

Confederation of Indian Industry 125 Years: 1895-2020

Update - 26 March 2020



## IMPACT ON INDUSTRY AND THE ECONOMY

**ACTIONS NEEDED TO SUSTAIN CONTINUITY** 

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## A. Sectoral Recommendations: EXPORTS

Covid-19 pandemic and its global spread has brought about a major slowdown in economic activities as countries race to contain the spread of the disease through social distancing norms, closing borders and restricting people's movement. These are trying times, and companies dependent on foreign trade are especially vulnerable since critical imports as well as exports of finished products are severely impacted.

The short-term impact on exports has started showing up with exporters facing liquidity crunch as customers payments are not coming through, shipments of ready goods are not able to leave the factory and restricted credit flow from banks. The customers are suspending accepting orders due to the exceptional circumstances and are also suspending payments as they have no cash coming in, ready goods lying in factory and in the port.

MSME's are the biggest sufferers in view of their limited capacity to sustain prolonged periods of low or no activity. They are faced with the challenge of delayed payments, rising debts due to delay in interest and principal payments on term and working capital loans, expiring LCs, raw materials imported not released by the ports, vehicles stuck up at different state borders due to the shutdown.

CII requests the Government to consider taking following measures to help sustain trade and commerce and help tide over this period of crisis:

- 1. Relaxation of statutory deadlines for filing of Bill of Entry and Payment of Custom Duty
   Considering this epidemic and for the reasons stated above, there may be challenges in filing bill of entry and making duty payments within the Statutory time period. If payment of duty is not made within time limit prescribed, it entails payment of interest and likewise if bill of entry is not filed within the time prescribed, penalty is payable. Considering hardship, one-time relaxation should be provided by Government by way of extending the time limit by three-six months for filing bill of entry and payment of custom duty.
- 2. Facility of Deferred Payment of Import Duty to be continued in the month of March 2020 Being month of March, facility of deferred payment of duty as applicable for AEO has been discontinued in customs portal. Given lockdown and financial hardship which Companies are facing, it is desirable that deferred payment of duty is continued for the month of March 2020 and may be extended till June 2020.
- 3. Interest Subvention Scheme of 5 % should be extended to all exporters; extra duty drawback of 3% for six months also, expedite GST refund and extend moratorium on loan, interest payments, utility payments and declaration of NPAs by banks by at least six months, required to overcome the crisis.
- 4. Maximum number of Bill of Entries to be processed through Electronic Risk Management System [RMS] to ensure speedy clearance of cargo - There would be increase in number of bills of entries to be filed for assessment, once situation gets normalized. It is suggested that 100% or maximum no. of bills of entries should be processed



- based on self-declaration of importer and through the RMS system. In case of any deficiencies, importer undertaking should be accepted, and cargo be released. This would ease supply chain process by ensuring speedy clearance of cargo.
- No Coercive action by Customs department In certain cases, even though Export 5. obligations [EO] has already been fulfilled by importers with regards to EPCG licenses or Advance Authorizations and intimation to this effect already submitted before DGFT Authorities, the custom authorities initiate recovery proceedings with regards to duty saved i.e. by way of encashment of Bank Guarantee. Presently Custom Authorities are initiating recovery proceedings since Export Obligation Discharge Certificate (EODC) [to be issued by DGFT] is not available with the importer, even though importer has intimated DGFT that EO is fulfilled or have relevant documents to substantiate EO fulfilment and is already in the process of obtaining EODC or applying for EODC from DGFT. Considering COVID-19 restrictions and the fact that only procedural part of obtaining/issuance of Export Obligation Discharge Certificate (EODC) by DGFT is pending, no coercive action [i.e. encashment of Bank Guarantee] should be taken by Custom Department. Relevant instructions to be issued to customs field formations to not initiate recovery proceedings in these kinds of cases. This relaxation should be given for next six months, i.e. until September 30, 2020.
- 6. Due to lockdown, the import container clearance time has gone up and has resulted in increase in shipping line demurrage and CFS charges, these charges need to be waived. Also, for export containers where the BLs are not released in time, the applicable late BL fees should be waived till the clearance time comes back to normal. Also, as the courier offices may or may not work during this crisis, sending the original shipping documents by courier could be difficult. So, customs, shipping line and CFS should give some relaxations during this time to the exporter and importer by way of relaxing the requirements for originals or waive the demurrage charges resulting from delayed document receipts.
- 7. Due to lock down, movement of goods, for export, to the ports are held up. Hence, there is a need to identify few ports and airports where exports will be handled with priority. Exporting units to take appropriate action to move Goods. Since inter- district and interstate movements are controlled, exporting unit Self certification / export documents should be considered as valid for these inter District / state movements.
- 8. For many export contracts, contractor has to import raw materials /components from overseas to complete the manufacturing for exports. Since lock down, banks are not establishing LCs, as only essential, Cheque clearing, cash withdrawal and Government transactions are also specified. Need to advice Banks to identify/ select branches in enough and give priority to establish LCs for import of goods required for manufacturing export contracts. Banks should give priority for all export documents processing on emergency basis and considering sanctioning and releasing to companies executing export contracts, at least 20% of contract value as special cash credit funding, to tide



- over cash flow issue. In case if the exporting company is under stress/ NPA, this 20% special funding shall be put under special monitoring and released.
- 9. For exporters, packing credit be increased by at least 25% and the threshold for returning export packing credit should be increased from 180 days to 360 days.
- 10. Export consignment manufactured and ready for shipment should be allowed to be transported from the Manufacturer's Factory or Warehouse to the Customs facility as an exemption to the lockdown restrictions on movement of goods. Such consignments should clearly show on the accompanying Invoice and e-way Bill that the goods are an Export shipment meant for a foreign buyer. In addition, on the day of despatch the Factory / Warehouse which is the point of shipment may be permitted to have present reasonable manpower as is required to load the shipment on to the vehicle for a period not exceeding 8 hours in total for one or more consignments. If despatch is from a factory the Manager of the Facility shall ensure that no Manufacturing or other production operation shall take place other than packing, labelling, and loading under these relaxations.
- 11. RCNC given by all EPCs to exporters and importers would be expiring on 31st March. Without this, one cannot export as it is mandatory to mention latest RCNC for all EXIM transactions, as a part of the trade policy. This should be extended at least by a month and for that notification to come from DGFT.
- 12. All Export benefits as per current Foreign Trade Policy should be continued until 30th June 2020 or announcement of new Foreign Trade Policy.



