


# COVID – 19 : RELIEF MEASURES TO BUISINESS

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# COVID – 19 : RELIEF MEASURES TO BUSINESS

## History of COVID – 19

- A pneumonia of unknown cause detected in Wuhan, China was first reported to the WHO Country Office in China on 31 December 2019.
- The outbreak was declared a Public Health Emergency of International Concern on 30 January 2020.
- On 11 February 2020, WHO announced a name for the new coronavirus disease: COVID-19.
- On 11<sup>th</sup> March WHO declares it as a Pandemic
- On 14<sup>th</sup> March India Declares it as a National Disaster

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Measure announced by Indian Government

- India has adopted the policy measure for saving lives over economy
- One of the first countries to impose lockdown at the early stage
- Started with Janata curfew on 22<sup>nd</sup> March
- 21 Days lockdown announced from 25<sup>th</sup> March to 14<sup>th</sup> April 2020
- PM Garib Kalyan Yojna announced to ensure that no person below BPL goes to bed with hunger with an outlay of Rs 1.70 Lac Crores

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Measure announced by Indian Government

- Statutory filing relief announced
- RBI Announces cut in Repo Rate and CRR
- Essential commodities manufacturing and transportation exempted
- De centralized decision making – district officials can give permissions on case to case basis
- Expenditure / donations related to COVID = 19 are part of the CSR Spend

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 30/2020 – Central Tax Dated 3<sup>rd</sup> April 2020

The last date for opting out to composition scheme for regular taxpayers has been extended to facilitate the taxpayers due to the lockdown.

Sr.No	Form	Last date for filing
1	Form GST CMP – 02	30 <sup>th</sup> June 2020
2	Form GST ITC – 03	31 <sup>st</sup> July 2020

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### **Notification No. 31/2020 – Central Tax Dated 3rd April 2020**

The due dates for filing of GSTR – 3B have been notified for Feb, March, April, and May for various categories of taxpayers, along with exempting the interest and, in some cases at a lower rate.

This notification is a retrospective notification effective from 20<sup>th</sup> March 2020 as of Feb 2020s GSTR – 3B due date is 20<sup>th</sup> March 2020,



# COVID – 19 : RELIEF MEASURES TO BUSINESS

Sl. No	Aggregate Turnover	Interest	Return Periods	Due Date
1	Above Rs 5 during the previous financial year	Interest is exempted for filing within 15 days of the due date and after that interest is levied at a lower rate of 9%	Feb – April 2020	By 24 <sup>th</sup> June 2020
2	Turnover between Rs 1.50 crores and Rs 5.00 Crores in the previous financial year	Nil	Feb and March 2020 April 2020	29 <sup>th</sup> June 2020 30 <sup>th</sup> June 2020
3	Turnover up to Rs 1.50 crores during the previous financial year	Nil	Feb – 2020 March – 2020 April – 2020	30 <sup>th</sup> June 2020 3 <sup>rd</sup> July 2020 6 <sup>th</sup> July 2020

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 32/2020 – Central Tax Dated 3rd April 2020

For the taxpayers who file the returns within the due dates as mentioned in Notification No. 31/2020 – Central Tax Dated 3rd April 2020 are exempted from payment of the late fee. This also a retrospective notification and is effective from 20<sup>th</sup> March 2020.

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 33/2020 – Central Tax Dated 3rd April 2020

Late fee is exempted for all the taxpayers who are required to file GSTR – 1 for March to April 2020 by 30<sup>th</sup> June 2020.

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 34/2020 – Central Tax Dated 3rd April 2020

Relaxation is also given for the composition taxpayers for the filing of returns.

Sr.No	Form	Period	Last date for filing
1	Form GST CMP – 08	1 <sup>st</sup> January to 31 <sup>st</sup> March	7 <sup>th</sup> July 2020
2	Form GSTR – 4	1 <sup>st</sup> April 2019 to 31 <sup>st</sup> March 2020	15 <sup>th</sup> July 2020

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 35/2020 – Central Tax Dated 3rd April 2020

This is also a retrospective notification and effective from 20<sup>th</sup> March 2020.

