



Confederation of Indian Industry

125 Years: 1895-2020

Update 24 March 2020

COVID-19

IMPACT ON INDUSTRY AND THE ECONOMY

ACTIONS NEEDED TO SUSTAIN CONTINUITY



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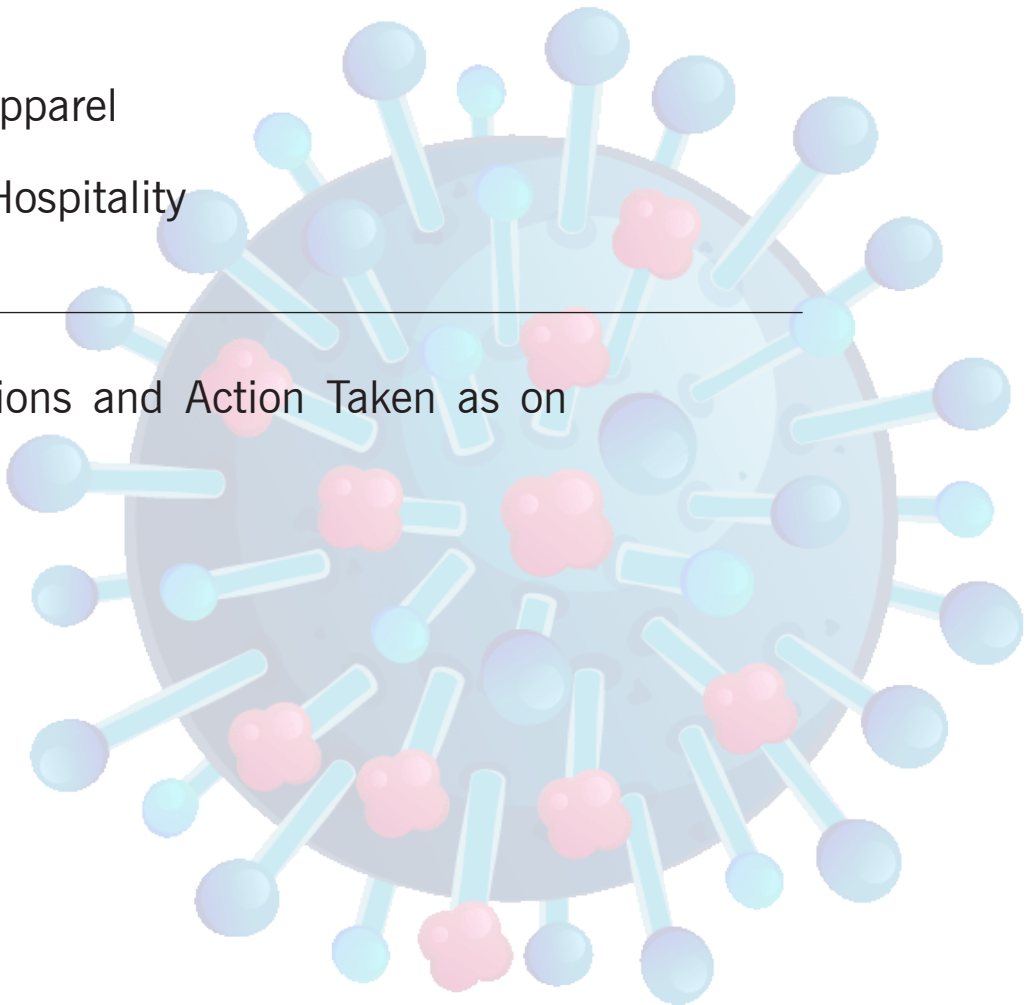
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23 March 2020





Confederation of Indian Industry
125 Years: 1895-2020

**CII Representations on
23 March 2020**

Advocacy on Voluntary Actions by Industry

CII has been advocating the following measures to be adopted by the industry:

CII COVID-19 CODE

- CII has developed a Code for its members keeping in mind our responsibilities towards the society and the CII Code has been shared with all CII Members to be adopted by them.
- The CODE is built on the Fundamental principle of Responsible Voluntary Action to Honour our Social Contract and has the following tenets;
 1. Protect all contract and daily wage jobs. Industry will make every effort to protect every blue-collar job and not retrench any contract worker.
 2. Explore pay cuts by senior management to meet cost challenges. Utilise the money towards welfare of families of blue-collar jobs.
 3. Comply with all health and other official advisories- As responsible corporate citizens will abide and comply with all official health and government advisories in the interest of society and the nation.
 4. Abide by the social contract with society and ensure welfare and well-being of families of all work force. - Will make special efforts to look after our workforce and the families of the economically weak.
 5. Volunteer to work as partners in delivering public service – The coming weeks will need extra hands and people for all critical functions. We commit to build a cadre of volunteers for this purpose.
 6. Explore ways to help scale up manufacturing of essential goods and equipment needed to deal with the medical emergency. As true nation builders, we will dedicate our plant facilities to help scale up manufacture and availability of essential medical requirement on a no-profit basis.
 7. Strive to ensuring business continuity through adaption of digital practices and platforms to ensure India's global footprint as economies recover.
 8. Commit CSR spends towards building livelihoods for the base of the pyramid.
 9. Caring and Committing to the wellbeing of fellow citizens to be the guiding principle for all actions.

CII COVID 19 REHABILITATION AND RELIEF FUND

- CII has announced a CII COVID 19 Rehabilitation and Relief Fund to help supplement GOI's stimuli to enable recovery of the MSME sector.
- A separate entity will be created and experts from industry and other domains will be identified to provide strategic inputs on managing and disbursing the pool fund created.

Ease of Doing Business

With the widespread outbreak of Coronavirus (COVID -19), nations across the globe are grappling to counter the threatening impact of the pandemic on the economic and regional stability of their respective territories. As the confirmed number of novel coronavirus cases is increasing rapidly, it is the need of the hour that we take all necessary measures to prevent the spread of the virus further and contain its health impact on the society. It is satisfactory to note that our Central and various state governments are working round the clock in this direction.

The pandemic has also been affecting the economic and financial conditions worldwide, India being no exception. There are several evidences that substantiate the fact that COVID-19 has been impacting the Indian industry and economy adversely, with significant implications on the sustainability of businesses and employment. The negative sentiment of the economy is perhaps best captured by the plunge of the stock prices at BSE and NSE in the last few days and also of the Indian rupee against USD. Some major sectors such as electronics, automobiles, entertainment, transport, tourism, and exports are in deep trouble due to the disruption in the global supply chain and routine operations.

In recognition of the need for special measures to minimise the impact of the pandemic on the industry and economy, the Government of India, along with various state governments, RBI and SEBI have started taking several measures, which would help in minimising disruption in the supply chain by way of reduced compliances and increased credit flow. The rapidly changing situation in the wake of exponential rise in coronavirus cases across states, however, warrants more of such measures and continuous monitoring of the situation at the ground level.

Against this backdrop, CII identifies some policy / regulatory measures, which would help ease doing business in the wake of the outbreak of the COVID-19 pandemic and minimise the adverse effects on the health of the industry and economy.

1. Enhance Validity of licenses / approvals / NoCs

- Many businesses are approaching the expiry of various licences / approvals / NoCs / clearances, requiring renewals. The government should allow the firms to operate with the previously granted approvals for a period of next 6 months, especially for sectors such as automobiles, construction, electronics, among others, which have been affected adversely. The approvals include certification for boilers, inspection related approvals under various Labour Acts, Consent to Establish (under Water & Air Act) License, Consent to Operate (under Water & Air Act) License, Change of Land Use License, Factories Act License, Shops & Establishment Act License, among others.
- Extend the validity of existing operating licences of critical permissions / licenses / NOC's (like trade license, health, excise license, shops & establishment, various NOC, license for signages, etc.) of retailers, restaurants and shopping centres for an interim period of minimum 6 months. Most government departments are working with low headcount and renewal process requires massive paperwork, administrative support, time and payment of annual fee.

2. Easy & quick disbursal of pending dues

The working capital of businesses are unduly stressed by the dues to the business pending with government authorities/departments. Be it accumulated GST balances or farm subsidies pending with the state governments, quick refund/disbursal of these monies will also boost liquidity in the system and help businesses sustain this period of dull growth.

3. Provide speedy clearances

Pending approvals of applications relating to sectors, such as pharmaceuticals and chemicals, industries need to be approved on merits, as this is the best time to start new units or expand the existing units in India to reduce the dependency on other nations.

4. Extend the Sunset Date of SEZ units for availing Direct Tax benefits on export earnings

The sunset date of 31/03/2020 of SEZ units for availing Direct Tax benefits on export earnings u/s 10AA of ITA 1961, in accordance to the provisions of SEZ Act 2005 be extended by a period of 6-12 months.

For the units to begin activities in SEZs, they need to undergo the process of approval, execute relevant BCLUT, receive permission for authorized services, procure electronic equipment necessary for operations and ensure associated administrative set-up (including access permissions for their staff). However, the crucial months for undertaking such tasks, which would include mandatory documentation and interaction with concerned officials, have been completely disrupted by the novel coronavirus pandemic throughout the world. This has resulted in complete halt of business engagements with stakeholders in many parts of the globe.

5. Relaxation / dispensation of labour law compliances

- Relax compliances in relation to payment of overtime, statutory bonus, maternity benefit/bonus, provision of crèche facilities, compliance with working hours.
- Relax all labour and employment procedural compliances, like filing of annual / monthly / quarterly returns under all labour laws, maintenance of registers, etc. for a certain time period.
- Relax the norms with respect to payment of USD 25,000 per annum as salary to a foreign national on employment visa for next 6 months. In addition, automatic visa extension should be granted to expat employees whose visas are about to expire. With respect to employers who are unable to continue the employment of a foreign national, they must endeavor to transfer the foreign national to a group company or other any department. To enable such transfer, norms pertaining to change in employer on employment visa should be relaxed.

