the risk of infection based on sophisticated parameters if any of these contacts is tested positive.

The App will help the Government take necessary timely steps for assessing risk of spread of COVID-19 infection, and ensuring isolation where required.

*The App's design ensures privacy-first. The personal data collected by the App is encrypted using state-of-the-art technology and stays secure on the phone till it is needed for facilitating medical intervention.*

Available in 11 languages, the App is ready for pan-India use from day-1 and has highly scalable architecture.

This app is a unique example of the nation's young talent coming together and pooling resources and efforts to respond to a global crisis. It is at once a bridge between public and private sectors, digital technology and health services delivery and the potential of young India with a disease-free and healthy future of the nation.

The Information is available at <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1616113>

### 4. **MHA issues Advisory on Secure use of ZOOM Meeting Platform (April 16, 2020)**

The Cyber Coordination Centre (CyCord), under the Union Ministry of Home Affairs (MHA), has issued an advisory on secure use of ZOOM Meeting Platform by private individuals. This advisory states that the platform is not for use by Government officers/officials for official purposes.

The document makes reference to earlier advisories of the Indian Computer Emergency Response Team (Cert-In) and states that Zoom is not a safe platform. The guidelines have been issued to safeguard private individuals who would still like to use the platform for private purposes.

The broad objective of this advisory is to prevent any unauthorized entry into a Zoom Conference Room and prevent the unauthorized participant to carry out malicious attacks on the terminals of other users in the conference.

The details of protective measures to be taken by individuals may be accessed in the document available at [http://164.100.117.97/WriteReadData/userfiles/comprehensive-advisory-Zoom-%20meeting%20platfom-20200412-\(2\).pdf](http://164.100.117.97/WriteReadData/userfiles/comprehensive-advisory-Zoom-%20meeting%20platfom-20200412-(2).pdf).

#### **5. Advisory to Curb False News / Misinformation on Coronavirus (March 21, 2020)**

1. The Corona virus (COVID- 19) outbreak has become a global concern with World Health Organisation declaring it a global health emergency. Countries across the world are trying their best to mitigate the spread of corona virus. However, it has been reported in media that there is a trend of circulation of misinformation/false news and sharing anonymous data related to Corona virus in various social media platforms creating panic among public.
2. Social media platforms are intermediaries as defined under section 2(1)(w) of the Information Technology Act, 2000 and are required to follow due diligence as prescribed in the *Information Technology (Intermediary Guidelines Rules 2011 notified under section 79 of the ofAct*. They must inform their users not to host, display, upload, modify, publish, transmit, update or share any information that may affect public order and unlawful in any way.
3. Therefore, Intermediaries are urged to:
  - i. Initiate awareness campaign on their platforms for the users not to upload/ circulate any false news/misinformation concerning corona virus which are likely to create panic among public and disturb the public order and social tranquility;
  - ii. Take immediate action to disable /remove such content hosted on their platforms on priority basis;
  - iii. Promote dissemination of authentic information related to corona virus as far as possible

The circular is available at

[https://meity.gov.in/writereaddata/files/advisory\\_to\\_curb\\_false\\_news-misinformation\\_on\\_corona\\_virus.pdf](https://meity.gov.in/writereaddata/files/advisory_to_curb_false_news-misinformation_on_corona_virus.pdf)

***Initiatives  
related to  
Labour Laws***

**1. Date of Filing Electronic Challan Cum Return (ECR) for Wage Month March, 2020 Extended Up to 15.05.2020 from 15.04.2020 (April 15, 2020)**

(The Government moved Incentivizes About 6 Lakh Establishments for Salary Payments During Lockdown Period)

Considering the unprecedented situation created by COVID-19 and lockdown announced by the Central Government from 24.03.2020 midnight onwards to prevent the spread of Covid-19, the due date for filing of Electronic Challan Cum Return (ECR) for wage month March, 2020 is extended up to 15.05.2020 for employers who have paid wages to their employees for March, 2020.

The due date for March, 2020 is ordinarily 15.04.2020, so grace period of thirty days has been allowed to the establishments covered under EPF & MP Act, 1952 to remit the contributions and administrative charges due for March, 2020

The above decision of Ministry of Labour and Employment is to support and provide relief to Employers of establishments which have disbursed wages for March, 2020 to its employees and an incentive to employers for wage payment to employees during COVID-19 pandemic. The move is in keeping with the objective of the Pradhan Mantri Garib Kalyan Yojana to prevent disruption in employment and ensure earning to employees to help them fight the pandemic.

This relief will benefit about 6 lakh establishments to file ECRs without default by paying salary to about 5 crore employees.