The validity of e-waybills, which are expiring between 20<sup>th</sup> March 2020 to 15<sup>th</sup> April 2020, it is deemed to extended up to 30<sup>th</sup> April 2020.

For any compliance or completion falling between 20<sup>th</sup> March 2020 and 29<sup>th</sup> June 2020 based on provisions of GST, the due date is extended up to 30<sup>th</sup> June 2020. This extension is applicable for the department (Authority, commission or tribunal or called by any name ) in the following areas

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect taxes

**Notification No. 35/2020 – Central Tax Dated 3rd April 2020**

### **For Department**

- Completion of any proceedings
- Passing of any orders or notices
- For any intimations, sanctions, approvals

### **For the taxpayers**

- Filing of an appeal
- Reply
- Application
- Furnishing of any report or documents or statements or any other record

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 35/2020 – Central Tax Dated 3rd April 2020

The above extension is not applicable for the following provisions

- Input tax credit
- The transition from composition to the regular scheme on breach of the threshold of composition scheme
- Registration
- Registration as a casual taxable person

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 35/2020 – Central Tax Dated 3rd April 2020

- For filing of returns for outward supplies
- For levy of late fee
- For levy of interest on delayed payments
- For arrest
- Liability of partners of the firm to pay tax
- For levy of penalties under certain offenses
- For detention, search, seizure, and release of goods in transit



# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Indirect Taxes

### Notification No. 35/2020 – Central Tax Dated 3rd April 2020

- GSTR 3B except for Return of TDS deductor, input service distributor, Non-resident taxable person. These person can furnish a return for March 2020, April 2020 and May 2020 on or before 30<sup>th</sup> June 2020

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Direct Taxes

- Extension of due date of filing of original as well as revised income-tax returns for the FY 2018-19 (AY 2019-20) to 30th June, 2020.
- Aadhar and PAN Linking extended up to 30<sup>th</sup> June 2020
- Exemptions available payment basis extended up to 30<sup>th</sup> June 2020
- Capital Gains – due date extended for eligibility for Section 54 to 54 GB - investments made up to 30<sup>th</sup> June are eligible
- Under Vivad se Vishwas Scheme, the date has also been extended up to 30.06.2020. Hence, declaration and payment under the Scheme can be made up to 30.06.2020 without additional payment

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Statutory Relief – Direct Taxes

- The date for passing of order or issuance of notice by the authorities under various direct taxes & Benami Law has also been extended to 30.06.2020.
- It has provided that reduced rate of interest of 9% shall be charged for non-payment of Income-tax (e.g. advance tax, TDS, TCS) Equalization Levy, Securities Transaction Tax (STT), Commodities Transaction Tax (CTT) which are due for payment from 20.03.2020 to 29.06.2020 if they are paid by 30.06.2020. Further, no penalty/prosecution shall be initiated for these non-payments.

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## PM Cares Fund

- Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES FUND) has been setup for providing relief to the persons affected from the outbreak of Corona virus.
- 100% exemption is available
- Donations made upto 30<sup>th</sup> June 2020 will be eligible for deduction for the FY 2019-20

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Reserve Bank

- Reduction in Repo Rate by 75 basis points to 4.40 %.
- Reverse Repo Rate by 90 basis points to 4%

## Rescheduling of Payment

- Three months moratorium on payment of instalments for term loans disbursed by all commercial banks (regional rural banks, local area banks) co-operative banks, financial institutions, NBFCs, (including housing companies)
- Interest will be continued to be levied on outstanding loan amount

## Working Capital Limits

- Banks to re assess the working capital limits

# Reserve Bank

Personal Loan Amount

₹

02.5L5L7.5L10L12.5L15L

Interest Rate

%

57.51012.51517.52022.525

Loan Tenure

YrMo

01224364860

Loan EMI

₹ 10,747

Total Interest Payable

₹ 1,44,817

Total Payment  
(Principal + Interest)