6. Contribution to PF & ESI funds

In light of the cash flow crunch being faced by the industries, the government should contribute Provident Fund (PF) and Employee State Insurance (ESI) components of the salaries of employees for at least 3 months.

7. Facilitate ease of doing business for MSMEs

- Banks to defer all term liabilities, without levy of penal interest, for a minimum 6 months.
- Routine defaults / delay in retiring LCs, if any, may be allowed with an extension of 3-7 days by banks.
- NPA norms in genuine cases may be extended to 180 days from the present 90 days.
- Ad-hoc limits to an extent of 25% of sanctioned limits may be allowed by banks on SOS basis, if required by industry to overcome temporary liquidity crunch.
- Delays in discharging social security liabilities may be condoned without any penal action for next 6 months.
- Larger companies, PSUs and Government departments may be instructed to release payment of MSME vendors out of turn against some reasonable discount if required by the said vendor so as to overcome his/her liquidity issues.
- Subsidies to be announced to help companies pay workers.
- The Central bank, along with the commercial banks, needs to look at increasing the assets of Mudra Bank and other MSME-focused banks.
- Employees State Insurance Corporation (ESIC) to pick up loss of wages of non-working staff due to close of operations caused by medical COVID-19 emergency instead of MSMEs having to pay with no work being received.

8. Facilitate trading across borders

- Shortage of box containers is being faced in India. The government should work expeditiously to address the issue. It may request China to release the held-up containers in the country and also to the CFS in the country.
- Many traders are facing delays in getting their goods cleared at ports due to which they have to pay late fees charges. In order to tackle the high cost element of this situation, the following steps may be undertaken:
 - ✓ CBIC may consider releasing circular stopping late filing charges of import documentation to customs.
 - ✓ Government should also mandate Airports, Ports, Custodian, CFS not to charge demurrage cost for next 15 days. The demurrage free period should be extended to 15 day as against presently 48 hours at Airport and 1-3 days at Port.
 - ✓ To ensure that the global supply chain is not disrupted import, export and custom clearance activity should be declared as Essential Services and Customs brokers and Import-export cargo to be incorporated specially in essential list.
- Container freight charges need to be streamlined as they are charging double freight charges for export from India. Standard norms need to be fixed in consultation with the respective authorities.

- Secure videoconferencing could be adopted to virtually ‘inspect’ cargo, where required.
- Ensure free movement of goods in containers through India’s container ports and also to and from the ports & hinterlands. The Commissioners should be instructed to ensure smooth and speedy clearances of cargo.
- Facilitate faster Express (Courier) clearances, which handle time-sensitive shipments and documents. The Express Industry operates largely via Freighters (Cargo aircraft). Hence these aircrafts can land in the country with valuable imports and also support the export of goods from India.
- Customs to ensure that people are provided with necessary protective material so that all their employees work fearlessly.
- PGAs would also need to work closely with Customs to ensure smooth Import and export clearance. Instructions be issued stating that Customs and PGAs will work with more vigor in this challenging time.
- Physical examinations of cargo to be restricted only to high risk situations.
- RBI should take out guidelines for non-payment of interest and principal for next 6 months for the shipping sector. Also, if the payments do not happen for next 6 month the ship owners should not be declared NPA.

9. Ease licensing requirement for production of Sanitizer

- Industries should be allowed to start manufacturing process of sanitizers on urgent basis. Their application should be processed fast and decision on them be taken within a week’s time. Currently, it takes around 90 days, on an average, to obtain required licenses / approvals.
- Ethyl Alcohol and Drug licenses are required for the units manufacturing sanitizer. Generally, sanitizers are used in hospitals but due to coronavirus now it is used at various places across our country in homes, offices, different places etc., and there is huge demand for sanitizers, both in domestic and international markets.
- The States/UTs should provide necessary permissions for storage of Ethyl Alcohol/Extra Neutral Alcohol/ Ethanol to the licensed sanitizer companies.

Sectoral Recommendations: Logistics and Warehousing

The impact of COVID-19, in India, is increasing by the day and the businesses across the country have started to feel the heat. However, the Supply Chain industry is fully geared up to rise to the occasion and stand with the Government at this critical hour to show solidarity and to overcome this crisis.

Support offered by CII

1. **Warehouse and Logistics support:** CII would like to offer its support to the Government of India by extending its warehouse space (for stocking of basic food stuff and packaged products) and logistics support (to reach out to the Kiranas to serve the urban underprivileged) through its fleet of vehicles at this critical juncture to fight the Global Pandemic. Similarly, logistics support will be made available for e-commerce and home delivery of goods which were announced as 'essential' by the Government already.
2. Further, for all medical equipment, consumables for health use, spare parts support for operating this equipment would be given the highest level of priority in storing, distributing and delivering them as and when required. We shall facilitate this by bringing in our global best practices and expertise.
3. **Employment:** Since the situation being 'business unusual' for almost all the sectors, we will commit to the continuity of employment of all the workers, without any job loss / pay cuts for the next two months.
4. **Ecosystem:** We are fully aware that for the economy to sustain and pass through this critical period, it is essential that the entire ecosystem must function collectively. Since many of the transporters are small time operators and do not have formal access to banking channels, we will commit that all the payment dues are fully paid to our suppliers, transporters and vendors. This would mean there is no dearth of working capital for these small-time operators.

Our request

1. **Access to vehicle movement:** As we commit to support with our supply chain assets for the movement of essential items related to COVID-19, delivery of basic food stuff like grains, packaged rice, wheat, etc. will be streamlined with service providers. We request the Government to allow free movement of such goods, especially across the state borders, in the event of a complete lockdown. This will ensure speedy movement of essential items to reach the right place at the right time. **Therefore, the entire transport sector may also deemed to be an essential service.**
2. **Free Cash flow:** In order to be able to pay the workers and our suppliers on time, we request the Government to direct banks to offer 'ways and means' advance to Corporates over and above the normal working capital. This will be repaid over a period of 12-18 months once

things return to normal. This will help us to facilitate the payment of salaries as well as payment to the ecosystem. We request the loan facility to be extended without the backing of current or fixed assets but by way of low interest credit. Without funding from banks, it may not be viable to operate, hence urgent action will be a welcome move.

3. Supply Chain itself is a 3rd party service provider as they are mainly contractors to the larger players, manufacturers and to the Government. Therefore, close coordination and daily monitoring of the situation will be the need of the hour and it will be good to have a single point of contact at the Government level to deal with.
4. Also, the State Governments can nominate/appoint 3-4 service providers in each state for managing the warehouse and transportation operations and can allow them to supervise the small operators. This will help smoothen the process as the Government can focus on organising the basic amenities while the logistics support will also be taken care of.

CII will also liaise with each of its members and with other transporters associations to reach out for support.

Sectoral Recommendations:

Medical Technology

Amid reports of potential supply chain disruptions for critical medicines and active pharmaceutical ingredients, it is becoming increasingly evident that novel Covid-19 outbreak may well lead to supply disruptions in India for some commonly used medical devices like digital thermometers, infrared thermometers, nebulizers, blood pressure monitors and glucometers.

1. Product related disruptions:

There are reports of Indian medical device manufacturers who procure their primary components such as electronic parts for medical devices from the Chinese regions of Hangzhou and Dongguan. With no possibility of replenishment of supplies in the very near future, some manufacturing lines will slow down or close by end of March 2020 or April 2020.

The medical devices market is heavily import-dependent — at around 70-80%, with imaging equipment (CT & MRI scanners), cardiac stents, orthopedic implants, glucometers, and critical care equipment cornering a large share. For consumables and disposables like gloves, crepe bandages, IV sets, blood bags, catheters and syringes, there are several small to medium players. Only low to mid-technology medical devices are manufactured in India, and even for these there's a high dependence on input raw materials and components from China.

Some key medical devices that are at risk of shortage due to supply chain disruptions are as under:

	Device likely to be affected	Impact assessment
1.	Infrared thermometers (temperature gun)	Vital medical device for measuring body temperature. The majority of the demand is from PRC itself.
2.	Digital thermometers	Vital medical device for measuring body temperature. Demand from PRC, South Korea, Singapore, Hong Kong and Africa.
3.	Three-layer surgical masks & N 95 masks	Personal Protective Equipment in high demand, especially for the use of healthcare workers and affected population.
4.	Nebulizers	Major components imported from China. Shortages expected from April 2020, unless import resumes.
5.	Digital Blood Pressure Measuring Devices	Major components imported from China. Shortages expected from April 2020, unless import resumes.
6.	Pregnancy detection kits	Major components imported from China. Shortages expected from April 2020, unless import resumes.
7.	Other Medical Device raw materials, components and packaging materials	Disruption in supply likely soon. Surge in pricing by the domestic raw material suppliers will likely worsen the situation.

The problem is acute for both infrared and digital thermometers with companies and wholesale distributors fast running out of stock. Infrared or non-contact forehead thermometers used at public places and airports are fully imported (with no indigenous manufacture). For digital thermometers, a few companies import electronic components from China, and assembly is done here.

There is also a critical need to address the potential shortage of personal protective equipment (PPE) endangering health workers. World Health Organisation (WHO) has called upon industry and governments to increase manufacturing by 40 per cent to meet rising global demand of these devices.

In addition to medical device manufacture and import related disruptions, the situation has further impact on the cargo and logistics movements.

