

COVID-19 BULLETIN

18 MAY 2021, ISSUE NO 7

The second wave of COVID-19 has jolted lives and livelihood alike. Businesses have been also impacted. CII has been augmenting its efforts to anchor Indian industry and also support the nation in its fight against the pandemic.

CII recently opened a 300 bed fully functional COVID Care Centre in Gurugram. It has also been sourcing relief materials from across the world to mobilize relief work in the country.

This bulletin highlights policy recommendations, and relief & rehabilitation work, along with COVID news and updates.

CII Recommendations

Representation for Deferral of Tax Compliances due to COVID-19 Pandemic

- Extension in timelines for tax compliances**

The Income Tax Act lays down various compliances to be undertaken by the taxpayers throughout the year. Given the outbreak of the COVID-19 pandemic and lockdown/ lockdown-like restrictions imposed in various parts of the country due to the second wave of the pandemic, the taxpayers face tremendous challenges in meeting the deadlines for statutory compliances.

Recommendation
CII has requested to take guidance from the Supreme Court ruling and provide an extension in due dates for all income-tax compliances due soon. CII has also sought attention to the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 and subsequent notification granting an extension of time limits for i) completion of any proceedings or issuance of notice or intimation or any such action by the tax authorities, ii) filing of the appeal, reply or application or furnishing of any report, document, return or statement, iii) making various investments for claiming deduction under section 80C/80D/80G of the Act.

Given the genuine hardships faced by the taxpayers, CII has requested to issue a circular/Notification to extend the timelines for the above-mentioned compliances by 6 months. Extension in line with the above-mentioned Act may be passed for Financial Year 2021-22.

It has also recommended that the applicability of interest, fees, penalty on account of failure in undertaking the abovementioned compliances in a timely manner should be relaxed for the next 2 quarters, considering the current liquidity crunch in the industry, on account of COVID impact.

- Deferral of section 194Q of the Act providing for TDS on purchase of goods**

Section 194Q of the Act providing for TDS on the purchase of goods is set to come into effect from 1 July 2021.

Recommendation
CII has recommended that the applicability of section 194Q should be deferred to April 1, 2022, considering significant time and efforts involved to build systems and processes to comply with the new requirements.

- Deferral of section 206AB and section 206CCA of the Act**

In absence of any API released by the Government, CII has recommended deferring compliance with sections 206AB and 206CCA to April 1, 2022, to give sufficient time for companies to build the compliance systems and test the same for accuracy.

It has also requested CBDT to consider building an API mechanism to validate tax return filing, similar to the API mechanism in place for GST returns.

- Reduction in rates of TDS and TCS for Financial Year 2021-22**

To provide more funds at the disposal of the taxpayers, the Central Board of Direct Taxes had reduced the rates of TDS by 25% which was applicable up to 31 March 2021. CII has recommended that similar relaxation is provided for the TDS rates applicable for payments/credits made during Financial Year 2021-22.

- Perquisite taxation in hands of employee for COVID-19 related reimbursements**

With the onset of the second wave of COVID-19, numerous companies and employers are supporting their employees with their medical treatment expenditure.

Recommendations
Given the challenging times, it has been requested that a circular is issued on an urgent basis providing an exemption for medical reimbursements/grants provided by employers to employees, including their survivors/families, for COVID treatment for the employee or the family member, without prescribing any unreasonable requirements or conditions.

It has also sought clarification that the treatment for COVID-19 is covered under the ailments referred to in Rule 53A(2) of the Rules, and the mandatory requirement of undertaking treatment only in approved private hospitals for claiming exemption must be relaxed to include all hospitals and medical facilities.

Representation made to CBIC and GST Council on COVID-19

CII made a representation to the Central Board of Indirect Taxes and Customs (CBIC) and Goods and Services Tax (GST) Council on COVID-19, seeking waiver of interest and late fee on GST compliances for the period April 2021 to June 2021 till 31 July 2021 for both large and small taxpayers. CII put forth the difference in relaxation as available to large taxpayers vis-à-vis small taxpayers and relaxations as introduced last year vis-à-vis this year.

Considering the severity of the 2nd wave of COVID-19, CII has made the following requests:

- Extend the interest and the late fee waiver for both small and large taxpayers on the filing of GSTR 3B on the return period of April 2021-May 2021 and June 2021 till 31 July 2021;
- Notify the extended due date for filing of GSTR-1 on the return period of April 2021, May 2021, and June 2021 i.e. up to 31 July 2021. A similar extension should also be granted for the other returns/statement to be filed by composition taxpayers (GSTR-4), non-resident taxpayers (GSTR-5), input service distributors (GSTR-6), TDS and TCS compliances (GSTR-7 & 8); and
- While providing such relaxations, it shall be noted that both small and large taxpayers must be kept at the same footing and identical relaxations must be provided to both, as the present COVID-19 pandemic has impacted all businesses irrespective of their size.

