Covid 19 - Regulatory Updates
Initiatives
by
Ministry of Corporate Affairs

a) No additional fees shall be charged for late filing during a moratorium period from 01st April, 2020 to 30th September, 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of Companies/LLP’s at large, but also enable long standing non-compliant companies/ LLPs to make a fresh start.

b) The mandatory requirement of holding meetings of the Board of the companies within the prescribed interval provided in section 173 of the Companies Act, 2013 (i.e.120 days) stands extended by a period of 60 days till next two quarters i.e. till 30th September. Accordingly, as a one-time relaxation the gap between two consecutive meetings of the Board may extend to 180 days till the next two quarters, instead of 120 days as required in the Companies Act, 2013.

c) The Companies (Auditor’s Report) Order, 2020 shall be made applicable from financial year 2020-21, instead of being applicable from the financial year 2019-20 as notified earlier. This will significantly ease the burden on companies & their auditors for the financial year 2019-20.

d) As per Para VII (1) of Schedule IV to the Companies Act, 2013, the Independent Directors of the company are required to hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management. For the financial year 2019-20, if the Independent Directors of a company have not been able to hold such a meeting, the same shall not be viewed as violation. The independent Directors, however, may share their views amongst themselves through telephone or e-mail or any other mode of communication, if they deem it to be necessary.

e) Newly incorporated companies are required to file a declaration for Commencement of Business within 180 days of incorporation under section 10A of the Companies Act, 2013. An additional period of 180 more days is allowed for this compliance.

f) Non-compliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under Section 149 of the Companies Act, 2013 shall not be treated as non-compliance for the financial year 2019-20.

g) Requirement under section 73(2)(c) of Companies Act 2013, to create the deposit repayment reserve of 20% of deposits maturing during the financial year 2020-21 before 30th April, 2020 shall be allowed to be complied with till 30th June 2020.

h) Requirement under rule 18 of the Companies (Share Capital & Debentures) Rules, 2014 to invest or deposit at least 15% of amount of debentures maturing in specified methods of investments or deposits before 30th April 2020, may be complied with till 30th June 2020.

2) General Circular No.10/2020, Clarification on spending of CSR funds for COVID-19 dated 23rd March, 2020

Keeping in view of the spread of the novel Corona Virus (COVID-19) in India, its declaration as a pandemic by the World Health Organisation (WHO), and, decision of Government of India to treat this as notified disaster.
It is clarified by the Ministry of Corporate Affairs, that spending of CSR funds for COVID-19 is eligible CSR activity. Funds may be spent for various activities related to COVID-19 under item nos. (i) and (xii) of Schedule VII relating to promotion of health care, including preventive health care and sanitation, and, disaster management. Further, as per General Circular No. 21/2014 dated 18th June, 2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.

3) **Companies Affirmation of Readiness towards COVID-19, dated 23rd March, 2020**

MCA has introduced a new form w.e.f. 23rd March, 2020. It is a simple web-based form with minimum fields, which can be filed from anywhere. There is no requirement of DSC and does not involve payment of any fee.

Form is Applicable for all Indian companies/ Foreign companies/ LLPs/ Foreign LLPs. Any one of the current Authorized Signatories of the Company/LLP can submit the form online. It requires only OTP verification and no SRN is generated for this form.

This form has been deployed as a purely confidence building measure to assess the readiness of the companies to deal with COVID-19 threat in India. As such no penalty or enforcement related action is applicable. Companies/LLPs may at their convenience file this form. It is purely voluntary as part of contribution towards joining the movement to fight against the spread of the disease.

4) **Relaxation of the requirement of holding Board meetings with physical presence of directors under section 173(2) read with rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 for approval of the restricted matters by introducing the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 dated 19th March, 2020.**

Considering the need to take precautionary steps to overcome the outbreak of the coronavirus (COVID-19), the Ministry of Corporate Affairs has decided to relax the requirement of holding Board meetings with physical presence of directors under Section 173(2) read with rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 for approval of the restricted matters such as approval of the annual financial statements, approval of the board’s report, approval of the prospectus, the Audit Committee Meetings for consideration of financial statement including consolidated financial statement if any, to be approved by the board under sub-section (1) of section 134 of the Act and approval of matters relating to amalgamation, merger, demerger, acquisition and takeover.