2. Transportation related disruptions:

- **Inordinate delays in sea shipments:** All lane routings that are via China, Taiwan, Hong Kong, South Korea and Japan are impacted and several of our members are witnessing delays in their sea shipments disrupting the supply chain.
- **Impact on air shipments:** There is also an impact on air shipments as cargo movement from and/ or through countries that have put flight restrictions with India are getting delayed. There is a substantial increase in air freight costs in last few weeks which is further increasing inputs costs of domestic manufacturers.
- **Regulatory registration submission related disruptions:** Some of our members have reported specific issues related to disruptions or potential disruptions in their registration process for medical devices from Chinese manufacturing sites. While these are being listed here, we have suggested to these members to take these up specifically with the Central Drugs Standards Control Organization under the Ministry of Health and Family Welfare for resolution.
- **Delays in attestation/ legalization of documents:** Some Chinese manufacturers have submitted Power of Attorney for Indian Embassy attestation in China and are facing delays.
- **Delays in Notified Body Audits from affected countries such as Italy:** Few members had planned Notified Body Audits from Europe in this month however these are delayed in light of the COVID-19 situation globally and measures need to be taken for resuming the registration process.

The real impact on industry is likely to be visible only after April 2020. The local manufacturers' capacities will need to be bolstered and these are likely to become reliable source amid global shortages.

Recommendations

1. Fast tracked clearance of medical device and medical equipment stocks at ports of entry – this will provide logistical support and help maintain adequate supplies in this critical time.

2. Zero percent (0%) duty on import of critical medical devices and equipment and their components, spares - Focus on personal protection equipment like masks, PP gowns and critical care equipment such as ventilators, ICU equipment, etc.
3. Inclusion of Medical Devices (including medical electronics) in Interest Subvention Scheme @ 5%.
4. Provide respite from Bank repayment obligations to medical technology manufacturers and suppliers.
5. Zero percent (0%) duty on import of finished medical devices, components and raw materials to prevent shortage and accelerate local production in this critical period.
6. Zero percent (0%) GST on hand sanitizers, masks and other essential personal protection equipment for use by healthcare practitioners and general public for prevention of disease spread.

Sectoral Recommendations: MSMEs and Digital Payments

Micro, small and medium enterprises MSMEs, which account for 97% of the total employment and 7 crore entities across India, in the context of COVID-19, are facing huge threat amid economic slowdown and demand contraction. The sector is set to lose further steam as economic activities have taken a hit, as a result of various steps aimed to control the COVID-19 outbreak such as travel curbs, closure of malls, theatres and educational institutes, among others. The need of the hour is to take appropriate measures to ensure safety of human lives while also adopting best practices to mitigate the economic and business impact of the present pandemic.

Disruptions in cash flows, wage bills and payments, inventory management are some of the major challenges that the MSME sector is facing currently as they are reliant on a single geography or a single supplier for key products. The time to bounce back will depend on its sector, as services sector may bounce back in a month or two, but the manufacturing sector will take 6 – 12 months to come back, that too if the MSME has been a sustainable or profitable unit. (The time to bounce back for other sectors such as services and manufacturing will depend on the sustainability and profitability of the MSME sector). Another related concern is the location of the units of the buyer and the supplier in different states, which may cause significant losses for the manufacturing and the supplying units.

The Indian Industry recommends a three-pronged strategy in this regard.

First, on the import side, risks to key sectors, arising from supply chain disruptions, must be minimised. Secondly, on the export side, opportunities must be leveraged in alternative destinations. Thirdly, excess capacity must be leveraged to keep supply chains running to boost manufacturing.

1. Digital payments need to be prioritized

As has been reported by numerous studies and reports, currency is an easy carrier of germs and viruses. The WHO has also issued an advisory on the use of contactless and digital payments. We recommend that in these times of crisis, all retail transactions should be mandated, and the Government should work with the industry to provide acceptance incentives through a fund. A 2020 study of coronaviruses, which included SARS and MERS, showed the microbes can persist on surfaces such as currencies, for as long as nine days.

The digital ecosystem is a strong enabler in ensuring that access to customers, supply chains, etc. is maintained. However, the ability for SMEs to fully leverage these opportunities is being hampered by a lack of adequate access to financial resources, especially credit and e-payment tools.

Below are some recommendations to help promote and incentivize usage of digital payments over cash:

- **Extension of incentives for consumers & merchants to adopt digital payments**

- ✓ Need to push for greater incentives in everyday spend categories, including a potential threshold for cash transactions balanced with disincentives for cash use at discretionary spend categories.
- ✓ Transactions above INR 1,500 in value at everyday spend categories like grocery stores, eating places, apparels etc. represents approximately 25% of total number of transactions. Mandating all such transactions above INR 1,500 to be made via digital form will lead to the coverage amongst 70% of transaction volumes in these categories, where consumers/traders will not need to physically interact.
- ✓ Incentivize digital transactions in the MSME supply chain by mandating ~ 50% of money to be received digitally. Tax on value below this limit also eligible for GST Subsidy of ~ 0.5% for receiving money digitally.
- ✓ Consider certain tax discounts/rebates for businesses which process more than 70% of their transactions/low-value transactions through digital/electronic modes of payment.
- ✓ Run a mass advertising campaign of digital transactions and ecommerce.
- **Dis-incentivize cash usage by consumers**
 - ✓ Introduce nominal fee (for a limited period) on cash withdrawal transactions at ATMs and bank branches.
 - ✓ Prohibit additional fee levied in the form of convenience fee / service charge / surcharge etc. including those on Government payments.
 - ✓ Run a WhatsApp information campaign.
- **Encouraging simple, easy to pay digital solutions**
 - ✓ Promote Bharat QR as a single open-loop QR code-based payment mechanism capable of accepting payments from all modes - Cards, UPI and Wallets and thus focus on customer and merchant convenience.
 - ✓ Mandate all banks to immediately issue Bharat QR to all MSME Current Accounts.
 - ✓ Waive-off 2FA for Bharat QR transactions up to INR 2000 – making it comparable to contactless transactions of similar amount.
 - ✓ Ensure that all cards are immediately enabled for contactless and online transactions through an RBI notification.

2. Better Financing and Working Capital

- NBFCs be given license to issue cards to the SMEs. Cards provide a ready source of revolving credit, which can be effectively used by SMEs as their means for substituting working capital requirements and access to interest free period of credit.
- Extend business insurance policies and coverage in the event of a significant business disruption.
- MSMEs should be made not merely preferred creditors under IBC and NCLT but should

also get at least 75% of the awaiting settlement cleared within 30-60 days of accepting the case on merits.

- The moratorium period for the new MSMEs and restructuring in manufacturing should be extended by six months to ward off project and cost overruns.
- Additional ad-hoc sanction of working capital to the tune of 25% of the current sanctioned limit is recommended. This will help the Industry to tide over the stress caused by the inevitable build-up of unsold inventory which is going to accumulate and allow it to release payments to the vendor eco system, which is almost entirely built up by MSME Sector.
- Such additional working capital is to be repaid in three equal instalments from 1st January 2021 to 31st March 2021.
- EMI and interest on working capital be deferred till things normalize.
- Government to set up a special MSME Factor Fund, to enable MSMEs to discount their bills to approved retailers in 15 days, and permit retailers to pay in 120 days which would give MSMEs faster realization, while simultaneously giving retailers increased credit. Interest charges above 45 days should be to the retailer's accounts.

3. Filing of GST

- Monthly GST Returns (GSTR 3B) to be filed by 20th of each month should be extended at least by a month for the period of Feb-March 2020 for MSMEs.
- Increase the threshold limit of GST compliance eligibility of firms to Rs.100 lakhs a year turnover (from the current Rs.20 lakhs and Rs.40 lakhs) for both SME and service sectors. This will help reduce the traffic at GST portal at the last date and enable smooth digital usage for GST implementation.
- Providing a 60 days extension for payment of all taxes including Income Tax, GST, etc. due in the months of March, April and May, may be considered
- For the year April 2020 to March 2021, either
 - ✓ Make GST payable after receipt of payment instead of raising invoice or
 - ✓ Allow some flexibility in the payment of GST dues.
 - ✓ Allow filing of return GSTR 3B on part payment of GST, as the turnover is already recorded, and revenue safeguarded.
 - ✓ Reduce interest rate liability from 18 % to 3% or maximum to 6% on delayed payment of GST on payment of tax after due dates.
 - ✓ Reduce interest rate liability from 24% to 6% on availing excess or inadmissible input tax credit.
 - ✓ Waive penal provisions for delayed filing of returns for the entire next year.

3. Welfare related

- The statutory compliance of compensating workers in case of a shutdown can be handled through the Employee State Insurance Corporation (ESI) as all the relevant details of workers are already available with ESI.
- Plan to support laid off workers till normal operations can resume.
- Explore Insurance cover or part financing wages for those laid off due to corona virus (COVID-19) through ESIC or new Government schemes.
- Allow CSR funds to support payment of wages to laid off workers.
- ESIC to pick up loss of wages of non-working staff due to closure of operations caused by corona outbreak instead of MSMEs having to pay with no work being received.
- CPSUs and Government Departments to ensure pay to all sundry creditors on due date. This is to be monitored by the Ministry of Finance (MoF) with co-operation of industries and other Ministries, and a website be set up for suppliers to list their overdue and upcoming dues from Government citing POs, invoice details, date and amount of payment due.

4. Suggested concessions for small traders

- All statutory due dates for payment & filing of returns to be postponed till 30th June and Bank EMIs be also postponed to 30th June.
- Extended time period for GST related filings as are due in the next two quarters.
- Deducting "loss" from income (i.e. loss from 2020 from 2019 tax return) - merchants will be able to deduct the loss from business activity during the corona virus crisis from the income achieved in the next five years.
- COVID Loan Program for SMEs (without interest and no fee) – Can be MUDRA loans with a relaxed tenure for repayment.

5. Others

- Government must provide a 15 days extension of financial year closing from 31st March 2020 to 15th April 2020.
- Deadlines to be extended without penalty by at least 2 weeks for statutory tax payment and for filing reports.
- Period of declaring NPAs by MSMEs which is currently 60 days, should be extended.
- Allowing of roll over of term loans, implementation of moratorium on EMIs for industrial loans and faster tax refunds.
- Setting up of a monitoring portal where MSMEs can list delayed refunds, and MoF can ensure quick disbursal.
- Monitor payment delays by CPSUs to MSMEs closely through a portal for complaints and ensure necessary funds are provided and utilized for this purpose.