## **B. State-wise Recommendations**

#### 1. Andhra Pradesh

#### General Recommendations to State Government

- 1. Amidst the global slowdown it is recommended that the State Government disburse the pending incentives to Industry particularly to MSME on priority basis. The sector needs special attention in view of its significant contribution to growth and jobs. The release of incentives by state Government would help the MSME's to have working capital.
- 2. A preferential procurement policy for MSMEs at the state level would go a long way in addressing the problems of MSMEs. Public Procurement Policy for MSEs Order, 2012 mandates every Central Ministry /Department / PSUs to set an annual target for 20% procurement from MSE Sector. This needs to be implemented on top priority basis in the state. It would create a local demand and improve economy.
- 3. Public Sector units must process the pending payments to industry particularly to MSME's in time bound Manner and may also look at paying advances for the future orders. This would ease the working capital pressure of MSMEs.
- 4. Industry would urge the Government to issue a moratorium on loans by a year in view of slow down and adverse impact of Covid-19 which would help Industry, especially smallscale industries to revive from the situation. Also request the State Government to impress on the Union Finance Ministry to give a onetime interest subvention for all the MSME's in the state.



#### 2. Goa

#### **Sectoral Recommendations**

Sector: IT/ESDM/Manufacturing (Electronics Scientific Instruments, Test and Measurement Instruments)

#### **Recommendations for State Government**

## 1. Recommendation: Reduce SGST to 0.05% for all Made in India products in above mentioned criteria.

Implication: It will help reduce cost of production and institutes will also get products at less price.

2. Recommendation: To identify most widely used electronics product imported and help to create specifications and performance at par substitute of the same. Keep GST for such @0.5% instead of 9% (SGST).

**Implication:** Will boost local manufacturing for sale of products within state.

#### **Recommendations for Central Government**

1. **Recommendation:** Reduce CGST to 0.05% for all Made in India products in above mentioned criteria.

**Implication**: It will help reduce cost of production and institutes will also get products at less price.

2. Recommendations: To identify most widely used electronics product imported and help to create specifications and performance at par substitute of the same. Keep GST for such @0.5% instead of 9% (CGST).

**Implication**: Will boost local manufacturing for sale of products within country.

**3. Recommendations:** Reduce cost of lending of CC/OD or loans by 95%.

**Implication:** Grabbing the opportunity with slack of imported finished products, reduced lending price will help manufacturers to manufacture and compete with price of existing imported same/ similar product.

Most important requirement is to maintain specifications and Performance at Par with the international product.



#### 3. Gujarat

#### **General Recommendations to State Government**

1. **Recommendations:** As economy is down, margins are down, government should waive off GST for 6 months, one can collect but to pay in next financial year. (Already done globally by various governments across affected countries) Also electric duty to be reduced.

**Implications:** This will help SMEs can manage liquidity as for now, as their business are almost down and if same situation continues, it will worsen SMEs risk taking ability in future. Further government must create more awareness and allow relaxation on Statutory compliances like PF etc.

**2. Recommendations:** State Government should suggest preventive measures for Industry particularly SMEs to continue its manufacturing operations, if such situation of corona spread continues.

**Implications:** SMEs cannot ask their workers to stay away from producing goods and remain confined to home, as it will result in production loss and business will come to standstill. Also SMEs can take burden for a while max one or two month, however, it is not a solution for SMEs to cut down on employment.

#### 3. Recommendations:

- More funding for MSMEs be considered by increasing assets of Mudra Bank and other MSME-focused banks.
- Relaxation should be given in repayment schedule, increase in time limits
- Protect MSMEs from stern action against non-payment of dues/ installment and handhold them to navigate through current crisis on till they return on path of recovery.
- Due to weak performance of the unit, their default on filing taxes should not be made punishable and reasonable time should be given to discharge their obligation.

**Implications:** Will help SMEs manage liquidity and working capital. Will prevent MSMEs' promoters from going into a distress situation.

- 4. Recommendations: MSME Samadhan Case meeting should be on fast track.
  - **Implication:** Due to Covid-19, economy has been drastically going down, due to which funds have been blocked and Enterprises are facing Financial crisis.
- **5. Recommendations:** Allow deferred tax payment for SMEs.

Implication: Allowing deferred tax payment upto 3 months, will help SMEs in managing their cash flow and working capital.



#### 6. Recommendations:

- Increase loans for SMEs, allow renewal of loans without repayment for enterprises, extending repayment period of loans, reducing interest rates i.e. BPLR, extending maturity periods of loan for industries that are heavily hit by the epidemic.
- Provide training to labourers on maintaining hygiene and giving information on prevention of coronavirus. Providing medical insurance to labourers.
- For workers receiving medical treatment or being quarantined due to Covid-19, govt should provide 50% of wages to enterprises.
- GST return filing date should be extended.

#### Sectoral Recommendations for State/ Central Government

#### Sector: Solar Power

#### Recommendations for State Government

1. Recommendations: Extend the date of solar plant commissioning by minimum 2 months, due to unavailability of components and equipment like Solar Panels and Inverters and mass scale disruption.

**Implication:** Will give relief to SME sector from harassment of meeting deadline of last date

**2. Recommendations:** Make Solar Project deadline 180 days from current limit of 120 days.

**Implication:** Will give some relief to SME for meeting Deadline in current market conditions.

3. Recommendations: Solar Rooftop Policy 2015 is ending on March 2020 that should be extended till August 2020 considering present conditions.

**Implication:** It will be helpful in managing the uncertainty in market in present conditions.



# Sector: Micro, Small and Medium Enterprises Recommendations for Central Government 1. Recommendations: GST returns filing

 Recommendations: GST returns filing due date shall be extend and even interest on delayed filing of return shall be waived off in such pandemic situations.

Implication: Due to Covid-19, Enterprises have is already facing challenges of economic slowdown as well banking hours and banking staff have been restricted. Even in Enterprises men-power is also not available due precautionary measures.

#### Sector: Tourism, Travel & Hospitality

#### **Recommendations for Central Government**

#### 1. Recommendations:

- 200% weighted exemption of expenses to corporates on all domestic conferences.
- A six to nine months' moratorium on all principle and interest payments on loans and overdrafts.
- Deferment of GST & Advance Tax payments at the Central Government level and removal of fees for any upcoming licenses/permits renewal/ Excise exemption for liquor for the hospitality and travel industry across the states.
- A complete GST Tax Holiday for the Tourism, Travel & Hospitality Industry for the next twelve months till the time the recovery happens



•	Restoration of the SEIS scrips
	for duty credit of 10% to
	Tourism, Travel & Hospitality
	industry.
•	Relaxation in the MDA terms.