Companies may hold such meetings from the period beginning from the commencement of the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 i.e. 19th March, 2020 till 30th June, 2020 through video conferencing or other audio visual means by duly ensuring compliance of rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014.

According to Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, the chairperson of the meeting and the company secretary (if any) shall take due and reasonable care to safeguard the integrity of the meeting via proper security and identification procedures. Companies needs to ensure availability of proper video conferencing or other audio-visual equipment or facilities for providing transmission of the communications for effective participation of the directors and other authorised participants at the Board meeting. Proceedings at the board meeting will have to be recorded and minutes of the meeting needs to be prepared.
Initiatives
by
Securities and Exchange Board of India
SEBI has relaxed the compliance requirements pertaining to various regulations as under:

1) Relaxation from compliances with certain provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 due to the COVID – 19 pandemic (27th March, 2020)
   - The disclosure filings under Regulations 30(1), 30(2) and 31(4) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (SAST Regulations), require the shareholders to compile, collate, and disseminate information of their consolidated shareholding as on March 31, 2020, to the company and the stock exchanges within seven working days from the end of the financial year. These reports as per the 2020 calendar are required to be filed by April 15, 2020.
   - Extension of the due date of filing disclosures, in terms of Regulations 30(1), 30(2) and 31(4) of the SAST Regulations for the financial year ending March 31, 2020 has been made to June 01, 2020.

2) Relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the SEBI circular dated January 22, 2020 relating to Standard Operating Procedure due to the CoVID -19 virus pandemic (26th March, 2020, 23rd March, 2020 and 19th March, 2020)
   a) Relaxations from compliance with following certain provisions of Regulations of SEBI (LODR) are as under:
      - Compliance Certificate under Reg. 40(9) from Practicing Company Secretary on timely issue of share certificates – extended till may 31st, 2020 (period of relaxation – 1 month).

Regulation 40 (9) states that

The listed entity shall ensure that the share transfer agent and/or the in-house share transfer facility, as the case may be, produces a certificate from a practicing company secretary within one month of the end of each half of the financial year, certifying that all certificates have been issued within thirty days of the date of lodgement for transfer, subdivision, consolidation, renewal, exchange or endorsement of calls/allotment monies.

b) Relaxation of holding AGM and meeting of Board/Committee(s)
   - As per Reg. 17(2) and 18(2)(a) the board of directors and the audit committee shall meet at least four times a year with a maximum time gap of one hundred and twenty days between any two meetings.
   - The board of directors and Audit Committee of the listed entity are exempted from observing the maximum stipulated time gap between two meetings for the meetings held or proposed to be held between the period December 1, 2019 and June 30, 2020.
   - However, the board of directors / Audit Committee shall ensure that they meet at least four times a year, as stipulated under regulations 17(2) and 18(2)(a) of the LODR.
• As per Reg. 19(3A) the Nomination and Remuneration Committee shall meet at least once in a year - extended till June 30th, 2020 (period of relaxation – 3 month).

• As per Reg. 20(3A) the Stakeholder Relationship Committee shall meet at least once in a year - extended till June 30th, 2020 (period of relaxation – 3 month).

• As per Reg. 21(3A) the Risk Management Committee shall meet at least once in a year - extended till June 30th, 2020 (period of relaxation – 3 month).

• Holding of AGM under Reg. 44(5) by top 100 listed entities by market capitalisation for FY 19-20 - extended to September 30th, 2020 (period of relaxation – 1 month).

c) Extension of timeline for filings

• Regulation 7(3) relating to compliance certificate on share transfer facility to be filed within one month of the end of each half of the financial year – extended till 31st May, 2020 (Period of relaxation – 1 month)

• Regulation 13(3) relating to Statement of Investor complaints to be filed within 21 days from end of the each quarter – extended till 15th May, 2020 (Period of relaxation – 3 weeks approx.)

