



Federation of Associations in Indian Tourism & Hospitality

Conference Secretariat : B-82, 8th Floor, Himalaya House, 23 Kasturba Gandhi Marg, New Delhi-110001, India
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Running list of Relief measures announced till date

Status update – 27th March 1300 hours

Given below is an indicative list of some fiscal and monetary measures announced till the above date.

This is an indicative list and is not definitive list for decision making. Please discuss with your individual tax accountants, bankers and lawyers of how any of these are applicable in the respective business cases of Indian tourism, travel, hospitality & tourist transport players.

These are ‘**merely excerpts**’ from the respective speeches and not an observation on the quality of response to our recommendations made to the Central Government.

This update (as on 27th March, 2020) covers the following:

1. Speech of RBI Governor
2. Tax Collected at Source (TCS) from Finance Bill
3. Excerpt from Maharashtra
4. Excerpt from Gujarat
5. Excerpt from Rajasthan
6. Excerpts from FM’s Rs. 1.75 crore relief package under Pradhan Mantri Relief Yojana
7. Finance Minister’s Relief Measures on Regulatory Compliances

Speech of RBI Governor

- ❖ All commercial banks (including regional rural banks, small finance banks and local area banks), co-operative banks, all-India Financial Institutions, and NBFCs (including housing finance companies and micro-finance institutions) (“lending institutions”) are being permitted to allow a moratorium of three months on payment of instalments in respect of all term loans outstanding as on March 1, 2020.





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- ❖ In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions are being permitted to allow a deferment of three months on payment of interest in respect of all such facilities outstanding as on March 1, 2020. The accumulated interest for the period will be paid after the expiry of the deferment period. The moratorium on term loans and the deferring of interest payments on working capital will not result in asset classification downgrade.

- ❖ In respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions are allowed to recalculate drawing power by reducing margins and/or by reassessing the working capital cycle for the borrowers. Such changes will not result in asset classification downgrade.

- ❖ The moratorium on term loans, the deferring of interest payments on working capital and the easing of working capital financing will not qualify as a default for the purposes of supervisory reporting and reporting to credit information companies (CICs) by the lending institutions. Hence, there will be no adverse impact on the credit history of the beneficiaries.

Source : <https://www.cnbctv18.com/finance/heres-full-monetary-policy-speech-of-rbi-governor-shaktikanta-das-5571491.htm/amp>

Tax Collected at Source (TCS) from Finance Bill:

- TCS on foreign remittance & on sale of goods will be applicable from 1st October, 2020 as against 1st April 2020 proposed earlier.

Source Finance bill



Excerpt from Maharashtra:

- Govt of Maharashtra is said to have deferred the renewal of excise licenses from March 31st to June 30th on payment of 25 % license fees. Rest to be paid in two instalments in September and December.

Source: Industry sources

Excerpt from Gujarat:

- In the core committee chaired by Chief minister, it was decided to defer collection of current electricity bill till 15th May with no penalty. It was also decided not to take fixed/minimum charges from all industries, shops and commercial units who have gone under lockdown for the month of April

Source: ANI



ANI @ANI - 2h

Last date to pay electricity bills for the months of March & April, extended till May 15. No fixed electricity charge for April to be levied on industrialists & shop keepers. They will be charged only for their actual electricity usage: Gujarat Chief Minister Vijay Rupani [#COVID19](#)





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- Under this package, government proposes to pay **24 percent of their monthly wages into their PF accounts for next three months.**
- Employees' Provident Fund Regulations will be amended to include Pandemic as the reason to **allow non-refundable advance of 75 percent of the amount or three months of the wages, whichever is lower, from their accounts.**

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1607942>

Finance Minister's Relief Measures on Regulatory Compliances:

Income Tax

- Extend last date for income tax returns for (FY 18-19) from 31st March, 2020 to 30th June, 2020.
- Aadhaar-PAN linking date to be extended from 31st March, 2020 to 30th June, 2020.
- **Vivad se Vishwas scheme** – no additional 10% amount, if payment made by June 30, 2020.
- Due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law where the time limit is expiring between 20th March 2020 to 29th June, 2020 shall be extended to 30th June 2020.





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

GST/Indirect Tax:

- Those having aggregate annual turnover less than Rs. 5 Crore Last date can file GSTR-3B due in March, April and May 2020 by the last week of June, 2020. No interest, late fee, and penalty to be charged.
- Others can file returns due in March, April and May 2020 by last week of June 2020 but the same would attract reduced rate of interest @9% per annum from 15 days after due date (current interest rate is 18% per annum). No late fee and penalty to be charged, if complied before till 30th June 2020.
- Date for opting for composition scheme is extended till the last week of June, 2020. Further, the last date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers will be extended till the last week of June, 2020.
- Date for filing GST annual returns of FY 18-19, which is due on 31st March, 2020 is extended till the last week of June 2020.
- Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.





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- Necessary legal circulars and legislative amendments to give effect to the aforesaid GST relief shall follow with the approval of GST Council.
- Payment date under **Sabka Vishwas Scheme** shall be extended to 30th June, 2020. No interest for this period shall be charged if paid by 30th June, 2020.

Customs

- 24X7 Custom clearance till end of 30th June, 2020
- Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing applications, reports, any other documents etc., time limit for any compliance under the Customs Act and other allied Laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

Banking

- Debit cardholders to withdraw cash for free from any other banks' ATM for 3 months
- Waiver of minimum balance fee
- Reduced bank charges for digital trade transactions for all trade finance consumers

Corporate Affairs

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





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- The mandatory requirement of holding meetings of the Board of the companies within prescribed interval provided in the Companies Act (120 days), 2013, shall be extended by a period of 60 days till next two quarters i.e., till 30th September.
- Applicability of Companies (Auditor's Report) Order, 2020 shall be made applicable from the financial year 2020-2021 instead of from 2019-2020 notified earlier. This will significantly ease the burden on companies & their auditors for the year 2019-20.
- As per Schedule 4 to the Companies Act, 2013, Independent Directors are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the year 2019-20, if the IDs of a company have not been able to hold even one meeting, the same shall not be viewed as a violation.
- Requirement to create a Deposit reserve of 20% of deposits maturing during the financial year 2020-21 before 30th April 2020 shall be allowed to be complied with till 30th June 2020.
- Requirement to invest 15% of debentures maturing during a particular year in specified instruments before 30th April 2020, may be done so before 30th June 2020.
- Newly incorporated companies are required to file a declaration for Commencement of Business within 6 months of incorporation. An additional time of 6 more months shall be allowed.

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1607942>

NOTE:

COVID-19 has alarming implications for the Indian Tourism, Travel & Hospitality industry. This crisis is believed to be more severe than the great depression and the World





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War-II and its financial impact is estimated to be far higher than the combined impact of 9/11 and 2009 financial crisis.

Indian Tourism travel and hospitality industry needs both fiscal and monetary relief immediately. For the first time, the whole industry has been speaking in one voice.

All the tourism enterprises that exist both across the organised and the unorganised space need immediate support. There are roughly estimated to be more than 53,000 travel agents, 1,15,000 Tour Operators (in inbound, domestic & outbound segments), 15,000 Tour Operators in the Adventure Tourism business, over 2700 businesses in meetings, industries, conferences and exhibitions business, 19,11,000 Road Tourist Transporters (tourist cars & tourist coaches), 53,000 hospitality establishments & 5 lakhs+ restaurants in India. Together these 26 lakhs+ tourism, travel & hospitality enterprises across India are estimated to impact the employment of almost 5.5 crore Indians.