**Implication:** The above measures will help in handling the crisis and also aid revival of the tourism industry by tiding over cash crunch.



## 4. Haryana

Sectoral Recommendations for State / Ce	entral Government
Sector: Automobiles	
	Recommendations for Central Government
	Cut in GST rate on automobile sector from 28% to 18% to revive the sector post Covid 19
	2. Deferral of TDS payment for the month of March 2020.
	3. For demand creation, scrappage policy to be implemented at the earliest (it was mentioned in this year budget that work on scrappage policy is underway).
	The moves will ease the inflow of raw material/ parts from alternative sources



#### 5. Himachal Pradesh

#### **General Recommendations for the Central Government**

- 1. Deferment of all term liability with banks without charging penal interest for minimum six months
- 2. NPA norms in genuine cases may be extended to 180 days from present 90 days.
- 3. Routine defaults / delay in retiring letter of credit etc. be allowed with an extension of 3-4 weeks.
- 4. Ad hoc limits to an extent of 25 % of sanctioned limits may be allowed by banks on urgent basis if required.
- 5. Large companies and Central PSUs must be instructed to make payments to their MSME vendors at the earliest to overcome liquidity issue.
- 6. GST council must defer deposit of GST by at least one month.
- 7. Non fund based limits should be converted to fund based limits on need based.
- 8. Corporate loans on need based be given which has now been almost stopped by banks.
- 9. Any relief during this period should not be treated as default or restructuring Margins on stocks and debtors be reduced on temporary basis so that drawing power do not fall short.
- 10. At present export bills are crystallised if payment is not received in 30 days. This limit should be enhanced to 90 days.



#### 6. Jharkhand

#### **General Recommendations for State Government**

- 1. Jharkhand is one of the pioneer states in manufacturing in the Eastern Region and is a hub to automobile, auto components, Iron & Steel (both large and small) and other manufacturing units. It also has one of the largest MSME bases in the Eastern Region. The issue of financial stress & emergency funding during the testing times needs to be addressed by State Government, Central Government & Financial Institutions in case a full closure is mandated. Addressing this issue will keep the manufacturing supply chain rolling and motivate the existing workforce deployed in the sector
- 2. Due to COVID-19 threat, reduced workforce is a primary issue. More emphasis on using digital platforms can help in addressing the same. Alternative solutions to be devised where virtual presence of the workforce can keep the production rolling. This will ensure reduced loss of production.

#### **Sectoral Recommendations**

#### **Sector: Manufacturing**

#### **Recommendations for State Government**

- 1. Financial Assistance from State Government to procure raw materials, pay wages and ultimately keep the production running smoothly.
- 2. Usage of digital technologies.
- Release of delayed payment of MSMEs

#### **Recommendations for Central Government**

1. Central Govt should also consider the issue of rising raw material prices which ultimately is affecting the supply chain and should devise financial support mechanism to support.



#### 7. Karnataka

#### **General Recommendations to State Government**

- 1. Interest rates can be reduced to a minimal percentage. Subsidy to be given to MSME
- 2. Industry's raw material requirement is generally more in the Q4. But at the same time the payments delays have not improved from customers. In this situation GST payment will be a big burden to industry. Government can allow industry to delay payment of GST amount to Govt. for two quarters it would help for cash flows.

#### Sectoral Recommendations for State / Central Government

#### Ease of Doing business

#### **Recommendations for State Government**

- 1. Deferment of Excise Fee, Licence Fee and Property tax. The is recommended for current crisis management.
- Focus on distributing / dividing medical staff / health care administration & equipment. Being proactive to manage if there are any drastic increase in the number of COVID-19

#### **Recommendations for Central Government**

- 1. GOI has announced restructuring of loans by allowing borrowers to delay payment of term loan instalments. But the speed at which Banks are sanctioning this is very slow. Deferment of interest and principal payment by 12 months with respective banks irrespective of geography of the Hotel. GOI should facilitate the sanctions faster from Banks.
- 2. Deferment of accumulated GST with effect from 1st Feb 2020 till 31st Jan 2021. Most of the hotel will resort to slashing of wages and salaries which will affect the cashflows of individuals. Hence, deferment will allow manageable cashflow in the hands of the employee.



#### 8. Kerala

#### **Sectoral Recommendations**

#### **Sector: Manufacturing**

#### **Recommendations for State Government**

- 1. The rent of the building / shed of Panchayath's, Municipalities' & Corporations' to be made free for one year or to put moratorium for the rent.
- 2. Concession to be given for industries in electricity, water charges
- 3. Moratorium on Working Capital loans, Over Draft, Industrial Loans, Vehicle Loans, and Personal Loans for one year without interest.
- 4. Delays in payment of PSUs to Industries to be addressed.
- Government may grant extension for SMEs on the last date for payment of GST for the next three months with no interest.

#### Sector: IT

#### **Recommendations for State Government**

- 1. Ensuring there is no break in power outages. The IT industry is forced to adopt Work from home new to many. The facility that many have at home is inadequate but that is something organisations are themselves addressing. However, if there is a power failures in homes, that will be very detrimental.
- 2. Ensuring Connectivity. There is likelihood of huge surge in demand for bandwidth, and that is something which is of paramount use. Currently there is no issue, but consultation with the service providers and making sure that there is no service disruption will be helpful.



#### Sector: Entertainment (Multiplexes and Cinemas)

#### **Recommendations for State Government**

- 1. Defer loans repayment and waive interest.
- 2. Reduce tax burden and ensure affordability of tickets
- 3. Enable freedom in fixing price of food and ticket charged in cinemas. Cinemas recover investment only through sale of food and provide a service, do not regulate price of water in cinemas.

#### **Recommendations for Central Government**

- 1. Defer GST payment date. More working capital to survive downturn.
- 2. Ensure public feels safe after crisis abates through shopping festivals, lotteries, events etc. People will feel confident to venture out, travel and generally increase consumption.

#### **Sector: Tourism**

#### **Recommendations for State Government**

- 1. Defer the Bar license renewal fee of 30 lakhs to be paid before 31st March 2020 as most hotels and resorts have stopped taking any bookings thereby rooms are vacant. To be charged on Pro rata basis as soon as operations resume.
- 2. As per government, policy / gazette order (M.O) no 537/2000 GAD dated 26/09/2000 subsidy in electricity for classified hotels and resorts need to be disbursed by the tourism department as it is pending for most of the establishment. This is to tide in the shortfall faced by the industry in terms of revenues.
- 3. Building Tax to be paid in the respective panchayat need to be waivered.
- 4. Government can take off the per day fine for late submission of GST/PF/ESI etc.
- 5. Extending an emergency credit from banks to customers to tide over the present crisis.