₹ 6,44,817

Break-up of Total Payment

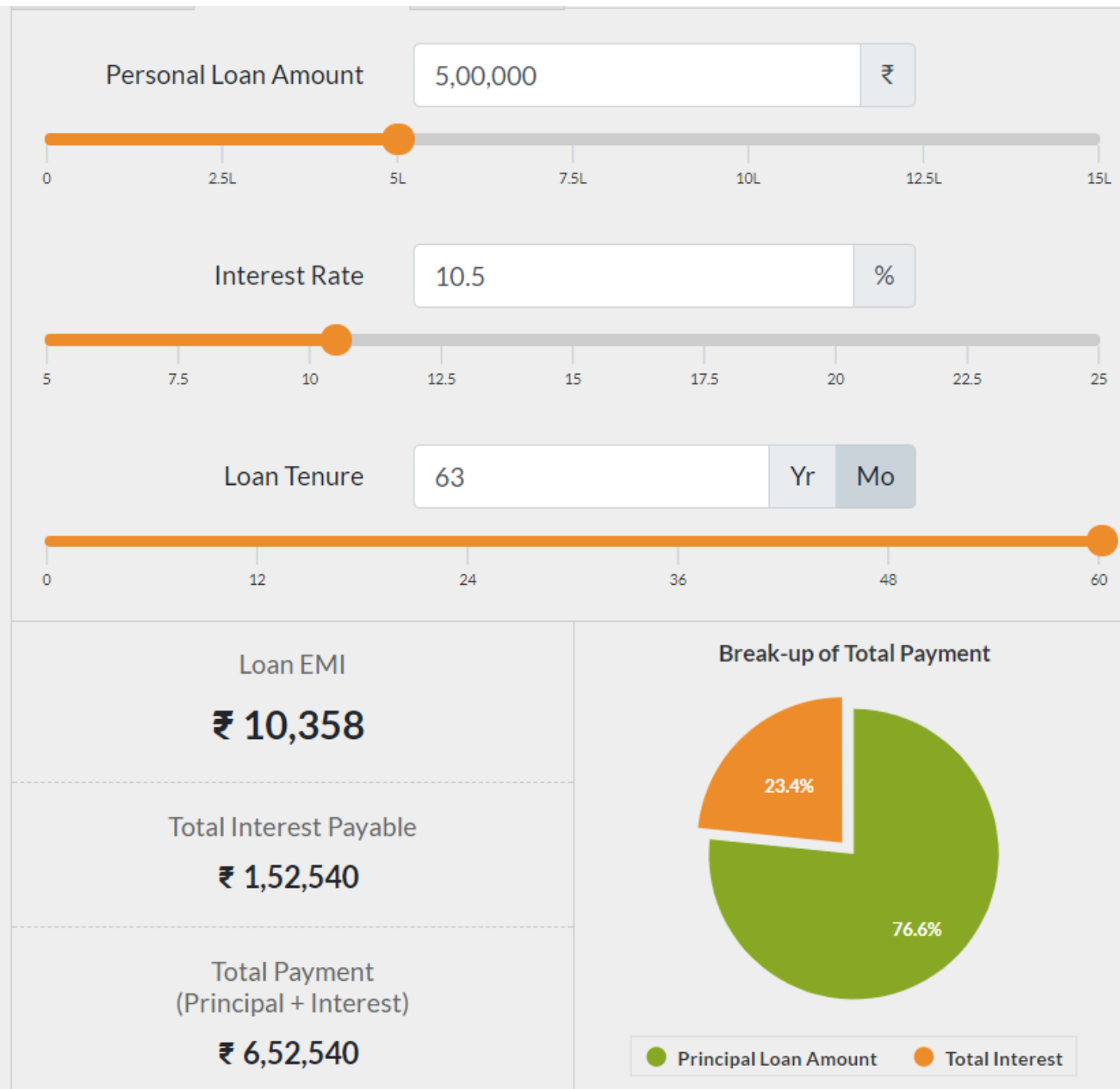
22.5%

77.5%

Principal Loan Amount

Total Interest

# Reserve Bank



# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Reserve Bank

### Asset Classification

Mortuarium period availed by the borrower will not result in classifying the account as NPA