The employers have to declare the date of disbursement of wage for March, 2020 in the ECR for March, 2020.

The ECR, with the said declaration, and contributions and administrative charges for March, 2020 are now due on or before 15.05.2020.

The employers disbursing the wages for March, 2020 not only get relief of extension of due date for payment of EPF dues for March, 2020 but also avoid liability of interest and penalty, if they remit on or before 15.05.2020.

**2. Extending the last date of filing of Unified Annual Return under 8 Labor Laws for the year 2019 up to 30th April 2020 (March 23, 2020)**

- The Filing of Unified online Annual Returns for the year 2019 under 8 Acts and 10 Central Rules were to be filed from 1<sup>st</sup> January to 1<sup>st</sup> February 2020.
- For the year 2019 a total of 30,420 Annual Returns so far have been received on Shram Suvidha Portal
- In, view of the spread of Novel Corona Virus, the last date of filing of Annual Returns for the year 2019 is extended up to 30<sup>th</sup> Apr 2020.
- The Authorities are therefore requested to not take any legal action for non-filing of Annual Returns for the year 2019 against the establishments and further requested

to disseminate this information to all the establishments under the territorial Jurisdiction for compliance and necessary action'.

### 3. ESIC Further Extends Period for Filing ESI Contribution (April 14, 2020)

The country is dealing with a very challenging situation due to COVID-19 Pandemic. Many establishments are temporarily closed and workers are unable to work. In line with the relief measures being extended by Government to business entities and workers, Employees' State Insurance Corporation (ESIC) has undertaken following relief measures for its stakeholders specially Employers and Insured Persons, besides strengthening its medical resources to fight COVID-19.

As a relief measure, the period for filing ESI contribution for the month of February and March was earlier extended to 15<sup>th</sup> April and 15<sup>th</sup> May, respectively. Now, considering the hardship being faced by employers, the period for filing ESI contribution for the month of February has been further extended from earlier extended period i.e. 15<sup>th</sup> April to 15<sup>th</sup> May, 2020. The period for filing contribution for the month of March 2020 is also 15<sup>th</sup> May, 2020. No penalty or interest or damage will be levied on establishments during the extended period. 3.49 crore Insured Persons (IPs) and 12,11,174 employers will get relief with the extension of period for filing the return. Circular in this regard is available at <https://www.esic.nic.in/attachments/circularfile/6eba125d86727a7a7dd5fb2dc1c5b6e5.pdf>

*Besides these, following relief measures have been undertaken for Insured Persons and Beneficiaries:*

- In order to ease hardship of ESI Beneficiaries, purchase of medicines by ESI beneficiaries from private chemists during the lockdown period and its subsequent reimbursement by ESIC has been permitted.
- A provision has also been made for providing medical services to IPs and beneficiaries from Tie-up Hospitals, if an ESIC Hospital is declared as a dedicated Covid-19 Hospital to cater exclusively to Corona suspected/confirmed cases. ESI beneficiaries can be referred to tie-up Hospitals for providing prescribed secondary/SST consultation/admission/ investigation, during the period for which concerned ESIC Hospital functions as dedicated Covid-19 Hospital. ESI Beneficiary may also seek Emergency/non-Emergency medical treatment from tie-up hospital directly without referral letter, in accordance with his entitlement.
- Medical Benefit is provided under Rule 60-61 to the Insured persons who cease to be in insurable employment on account of permanent disablement and to the retired Insured Persons, on payment of advance lump-sum contribution for a year at the rate of Rs.10/- per month. Under the prevailing circumstances of lockdown, there may be cases where validity of the medical benefit cards issued to these beneficiaries expire as these beneficiaries are unable to deposit the advance annual lump-sum contribution due to lockdown. Such beneficiaries have been allowed to avail medical benefit under Rule 60 and 61 of ESI (Central Rules) till 30.06.2020.

- The payment of Rs.41.00 crore (approx.) in respect of Permanent Disablement Benefit and Dependents' Benefit have been sent to the bank accounts of beneficiaries in the month of March, 2020.

#### **4. EPFO puts in place Online Mechanism to credit EPF and EPS Accounts of Subscribers as per PM Gareeb Kalyan Yojna (April 11, 2020)**

Employees Provident Fund Organization (EPFO), a statutory body under Union Ministry of Labour and Employment, has put in place an electronic mechanism for crediting EPF and EPS accounts of its subscribers as per the package announced by the Union Government under PM Gareeb Kalyan Yojna on for helping the poor to fight Corona pandemic.