- Allow banks to extend existing credit limits for MSMEs by 20% at branch level.
- Provide relief so that credit rating of brands and retailers is not adversely affected due to delays in repayment of bank loans, interest, EMI, etc.
- No punitive action by NCLT for delays of repayments etc. till 31st December 2020.
- Provide a wage subsidy to MSMEs to the extent of 50%, especially in the manufacturing sector, for all registered workers for a period of 9 months.
- Government can announce some incentives for all taxpayers of at least 1 month.
- Tax paid in a year can release support to retrenched taxpayers and equal amount (average of tax paid in past 3 years / 12) on a monthly basis is suggested, till effect is mitigated.

Sectoral Recommendations: Paint

1. Requirements around plant shutdown: Request minimum 72 hours' notice

The shutdown of a paint plant involves the following key activities given the nature of the product and intermediates and the requirement of the production process.

- Any in-process batch of resin and emulsion needs to be completed and discharged in storage tanks as these are unstable till the final completion of the reaction. The time required to complete these would range from 8 hours to 48 hours depending on the specific product/intermediate that is already under process.
- All in-process paint batches for water-based paint have to be packed in the respective containers. Keeping the batch idle during shutdown would result in contamination and bacterial growth which would make the product unusable and also contaminate the vessels and pipelines. This operation would also require 24 to 48 hours depending on the overall size of the equipment and stage of production.
- All solvent based paints also need to be packed in appropriate containers and cannot be left in the in-between stage.

We request a minimum time of 72 hours to ensure that we complete the above activities and take a safe shutdown.

2. Some very critical safety activities to be allowed even in case of plant shut down

Even after the closure of the production process, certain utilities such as chillers need to be operational for providing chilling/cooling for Monomer Tank Farm, Solvent Tank Farm. This is a critical activity as the monomers and solvents are highly explosive raw materials and require temperature control.

Hence, the following areas would need to be manned even when the production is not being carried out:

- Utilities section such as chiller/boiler, etc so as to provide chilling/cooling facility to Monomer and Solvent Tank Farms.
- Electrical section which needs to ensure continuity of electric connection to these critical tank farms so as to continue working of safety interlocks.
- Appropriate security guards to ensure protection and overall safety across the plant.

3. Safety of the goods which are in transit

The finished goods which have left the manufacturing locations in the last one week by trucks are in transit on roads in different parts of the states or have reached the destination. These trucks are stuck, and the drivers are going through the hardship of not being able to return to their hometown. Further, such stationary trucks are also prone to safety and pilferage risks.

In view of the difficulty faced by the driver community, may we request the government (centre and state) to ensure and allow unloading of trucks which are in transit to unload the material at the destination location or at the nearest company depots.

Sectoral Recommendations: Textiles and Apparel

The Indian Textiles and Apparel industry is facing severe ramifications because of COVID-19. The overall domestic and export demand has collapsed. Most retail stores across the world have shut down due to the virus. In turn, brands have put all orders on hold for the foreseeable future. This could lead to an ~80% demand destruction over the next 30-45 days and a continued impact for the remainder of the quarter. Such a demand destruction has a catastrophic impact on companies across the value chain. The immediate crisis is in terms of liquidity. Since all orders stand cancelled/paused, collections for all manufacturers have come to a halt. Most manufacturers will be stuck with material payments from work in progress orders. To add to this, textiles and apparel industry has extremely high fixed costs as it is very labour intensive. Labour costs vary from 45-55% of the manufacturing cost in the textiles and apparel industry. With a significant cut in revenues, companies will be forced to shed their fixed costs to survive, which will lead to large job losses. Statutory payments like interest, GST, etc will further put pressure on the balance sheets of all companies. Without immediate relief from the government, a large number of companies could become NPAs.

CII has identified pertinent areas where with Government intervention, the sector will be better equipped to tide through the current crisis. In the view of the above, following suggestions are made:

1. To improve liquidity and cash flow:

- Moratorium for repayment of Principal and Interest Amount of term loans, LC and Non-LC bills falling due for the next 4 quarters.
- Extend zero interest loan equivalent to Government dues pending in the books of individual textile units that could be adjusted as soon as the Government clears the dues (TUF subsidy, RoSCTL, MEIS, GST refund, etc.).
- Sanction of 25% ad hoc working capital line for 9 months to be repaid over next 1 year. This should be over and above ABF.
- Relaxation in drawing power by reducing margins and not removing creditors from calculation of drawing power.
- Release companies from operational liabilities like contract demand for power (e.g. open access contracts).
- Reduce the bank interest rate on all loans by 3%.
- Provide a wage subsidy of upto 50% to MSMEs for all registered workers for the next four quarters.
- Working capital to be charged not more than 7% from period starting 1 April – 31 December 2020.

2. To enhance export competitiveness:

- Provide an adhoc reimbursement/ concession of 5-10% against the recently approved RODET scheme to compensate for the hitherto unreimbursed levies and taxes to the exporters.
- To make non textile raw materials cheaper, exempt all raw materials, dyes and chemicals, intermediaries, spares, accessories, etc., from anti-dumping duty and basic customs duty.

3. To stimulate demand in the domestic market/ Prevent loss of jobs:

- Provide a wage subsidy of up to 50% for all registered workers for the next two quarters.
- Stimulate domestic demand via pay roll incentives and/or introducing tax guard.
- Rationalisation of GST across the MMF value chain to ensure fibre neutrality and no accumulation of input tax credit - this will be a big demand booster as also improve the liquidity.

Sectoral Recommendations: Tourism and Hospitality

Due to the present COVID-19 induced crisis, the travel & tourism sector is facing a lockdown situation which is both unique and is the most challenged sector at this stage. With the shut down and slow down expected to last for a period stretching from February till October, 2020 as the six months off season is also going to commence shortly after a compromised winter and spring season, the industry will see cash flows only beginning to improve in November 2020 and perhaps get to normal levels by end of 2020.

It is also expected that there could be a further delay in recovery if the leisure traveller's sentiments for non-essential travel takes more time. Due to the fact that over 75% of the tourism & hospitality sector is MSME or near MSME size, we are going to see more than half of the entire industry go sick with possibly a loss of over 2 crore jobs.

The Indian hotel industry can be divided into branded/organized & unbranded/unorganized.

- There are about **140,000 organized rooms & about 2.6 million independent rooms in India**. That's a **10%:90%** split. Last year, the branded supply was close to **5 billion USD in annual topline**. The unbranded sector's total revenue was likely to be about **US\$18 billion. Total Revenue = 23 billion USD**.
- Due to COVID-19, the hotels are likely to lose business from **6.2 billion USD** (best case scenario) to **14.7 billion USD** (worst case scenario).
- The adventure tour operators, cruise and eco-tourism contribute **INR 12,684 crore**. They are likely to lose **INR 3804 crores** (best case) to **10781 crores** (worst case scenario).
- The expected job loss of the sector is more than 2 crores jobs.

The proposed actionable points will allow businesses to sustain their engagements while simultaneously allowing the government to adhere to its fiscal responsibilities and mandates for the fiscal year.

1. A six to nine months' moratorium on all working capital principle, interest payments on loans and overdrafts bringing in liquidity allowing for business continuity, without categorizing the companies as NPAs.

As per RBI, Industry-wise Deployment of Gross Bank Credit is **45,000 crore** as of January 2020. When compared to other major industries, this is a very small number, even smaller than the debt exposure of single companies in some cases. **Helping with a moratorium, interest rate reduction and/or longer repayment schedules for these obligations can aid in assisting/salvaging the entire industry.**

Year	Branded Supply	New Rooms	% of Rooms that have borrowed	Development Cost	Assuming 50% Borrowing
FY25	182,000	4,000	800	5,780,000,000	2,890,000,000
FY24	178,000	6,000	1,800	13,005,000,000	6,502,500,000
FY23	172,000	8,000	4,000	28,900,000,000	14,450,000,000
FY22	164,000	10,000	6,000	43,350,000,000	21,675,000,000
FY21	154,000	12,000	9,000	65,025,000,000	32,512,500,000
FY 20	142,000	9,000	6,750	48,768,750,000	24,384,375,000
FY 19	133,000	7,000	5,250	37,931,250,000	18,965,625,000
FY 18	126,000	7,000	5,250	37,931,250,000	18,965,625,000
FY 17	119,000	8,000	4,800	34,680,000,000	17,340,000,000
FY 16	111,000	4,000	2,400	17,340,000,000	8,670,000,000
FY 15	107,000	2,000	1,200	8,670,000,000	4,335,000,000
FY 14	105,000	11,000	5,500	39,737,500,000	19,868,750,000
FY 13	94,000	9,000	4,500	32,512,500,000	16,256,250,000
FY 12	85,000	13,000	6,500	46,962,500,000	23,481,250,000
FY 11	72,000	10,000	5,000	36,125,000,000	18,062,500,000
TOTAL			68,750	496,718,750,000	248,359,375,000
OUTSTANDING DEBT				6,712,415,541	3,356,207,770

Year	Unbranded Supply	% of Rooms that have borrowed	Development Cost	Assuming 50% Borrowing
Existing	2,600,000	260,000	390,000,000,000	195,000,000,000
Proposed	260,000	52,000	78,000,000,000	39,000,000,000
TOTAL		312,000	468,000,000,000	234,000,000,000
OUTSTANDING DEBT			6,324,324,324	3,162,162,162