- 6. State government extend the licence period by 3 months till 30th June, to be reviewed after that.
- 7. Property taxes due first half-financial year 2020 -21 to be deferred by 6 months. Payable to Local Bodies.
- 8. Emergency measure a subsidy equivalent to subsistence amount paid to every employee sent away on leave without pay. Such a relief measure so that the hospitality and wellness sector workforce can subsist.

#### **Sector: Tourism**

#### **Recommendations for State Government**

1. Moratorium on repayment of loans and interests from Entrepreneurs in Tourism Sector. Tourism is the major revenue generating sector in Kerala and with the existing travel bans and floods that had hit Kerala in the last 2 years the sector is into huge crisis.

#### **Recommendations for Central Government**

- 1. Declare moratorium for repayment of principal and interest. Failing which they will all be NPA and will even have to seek bankruptcy protection.
- 2. GST Return to be filed for Feb. To be deferred by 60 days. Also GST to be paid deferred by 90 days.

#### Sector: MSME

#### Recommendations for State Government

- 1. Review of the state and central Government dues to SMEs and formulate a phased repayment schedule in order to support the decline in business
- 2. Removal of fees for any upcoming license, permit renewal etc.
- 3. Electricity charges for commercial establishments rates could be relaxed for the upcoming months
- 4. A one year moratorium minimum on long term and medium term loans taken by all the Small Scale Units from the Commercial banks and KFC, KSIDC, SIDBI and similar financial institutions.

#### **Recommendations for Central Government**

- 1. State and Central Governments should order the GST council to extent the GST return filing of March 2020 onwards for the next three months initially and afterwards handle it according to the then prevailing situations.
- Monthly interest payment on overdrafts and cash credit facilities should be rescheduled by giving a 6 months gap from the month of March 2020.



- 5. Business loans taken by small-scale units from Non-banking Financing Companies also should granted at least 6 months breathing time and rescheduling the EMIs.
- 6. Any temporary sort of financial support to other state workers is the most urgent requirement now as if they move out of the state now, our MSMEs will face a disastrous situation in the coming years.
- 7. Medical insurance policies /coverage by the government to all the healthcare professionals who have worked in the face of the Corona virus operations
- 8. Payment from State Government/PSU or related entities. Inordinate delays have made cash flows very difficult for business. Make immediate payment or make alternate arrangement for effecting payment to supplier and service providers.
- 9. Encourage Start Ups to hand hold smaller business establishments through E commerce.
- 10. Moratorium on Working capital loans for SMEs and small business loans for 1-year up to Rs. 200 lacs of 50% of their current facility.

- 3. All banks should request to provide with a 20% adhoc credit facilities to those who are in need of such helping hand to tide over the present difficult period. With these adhoc facilities, the units can lay off their, workers and staff by providing half wages and salaries till the situation changes favourably.
- 4. Payments of pending VAT related export refunds. Hundreds of small scale exporters are denied of lakhs of rupees as VAT refunds. Immediate release of these funds claimed since 2012-13 onwards would provide a temporary relief to such units.
- 5. Outstanding dues to Customs and Central Excise department. Interest free moratorium for a certain period for any dues to customs and central excise departments.
- 6. Postponement of payments under the head of stamp duty and registration fee on deposit of title deeds for availing bank loans.
- 7. Financial constraints will force the sector to either exit business or become NPA. There will be a huge loss of employment as well. Get financial institutions to provide a moratorium for interest and principal payment for at least 3 months. Get a 3-month moratorium or deferred payment for GST for these units without any penalty. Get FI's to provide minimum 20% additional working capital limits for a minimum period of 1 year to enable SME to tide over the financial constraints.



8. Removal of surcharge and CESS on Income taxes and any balance taxes due for FY 2019-20 and deferment of corporate taxes for FY 2020-21 for one year.

#### Sector: Financial Sector

#### Recommendations for State Government

- 1. Requests government to stop the practise of sending VAT related notices asking for records and details which amount to hardship for the enterprise. The Kerala Sales Tax department generates notices based on the mismatch through software. Most of the cases it is a snag in the software which results in mismatch. The enterprise needs to spend too much of man hours to prepare the statements and necessary papers. Stopping this will give lot of relief to the enterprise which is going through financial hardships.
- 2. All pending payments from the government should be released without any further delay. This will help the working capital of the enterprise and cost of operation.

#### Sector: Retail

#### **Recommendations for Central Government**

- 1. GST payment to be allowed up to 70 percent and remaining a time period of 15 days to 3 months. This will help in cash flow.
- 2. GST for the automobile sector should reduce from 18% slab



#### Sector: Ayurveda

#### **Recommendations for State Government**

1. SOP to be created for Ayurveda services and products. In the context of COVID 19, certain local panchayats and districts are issuing a stop memo to Ayurveda Treatment centers in Kerala. This will have affect the health of patient and give a wrong indication to the patients undergoing Ayurveda treatment.

#### **Recommendations for Central Government**

To use Isopropyl alcohol instead of Ethyl alcohol for manufacturing Ayurvedic sanitisers which will also boost the supply of sanitisers and the Industry. The Government especially the Ayush Department needs to issue a notification which permits Isopropyl alcohol to be used in manufacturing Ayurvedic / Herbal hand sanitisers.

#### Sector: Infrastructure

#### Recommendations for State Government

- 1. The Government should extend the GST payment date. The Government is currently issuing recovery notices and stop memos to the Construction industry. This will very badly affect the industry. Government should put on hold such notices for a period of 3 months so as to avoid NPA.
- 2. Reduce the Minimum wages. The Minimum wages in Kerala declared by the Labour department is higher than the national average. Construction industry is a labour-intensive sector and hence adhering to the Minimum wages make the industry difficult to survive during the crisis. Government has to rethink about lowering the Minimum wages.



#### **Sector: Education**

#### Recommendations for State Government

- 1. More opportunities to do Internships for students in Government / Semi Government / Pubic undertakings as Corporate bodies may be less welcoming to accommodate students because of less business prospects due to Covid 19 outbreak. Students will get quality internships & experience through this initiative & may act as a blessing for many Government bodies to tackle the pending workload.
- 2. Relieving faculty members from nonacademic activities like census, election duties for a selected time to concentrate more on academics as the Covid 19 situation betters. Faculties could spend quality time on academics & mentoring students to compensate the loss of days affected by the outbreak.