Accordingly, the relief announced by the government can be claimed by eligible organisations/establishments by filing Electronic Challan-cum-return (ECR). The due amount on behalf of Employers and Employees reflected in the ECR on account of EPF and EPS (24% wages) will be credited by the Central Government for three months in UANs of contributory EPF members, earning monthly wage of less than Rs.15000/-, who are already employed in EPF covered establishments/factories employing up to one hundred employees with 90% or more of such employees earning monthly wage of less than Rs.15000/-. Around 79 lakh subscribers and approximately 3.8 lakh establishments are expected to benefit from the package. This is estimated to have a subsidy outgo of Rs 4800 crore in a period of three months.

It may be recalled that Central Govt. had launched the Pradhan Mantri Garib Kalyan Yojana (PMGKY) on 26.03.2020 to help poor fight the battle against Corona Virus pandemic. The PMGKY package is aimed at preventing disruption in the employment of low wage earning EPF members and extending support to the eligible EPF covered establishments.

To implement the above package, the Ministry of Labour and Employment had subsequently notified the Scheme specifying the objective, eligibility criteria, validity period, process and manner to avail the relief.

The Electronic Challan-cum-Return (ECR) filing will enable the establishments to avail the relief in respect of their eligible employees.

The employer in relation to any eligible establishment, shall disburse wages for the month to all employees of the establishment and file Electronic Challan cum Return (ECR) with required certificate and declaration to avail the benefit under the Scheme.

After ECR is uploaded and eligibility of establishment and employees is validated, then the challan will separately show amount of employees' and employers' contributions due as Central Govt. relief in respect of eligible employees and the remaining amount payable by the employer.

After the employer remits the payment due from him for other employees, as reflected in challan, the EPF & EPS contributions will be credited directly in the UANs of the eligible employees of the establishment by the Central Govt.

The World is facing a catastrophic situation due to outbreak of COVID-19 and in order to combat this challenge, coordinated joint efforts of all Sections of the Society are required. In view of the above, there may be incidence that employee's/worker's services are dispensed with on this pretext or the employees/workers are forced to go on leave without wage/salaries.

In the backdrop of such challenging situation, all the Employers of Public/Private Establishments are advised to extend their coordination by not terminating their employees, particularly casual or contractual workers from job or reduce their wages. If any worker takes leave, he should be deemed to be on duty without any consequential deduction in wages for this period. Further, if the place of employment is to be made non-operational due to COVID-19, the employees of such unit will be deemed to be on duty.

The termination of employee from the job or reduction in wages in this scenario would further deepen the crises and will not only weaken the financial condition of the employee but also hamper their morale to combat their fight with this epidemic. In view of this, you are requested to circulate this Advisory to the Employers/owners of all the establishments registered with your Association for compliance.

The details of the Scheme and FAQs containing clarifications on various aspects of the package are available on homepage of EPFO website under the TAB "COVID-19"

ii. 20 control rooms set up to address wage related grievances of workers

Ministry of Labour and Employment has set up 20 control rooms under the Office of Chief Labour Commissioner (CLC) (C) on pan India basis due to issues arising in the backdrop of Covid-19. These control rooms have been set up for following purposes.

- To address wage related grievances of workers employed in Central Sphere.
- To mitigate the problems of migrant workers through coordination with various state governments.

These call centers can be accessed by the workers through Phone numbers, Whatsapp and Emails. These control rooms are being managed by Labour Enforcement Officers, Assistant Labour commissioners, Regional Labour Commissioners, and Deputy Chief Labour Commissioners of the respective regions. The functioning of all 20 call centers are being monitored and supervised by Chief Labour Commissioner (C) of Head Quarter on daily basis.

All the concerned officers/officials have been advised to adopt a humane approach to assist the aggrieved workmen to the maximum possible extent and ensure delivery of timely relief to the needy ones.

The region wise details of officers/officials, WORKERS HELPLINE numbers and email ids and details of officials are available at

<http://164.100.117.97/WriteReadData/userfiles/Control.pdf>

- iii. Ministry of Labour and Employment advises all public and private employers to support their employees and workers
- iv. Labour Ministry Issues Advisory to all States/UTs to use Cess fund for Welfare of Construction Workers

In the backdrop of outbreak of COVID-19, numerous measures are being taken by the Government to give relief to workers. To support unorganized construction workers who sustain their livelihood on daily wages, an advisory has been issued today by Shri Santosh Kumar Gangwar, Union Minister of State, I/C, Labour and Employment to all Chief Ministers/LGs of all the States/UTs. In the advisory, under Section 60 of the Building and Other Construction Workers Act, 1996 all State Governments/UTs have been advised to transfer funds in the account of construction workers through DBT mode from the Cess fund collected by the Labour Welfare Boards under the BOCW cess Act. About Rs 52000 crore is available as cess fund and about 3.5 crore construction workers are registered with these Construction welfare Boards.