TOTAL DEBT OWED	482,359,375,000	INR
	6,518,369,932	USD

- Short term interest free or low interest loans for rebuilding business and immediate transmission to all industry segments viz., hotels, travel agents (online and offline), tour operators and any other ancillary entity that is supporting the industry on term loans and **working capital loans. Besides, existing overdraft limits can be doubled** for the industry and immediate cash relief be given to avoid mass lay-offs of employees.
 - For the branded hotels sector - Given the industry's overall typical annual revenue estimates and knowing that at least 35% of these revenues equate to fixed costs (payroll included), the amount of working capital that could be needed is = **35% * 5 Billion USD = 1.75 billion USD or INR 13,000 crores.**
 - For travel agents, online travel agents and tour operators, assuming loss of revenue of 30 percent between Jan- March; 80 percent between April-June; 50 percent between July-September and 25 percent between October-December, the additional working

capital requirement is **INR 13, 534 crores.**

- For cruise liners, the amount of working capital required could be **INR 385 crores.**
- 3. Deferment for twelve months of Statutory Compliances, GST & Advance Tax payments at the Central Government level and removal of fees for any upcoming licenses/permits renewal/excise exemption for liquor for the hospitality and travel industry across the states.
 - **GST Holiday:** GST holiday for hotels, tour packages and all of reservation services rendered by travel agents in line with the tax holiday requested for civil aviation, is required.
 - ✓ The estimated GST liability of hotels in India would be **INR 3052.5 crores.**
 - ✓ The estimated GST liability for all OTAs in India would be **INR 1470 crores.**
 - ✓ The estimated GST liability and Commission of Cruise in India would be **INR 300 crores**; with addition of port and other liabilities, it would be total **INR 385 crores.**
 - ✓ The estimated GST liability of adventure tour operators in India would be INR 1552 crores.
 - ✓ The estimated GST liability for all travel agents would be **INR 1000 crores.**
 - **TCS exemption under GST:** Travel agents are liable to collect TCS @ 1% under GST while remitting payments to airlines and hotels. TCS compliance contributes significantly towards working capital needs of the OTA sector and would also impact airline and hospitality sector if a tax holiday under GST is considered for them. Therefore, we request TCS exemption for OTAs in line with GST holiday granted to airline and hospitality sector. Estimated TCS liability for entire OTA sector would be **INR 460 crores.**
 - ✓ The licenses permits and renewal costs for hotels would be **INR 92.50 crores.**
 - ✓ The custom duties/excise fee for hotels would be **INR 9.25 crores.**
 - ✓ The fee permission and operational costs would for adventure tour operators would be **INR 120 crores.**
 - ✓ The advance tax liability of cruise would be INR 1.50 crores.
 - **TDS by Travel agents/ Tour Operators/OTAs under Income Tax:** Budget 2020 proposed a new TDS levy similar to TCS under GST law, whereby travel agents/tour operators/OTAs are required to withhold 1%/5% TDS while remitting payments to airlines, hotels etc. Keeping in with the fact that entire industry is heading towards a loss year, the proposed provision should be rolled back.
 - **TCS on sale of Overseas Tour Packages:** The proposed TCS on sale of overseas packages in the Finance Bill 2020 is detrimental to tourism business in India. The proposed TCS will not only increase the cost of packages sold by Indian tour operators, it will also shift all sales of outbound tourism to overseas suppliers denying the government all Income tax and GST revenue. Therefore, in order to allow domestic tour operators

a level playing field and a chance to revive their business, it is recommended that proposed TCS should be rolled back.

- Payments of other statutory liabilities by hotels and travels agents which should be deferred are as given below:
 - ✓ TDS under income tax including salary TDS: **INR 250 crores**
 - ✓ PF and ESI deposit including employee contribution:
 - o Hotels: **INR 799 crores**
 - o Travel Agents and OTAs: **INR 71 crores**
 - o Adventure Eco and Cruise Travel Operators: **INR 252 crores**

4. Release following amendments on SEIS and EPCG schemes on an urgent basis:

The notified services be incentivized under SEIS at an enhanced rate of 10% based on the company’s last year submissions of net foreign exchange earnings. The EPCG scheme allows import of capital goods including spares for pre-production, production and post-production at zero duty subject to an export obligation of six times of duty saved on capital goods imported under the scheme, to be fulfilled in six years from authorization issue date. In view of coronavirus impact, it is requested to consider grant of extension in export obligation fulfillment period by an additional three years beyond 6 years for all the licenses expiring during current and next 2 financial years, without attracting any penalty or interest.

- It may be noted that a relaxation of SEIS scheme will not add to the government liabilities as SEIS income is on FOREX. However, such an incentive will give a positive message to the industry at large.

5. Financial support like MGNREGA should be extended to entire travel industry in order to prevent employment loss. A minimum support on this account from the government would go a long way for businesses to avoid layoffs.

OVERALL TABLE: HOTELS

<u>TITLE</u>	<u>AMOUNT INR</u>	<u>AMOUNT USD</u>
GST	30,525,000,000	412,500,000
Property Tax	3,700,000,000	50,000,000
Licenses/Permits/Renewals	9,250,000,000	125,000,000
Provident Fund	7,992,000,000	108,000,000
Custom Duties/Excise Fees	925,000,000	12,500,000
Debt Outstanding - 12 month Moratorium	453,940,000,000	6,134,324,324
Working Capital Requirement	128,324,875,000	1,734,119,932
<u>TOTAL</u>	<u>634,656,875,000</u>	<u>8,576,444,257</u>

OVERALL LIST OF CENTRAL COMPLIANCES

Sl No.	List of Central Compliances
1	Goods and Services Tax (GST)
2	Advance Tax
3	Provident Fund
4	Income Tax
5	Excise Duty
6	SFIS
7	EPCG
8	Environmental Clearance
9	Weights & Measures
10	Import Licenses
11	Food Safety

Following is a list of licenses / permits / renewals that hotel must incur costs for, on an ongoing basis:

S.No.	Operating Registrations
1	Fire NOC
2	CTO
3	CTE
4	Excise (including Peg Measure, Naukarnama)
5	Trade
6	FSSAI
7	CLRA Registration
8	Labour Cess
9	PPL
10	IPRSL
11	Property tax
12	Police NOC for Star Classification
13	Lift
14	Weight and Measure
15	Star Classification
16	Shops and Establishment
17	Borewell Approval

S.No.	Operating Registrations
18	NOC from AAI
19	DG Set Approvals
20	Chief Electrical Inspector of Government & SLD Approval
21	Load Sanction
22	Sanitary License
23	Health NOC
24	Commencement Certificate/ Occupancy Certificate
25	Approved Building Plan
26	Smoking Zone License
27	Trade/ Lodging
28	Trade/ Lodging/ Gram panchayat NOC
29	Police NOC
30	IPRSL/ Image sound music

A microscopic view of green bacteria, likely cyanobacteria, showing various shapes such as spheres, rods, and filaments. The bacteria are densely packed on the left side of the image and become more sparse towards the right. The background is a solid, vibrant green color.

**Action Taken and
CII Recommendations as on
23 March 2020**

Regulatory Compliances

CII is continually representing challenges / issues to the Government and Regulators in the wake of the developing COVID-19 situation. Given the unprecedented times and situation globally, MCA, SEBI, CCI, IBBI etc have been responsive and have granted certain relaxations from regulatory compliances to industry. In addition, Hon'ble Courts/ Tribunals across the country have also taken similar steps. CII has collated few of the key relaxations and measures which have been introduced by the government¹.

Spending CSR funds for COVID-19 is now eligible as CSR activity (MCA Circular attached)

On 23.03.2020, MCA vide its circular allowed companies to use their Corporate Social Responsibility (CSR) spending on measures to fight COVID-19.

As per the Circular, in view of the spread of novel coronavirus in India and its declaration as pandemic by the WHO, and decision of Government of India to treat this as notified disaster, it is clarified that amount spend by companies on activities relating to COVID-19 will be eligible as CSR activity.

It has further been clarified that funds may be spent for various activities related to COVID-19 relating to promotion of healthcare, including preventive health care and sanitation and disaster management

Meetings through video conference - Directors not required to be physically present at Board Meetings

As per rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with the Companies Act, 2013, the following matters cannot be dealt with in any meeting held through video conferencing or other audio-visual means:

- a. approval of annual financial statements
- b. approval of the Board's report
- c. approval of the prospectus
- d. audit committee meetings for consideration of financial statements; and
- e. approvals relating to amalgamations, merger, demerger, acquisition and takeover.

On March 19, 2020, Ministry of Corporate Affairs amended the above rules, as per which, from the date of the commencement of the Companies (Meetings of Board and its Powers) Amendment Rules, 2020 **till June 30, 2020**, meetings on the above-mentioned matters may also be held through video-conferencing or other audio visual means.

MCA advisory to all companies/LLPs on 'work from home'

MCA has issued an "Advisory on Preventive measures to contain the spread of COVID19" available

¹ This update primarily covers MCA and SEBI announcements.

on the website of the MCA (“**Advisory**”), stating that all companies/limited liability partnerships (“**LLPs**”) are expected and ‘strongly advised’ to put in place an immediate plan to implement the ‘work from home’ policy (described below) as a temporary measure **till March 31, 2020** after which the position will be reviewed by appropriate authorities.

The Advisory details the following:

- implementation of work from home in the headquarters and field offices to the maximum extent possible, including by conduct of meetings, through video conference or other electronic/telephonic/computerized means;
- even if essential staff is on duty, staggered timings may be followed with a view to minimize physical interaction; and
- ‘Dos and Don’ts’ advised by public health authorities are to be strictly followed.

Form CAR to be filed for confirming compliance with COVID-19 measures

In pursuance of the above Advisory, MCA has introduced a simple web form for companies/LLPs to confirm their readiness to deal with the COVID-19 threat. A web form named **CAR (Company Affirmation of Readiness towards COVID-19)** would be required to be filled by an authorised signatory of companies and LLPs. CAR-2020 has been deployed on March 23, 2020. All companies/LLPs have been requested to report compliance using the web service w.e.f. 23rd March 2020 onwards at the earliest convenience”. It has further been clarified by MCA on filing Form CAR 2020 that there is no penalty or enforcement related action applicable. This form is deployed as a purely voluntarily and confidence building measure to assess readiness of companies to deal with COVID-19 threats in India. Further, there is no fee applicable for filing this form.