#### **Recommendations for Central Government**

1. As the classes are suspended, need to give more Online assignments to the students to complete the course work on time. Provisions must sanction to provide more of Data connectivity (Internet) for Institutes & faculties on subsidized or free basis. Faculties will be encouraged to provide more of online materials to students when they are home bound.



#### 9. Madhya Pradesh

#### **General Recommendations to State Government**

1. **Recommendations:** Electricity Board Should Waive Minimum Charges and electricity duty for Six Months and should give one-time rebate on energy charges by 20%.

**Implication:** In recession time of recession, removal of burden of Minimum charge and other measures will help Industry to survive during this crisis.

#### Sectoral Recommendations for State / Central Government

#### **Recommendations for State Government**

1. Recommendations: Due to COVID 19, supply of imported raw material is hampered, resulting in delay in supply, hence the govt should reschedule the delivery of govt supplies and allow waiver of any late delivery charges.

**Implication:** This will lead to less Contractual and DP failure on Govt supplies, which is beneficial for Govt as well as Industry

#### **Recommendations for Central Government**

1. Recommendations: Due to COVID 19, supply of imported raw material is hampered, resulting in delay in supply, hence the govt should reschedule the delivery of govt supplies and allow waiver of any late delivery charges.

**Implication:** This will lead to less Contractual and DP failure on Govt supplies, which is beneficial for Govt as well as Industry

2. Recommendations: RBI should intervene and should ease norms with regard to Repayment of loans, reduction in Interest rate and deferment of due date for Instalment.

Implication: This will result in lower NPA and better financial stability of the Industry.

**3. Recommendations:** Deferring returns/ payment of GST for the month of Feb and March.

**Implication:** Considering many workplaces are not able to function or work from home, this would provide relief to industry



#### 10. Maharashtra

#### **General Recommendations for State Government**

- 1. Release all due and non-due payments to SMEs from state government and state PSUs. During this downturn, cash flow support will help SMEs to pay to their workers and buy raw materials
- 2. Reduce/ exempt electricity duty for MSMEs Like mega projects of large companies get benefits, similar benefits need to be given to SMEs. In any case, electricity cost in Maharashtra is very high. This will help SMEs generate savings and reduce financial burden
- 3. Property tax should be allowed to be paid after 6 months without penalty or interest. This will help reduce the strain on the company's cash flows
- 4. The government should announce special incentives by way of tax rebate equivalent to the wages of contract/ temporary workmen for a period of say two months. The rebate can be given by way of income tax rebate equal to wages disbursed or the government can also transfer the amount directly to the beneficiaries of the scheme. This will protect the workmen from loss of wages due to slowdown in business.
- 5. VAT Department must be lenient especially while penalising MSMEs due to inability to produce C forms. Despite producing H forms they keep asking for many other proofs like bill of lading, customer's original purchase order etc. This will enhance ease of doing business for MSMEs and also reduce financial burden.
- 6. VAT refund should be paid without any delay with 12% interest. This will help enhance cash flows
- 7. Defer tax collections for 3 months. Cash flow to improve for the industry
- 8. Reduce per unit Electricity Cost / waive electricity duty for 6 months as demand for electricity would be low. This will lower cost of production and make goods competitive
- 9. Provide discount on Property tax. This will reduce the burden on Industry to compensate financial losses incurred due to COVID-19
- 10. Extend Soft Loan @ 4% interest (either from the Govt or from a Nationalised Bank) for a period of 3 years upto the extent of 10% of the goods sold from the factories in the state during the fiscal 2019-2020.
  - Since there will be an impact on the overall economic activity due to the Coronavirus spread, the organisations shall be able to deal with the liabilities to pay the vendors, MSMEs and service providers. Also will be able to contain unemployment, which may have a severe negative impact on the semi-skilled and unskilled workforce.



- 11. Expedite the investments and allocation of funds for the infrastructure projects at the state level. This will help drive the economic activity to generate employment and consumption for some of the core sectors like Steel, Power, Cement etc.
- 12. GST and Direct Taxes payments can be delayed by 45 days from Due Date in view of COVID crisis. This will help avoid strain on companies since there manpower is working from home and also it will prevent pressure on cash flows.

#### Sectoral Recommendations for State / Central Government

#### **Sector: Textiles**

#### **Recommendations for Central Government**

- 1. Moratorium on repayment of loans and or Interest on loans to commercial Banks for next 6 months
- Working capital interest to be charged at not more than 7% for the period from 31st March 2020 to 31 December 2020
- 3. A 60 days extension for payment of all taxes including Income tax, GST etc due in the months of March, April and May
- 4. Provide relief so that the credit rating of the Brands and Retailers is not adversely affected due to delays in repayments
- 5. Provide relief so that the credit rating of the Brands and Retailers is not adversely affected due to delays in repayments
- 6. Provide a wage subsidy to MSMEs, especially in the manufacturing sector, to the extent of 50% for all registered workers for the period of 9 months

These measures will reduce financial stress on textile industry and help companies stay afloat in difficult times.



#### **Sector: Capital Goods**

#### **Recommendations for State Government**

- Defer payment deadlines till March for state-related liabilities taxes
   As business will be impacted in March for manpower issues, this will provide relief against timelines
- 2. Release govt payables to business enterprises in timely manner in current circumstances.

It will ease cash flows for businesses

#### **Recommendations for Central Government**

- 1. Extend Financial Statements Reporting timelines for listed entities
  - This will reduce compliance pressure on companies since there will be manpower related issues in March
- Provide deferred timelines for payment of March liabilities IT -TDS/GST etc to manage Cash flow & manpower constraints
- Extend Interest rate subvention (concessional interest) on packing credit for exports beyond 31/3/2020
   Scheme ending on 31/3/2020 and extension required to compete in difficult scenario post Mar-20 as well
- 4. MEIS/ Dback incentives accumulated at DGFT for funds constrained to be released immediately. This will ease Cash flow to business

#### Sector: Automobiles

#### **Recommendations for Central Government**

- 1. Exemption from quarantining in cases where the shipment is at sea for over 10 days.
- 2. Tax Relief on Goods imported from alternate countries as a substitute for Chinese goods.
- 3. Reduction in Basic Custom Duty by 5% for 3 months for auto components originating from China–this will help to partially cover the impact of air-lifting (has additional 4-8% cost), and cost for alternate source development.
- 4. Acceptance of Self-Certification by OEM instead of testing & approval by Govt. agencies for meeting regulatory requirements.