• Regulation 24A read with circular No CIR/CFD/CMD1/27/2019 dated February 8, 2019 relating to Secretarial Compliance report to be filed within 60 days from the end of the financial year – extended till 30th June, 2020 (Period of relaxation – 1 month)

• Regulation 27(2) relating to Corporate Governance report to be filed within 15 days from end of the quarter – extended till 15th May, 2020 (Period of relaxation – 1 month)

• Regulation 31 relating to Shareholding Pattern to be filed within 21 days from end of the quarter – extended till 15th May, 2020 (Period of relaxation – 3 weeks approx.)

• Regulation 33 relating to Quarterly Financial Results to be filed within 45 days from end of the quarter – extended till 30th June, 2020 (Period of relaxation – 45 days) [Same in case of Commercial Papers/ Non-Convertible Debentures (NCDs) / Non-Convertible Redeemable Preference Shares (NCRPS)]

• Regulation 33 relating to Annual Financial Results to be filed within 60 days from end of the financial year – extended till 30th June, 2020 (Period of relaxation – 1 month) [Same in case of Commercial Papers/ Non-Convertible Debentures (NCDs) / Non-Convertible Redeemable Preference Shares (NCRPS)]
d) Relaxation of the operation of the SEBI circular on Standard Operating Procedure dated January 22, 2020 on imposition of fines and other enforcement actions for non-compliances with provisions of the LODR.

- The effective date of operation of which is for compliance periods ending on and after March 31, 2020 shall now come into force with effect from compliance period ending on and after June 30, 2020.

e) Relaxation of publication of advertisements in the newspapers.

- Regulation 47 of the LODR requires publishing, in the newspapers, information such as notice of the board meeting, financial results etc. are exempted for all events scheduled till May 15, 2020.

3) Relaxation in compliance with requirements pertaining to Mutual Funds (23rd March, 2020)

a) Relaxations from compliance with following regulations of SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder:

- All schemes (New Fund Offer) where observation letter was issued by SEBI and yet to be launched shall have a validity period of one year from the date of SEBI letter.
- All new schemes (New Fund Offer) where final observation letter will be issued shall have validity period of one year from the date of SEBI letter.

b) The timelines for certain disclosures are extended, as follows:

- Half yearly disclosures of unaudited financial results under Reg. 59 to be filed within one month from the close of half year – extended till 31st May, 2020.
- Disclosure of commission paid to distributors under point 2(a) of SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016 which is to be filed within 10 days from the half year end - extended till 10th May, 2020.
- Yearly disclosure of investor complaints under point 4(b) of SEBI circular no. Cir/IMD/DF/2/2010 dated May 13, 2020 which is to be filed within 2 months from the close of financial year – extended till 30th June, 2020.

c) The effective date of implementation of certain policy initiatives have been extended as under:

- Liquid funds shall hold at least 20% of its net assets in liquid assets as per circular dated 20th September, 2019 (due date 1st April, 2020) – extended till 1st May, 2020.
- Existing open-ended mutual fund schemes shall comply with the revised limits for sector exposure as per circular dated 1st October, 2019 (due date 1st April, 2020) – extended till 1st May, 2020.
- Maximum investment in unlisted NCDs as % of the debt portfolio of the scheme (due date 31st March, 2020) – extended till 15th April, 2020.
• Amortization based valuation shall be dispensed with and irrespective of residual maturity, all money market and debt securities shall be valued in terms of paragraph 1.1.2.2 of the Circular dated 24th September, 2020 (due date 1st April, 2020) – extended till 1st May, 2020.

d) The access control presently exercised in the AMC’s dealing room including call recording of deals is temporarily relaxed subject to checks and balances including electronic confirmation by way of email or other system having audit trail are in place.

4) **Relaxation from compliance to Real Estate Investment Trust (REITs) and Infrastructure Investment Trusts (InvITs) due to the CoVID-19 virus pandemic (23rd March, 2020)**

- Due date for regulatory filings and compliances for REIT and InvIT for the period ending March 31, 2020 by one month over and above the timelines as prescribed under SEBI (Infrastructure Investment Trusts) Regulations, 2014 (InvIT Regulations) and SEBI (Real estate Investment Trusts) Regulations, 2014 (REIT Regulations) and circulars issued thereunder.