Listing of Maintenance and Repair of Water Purifiers under 'Essential Services'

Maintenance and Repair of Water Purifiers are currently not under the list of essential items/services. In the current health crisis, access to safe water is a crucial need. Therefore, CII has made a representation to the Ministry of Consumer Affairs, Food & Public Distribution, to bring the maintenance and repair of water purifiers under essential services, while ensuring that all safety precautions, including use of protective gears, mask, personal hygiene, and social distancing norms to be followed while carrying out such activities.

Relief and Rehabilitation

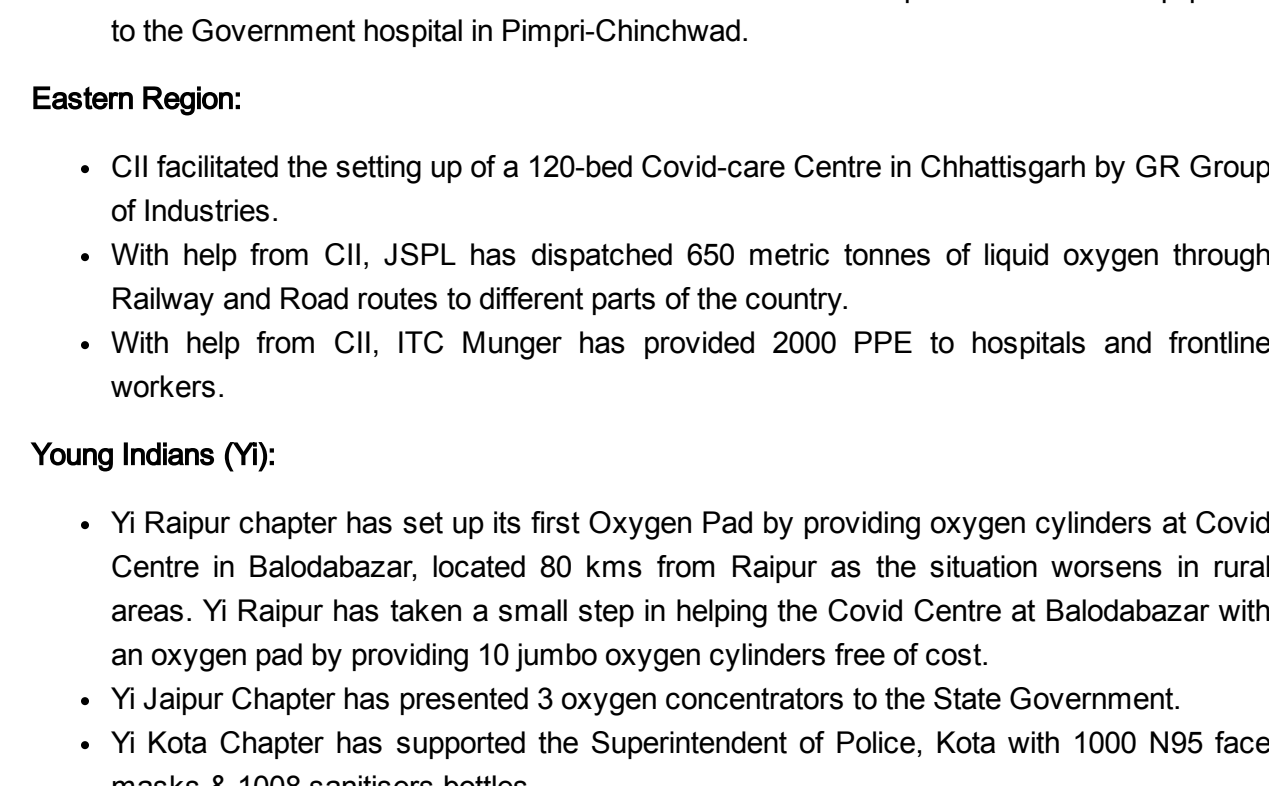
A number of initiatives are being undertaken by CII, CII Foundation and Young Indians (YI) to provide relief to those impacted by the second wave of COVID-19. These are focused around:

- Procurement and deployment of medical equipment** such as oxygen cylinders, O2 concentrators, ventilators, etc. in hospitals across the country.
- Healthcare infrastructure support** by setting up additional Covid Care Centres, expanding Covid-ICUs, setting up Tele-ICUs, operationalising Vaccination Centres and installing oxygen pipelines.
- Distribution of Relief Material** such as food and ration kits, hygiene kits such as masks etc.