The credit rating will not be impacted

Exemption on incremental credit disbursed by banks between January 31 - July 31, 2020 on retail loans for automobiles, residential housing and loans to micro, small and medium enterprises (MSMEs) from the maintenance of cash reserve ratio (CRR).



# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

Ministry of Home Affairs is issuing guidelines for handling the complete lockdown from time to time. Initially released on 24<sup>th</sup> March 2020 and updated on

25<sup>th</sup> March 2020

27<sup>th</sup> March 2020

2<sup>nd</sup> April 2020

3<sup>rd</sup> April 2020

Approval are being decentralized and decision making is vested with the district level authorities

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

Commercial and Private establishments will be closed except for the following

- Shops dealing with food, groceries, fruits and vegetables milk booths meat shops, fertilizers, seeds and pesticides
- Banks, insurance companies, ATMs
- Print & Electronic media
- Telecom Services, internet service providers, broadcasting services
- Delivery of essential goods through e-commerce operators
- Petrol Pumps & LPG Distributors
- Power Generation, Remission and distribution companies



# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

Commercial and Private establishments will be closed except for the following

- Capital and Debit markets
- Cold storages & warehousing services
- Private security agencies
- Data and call centres for government activities only
- Farming operations and farm labour
- Shops of agriculture machinery
- Shops of truck repairs on highways

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

Industrial establishments will remain closed except for the following

- Manufacturing units for essential goods including bulk drugs, pharmaceutical, medical devices and their raw materials and intermediates
- Production units which require continuous process after obtaining approvals for state governments
- Coal and mineral production, transportation, supply of explosives and activities related to mining operations
- Manufacturing units of packaging materials for food items, drugs, pharmaceutical and medical devices

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

Industrial establishments will remain closed except for the following

- Manufacturing and packaging units of fertilizers, pesticides and seeds
- Tea Industry including plantation with maximum of 50% workforce

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Home Affairs

All transportation services expect for the following

- Transportation of essential goods
- Fire, law and order and emergency services
- Operations of railways, sea ports and airport for relief and cargo movement
- Inter state movement of goods for inland movement and exports
- Cross land border movement of essential goods including petroleum products, LPG, food products and medical supplies
- Intra and inter state movement of harvesting and sowing related machines,


# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Corporate Affairs

- No additional fee is required to be paid for filing of various Forms, Statements, Returns to be filed in MCA – 21 Registry for the moratorium period 1<sup>st</sup> April to 30<sup>th</sup> Sep 2020.
- Conduct of board meetings to be conducted mandatorily extended by a period of 60 days.
- Applicability of Companies (Auditors Report) Order is being made applicable for FY 2020 – 2021
- Independent directors are required to hold at least one meeting between them and the non independent directors and members of management, now the same is not considered as violation if not done in the FY 2019 – 20

# COVID – 19 : RELIEF MEASURES TO BUSINESS

## Ministry of Corporate Affairs

- For deposits maturing during the FY 2020 – 2021, it is mandatory to provide 20% deposit reserve by 30<sup>th</sup> April 2020, now the same is extended up to 30<sup>th</sup> June 2020.
- To invest 15% of the debenture amount is to be invested in specified instruments before 30<sup>th</sup> April 2020 is now extended up to 30<sup>th</sup> June 2020.
- New companies are required to file declaration for commencement of business within 6 months, now the same is extended by another 6 months.
- It is proposed to increase the limit under Section 4 of IBC from Rs 1 lac to Rs 100 lacs for filing of insolvency proceedings. 



# OUR EFFORTS

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- Cloud based accounting solution

## Reach us

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