MCA disabled 'View Public Documents' facility till March 31

MCA has disabled the facility of viewing public documents till March 31, 2020.

Further, MCA also informed that due to the present total lockdown imposed on transport and people movement by Government, availability of MCA21 Voice and Ticketing Helpdesk services have been severely impacted, and the same would not be available till further notice.

SEBI: Extension of timeline for filings by listed companies

On March 19, 2020, SEBI issued a circular (“**Circular**”) granting relaxations in the timelines in respect of the below-mentioned requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”).

- a. Under regulation 7(3) of the LODR, a listed entity is required to submit a certificate relating to compliance with requirements pertaining to share transfer facility within 1 (one) month of the end of each half of the financial year. For the financial year ending March 31, 2020, the period for compliance with this requirement has been extended to May 31, 2020.

- b. Under regulation 13(3) of the LODR, a listed entity is required to file a statement of investor complaints within 21 (twenty-one) days from the end of each quarter. For the quarter ending March 31, 2020, the period for compliance with this requirement has been extended to May 15, 2020.
- c. Under regulation 24A of the LODR read with circular No CIR/CFD/CMD1/27/2019 dated February 8, 2019, a listed entity is required to comply with the requirement of filing the secretarial compliance report within 60 (sixty) days from the end of the financial year. For the financial year ending March 31, 2020, the period for compliance with this requirement has been extended to June 30, 2020.
- d. Under regulation 27(2) of the LODR, a listed entity is required to submit the corporate governance report within 15 (fifteen) days from the end of the quarter. For the quarter ending March 31, 2020, the period for compliance with this requirement has been extended to May 15, 2020.
- e. Under regulation 31 of the LODR, a listed entity is required to submit its shareholding pattern within 21 (twenty-one) days from the end of the quarter. For the quarter ending March 31, 2020, the period for compliance with this requirement has been extended to May 15, 2020.
- f. Under regulation 33 of the LODR, a listed entity is required to submit financial results: (i) within 45 (forty-five) days from the end of the quarter for quarterly results; and (ii) within 60 (sixty) days from the end of the financial year for annual financial results. For the quarter/ financial year ending March 31, 2020, the period for compliance with the above requirements has been extended to June 30, 2020.

In continuation of its earlier circular dated March 19, 2020, SEBI vide circular dated 23.03.2020 has given further relaxations to listed entities which have listed/ propose to list their Non-Convertible Debentures (NCDs) / Non-convertible Redeemable Preference Shares (NCRPS) / Commercial Papers due to the COVID-19 virus pandemics. Following are few relaxations in the timelines as notified by SEBI:

- a. Cutoff date for issuance of NCDs/NCRPs/CPs has been extended by 60 days i.e. upto May 31, 2020
- b. Extension of timelines for filing under SEBI LODR are extended by 60 days i.e. upto June 30, 2020 for initial disclosure and for annual disclosure, timelines are extended by 45 days upto June 30, 2020

Relaxation of time gap between two board / audit committee meetings

Under regulations 17(2) and 18(2)(a) of the LODR, the board of directors and audit committee respectively, are required to meet at least 4 (four) times a year with a maximum time gap of 120 (one hundred twenty) days between any 2 (two) meetings. As per the Circular, the board of directors and audit committee of a listed entity are exempted from observing the maximum stipulated time gap between 2 (two) meetings for the meetings held or proposed to be held between the period of December 1, 2019 and June 30, 2020. However, the board of directors/

audit committee are required to ensure that they meet at least 4 (four) times a year, as stipulated under regulations 17(2) and 18(2)(a) of the LODR.

SEBI notifies measures to curb ongoing market volatility owing to COVID-19 w.e.f. 23 March 2020

On 23th March, SEBI notifies regulatory measures pursuant to ongoing market volatility which shall take effect from the beginning of trading on March 23, 2020 and will be in effect for a period of 1 month:

- It apprised that in light of the continued abnormally high volatility in the market, appropriate measures were discussed with Stock Exchanges, Clearing Corporations and Depositories, with the objective of ensuring orderly trading and settlement, effective risk management, price discovery and maintenance of market integrity;
- It inter alia revised the Market Wide Position Limit ('MWPL') to 50% of the existing levels for stocks in F&O segment meeting the specified criteria, clarified that the said revised MWPL shall be for the purpose of introducing ban period on fresh positions and not for determining the enhanced eligibility criteria for derivatives stocks;
- Further, it revised position limits in equity index derivatives (futures and options) in which Mutual Funds / FPIs / Trading Members (Proprietary) / Clients may take exposure;
- A phased manner has been laid down in which minimum margin rate shall be increased for stocks with price band of 20% and witnessing an intraday (high-low) price movement of more than 10% for 3 or more days in last 1 month;
- The dynamic price bands may be flexed only after a cooling-off period of 15 minutes from the time of meeting the existing criteria specified by stock exchanges for flexing;
- Also, it stated that stock exchanges / clearing corporations will issue necessary instructions to market participants in this regard, and specifies that SEBI and stock exchanges will continuously monitor the market developments and review the position to take any further actions as may be required:

Supreme Court: Supreme Court announced to hear all cases through video conferencing from 23 March 2020

The Apex Court has announced that it shall hear all the cases through video conferencing from 23 March, to avoid a complete shutdown of the legal system. The judges will sit in the court room while the advocates will be appearing and make arguments for the cases through a separate monitoring room in the court premises. It is further notified that the limited number of benches, that are functioning to hear urgent cases, shall hear them via Video Conferencing.

Only urgent matters to be heard; Only one litigant and lawyers permitted

The Secretary General of the Supreme Court issued a notification on March 13, 2020 directing

that the functioning of the Supreme Court from March 16, 2020 shall be restricted to urgent matters with such number of benches as may be found appropriate. The lawyers who are going to act in the matter, i.e. either for arguments or for making oral submissions or to assist will be permitted in the court room along with 1 (one) litigant only.

High Courts to hear only urgent matters

Various High Courts across the country have issued directives that only urgent matters shall be heard.

NCLAT: Adjournments for matters listed between March 21, 2020 to April 1, 2020, only urgent matters to be heard, Filing counters closed

On March 20, 2020, the Registrar, National Company Law Appellate Tribunal (“NCLAT”) issued a directive listing out, inter alia, the following measures:

- a. With effect from March 21, 2020 till April 1, 2020 only urgent matters will be listed for admission. Urgent matters may only be listed upon mentioning of the same before the bench constituted for hearing urgent matters, which bench which would sit on March 25, 2020 and April 1, 2020.
- b. Matters listed for hearing during the aforesaid period will be adjourned and the date of hearing would be notified later.
- c. Interim order/stay order passed in the pending matters would continue till the next date of hearing.
- d. Filing counter will remain closed from March 21, 2020 till April 1, 2020.

NCLT: NCLT announced shutdown till 31 March 2020

- (i) All NCLT benches shall remain closed from 23.03.2020 till 31 March 2020 for the purpose of judicial work;
- (ii) As to the unavoidable urgent matters, on application by aggrieved through email to the Registry, NCLT Chennai, Hon’ble Acting President sitting singly at Chennai will examine and pass necessary orders on Wednesday and Friday.
- (iii) As regard to the IBC, 2016 matters extension of time, approval of resolution plan and liquidation will not be construed as urgent matters. These matters will be taken up as soon as regular benches start functioning, until such time such application will not be filed.

Earlier NCLT announced adjournments for matters listed between March 16, 2020 to 27 March 2020, only urgent matters to be heard, Filing counters closed

On March 15, 2020, the Registrar, National Company Law Tribunal (“NCLT”) issued a directive listing out, inter alia, the following measures:

- a. All benches of the NCLT are required to take up only those matters which require urgent hearing on a request made by the concerned parties.
- b. Adjournments would be granted on all matters other than those specified above from March 16, 2020 to March 27, 2020 for which presence of counsels, and parties was not required.
- c. All counsels were advised to restrict their presence only to the extent required.

On March 19, 2020, the Registrar of NCLT also issued a notice directing the closure of the filing counters of all the NCLT benches till March 27, 2020. If there is a 'limitation issue', matters may be filed online at the Delhi, Mumbai, Hyderabad, Amaravati and Jaipur benches, hard copies of which could be filed upon reopening of the filing counters. Other than matters which are likely to be hit by limitation, it has been directed that filings may be postponed until the filing counters were re-opened. For NCLT benches other than Delhi, Mumbai, Hyderabad, Amaravati and Jaipur, applications in matters which are possibly hit by a limitation issue may be filed (without annexures) by way of emails to the Registrars of the respective benches.

SAT: Security Appellate Tribunal to remain closed till 31st March

As per the notification of SAT dated 23.03.2020, since the Government has strictly enforced the lockdown and in view of the closure of public transport, the Tribunal shall remain closed till 31 March 2020.

The matters listed during this period will now be listed in April. The Tribunal and Office of Registry shall function from 01st April 2020 until further order. In case of urgent matters, parties may contact the Registrar who in turn will place the matter before the Hon'ble Presiding Officers/members for appropriate orders.

CCI: Adjourns all matters listed for hearing till March 31 due to coronavirus

On 23.03.2020, CCI has vide its notice announced that following shall remain suspended until 31st March, 2020

- a) All filings in relation to Section 3 and Section 4 of the Competition Act, 2002
- b) All notifications in relation to combination under Section 6 and 20 of the Act;
- c) All other filings, submissions and proceedings under the Act and regulations made thereunder, including those before the Director General and
- d) Pre-filing Consultation

Earlier, CCI vide its Circular dated 17th March 2020, has adjourned matters listed from hearing (excluding urgent matters, if any) till March 31, 2020.