5) **Extension of timeline for filings prescribed for Issuers of Municipal Debt Securities**

- Investor Grievance Report as per Municipal Bond to be filed within 30 working days from end of Half Year – extended date 30th June, 2020 (period of relaxation 45 days)
- Annual Financial Results to be filed 60 days from the end of Financial Year – extended date 30th June, 2020 (period of relaxation 30 days)
- Accounts maintained by Issuers under Issue and Listing of Debt Securities by Municipalities (ILDM) Regulations to be filed 45 days from end of quarter – extended date 30th June, 2020 (period of relaxation 45 days)

*(For more details, please click on https://www.sebi.gov.in)*
Initiatives by Central Board of Direct Taxes

As per the provision of section 139(4) of the Income tax Act, 1961, any person who has not furnished a return within the time allowed to him under sub-section (1), may furnish the return for any previous year at any time before the end of the relevant assessment year or before the completion of the assessment, whichever is earlier. Accordingly, the last date of filing belated income tax return for FY 2018-19 is 31st March, 2020.

In view of Covid-19 outbreak, the last date for income tax returns for (FY 18-19) has been extended from 31st March, 2020 to 30th June, 2020.

1) Extension of last date for linking of Aadhaar-PAN

CBDT vide its Notification No. 11 dated 13th Feb, 2020 clarifies that the last date of linking PAN with Aadhaar is March 31, 2020, after which PAN and Aadhar become inoperative if not linked.

In view of Covid-19 outbreak, Aadhaar-PAN linking date has been extended from 31st March, 2020 to 30th June, 2020.

2) Extension of Vivad se Vishwas scheme without 10% additional charge

During the Union Budget 2020, the 'Vivad se Vishwas' Scheme was announced to provide taxpayers a lucrative opportunity to settle direct tax disputes by waiving interest and penalty on their pending taxes. As per the scheme, the taxpayer should opt and deposit the disputed dues by 31.03.2020, in order to get 100% relief from interest, penalty and fees. Scheme also contain an extensions period for opting the scheme of three months i.e. upto 30.06.2020, however, in extended period scenario, the taxpayer has to pay additional 10% of the disputed tax amount.

In view of Covid-19 outbreak, the last date for depositing dues under this scheme has been extended from March 31, 2020 to June 30, 2020 without 10% additional charge.

3) Extension of various due dates expiring between 20th March 2020 to 29th June 2020

The due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020 in view of Covid-19 outbreak.

4) Reduction in levying Interest rate for depositing tax and waiver of late fee / Penalty

In view of Covid-19 outbreak, for delayed payments of advanced tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March 2020 and 30th June 2020, reduced interest rate at 9% instead of 12%/18% per annum (i.e. 0.75% per month instead of 1/1.5 percent per month) will be charged for this period. No late fee/penalty shall be charged for delay relating to this period.

Initiatives
by
Central Board of Indirect Taxes and Customs
A. Goods and Services Tax

1) Extension in filing GSTR – 3B

Due to COVID – 19 outbreak there was “Janta Curfew” on 22nd March, 2022 and from 23rd March, 2020 for 21 days our Prime Minister Narendra Modi Ji has announced lockdown in whole of India which has thrown business out of gear. To provide some relaxation to small business man who were finding it hard to earn their bread and butter it was decided that GSTR – 3B which is due in March, April and May 2020 can be filed by the last week of June, 2020.

No Interest, late fee and penalty is to be charged.
This scheme is only for those having Aggregate annual turnover less than Rs. 5 Crore.

2) Decrease in Interest Rate

For those having Aggregate annual turnover more than Rs. 5 Crore can file their returns which are due in March, April and May 2020 by last week of June 2020 but the same would attract reduced rate of interest @9 % per annum from 15 days after due date.

Before COVID 19 Interest Rate for delay in filing was 18% per annum.

