

COVID-19 **Relief to business** **entities in India**

Discussion on key relief measures on
compliances by business entities

Introduction

- ▶ The outbreak of Novel Corona Virus (COVID-19) across many countries of the world has caused immense loss to the lives of people. Prime Minister Narendra Modi's announcement of a national lockdown for 21 days is an unprecedented decision in Indian history.
- ▶ The impact of such a lockdown on business entities in India could turn out to be one with varying degrees of severity. According to the information released by various analysts and industry bodies, the world's biggest lockdown may have cost the Indian economy Rs 7-8 lakh crores over the period of 21 days. Acuite Ratings & Research Ltd. earlier this month estimated that the lockdown will cost the Indian economy almost USD 4.64 billion (over Rs 35,000 crore) every day and the entire 21-day lockdown will result in a GDP loss of almost USD 98 billion (about Rs 7.5 lakh crore).
- ▶ Keeping in view the challenges faced by taxpayers in meeting the compliance requirements under such conditions, the Union Finance Minister had announced several relief measures relating to statutory and regulatory compliance matters.
- ▶ Consequent to such announcement and in order to give relief to businesses and affected individuals amidst the stress caused by the novel coronavirus pandemic, Department of Commerce, Ministry of Commerce and Industry has introduced several relaxations and extensions in deadlines etc. with regard to compliances mandated under its schemes and activities.
- ▶ Similar relaxations were also announced under various other laws and regulations applicable to business entities such as labour laws, indirect taxation laws, Foreign Trade Policies relating to export obligations and the like.
- ▶ The key relaxations, that are relevant to a business entity operating in India, have been consolidated in this report in the following pages.

Key relief measures (1/5)

Sl. No.	Act / Law	Particulars / Return	Original Due Date	Revised due date	Remarks	Reference notification
Employees' State Insurance						
1	ESI Contribution	February 2020	15th March 2020	15th May 2020		ESI Corpn - No.P-11/14/Misc/1-2019-Rev dt 13.4.2020
2	ESI Contribution	March 2020	15th April 2020	15th May 2020		ESI Corpn - No.P-11/14/Misc/1-2019-Rev dt 16.3.2020
Provident Fund						
3	PF Contribution	Months of March, April and May 2020	15th of subsequent months	15th of subsequent months (No change)	Employer contribution 12% along with employees' share 12% to be paid fully by Government if the establishment employs less than 100 persons and 90% of such employees are drawing wages less than Rs. 15,000 per month. Similarly employees can with draw 75% of amount outstanding in their account.	
Goods and Services Tax						
4	GSTR-3B (Turnover more than 5 crores)	May 2020	20th June 2020	27th June 2020		CBIC Notification no.36/2020 dated 03.04.2020
5	GSTR-3B (Turnover less than 5 crores)	May 2020	20th June 2020	12th July 2020		CBIC Notification no.36/2020 dated 03.04.2020
6	GSTR-3B (Turnover more than 5 crores)	Returns for the months of February, March and April 2020	20th of subsequent month	24th June 2020	Late fee waived only if filed before this date	CBIC Notification no. 32/2020 dt 03.04.2020 for late fees Note1: In case returns are filed after this date, then late fees is payable for the full period from the original due date
					Interest payable will be @NIL for first 15 days from original due date and @9% thereafter (this rate will be applicable only if filed before this date)	CBIC Notification no.31/2020 dated 03.04.2020 for Interest. Note2: In case returns are filed after this date, then interest is payable @18% for the full period from the original due date

Key relief measures (2/5)

Sl. No.	Act / Law	Particulars / Return	Original Due Date	Revised due date	Remarks	Reference notification
Goods and Services Tax (Contd.)						
7	GSTR-3B (Turnover more than 1.5 crores but less than 5 crores)	Months of February and March 2020	20th of subsequent month	29th June 2020	Both interest and late fees are waived only if filed before these dates	CBIC Notification no. 32/2020 dated 03.04.2020 for late fees & CBIC Notification no.31/2020 dated 03.04.2020 for interest
		Month of April 2020	20th of subsequent month	30th June 2020		
8	GSTR3B (Turnover less than 1.50 crores)	Month of February 2020	20th of subsequent month	30th June 2020	Both interest and late fees are waived only if filed before these dates	CBIC Notification no. 32/2020 dated 03.04.2020 for late fees & CBIC Notification no.31/2020 dated 03.04.2020 for interest
		Month of March 2020	20th of subsequent month	3rd July 2020		
		Month of April 2020	20th of subsequent month	6th July 2020		
9	GSTR1 - Monthly Filings	Months of March, April and May 2020	10th of subsequent month	30th June 2020	Late fee waived only if filed before this date	CBIC Notification no.33/2020 dated 03.04.2020
10	GSTR1 - Quarterly filings	March quarter returns	30th April 2020	30th Jun 2020	Late fee waived only if filed before this date	CBIC Notification no.33/2020 dated 03.04.2020
11	Input GST credit - restriction rule of 10% with reference to GSTR-2A	Months from February 2020 till August 2020			The said condition shall not apply to input tax credit availed by the registered persons in the returns in form GSTR-3B for the months of February, March, April, May, June, July and August 2020. However the said condition shall apply cumulatively for the said period and that the return in form GSTR-3B for the tax period of September, 2020 shall be furnished with cumulative adjustment of input tax credit for these months in accordance with the 10% condition.	CBIC Notification no.30/2020 dated 03.04.2020
Income Tax / TDS						
12	Income Tax Return for FY 2018- 19	FY 18-19 i.e. AY 19-20	31st March 2020	30th June 2020		Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020
13	TDS remittance	March 2020	30th April, 2020	30/04/2020 (no change)	However interest on delay in remittance has been reduced to 9% from 18%.	
14	TDS remittance	May 2020	7th June, 2020	07/06/2020 (no change)	However interest on delay in remittance has been reduced to 9% from 18%.	

