

## Daily News Monitor: 25 March 2020

### **1. First set of economic steps: FM Nirmala Sitharaman allays insolvency fears, eases compliance burden**

**Source: Financial Express ([Link](#))**

As India Inc struggles to cope with the Covid-19 pandemic, the government on 24 March stepped in with the first set of economic measures to ease compliance burden on companies and promised to consider suspending the invocation of insolvency proceedings against new defaulters for six months if the situation doesn't improve by April 30. Announcing the raft of decisions, which contain relief to both companies and individuals, finance minister Nirmala Sitharaman also pledged a broader economic relief package soon. "No move to impose financial emergency, as was claimed by some reports," the minister said, asserting the government's ability as well as willingness to deal the situation appropriately.

### **2. Nirmala Sitharaman Highlights: FM extends Income Tax, GST return deadlines; waives off late fee, penalty**

**Source: Financial Express ([Link](#))**

Finance Minister Nirmala Sitharaman has extended the deadline to file IT returns to 30 June 2020. She has also reduced interest rate to 9 per cent vs 18 per cent, on delayed deposit of TDS. The deadline to file March, April, and May, has also been extended to June-end. FinMin also announced that the companies with less than Rs 5 Cr turnover, will not have to pay interest, late fee, or penalty, however, for bigger companies, no late fee and penalty will be charged but the interest will be levied at a reduced rate of 9 per cent. The deadline for many Acts and schemes, including Sabka Vishwas Scheme, has also been pushed to 30 June 2020. In another major announcement, the independent directors of companies have received relaxation.

### **3. Mukesh Ambani's mega plan to fight Coronavirus: Reliance Jio, Retail, Life Sciences come together to help govt**

**Source: Financial Express ([Link](#))**

Mukesh Ambani's RIL has mega plans to fight coronavirus, with the conglomerate planning to deploy the capacity of all its arms including Reliance Retail, Jio and Reliance Foundation to help the government. While Reliance Industries Ltd. will make a donation of Rs 5 crore to Maharashtra government's relief fund, it has also announced that it will gear up production of face masks and safety suits for the workers of the country. "RIL has deployed the combined strengths of Reliance Foundation, Reliance Retail, Jio, Reliance Life Sciences, Reliance

Industries, and all the 6,00,000 members of the Reliance family on this action plan against COVID-19," the company said in a statement.

#### **4. India bans export of anti-malarial drug hydroxychloroquine**

**Source: Livemint ([Link](#))**

India on 25 March banned exports of anti-malarial drug hydroxychloroquine which is believed to have some positive effect on treatment of the coronavirus (COVID-19). "The export of Hydroxychloroquine and formulations made from Hydroxychloroquine are prohibited from immediate effect," commerce ministry said in a notification. However, exports from special economic zones and in cases where a prior obligation is to be honoured or to fulfil humanitarian efforts recommended by the government will be allowed, the ministry added. On 24 March, India banned exports of sanitizers and extended it to ventilators, artificial respiratory apparatus, oxygen therapy apparatus and other breathing appliances to plug any loopholes in exports of these critical healthcare items at a time the country is experiencing sudden rise in COVID-19 cases.

#### **5. Flipkart temporarily suspends all services as India goes into complete lockdown**

**Source: Livemint ([Link](#))**

E-commerce giant Flipkart has temporarily suspended all its services in India after Prime Minister Narendra Modi's call for complete lockdown to curb the spread of coronavirus. The Walmart-owned company's sudden announcement has come despite the fact that central government has included e-commerce services as one of the essential services in its essential list notification, put out on 24 March evening. Flipkart has marked all products as 'Out Of Stock' on the search option of its app and website. "Your needs have always been our priority, and our promise is that we will be back to serve you, as soon as possible," a message reads on the Flipkart's website.

#### **6. Coronavirus impact | Govt extends deadline for filing GST returns to June 30**

**Source: Money Control ([Link](#))**

The government on March 24 announced extension of the last date for filing GSTR-3B for Goods and Services Tax (GST) for March, April and May to June 30. "Others can file returns due in March, April and May 2020 by last week of June 2020 but the same would attract a reduced rate of interest at 9 percent per annum from 15 days after due date (current interest rate is 18 % per annum)," she said. In a press conference, Sitharaman announced a slew of measures to fight the economic fallout of Covid-19 pandemic. The government also extended the date till the last week of June, for opting for composition scheme.

## **7. Coronavirus outbreak: Govt mulls suspending IBC process for 6 months**

**Source: Business Standard ([Link](#))**

In a relief for small and medium enterprises facing the threat of insolvency because of the coronavirus crisis, the government on 24 March raised the threshold for invoking insolvency to Rs 1 crore from the current Rs 1 lakh. Finance Minister Nirmala Sitharaman, while addressing the media through video conferencing, also said if the situation continued to be difficult, the government would consider suspending the provisions for triggering insolvency for six months. This means suspending Sections 7, 9 and 10 of the Insolvency and Bankruptcy Act (IBC), which enable a financial creditor, operational creditor and the promoter, respectively, to initiate insolvency proceedings against a company. The proposed move will “stop companies at large from being forced into insolvency proceedings in such force majeure causes of default”, said a government release.

## **8. PM Modi announces nationwide 21-day lockdown, appeals for social distancing**

**Source: Business standard ([Link](#))**

Prime Minister (PM) Narendra Modi on 24 March announced a 21-day nationwide “curfew”, or a lockdown, to contain the spread of COVID-19. He appealed to the people “with folded hands” to practise strict social distancing. Subsequent to the PM’s speech, the Union home ministry, in an unprecedented move, announced shutting down all government and private establishments, apart from those involved in essential services, and all modes of transport, during the duration of the lockdown. The PM said unless India’s 1.3 billion people practised social distancing, and the “chain of its spread not broken” within these 21 days, the coronavirus outbreak could push the country back by 21 years, and several families would be devastated forever. The nationwide lockdown came into effect on 24 March midnight and will continue until April 14.