- 5. Prioritized attention to new approvals for alternate materials/parts identified for testing for compliance and validation purposes, as per Central Motor Vehicle Rules at existing testing facilities in India
- 6. Enhance & ease fund availability to local suppliers to accelerate capacity expansion that will help in implementing identified localisation actions faster.
- 7. Establishment of dedicated corridor for Auto parts suppliers for material movement & customs clearance—for provinces cleared for functioning of Coronavirus.
- 8. Facilitate alternate suppliers in nonaffected areas to produce components currently stalled in affected areas.
- Financial assistance to auto component industry in China for accelerated start.
- Increase availability of higher number of vessels plying from China in terms of Slot preference, Goods clearance and transit readiness

The above measures will ease the inflow of raw material/ parts from alternative sources.

#### Sector: Travel & Tourism

#### **Recommendations for Central Government**

- 1. A 6 to 9 months moratorium on all working capital principle, interest payments on loans and overdrafts.
- 2. Deferment of GST & Advance Tax payments and removal of fees for any upcoming licenses/permits renewal/ Excise exemption for liquor for the hospitality and travel industry across the states.



- 3. W.r.t MICE cancelled events, wherever GST has been deposited, it is suggested that GST should be refunded as an immediate relief
- 4. Notified services under SEIS scheme to be provided at an enhanced rate of 10% based on the companies' last year's submissions of Net Foreign Exchange earnings.
- 5. Under EPCG scheme, an extension should be granted in export obligation fulfilment period by an additional three years beyond 6 years for all the licenses expiring during current and next 2 financial years, without attracting any penalty or interest.
- 6. Advisory should be given to airlines to not levy cancellation fees and issue full refunds or issue credit notes.
- 7. Short term interest-free or low interest loans for rebuilding business and immediate transmission to the industry on term loans and working capital loans need to be provided as an immediate relief.
- 8. Financial support under MGNREGA or similar scheme should be extended to travel industry

The above measures will provide much needed relief to the travel and tourism industry which is among the worst hit sectors as on today.



#### **Sector: Aviation**

#### **Recommendations for State Government**

1. VAT on ATF by State Government ranges from 0% to 30% in India with rates varying from location to location within the same State. Govt must consider immediate rationalization of VAT across states upto 4% as against varied VAT rates prevailing in each state and/or each location within the states.

This will help the industry sustain the present crisis

#### **Recommendations for Central Government**

- 1. On a long term, structural basis, ATF needs to be brought under the ambit of GST.
- 2. A 100% waiver on existing Air Navigation Service (ANS) charges for the duration of COVID-19 (min 6 months)
- 3. Rebates on Landing Parking & Housing Charges for the period of 6 months
- 4. Government to intervene and get all airports to reconsider the bank guarantees and security deposits placed by airlines at all airports across India. This would provide immediate liquidity in the current situation wherein financial strain is being faced by operators
- 5. Oil Marketing Companies should extend unsecured interest-free credit terms. The costs incurred by airlines is substantially impacted by fuel costs.

This will help the airlines stay afloat in the current scenario



#### **General Recommendations for Central Government**

- 1. GST to be reduced for next 4 months. This will help in saving cash
- 2. GST payment to be allowed to be paid by 3 months delay for next 6 months. This will help in managing cash flows needed to run the business
- 3. The supply chain especially exports will be disrupted. This will cause additional cost by way of air freight, production loss, Late delivery charges etc. In view of this Export Incentive available like MEIS etc can be enhanced. This will help minimise the impact of the steep rise in costs on account of mentioned disruptions.
- 4. PSUs must be given ultimatum to make payment to the MSME supplier with interest on or before March 31 2020 if the supplies match tender specifications and if the payment is due. This will help improve cash flows of MSMEs in the current scenario of a financial crunch.
- 5. The deadline for excise audits should be extended by atleast 6 months. This will help in the current situation when there is a manpower issue
- 6. Extension of year end (financial) by 10-15 days, as many organisation are closed or operating partially. This will help provide more time to companies for compliance purposes
- 7. Extend payment of income tax, advance tax, other statutory payments like ESIC, PF etc. by 6 months.
- 8. Year 13/14 and 15/16 VAT CST assessments should be deferred by 45 days.
- 9. The VAT/CST assessments for 13/14 and 15/16 needs to be completed by March'20 else they will be time barred. In absence of details and formal interactions with tax officials as most private company offices are closed and Government department entry is restricted, there are chances of getting adverse orders. This will help the industry to represent their case adequately.
- 10. Provide a date extension for filing of GST 3B returns and tax payout for the month of Feb 20. State Government must take up this issue with the centre. Assessee may face difficulties in filing GST 3B returns and pay out for the month of Feb 20. This will provide much needed relief to the industry.
- 11. Do away requirement of SAFTA certificate / Certificate of Origin which needs to accompany Export Goods. With no travel getting the documents for Export will be difficult. This will help meet export targets.



#### 11. Odisha

#### **General Recommendations for State Government**

Odisha is one of the important states in the Eastern Region housing industries like Iron & Steel, Oil & Gas, Chemical etc. During this period of uncertainty, the key issue would be to be keep the work force (catering to these industries) safe, negligible impact on the production figures and well devised future-plan. Therefore, it is important to extend financial support by State & Central Government. This will ensure minimal loss of production.

#### Sectoral Recommendations for State / Central Government

#### **Sector: Manufacturing**

#### **Recommendations for State Government**

1. Publish advertisements in both print and electronic media and ensure maximum outreach so that more people can take precautionary measures.