Key relief measures (3/5)

Sl. No.	Act / Law	Particulars /Return	Original Due Date	Revised due date	Remarks	Reference notification
Income Tax / TDS (Contd.)						
15	TDS Returns in Form 24Q/26Q	Fourth quarter ending 31.03.2020	31st May 2020	30th June 2020		Taxation and other Laws (Relaxation of Certain Provisions) Ordinance, 2020
16	TDS Returns in Form 26QB/QC/QD	Feb Month return	30th Mar 2020	30th Jun 2020		
		Mar Month return	30th Apr 2020	30th Jun 2020		
		Apr Month return	30th May 2020	30th Jun 2020		
17	Issue of Form 16/ Form 16A	4th quarter ending 31.3.2020	15th Jun 2020	30th Jun 2020		
18	Issue of Form 16B/16C/16D	Mar Month return	15th May 2020	30th Jun 2020		
		Apr Month return	14th Jun 2020	30th June 2020		
19	Chapter VIA - 80C, 80G, 80D, Donations, PPF, Life & Health Insurance, etc	FY 2019-20	31st March 2020	30th June 2020	Insurance payments, Investments etc can be made till 30th June 2020 for claiming exemptions in FY 19-20 IT returns	
Company Law						
20	LLP Settlement Scheme 2020	Documents due for filing till 31st Mar 2020 under Limited Liability Partnership Act, if not filed earlier can now be filed		Scheme open till 30.9.2020	Late Fees completely waived , Full immunity from Prosecution	Ministry of Company Affairs Notn.no.GSR 59(E) dt 30.1.20 and Cir no.13/2020 dt 30.03.2020
21	Companies Fresh Start Scheme 2020	Documents due for filing till 31st March 2020 under Companies Act, if not filed earlier can now be filed		Scheme open till 30.9.2020	Late Fees completely waived , Full immunity from Prosecution	Ministry of Company Affairs Cir no.12/2020 dt 30.03.2020

Key relief measures (4/5)

Sl. No.	Act / Law	Particulars /Return	Original Due Date	Revised due date	Remarks	Reference notification
Foreign Trade Policy 2015-20 and other matters relating to export						
22	The Foreign Trade Policy 2015-2020 and Handbook of Procedures		31st March, 2020	31st March, 2021	The Foreign Trade Policy (FTP) 2015-2020 and Handbook of Procedures (HBP) which was valid till 31st March 2020, have been extended by one year till 31st March 2021.	Press Release by the Ministry of Commerce and Industry on 11.04.2020
23	Advance Authorizations and EPCG Authorizations		Expiring between 01/02/2020 and 31/07/2020	Extended for further 6 months	<p>Advance Authorizations and EPCG Authorizations wherein the extended Export Obligation Period has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the Export Obligation Period has been extended for further six months from the date of expiry.</p> <p>Advance Authorizations and EPCG Authorizations wherein the import validity period has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the import validity period has been extended for further six months from the date of expiry.</p> <p>EPCG Authorizations wherein Block period to fulfil the Block-wise export obligation has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the Block period has been extended for further six months from the date of expiry</p> <p>EPCG Authorizations wherein the time period to produce the Installation Certificate before the RA concerned has either expired or is expiring between 1st February, 2020 to 31st July, 2020, the time period has been extended for further six months from the date of expiry</p>	
24	Merchandise Exports from India Scheme (MEIS)				The last date for filing MEIS claims is 1 year from the Let Export Order (LEO) date of each Shipping Bill, and another 2 years beyond that with imposition of a late cut. The last date of filing MEIS claims without late cut for all Shipping Bills for which the initial one-year period expired / will be expiring on or after 1st Feb 2020 and on or before 31st May 2020, has been extended by 3 months beyond the expiry date of the initial one-year period.	
25	Status certificates				The validity period of all Status Certificates issued under FTP 2015-20 to an IEC holder has been extended up to 31st March, 2021	

Key relief measures (5/5)

Sl. No.	Act / Law	Particulars /Return	Original Due Date	Revised due date	Remarks	Reference notification
Foreign Trade Policy 2015-20 and other matters relating to export (Contd.)						
26	Advance Authorizations				Validity of Advance Authorizations for imports is capped at 12 months. Now the validity period of the Authorization for imports stands automatically extended by six months for Authorizations where import validity is expiring after 01 Feb 2020.	Press Release by the Ministry of Commerce and Industry on 11.04.2020
27	Export Obligation period under Advance Authorization Scheme				Export Obligation (EO) period allowed under Advance Authorization Scheme is 18 and 24 months respectively. The EO period now stands automatically extended by 6 months for Authorizations expiring after 01 Feb 2020.	
28	Deemed exports				An application for refund of TED / Drawback may be filed within 12 months from the date of realization / supply. Now in all such cases where the above dates fall on or after 1st March, 2020, the date of filing of applications for refund of TED/Drawback will now be deemed to be extended up to 30th September, 2020.	
29	Extension of realisation period of export proceeds		9 months from the date of exports	15 months from the date of exports	Presently value of the goods or software exports made by the exporters is required to be realized fully and repatriated to the country within a period of 9 months from the date of exports. For exports made up to or on July 31, 2020, this time period has been extended to 15 months from the date of export.	RBI Press Release: 2019-2020/2167 dated 01.04.2020

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