- v. Validity of licences granted under the Contract Labour (R&A) Act, 1970 & The ISMW (CS&RE) Act, 1979

Keeping in view the lockdown across India due to Covid-19, the validity of licences granted under the Contract Labour (R&A) Act, 1970 & The ISMW (CS&RE) Act, 1979 are here by extended upto 31st May 2020 for those licenses whose renewal falls in the months of March, April & May 2020. However, the issuance of new licenses would keep continue as it is.

Registration Under Five central Labour Act viz. EPF/ESI/CLRA/BOCW/ISMW is being provided under 'Ease of Doing Business' initiative of Government of India available online now on Shram Suvidha Portal.

- (1) The Employees Provident Funds And Miscellaneous Provision's Act (EPF) Act-1952.
- (2) Employees' State Insurance Act (ESI) ACT-1948.
- (3) Contract Labour (Regulation and Abolition) Act-1970.
- (4) Building and Other Construction Workers (BOCW) Act -1996.
- (5) Inter-State Migrant Workmen (ISMW) Act-1979.

## 5. **Employees Provident Fund Support for business and organised workers (May 13, 2020)**

The scheme introduced as part of PMGKP under which Government of India contributes 12% of salary each on behalf of both employer and employee to EPF will be extended by another 3 months for salary months of June, July and August 2020. Total benefits accrued is about Rs 2500 crores to 72.22 lakh employees.



**6. EPF Contribution to be reduced for Employers and Employees for 3 months (May 13, 2020)**

Statutory Provident Fund 'PF' contribution of both employer and employee reduced to 10% each from existing 12% each for all establishments covered by EPFO for next 3 months. This will provide liquidity of about Rs.2250 Crore per month.

*<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1623601>*

***Initiatives  
for  
MSME Sector***

**1. Emergency Working Capital Facility of Rs. 3 lakh crore for Businesses, including MSMEs (May 13, 2020)**

To provide relief to the business including MSMEs, additional working capital finance of 20% of the outstanding credit as on 29 February 2020, in the form of a Term Loan at a concessional rate of interest will be provided.

This will be available to units with upto Rs 25 crore outstanding and turnover of up to Rs. 100 crore whose accounts are standard.

The units will not have to provide any guarantee or collateral of their own. The amount will be 100% guaranteed by the Government of India providing a total liquidity of Rs. 3.0 lakh crores to more than 45 lakh MSMEs.

**2. Subordinate Debt of Rs. 20,000 crore for Stressed MSMEs (May 13, 2020)**

The Provision of Rs. 20,000 crore made for subordinate debt for two lakh MSMEs which are NPA or are stressed. Government will support them with Rs. 4,000 Cr. to Credit Guarantee Trust for Micro and Small enterprises (CGTMSE). Banks are expected to provide the subordinate-debt to promoters of such MSMEs equal to 15% of his existing stake in the unit subject to a maximum of Rs. 75 lakhs.

**3. MSME Fund of Funds (May 13, 2020)**

Government will set up a Fund of Funds with a corpus of Rs 10,000 crore that will provide equity funding support for MSMEs. The Fund of Funds shall be operated through a Mother and a few Daughter funds. It is expected that with leverage of 1:4 at the level of daughter funds, the Fund of Funds will be able to mobilise equity of about Rs. 50,000 crores.

**4. New Definition of MSME (May 13, 2020)**

<b>Existing MSME Classification</b>			
<b>Criteria: Investment in Plant &amp; Machinery or Equipment</b>			
<b>Classification</b>	<b>Micro</b>	<b>Small</b>	<b>Medium</b>
<b>Mfg. Enterprises</b>	Investment < Rs. 25 lakhs	Investment < Rs. 5 crore	Investment < Rs. 10 crore

Service Enterprise	Investment < Rs. 10 lakhs	Investment < Rs. 2 crore	Investment < Rs. 5 crore
<b>Revised MSME classification</b>			
<b>Composite Criteria: Investment and Annual Turnover</b>			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 crore & Turnover < Rs. 5 crore	Investment < Rs. 10 crore & Turnover < Rs. 50 crore	Investment < Rs. 20 crore & Turnover < Rs. 100 crore

#### 5. Other Measures for MSME (May 13, 2020)

E-market linkage for MSMEs will be promoted to act as a replacement for trade fairs and exhibitions. MSME receivables from Government and CPSEs will be released in 45 days.

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1623601>

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