#### 12. Punjab

#### General Recommendations for the State Government

- 1. Grant temporary waiver from Electricity Duty & Bill, Excise License fees and all other State Taxes Applicable on Hotels & Restaurants Till COVID -19 situations is controlled. This will lead to reduction in operational cost
- 2. PSIEC must immediately decrease the land rates at least by 30-35% to invite new investments. The move will help in attracting the new investments in the State
- 3. The delayed payments to SMEs from State government and PSUs to be immediately released Implication: Enhance the Cash flow that would help SMEs to sustain
- 4. A six to twelve months' moratorium be allowed on all working capital, Principal Amount, Interest Payments on loans and overdrafts. This will help bring in liquidity and allowing the businesses to sustain themselves without being categorized as NPAs
- 5. Deferment of GST & Advance Tax payments till the situation improves. With regard to MICE cancelled events, wherever GST has been deposited, it is requested that GST is refunded as an immediate relief. This will help the Industry have more Working Capital in hand



# 13. Rajasthan

# General Recommendations for the State Government

- 1. RIICO must immediately decrease the land rates to invite new investments
- 2. Land purchased in instalment Instalment of loans for purchase of land to be deferred for a Quarter if loan availed from RIICO.
- 3. ESIC facilities should be appropriately strengthened, as this is mainly where blue collared workers will go to receive treatment.
- 4. Completion date of the state sponsored projects need to be reconsidered and extended without liquidated damages, till such time the fear of COVID-19 is over.
- 5. Waiver of Earnest Money Deposit (EMD) for MSMEs in Rajasthan Government tenders till the market situation improves.
- 6. Bank Guarantee should be avoided for new contracts happening in next 6-9 months
- 7. Exemptions from deposits with Vidyut Vitran Nigams for new connection and existing load extensions.

#### **General Recommendations for the Central Government**

- 1. ATF needs to be brought under the ambit of GST. In order to ensure that this change is beneficial for the industry. Inclusion under GST should enable full input tax credit on all goods & services.
- 2. A 100% waiver on existing ANS (Air Navigation Service) charges for the duration of COVID-19 (min 6 months).
- 3. 100% waiver of parking and housing charges for a 6-month period in order to manage the forced grounding of aircraft, due to cancellations.
- 4. Substantial rebates in landing charges for a 6-month period for airlines to get interim relief.
- 5. AAI to rework their contractual obligations with private airport operators for a temporary period of six months.
- 6. The Financial Year closing should be extended by One Month instead of 31 March, it should be 30 April. Any due date on 31 March 2020 should invariably be extended by one month.
- 7. 2-3 month delay /deferment for tax collection should be without any prosecution.
- 8. Banks should be mandated to grant 6- 12 months moratorium on loan EMI for consumers and businesses. This is not "free" because the interest will be added to the principal of the borrower. However, the borrower should still be given the option to pay the EMI and avoid interest burden.



- 9. No new loans should be given to companies who are under moratorium in order to avoid excess borrowing.
- 10. NPA norms should be relaxed; especially the period of default should be doubled for those not choosing the moratorium route.
- 11. 1- 2 % concession in interest rate should be given to borrowers not taking moratorium.
- 12. Notified services be incentivised under SEIS at an enhanced rate of 10% based on the companies last year submissions of net foreign exchange earnings.
- 13. Double the overdraft facility for the industry and immediate cash relief to be given to avoid mass lay-offs of employees.
- 14. Refund of additional import duties / levies or freight cost paid on account of procurement of raw materials from other vendors (on account of outburst of COVID-19 in China, which is one of the key raw material supplying nation)
- 15. Decrease in the benchmark rates by the RBI in line with steps undertaken by other countries.
- 16. Allowing custom duty deposition once a month for all imports.
- 17. All statutory compliance dates to be extended post 30 days of complete normalcy declared by Central Government. No notice of default on any compliance lapses due to Covid 19 issues.



# 14. Telangana

# **General Recommendation for State Government**

- 1. Reduction in Power tariff for manufacturing & MSME sector. This will help in reduction in production & operational cost.
- 2. Provide additional time for Loan repayment for MSMEs. This will support MSMES to minimise financial burden.

# Sectoral Recommendations for State / Central Government

#### Sector: MSME

#### Recommendations for State Government

- Provide additional time for Loan repayment for MSMEs. This will Support MSMEs to minimise financial burden
- Reduction in Power tariff for manufacturing & MSME sector. This will help in reduction in production & operational cost

#### **Recommendations for Central Government**

- 1. Working Capital Loans to be converted to Term Loans, Reduction in Loan interest rates. This will Support industry to minimise financial burden
- 2. Relaxation on GST Filings and Advance Tax Filings. This will support industry to minimise financial burden



# 15. West Bengal

#### **General Recommendations for State Government**

- 1. Lowering of Interest rates for MSME's and also to release all dues and nondue payments of MSMEs. This will help SMEs to generate savings and reduce financial burden During this downturn, cash flow support will help SMEs to pay their workers and buy raw materials.
- 2. Extension of partial support against this 50% wage payment during this unwelcome circumstance. This will protect the workmen from loss of wages due to slowdown in business.
- 3. Support from banks to ease the financial stress on companies in case a full closure is mandated. This would ensure smooth running of business and cash flow.
- 4. Organize digital awareness session for corporates along with interactive session with District Administration to combat COVID -19. During this period of extremity, the awareness sessions will help corporates to roll out plans to combat Covid-19, ensure employee safety and methods to monitor productivity.
- 5. To ensure availability of adequate sanitised public transport on roads helping in minimising productivity loss to workforce.
- 6. Ensure adequate alternative raw materials for the textile industry at attractive and buyer friendly rates. This would lead to continued productivity without incurring significant losses.

# Sectoral Recommendations for State / Central Government

#### **Sector: Manufacturing**

#### **Recommendations for State Government**

- 1. With Manufacturing supply chain taking a severe toll, reduced prices of raw material can help business withstand this critical period.
- 2. Financial support in general for smooth running of the business (for procurement) in this critical situation.
- 3. Extension of partial support against this 50% wage payment during this unwelcome circumstance.
- In a scenario where reduced production figures (due to reduced manpower) are taking a toll on companies, switching to digital solutions can help in sustaining this period of extremity.

#### **Recommendations for Central Government**

1. Provide a wage subsidy to MSMEs, especially in the manufacturing sector, to the extent of 50% for all register workers



# **Sector: Textile**

# **Recommendations for State Government**

1. Awareness session for the textile industry to ensure the workforce is safe.

# **Recommendations for Central Government**

1. The issue of high prices of alternative raw material for textile industry should be considered by Central Government. Lowering of prices will ensure reduced losses being incurred by the companies.