The Impact of COVID-19 on Contractual Obligations: Force Majeure

On 19th February 2020, Ministry of finance vide its Office Memorandum clarified as follows:

“A doubt has arisen if the disruption of the supply chains due to spread of corona virus in China or any other country will be covered in Force Majeure Clause (FMC). In this regard it is clarified that it should be considered as a case of natural calamity and FMC may be invoked, wherever considered appropriate, following the due procedure.”

Given the supply chain disruption caused by the Covid-19 pandemic, performances under many contracts will be delayed, interrupted, or even cancelled. Companies may not be able to perform their obligations under their customer agreements because of their suppliers’ non-performance. Taking the base of above office memorandum, companies may be suggested to expressly include Force Majeure clause in their contracts to include extraordinary events or circumstances beyond the control of parties.

Extension of Limitation

The Supreme Court has taken suo motu cognizance of the situation and resultant difficulties that may be faced by litigants across the country in filing their petitions/applications/suits/ appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under Special Laws (both Central and/or State).

To obviate difficulties and to ensure that lawyers/litigants do not have to come physically to file such proceedings in respective Courts/Tribunals across the country including the Supreme Court, it has been ordered that a period of limitation in all such proceedings, irrespective of the limitation prescribed under the general law or Special Laws whether condonable or not shall stand extended w.e.f. 15th March 2020 till further order/s to be passed by this Court in present proceedings.

COVID-19 Impact on Industry and Economy

Action Taken by Government and Regulators against our recommendations

Fiscal measures			
	Issues and Recommendation	Government / Regulators Announcements	Partial or Fully accepted
1	<p>Consider a strong fiscal stimulus to the extent of 1% of GDP amounting to Rs 2 lakh crores to be given in the hand of the needy citizens. Specifically, following measures are suggested:</p> <p>(i). Transfer Rs 5,000 to the people (above 18 yrs) with income less than Rs 5 lakhs per annum. Potential beneficiaries: 40 crore</p> <p>(ii). For more vulnerable persons above 60 yrs, it can be raised to Rs 10,000. Potential beneficiaries: 20 crore</p>		
2.	Distribute one month's ration to those below poverty line and to daily wage earners using food stocks available with FCI.		
3.	Government to clear and pay dues of the private sector, whatever the additional cost.		
4.	<p>Tax related impetus is also needed in the form of following measures:</p> <p>(i). Abolish long-term capital gains tax of 10%.</p> <p>(ii). Tax on dividends to be taxed at an overall rate of 25% at one point.</p>		

5.	<p>Waive off taxes for the most distressed sectors such as Civil Aviation, Hotels, SMEs, Real Estate, Commercial infrastructure.</p> <p>In addition, allow a grace period of 30-60 days for utility, statutory and GST payments for affected areas and industries.</p>		
6.	<p>Industry liquidity is stuck due to GST payments on raising of invoices. To circumvent this GST should be made payable on collection of proceeds instead of raising of invoices.</p>		
7.	<p>Pressing need for leveraging on the pooled financial resources of the corporate sector to fight Covid-19. In this regard, following measures are suggested:</p> <p>(i). Ear mark the spending done on Covid-19 mitigation as CSR spending of the corporates.</p> <p>(ii). Allow companies to give advance CSR funds of next two years allocation in Prime Minister Relief Fund to support expenses for combating Covid-19.</p>	<p>As per a notification of MCA (dated 23rd March), the spending of CSR funds for Covid-19 are eligible under CSR activity.</p>	Fully accepted
8.	<p>The global clampdowns on travel and the proposed amendment in Section 6 of the Income-Tax Act announced in the Budget, has lent a great deal of uncertainty for NRIs/OCIs. In wake of this, the following is suggested:</p> <p>Postpone the provisions relating to the rules applicable for the eligibility of NRIs and OCIs under the Income-Tax Act by one financial year and consequently one assessment year.</p>		

Direct tax measures			
	Issues and Recommendation	Government / Regulators Announcements	Partial or Fully accepted
1.	The time-limit for settling the disputes by payment of 100% of disputed tax, should be extended to 15th May 2020.	Last date for availing 'Vivad se Vishwas' Scheme has been extended to 30th June 2020. Earlier there was an additional charge of 10% for availing the scheme between 1st April 2020 to 30th June 2020. Now there would be no such additional charge.	Fully accepted
Indirect tax measures			
	Issues and Recommendation	Government / Regulators Announcements	Partial or Fully accepted
1	Extend the last date for filing March, April and May 2020 GST Returns (including composition returns) to be extended to 30th June 2020.	Last date for filing March, April and May 2020 GST Returns (including composition returns) extended to 30th June 2020. Different staggering dates will be applicable in the same way, for different regions.	Fully accepted
2.	For companies having less than Rs 5 crore turnover: No interest, No late fee, No penalty to be charged.	For companies having less than Rs 5 crore turnover: No interest, No late fee, No penalty will be charged.	Fully accepted
3.	For companies having turnover greater than Rs 5 crore: No Penalty or Late fee, No Interest to be charged.	For companies having turnover greater than Rs 5 crore: No Penalty or Late fee. No Interest for 15 days but, Interest of 9%, post that.	Partially accepted
4.	Sabka Vishwas Scheme for Indirect tax to be extended to 30th June 2020.	Payment under Sabka Vishwas Scheme for Indirect tax extended to 30th June 2020.	Partially accepted
5.	Customs Clearance to operate 24x7 as an essential service, till 30th June 2020.	During lockdown as well, Customs Clearance to operate 24x7 as an essential service, till 30th June 2020.	Fully accepted

Monetary measures			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>Reserve Bank of India also has a critical role to play in ensuring provision of adequate liquidity. In this regard, the following measures are suggested:</p> <p>(i). Immediate reduction in repo rate by a minimum 50 bps.</p> <p>(ii). Reduce Cash Reserve Ratio by 50 basis points.</p>		
2.	<p>Change definition of NPA recognition from 90 days to 180 days till September 30.</p>		
3	<p>Corporates are facing severe cash flow issues, to tide over them, the following measures are recommended:</p> <p>(i). Announce a blanket moratorium on debt repayments for sixty days months. This will help the corporates to tide over their immediate cash flow issues.</p>		
4.	<p>The lending norms of banks should be relaxed, so that corporates can access greater line of credit for working capital. In this regard, following measures are suggested:</p> <p>(i). Relax Aggregate Sanctioned Credit Limit (ASCL) norms for corporates/banks for FY 20 till further notice or exclusion of up to 25% of incremental borrowing from banking sector in ASCL computation.</p>		

	<p>(ii). Increase Drawing Power (DP) – by (i) asking banks to take weightage of 1.5X for current assets instead of 1.0X or (ii) asking banks to remove the margin of 25% for a period of 6 months to a year in the DP calculations.</p>		
	<p>(iii). Direct banks to look at a limited window of next 6 months for GCP (General Corporate Purpose) loans limited to maximum of say 15% of existing credit limits as an addendum to the current credit limits as of end December 2019.</p>		

Sector: Pharmaceuticals

	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>High dependence on imported APIs from China. To circumvent this, we suggest the following: Create large API parks with benefits like soft loans at 4.5% interest rates (equivalent to China), Tax holiday for 20 years, Capex loans, etc.</p>		
2	<p>Large imports of intermediates of bulk drugs from China. Hence, we suggest: Provision of fiscal incentives given to APIs to be extended to intermediates too.</p>		
3	<p>Facilitate ease of setting up of API parks. To achieve this, we suggest the following:</p> <p>(i). Assistance in single window clearance policy with preapproved EC and other faster regulatory clearances to the whole API parks.</p> <p>(ii). Provision of subsidy for setting up of CETP.</p>		

4.	<p>Preference for imported APIs due to significant cost differential. In order to mitigate this, we suggest the following:</p>		
	<p>(i). Give preference to formulations produced by indigenous API & intermediates in govt procurements.</p> <p>(ii). Take these formulations out of price control for five years to trigger new investments.</p>		
5.	<p>Lack of R&D/innovation to develop APIs/intermediates indigenously. To circumvent this problem, we suggest the following:</p> <p>(i). Give incentives such as getting at-least 300% tax advantage for incurring expenditure on R&D & capex on developing new products.</p> <p>(ii). Facilitate stronger industry-academia relations for developing new technologies.</p>		
6.	<p>High cost of exporting APIs & Intermediates due to cascading effect of local taxes & duties. Hence, we suggest the following measures:</p> <p>(i). Extend reimbursement to the tune of 5% of exports turnover under Reimbursement of Duties and Taxes for Export Promotion (RoDTEP).</p> <p>(ii). Extend EPCG type scheme to technology up-gradation & EHS related up-gradation.</p>		

Sector: Tourism and Hospitality			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1	<p>Lockdown was exacerbated the stress in terms of expected rise in revenues and decline in liquidity. Hence, we suggest:</p>		
	<p>Declaring a six to nine months' moratorium on all working capital principle, interest payments on loans and overdrafts, without classifying them as NPAs</p>		
2	<p>Availability of adequate working capital is a challenge for the sector. In wake of this, we suggest the following measures:</p> <p>(i). Deferment of GST & Advance Tax payments.</p> <p>(ii). Removal fees for any upcoming licenses/permits renewal/ Excise exemption for liquor.</p> <p>(iii). Refund GST for any cancelled MICE events.</p>		
3	<p>High Heat-Light-Power (HLP) to the tune of average 25% of industrial costs. Hence, we suggest:</p> <p>Reduction of HLP costs by 50%.</p>		
4.	<p>Flight cancellation requests have gone up by manifolds. Hence, we suggest:</p> <p>Issue of advisory to airlines to not levy cancellation fees and issue full refunds or issue credit notes.</p>		