Some of the key initiatives include:

Northern Region:

- 1000 oximeters were handed over to SDM Jhajjar, Haryana for Red Cross Society by CII Foundation with support of Jhajjar Power Limited (CLP India).
- A vaccination drive was conducted in Mohammad Puria, Sirsa, Haryana by CII Foundation. CII Foundation and the local farmer society helped in awareness building (against vaccine hesitancy) and mobilized villagers to vaccination camp organised in partnership with the Civil Hospital, Sirsa is giving the 1st dose of vaccines to people above 45 years of age.



- A 300-bed capacity makeshift Covid-care Centre was inaugurated on 16 May by Mr Manohar Lal Khattar, Chief Minister, Haryana. CII, Indian Air Force, MSM, Young Business Leaders Forum (YBLF) of Automotive Component Manufacturers Association (ACMA) and NGO Doctors for You have played a key role in operationalizing the center. This charitable facility is managed by a voluntary organization, Doctors for You, which will provide medical services guided by the Civil Surgeon, Gurugram. The facility is well-equipped with oxygen concentrators, etc. and the services will be provided free of cost. Dr Yash Garg, DC, Gurugram, Mr Harbhajan Singh, Chairman CII Taskforce on Ease of Doing Business for Haryana, and Dr Rajat Jain, President, Doctors for You were also present at the inaugural. CLP India, Sona Comstar, Dabur, Polymed Group, and several members of YBLF and CII Haryana have provided major support to the centre in terms of finances and in-kind support such as medical equipment and supplies.

Southern Region:

- In Kochi, Kerala, CII is working on converting a Convention Centre into a 500-bedded Covid hospital. Once the work completed, the Centre will be managed by the Government.

Western Region:

- In MP - CII Members at Indore are pooling funds through CII Foundation to support 'Indore Citizens Forum for Covid Response - ICFCR', an initiative coordinated under the leadership of Indore district administration by supporting a Community Makeshift hospital facility of 500 beds.
- CII Foundation with the support of Bajaj has set up Tele-ICUs in Manchar and Bhor in Pune, Maharashtra.
- CII Pune has donated 3 ventilators to Sassoon General Hospital and medical equipment to the Government hospital in Pimpri-Chinchwad.

Eastern Region:

- CII facilitated the setting up of a 120-bed Covid-care Centre in Chhattisgarh by GR Group of Industries.
- With help from CII, JSPL has dispatched 650 metric tonnes of liquid oxygen through Railway and Road routes to different parts of the country.
- With help from CII, ITC Munger has provided 2000 PPE to hospitals and frontline workers.

Young Indians (YI):

- YI Raipur chapter has set up its first Oxygen Pad by providing oxygen cylinders at Covid Centre in Balodabazar, located 80 kms from Raipur as the situation worsens in rural areas. YI Raipur has taken a small step in helping the Covid Centre at Balodabazar with an oxygen pad by providing 10 jumbo oxygen cylinders free of cost.
- YI Jaipur Chapter has presented 3 oxygen concentrators to the State Government.
- YI Kota Chapter has supported the Superintendent of Police, Kota with 1000 N95 face masks & 1008 sanitiser bottles.

Overseas Relief Work Mobilisation

In CII's efforts to mobilise support for COVID-19 relief work, both in cash and in kind, it has reached out to a number of its International Partners and stakeholders over the past few weeks.

CII has helped facilitate the below supplies from overseas.

- Masks – Esquel group is donating 10,00,000 Masks to CII (To be shipped to Kolkata and Chennai)

- Oxygen Concentrators- 411
 - 150 Concentrators has been donated by Tristar, UAE, to St Martha Hospital in Bangalore (Through CII UAE office)
 - 61 Concentrators from Indo Thailand Chamber of Commerce to CII (donated to Dr Talwar)
 - 200 Concentrators from TSMC, Taiwan, member of the Asia Business Council – 100 for Maharashtra and 100 for Delhi (to be Shipped)

- Oxygen Cylinders - 300
 - 300 Cylinders of 10 Litres from Indian Business Chamber of Commerce, Vietnam (In Pipeline)

- Facilitation by CII International for the supply of Oxygen Cylinders – 4800
 - 3600 Cylinders from UAE for Tamil Nadu Government (In Pipeline, through CII UAE office)
 - 1200 Oxygen cylinders supported by Cavinkare imported from Singapore (Through CII Singapore office)

- 2000 Oximeters from Optical Society of America Foundation, California (through CII US office)
- Concentrators donated to CII from Tristar, UAE (through CII UAE office)

State Interventions

Policy Representations Submitted by States - 139

Queries Resolved - 230

Meetings - 120

Regional Updates

CII state offices have set up task forces to lead the Covid efforts of industry. States such as Jharkhand, Bihar, Assam, Odisha, West Bengal, Chhattisgarh, etc. have worked through the task force for supporting the health authorities and local administration by donating PPE kits, oxygen cylinders, setting up hospital beds, etc. They have also been organising various programmes, interactions with ministers, and officials in the region.