No late fee and penalty to be charged, if complied before till 30th June 2020.

3) Extension of Composition Scheme

Composition Scheme is a scheme for small GST taxpayers whose turnover is less than Rs. 1.5 crores. Date for opting for composition scheme is extended till the last week of June, 2020. Further, the last date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers will be extended till the last week of June, 2020.

4) Extension in filing of GST Annual Returns

Date for filing GST annual returns of FY 18-19, which is due on 31st March, 2020 is extended till the last week of June 2020.

GSTR 9 is the annual return. It is a compilation return which includes all business transactions done for the particular Financial Year. GSTR-9 consists of details about the supplies made and received during the year under different tax heads i.e., CGST, SGST, and IGST. It consolidates the information furnished in the monthly/quarterly returns during the particular year.

5) Extension for issue of notice, notification, approval order and many more

Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

6) Extension of Sabka Vishwas Scheme

Payment date under Sabka Vishwas Scheme shall be extended to 30th June, 2020.

No interest for this period shall be charged if paid by 30th June, 2020.
Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 is a scheme proposed in the Union Budget, 2019, and introduced to resolve all disputes relating to the erstwhile Service Tax and Central Excise Acts, which are now subsumed under GST, as well as 26 other Indirect Tax enactments. The scheme is for taxpayers who wish to close their pending disputes, with a substantial relief provided by the government.

B. Customs

1) 24X7 Custom clearance

24x7 means "24 hours a day, 7 days a week" and is used to describe a service that is continuous, is always available (day or night), or involves products that can run constantly without disruption or downtime.

Customs clearance work involves preparation and submission of documentations required to facilitate export or imports into the country, representing client during customs examination, assessment, payment of duty and co taking delivery of cargo from customs after clearance along with documents.

24X7 Custom clearance till end of 30th June, 2020 was announced by Finance minister on 24th March, 2020.

2) Extension for issue of notice, notification, approval order and many more

Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing applications, reports, any other documents etc., time limit for any compliance under the Customs Act and other allied Laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

For further details Please click on the link given below:

Initiatives
by
Reserve Bank of India
On March 27, 2020, a day after Indian government began its economy rescue in right earnest with Rs 1.70 lakh crore coronavirus counter, the Reserve Bank of India joined the big fight today with a host of measures aimed at minimizing the damage from Covid-19.

These measures come just hours after Moody’s Investors Service cut India’s growth forecasts for 2020 calendar year to 2.5% from 5.3%.

Major Measures taken by RBI are listed as below:

**Reduction in Repo Rate**

- The Monterey Policy Committee decided by 4-2 majority to reduce repo rate by 75 basis points to 4.4 per cent.
- The reverse repo rate was cut by 90 bps to 4 per cent, creating an asymmetrical corridor.

**EMI Relief**

A moratorium of three months of EMIs on all outstanding loans was announced.

The statement of RBI Governor says: "All commercial, regional, rural, NBFCs and small finance banks are being permitted to allow 3-month moratorium on payment of instalments in respect of all term loan EMIs outstanding on March 31, 2020."

For the next three months, no EMI would be deducted from the account of anyone who has a loan outstanding. And all this without any hit on credit score. EMIs will resume after the moratorium period gets over.

This is going to be a huge relief for all EMI payers, especially for those — such as the self-employed — whose income had become uncertain in the wake of the lockdown.

**Deferment of Interest on Working Capital Facilities**

In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions are being permitted to allow a deferment of three months on payment of interest in respect of all such facilities outstanding as on March 1, 2020.

The accumulated interest for the period will be paid after the expiry of the deferment period.

**Easing of Working Capital Financing**

In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions may recalculate drawing power by reducing margins and/or by reassessing the working capital cycle for the borrowers. Such changes in credit terms permitted to the borrowers to specifically tide over the economic fallout from COVID-19 will not be treated as concessions granted due to financial difficulties of the borrower, and consequently, will not result in asset classification downgrade.