5.	<p>The proposed TCS ruling will shift all sales of outbound tourism to overseas suppliers denying the government of all GST revenue. Hence, we suggest the following:</p> <p>(i). Defer the proposed TCS on travel in Finance Bill 2020.</p> <p>(ii). Open a sectorial conversation on the merits and demerits of the law.</p>		
6.	<p>There is pressing need for extending short-term interest free/low interest loans to the sector. Hence, we suggest:</p> <p>Double the overdraft facility for the industry and provide immediate cash relief to avoid mass lay-offs.</p>		
7.	<p>Due to high rates for SFSP (Standard Fire & Special Perils) fixed by the IIBI, insurance costs for buildings have increased. Hence, we suggest:</p> <p>Provide some relief for the same in the current circumstances.</p>		
8.	<p>Significant job losses expected in the wake of Covid-19 outbreak.</p> <p>Extend the financial support under MGNREGA to the to entire travel industry.</p>		
9.	<p>Release following amendments on SEIS and EPCG schemes on an urgent basis:</p> <p>(i). Incentivize notified services under SEIS at an enhanced rate of 10%.</p>		

	(ii). Extend export obligation fulfillment period by an additional three years beyond 6 years for all the licenses expiring during current and next 2 financial years, without attracting any penalty or interest.		
Sector: Aviation			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	The sector is reeling under heavy losses in the present scenario. Hence, we suggest: Bring ATF under GST to enable full input tax credit on all goods & services.		
2.	VAT on ATF by State Government currently ranges from 0% to 30% in India. Hence, we suggest: Rationalization of VAT across states upto 4% as against different VAT rates prevailing at each state.		
3.	Grant 100% waiver on existing ANS charges for the duration of COVID-19 (min 6 months).		
4.	The aircrafts continue to pay parking and housing charges even in events of forced grounding. To reduce their financial liability, following measures are suggested: (i). Grant 100% waiver of parking and housing charges for a 6-month period. (ii). Grant substantial rebates in landing charges for a 6-month period. (iii). AAI to rework their contractual obligations with private airport operators for a temporary period of six months.		

5.	Reconsider the bank guarantees and security deposits placed by airlines at all airports across India. This will help to provide immediate liquidity.		
6.	The costs incurred by airlines is substantially impacted by fuel costs and volatility in exchange rate. In order to mitigate this, we suggest: Asking OMCs to extend unsecured interest free credit terms to airlines.		

Sector: Healthcare

	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	There is a pressing requirement for additional resources in the healthcare sector to manage the current crisis. Following two measures suggested: (i). Identify / designate a hospital as the “COVID HOSPITAL” for testing and isolation of patients in larger cities. (ii). In smaller cities and towns, District Hospitals could be designated as the “COVID HOSPITAL”		
2.	Encourage widescale adoption for E ICU/Teleconsultations. CII already has the necessary control centre and backend systems for this E-ICU and will be happy to share the know-how.		

Sector: Medical Technology			
	Issue and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	Fast tracked clearance of medical device and medical equipment stocks at ports of entry – this will provide logistical support and help maintain adequate supplies in this critical time.		
2.	Levy zero percent (0%) duty on import of critical medical devices and equipments and their components, spares.		
3.	Inclusion of Medical Devices (including medical electronics) in Interest Subvention Scheme @ 5%.		
4.	Provide respite from Bank repayment obligations to medical technology manufacturers and suppliers.		
5.	Levy zero percent (0%) duty on import of finished medical devices, components and raw materials to prevent shortage and accelerate local production in this critical period.		
6.	Levy zero percent (0%) GST on Hand Sanitizers, Masks and other essential personal protection equipment for use by healthcare practitioners and general public for prevention of disease spread		

Sector: MSME			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>The sector is likely to face immense pressure in wage payments.</p> <p>Create a corpus for supporting MSMEs to tide over the crisis for wage payable during the shutdown period.</p>		
2.	<p>To overcome the Cash Flow and Working Capital challenges the government may consider the following:</p> <p>(i). Defer all term liabilities by banks without levy of penal interest for minimum 6 months.</p>		
	<p>(ii). Extend NPA norms in genuine cases 180 days from present 90 days.</p> <p>(iii). Allow routine defaults / delay in retiring LCs, if any, with an extension of 3-7 days by banks.</p> <p>(iv). No penal action for delays in discharging social security liabilities for next 6 months.</p> <p>(v). Allow ad-hoc limits to an extent of 25% of sanctioned limits by banks on SOS basis.</p> <p>(vi). Release payment of MSME vendors out of turn against some reasonable discount if required by the PSUs, govt departments and large companies.</p> <p>(vii). GST Council to allow deferment of GST deposit by MSMEs with minimum one-month lag.</p>		

Sector: E-Commerce			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>E-commerce sector is playing and will continue to play a crucial role over the next few weeks, given its role in providing buyers doorstep access to daily necessities. Hence, it is recommended that: E-commerce shipments and deliveries be treated as an essential activity, which may be exempted from any travel/ transport restrictions.</p>		
Sector: Food processing			
	Issues and Recommendation	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>In the present times of lockdowns and quarantines, the supply of consumer items in the markets need to be secured. Hence, our ask is the following:</p> <p>(i). Exempt any executive order or section 144 restrictions for the manufacturing facilities and food delivery services under an essential business exemption.</p> <p>(ii). Keep retail and wholesale stores selling essential /basic commodities and fresh items outside the purview of these executive orders of lockdown.</p>		

Sector: IT & ITeS			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>In order to ensure that the IT-ITeS industry is able to provide continuous support services to sectors such as government, healthcare & insurance etc, following measures are suggested:</p> <p>(i). Permit at-least 50% of the personnel to work from office for whom work for home cannot be enabled.</p> <p>(ii). Provide reasonable timeframe of say 5-7 days to transition all other personnel to work from home.</p>		
Sector: Retail			
	Issues and Recommendations	Government / Regulators Announcements	Partial or Fully accepted
1.	<p>Retail sector runs the risk of mounting financial losses due to closures. To mitigate the problems, following measures are suggested:</p> <p>(i). Allow a moratorium period in repayment of bank loans, interest, EMI, etc. without levy of any penalties /penal interest.</p> <p>(ii). Permit one-time loan restructuring.</p> <p>(iii). Extend the overdraft facility for retailers to bringing in liquidity to allow for business continuity.</p> <p>(iv). Provide short-term financing option for a period of 6 to 12 months, at lower interest rates to meet the fixed overhead costs.</p>		

2.	Allow Food & Grocery Stores, Markets, Super Markets and Hyper Markets to be declared as emergency services.		
3.	<p>Opting for the 'Vivad se Vishwas' scheme needs detailed discussion with management, group tax and tax authorities. In the present circumstances, the following is suggested.</p> <p>Extend the benefits of 'Vivad se Vishwas' scheme ending on March 31, 2020 to June 30, 2020.</p>	Last date for availing 'Vivad se Vishwas' Scheme has been extended to 30th June 2020 at no additional charge.	Fully accepted
4.	In order to meet the working capital requirements, the following measures are suggested:		
	<p>(i). Immediate enhancement of working capital limits by at least 50% of sanctioned limits from all banks.</p> <p>(ii). Lowering/ waiving off the interest for next 6 months, apart from deferring govt dues such as GST.</p> <p>(iii). Allow retailers to make the GST payment after receipt of the payment instead of payment on raising the invoice.</p> <p>(iv). Provide relaxation in filing of GST and withholding tax Returns.</p>	Last date for filing March, April and May 2020 GST returns (including composition returns) extended to 30th June 2020.	Fully accepted
5.	Ensure that credit ratings of the shopping centers are not altered due to delay of re-payments in the current scenario.		
6.	Provide support by covering minimum wages for a period of 3 months for the most vulnerable employees in the industry. It will support retainment of livelihoods of millions.		

7.	<p>It is essential to ensure that consumers continue to get access to essential items easily and not adding to further panic. Hence, manufacturing facilities must be kept open under the strictest of safety and hygiene guidelines.</p>		
8.	<p>Introduce Restructuring Scheme for the Developers / Mall owners, which should include the following major reliefs:</p> <p>(i). Moratorium for repayment of principal / servicing of instalments on LRD loan.</p>		
	<p>(ii). Complete waiver of interest liability or reduction of ROI to the level, which matches with the cash surplus left after meeting operational expenses of the mall.</p>		
9.	<p>Defer the payment of Employees Contribution of PF and ESI for a period of 6 months and then arrears contribution to be payable in 12 monthly instalments.</p>		
10.	<p>Provide credit period 60 days for payment of electricity charges.</p> <p>Mandate Electric Distribution companies to waive minimum demand charge for the for 3 months.</p>		
11.	<p>Put on hold credit ratings of individuals and corporates for 2x of the “restrictive measures”.</p>		
12.	<p>Waive off demurral’s detention charges on companies if the ports decide to close.</p>		

<p>13.</p>	<p>Following measures are suggested with respect to GST payments to tide over the current crisis:</p> <p>(i). Dispense the requirement of mandatory GST registration for supplies through E-commerce.</p> <p>(ii). Dispense requirement of mandatory GST registration under causal taxable person and non-resident persons for supplies through exhibitions.</p> <p>(iii). Extend the option of issue of consolidated Bill/invoice at the end of the day to all retailer supplies.</p>		
	<p>(iv). Simplify the format of return for filing of consolidated Supplies.</p> <p>(v). Extend the threshold exemption of 40 lakhs for interstate supplies as well.</p> <p>(vi). Waive penalty for delay in payment of taxes/filing of returns during the impacted period.</p> <p>(vii). Grant extension of the due dates of filing various returns.</p> <p>(viii). Relax E-way Bill requirement for supplies form B to retailers</p>		



Confederation of Indian Industry

125 Years: 1895-2020

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895 and celebrating 125 years in 2020, India's premier business association has more than 9100 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 291 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

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Confederation of Indian Industry

The Mantosh Sondhi Centre

23, Institutional Area, Lodi Road, New Delhi – 110 003 (India)

T: 91 11 45771000 / 24629994-7 • F: 91 11 24626149

E: info@cii.in • W: www.cii.in

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