Click on the link below for more details:
[Eastern and North Eastern Region](#)
[Northern Region](#)
[Western Region](#)

Updates, Notifications and Advisories

The below newsletters present a compilation of Central and State Government notifications and advisories.

[COVID-19 Updates, Notifications and Advisories: Issue No 19: 12 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 20: 13 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 21: 14 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 22: 15 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 23: 16 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 24: 17 May](#)
[COVID-19 Updates, Notifications and Advisories: Issue No 25: 18 May](#)

Indian Industry's Initiatives

Indian Industry has been at the forefront of the COVID relief work in the country. From providing COVID care facilities to medical oxygen supply, its relief work has been helping India fight COVID-19.

Recently, CII member organisations like Hero MotoCorp, Adani Group, Bangalore International Airport Limited (BIAL), CYIENT Foundation, SpiceHealth, Arya Vaidya Sala, Kottakkal (AVS), BARC India, Adani Agri Fresh Limited, ESAF Small Finance Bank, Rashtriya Ispat Nigam Limited, KEC International Limited, FMC India Private Limited, etc. have been donating hospital beds, oxygen cylinders, cryogenic tanks, oxygen concentrators, and other relief materials. The organisations have also been training people to work as frontline health workers. [Read more](#)

Media

Haryana CM inaugurates two covid centres in Gurugram

Haryana Chief Minister Shri Manohar Lal Khattar inaugurated two temporary covid care centres at Tau Devi Lal Stadium at Sector-38 and Sector 67 for Corona patients in Gurugram. [Read more](#)

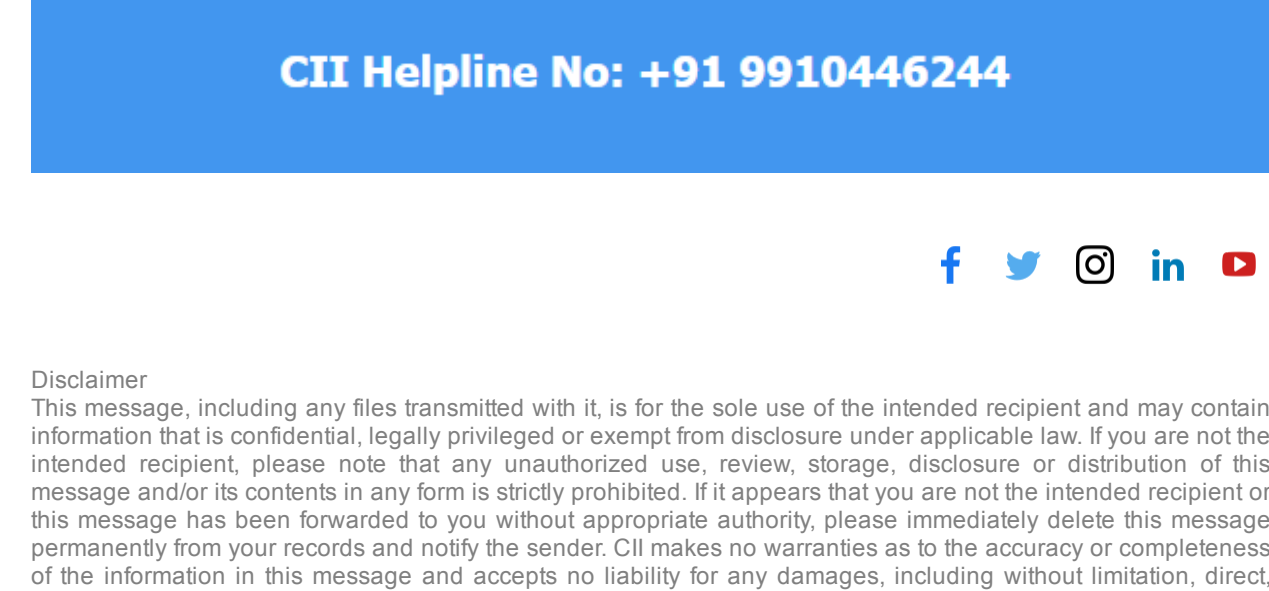
Tamil Nadu offers incentives for firms producing oxygen, ventilators

To aid the government in the war on Covid, the Tamil Nadu chapter of the Confederation of Indian Industry (CII) has set up six special working groups. In addition, CII member companies are establishing small oxygen plants in government hospitals including Chengalpattu and Sripurumbudur and other parts of Tamil Nadu. [Read more](#)

Vax camp for 18-44 age group organised

The Confederation of Indian Industry (CII) in association with Sidana Institutes, organised a vaccination camp for beneficiaries in the 18-44 age group with comorbidities here on Monday. [Read more](#)

Social Media



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