**RBI calls – War against COVID 19**

Make no mistake, it is a fight never seen before, the RBI governor warned while outlining the risks to Indian economy from coronavirus. He stressed upon the need to keep the credit flowing to the stressed areas of the economy.

RBI has announced a sizeable reduction in the policy repo rate and maintaining accommodative stance as long as necessary, while ensuring inflation remains within target.
It is predicted a big recession coming for the entire world, and India won’t be immune. It all depends how India responds to the situation, RBI Governor said.

Global slowdown could make things difficult for India too, despite some help from falling crude prices, he said. Food prices may soften further on record crop, he added. Aggregate demand may weaken and ease core inflation further, he said.

**Three-way liquidity injection**

At the presser, RBI announced:

- Auction of targeted long-term repo operations of 3-year tenor for total amount Rs 1,00,000 crore at floating rate.
- Reduction of CRR for all banks by 100 basis points. Will release Rs. 1.37 lakh crore across banking system.
- Accommodation under Marginal Standing Facility to be increased from 2% from SLR to 3% with immediate effect till June 30. It will release Rs. 1.37 lakh crore into the system.
- Combined, these three measures will make available a total Rs. 3.74 lakh crore to the country’s financial system.

Banking system is safe and sound, the governor insisted, adding that it would be fallacious to link share prices to banks’ fate. He implored Indians not to worry about their bank deposits.

**Deferment of Implementation of Net Stable Funding Ratio (NSFR)**

As part of reforms undertaken in the years following the global financial crisis, the Basel Committee on Banking Supervision (BCBS) had introduced the Net Stable Funding Ratio (NSFR) which reduces funding risk by requiring banks to fund their activities with sufficiently stable sources of funding over a time horizon of a year in order to mitigate the risk of future funding stress. As per the prescribed timeline, banks in India were required to maintain NSFR of 100 per cent from April 1, 2020. It has now been decided to defer the implementation of NSFR by six months from April 1, 2020 to October 1, 2020.

**Deferment of Last Tranche of Capital Conservation Buffer**

The capital conservation buffer (CCB) is designed to ensure that banks build up capital buffers during normal times (i.e., outside periods of stress) which can be drawn down as losses are incurred during a stressed period. Considering the potential stress on account of COVID-19, it has been decided to further defer the implementation of the last tranche of 0.625 per cent of the CCB from March 31, 2020 to September 30, 2020.

**Permitting Banks to Deal in Offshore Non-deliverable Rupee derivative Markets (Offshore Rupee NDF Markets)**

At present, Indian banks are not permitted to participate in this market, although the benefits of their participation in the NDF market have been widely recognised.

The banks in India which operate International Financial Services Centre (IFSC) Banking Units (IBUs) are being allowed to participate in the NDF market with effect from June 1, 2020.
The Big Bang Backstory

After cutting policy rates five times in the past one year, the RBI had been on a pause since December in view of high inflation.

Earlier this week, RBI’s monetary policy committee (MPC) had held an unscheduled meeting to zero in on possible emergency measures.

Asia’s third largest economy has been locked down for three weeks since March 25, 2020, putting millions of daily wage earners and lakhs of businesses in unprecedented hardship.

Earlier, the financial services secretary had written to RBI seeking a moratorium of a few months on EMIs, interest and loan repayments. A relaxation in the NPA classification norms was also sought with a view to helping those who face loss of income.

Under RBI rules, any default in payments must be recognised within 30 days and these accounts are to be classified as "special mention accounts". Experts say a re-classification is necessary to ensure businesses survive the coronavirus hit, even at the expense of banks for the time being.

For further details Please click on the link given below:
Initiatives by Ministry of Finance
Relaxations provided by Ministry of Finance for Banking Industries are listed as below:

It has been noted that these relaxations are application for 3 months only.

- All the debit cardholders are allowed to withdraw cash for free from any other banks' ATM for 3 months;
- No minimum balance fee will be charged / deducted by the banks if minimum balance is not maintained by the account holders;
- To encourage the digital transactions and to stop the spread of Corona virus through the currency notes the ministry has reduced bank charges for digital trade transactions for all trade finance consumers

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