# C. State-wise Issues/ Grievances on Manufacture, Transportation and Distribution of Essential Goods and Services

State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Arunachal Pradesh	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet
Assam	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet
Goa	South Goa	Processing of Cashew has been stopped, Company has an export commitment & work in progress material to be completed.	Food Processing	25 March 2020	



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Goa	North Goa	As Glass Furnace is holding 90MT of Molten Glass which is at 1450C like lava and plant is holding 35MT of LPG to sustain furnace in live to maintain glass temperature, it would be difficult to contain if no manning is there for 24hrsX365 Days and It would lead to an emergency situation and huge gulf of flames emerges around the plant	Manufacturing	25 March 2020	
Gujarat	Kutchh	Edible oil factory forced to closed down	Food	24 March 2020	Unresolved. As of now MD, iNDEXTb has spoken to district collector. Action awaited.
Gujarat	Ahmedabad	Not letting CFA open, nor redistribution stockist of essentials like, masala, vermicelli and Idli, dosa, atta etc	Food	24 March 2020	Unresolved



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Jharkhand	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet
Karnataka		Issue on the Human Resources once the production stops	Manufacturing	21 March 2020	
Karnataka		E-Commerce companies on the support required for continuation of their services	E-Commerce	19 March 2020	
Karnataka		Free movement of the workmen and the finished good stocks	Agriculture	23 March 2020	
Karnataka		Request of Animal Husbandry to be included in the list of exempted items from curfew	Food	23 March 2020	
Madhya Pradesh		As of now we are facing the issue of cross city movement of people working in factories as advisories are being issued by two different district collectors and there is no coordination between the two cities.			



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Maharashtra	Pune District: Kurkumbh Pune -Baramati - Khed shivapur - PCMC, Dapodi - Pune	- Which refraining workers to come to the factory at these places as drivers of the buses are being threatened. Drivers of trucks are being threatened, so goods are not moving out of factory and we may have to close down operations.  Factories and Distribution centres at Dapodi is closed and which made Medical (supply and service of medical gas equipment and Pharmaceutical also got stooped  - Fire, security and HVAC (Heating, Ventilation and Air Conditioning) - Fire, security and HVAC (Heating, Ventilation and Air Conditioning) services has been stopped	- FMCG - Food processing  - Medical equipment manufacture  - Fire Safety services		



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Maharashtra	Nashik	Special approval for plant operations as they supply bottles to dairy, pharma, food packing industry	Glass Manufacturing	24.03.2020	Unresolved
Maharashtra	Pune	Special approval for plant operations as they supply to thermal power plants	Heavy Equipment Manufacturing	24.03.2020	Unresolved
Maharashtra	Aurangabad	Special approval for plant operations as they supply essential components to pharma companies, Government water distribution and oil & gas industries	Engineering process plant equipment in plant Us an Europe minimal	24.03.2020	Unresolved
Manipur	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet
Mizoram	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
Nagaland	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet
Odisha	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
West Bengal	Paschim Bardhaman	Central Government directive pertaining to Steel mentions that "No restriction to be made in production of critical raw materials of steel like ferro alloys" whereas Govt. of West Bengal vide ORDER No. H&FW/131/20 dated 24/03/2020 (copy enclosed), has in clause "O" allowed operation of "Industries producing coal, power, steel or fertilisers and movement of raw materials concerning these industries". Ferro Alloys is a raw material in Steel making. But without producing Ferro Alloys it is not possible to maintain supply and movement of the same.	Ferro Alloys	24 March	



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
West Bengal	Paschim Medinipur	Employees not able to attend essential duty mainly for police barricading and absence of proper Govt. circular for continuation of services. Secretary, Ministry of Coal has mentioned and certified production and supply of coal as an essential service (circular attached – attachment 1) Tata Hitachi machines viz excavators, Loaders, Dumpers work in CIL and non-CIL machines and are used to produce coal. These machines need constant spares support to keep them up and running. For Steel Industry, a clear circular has come for continuing operations. In similar line one circular is needed for continuing the essential services in this industry (falling under Industrial Machinery in Heavy Engineering Industry category.	Heavy Engineering Industry	24 March	



State	District	Issues / Grievances	Sector	Date of posting the grievances	Status (Resolved / Unresolved) CII State Offices to track and fill this column
West Bengal	AII	Representation for allowing relaxations required for e-commerce companies operating	Ecommerce Goods	22 March 2020	Sent to Chief Secretaries of the mentioned States – and follow up is continuing Has not been resolved yet

Chaha	Decommendations
State	Recommendations
Andhra Pradesh	<ul> <li>Continuous manufacturing industry could be considered under essential definition and exempted.</li> </ul>
Karnataka	The establishments/ factories engaged in manufacturing and distribution of essential commodities like medicines, vaccines, sanitizers, masks, medical devices, their ancillaries and support services have been exempted.
	All ola, uber taxis, autorickshaws carrying the essential commodities, medical emergencies and procurement material have been exempted.
	Essential services mentioned under Karnataka Government order which includes food items and medicines.
	Relaxation of rules for Services like pharma, food services and e-commerce.
Kerala	Declaring agri inputs and their supply chain; agriculture machinery movement; storage and warehousing services; cold chain, logistics & related controls, as essential items/services.
	Exemption for plant nursery.
	Ayurveda Products and Services to be considered as part of essential services.
	FSSAI notified laboratories for food testing (Need to test imported and domestic food items).
	Entities regulated by RBI providing secured and unsecured loans up to Rs 25,000 to Nano and Micro Enterprises.
	Fruits, vegetables, all seafood, meat products like chicken, mutton, buffalo, including frozen variety be considered essential commodities.
	NBFCs be considered as essential service and allowed to function with 25% HR capacity.



State	Recommendations
Puducherry	Units producing packaging material for perishable and essential commodities be considered for exemption.
Tamil Nadu	<ul> <li>Inclusion of manufacture, distribution and retail of agri inputs (seed, agro chemicals, fertilizer, micronutrients and secondary nutrients) as essential commodities.</li> </ul>
	Movement and operations of Agri machinery as the season demands.
Telangana	Inclusion of Compressor and condenser units are essential for chilling and cold storage.
	Medical supplies / equipment, Pharmaceuticals and Biotech units.
	Those units which are of a continuous nature where immediate shutting down would disrupt the on-going process for a long time or not possible, eg. Chemical factories; molds for plastic caps etc may be considered for exemption
	<ul> <li>Manufacturing units engaged in production of essential commodities, agriculture commodities &amp; agriculture inputs, food items and wholesalers, retailers of such items.</li> </ul>



# Confederation of Indian Industry 125 Years: 1895-2020

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory and consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895 and celebrating 125 years in 2020, India's premier business association has more than 9100 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from 291 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

India is now set to become a US\$ 5 trillion economy in the next five years and Indian industry will remain the principal growth engine for achieving this target. With the theme for 2019-20 as 'Competitiveness of India Inc - India@75: Forging Ahead', CII will focus on five priority areas which would enable the country to stay on a solid growth track. These are - employment generation, rural-urban connect, energy security, environmental sustainability and governance.

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