



Mitigating the Impact of Pandemic COVID-19 on Trade & Industry:

PHDCCI Representations to Government of India and State Governments

(October 2020 – August 2021)

PHD RESEARCH BUREAU

PHD CHAMBER OF COMMERCE AND INDUSTRY

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28	Request to categorize the ayurvedic medicines industry under Green Category	Shri Arvind Kejriwal Hon'ble Chief Minister of Delhi Delhi Secretariat, I P Estate
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26	Ease of Doing Business in NCT of Delhi	Shri Arvind Kejriwal Hon'ble Chief Minister of Delhi Delhi Secretariat, I P Estate

25	Representation seeking reduction of Stamp Duty on the Conveyance Deeds/Sale Deeds in the State of Delhi	Shri Arvind Kejriwal Hon'ble Chief Minister of Delhi Delhi Secretariat, I P Estate
24	Ease of Doing Business in NDMC Area	Shri Dharmendra, IAS Chairman New Delhi Municipal Council Palika Kendra, Parliament Street, New Delhi
23	Urgent Need for the CBDT to issue clarification regarding the manner of determination of residential status during FY 2020-21	Shri Pramod Chandra Mody, IRS Chairman, Central Board of Direct Taxes New Delhi
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21	Ease of Doing Business in NCT of Delhi	Shri Arvind Kejriwal Hon'ble Chief Minister of Delhi Delhi Secretariat, I P Estate
20	Representation to categorize the Biscuit Industry under the Green Category	Dr. Prashant Gargava Member Secretary, Central Pollution Control Board
19	Suggestions for the upcoming Specialty Steel PLI Scheme	Smt. Rasika Chaube, IDAS Additional Secretary Ministry of Steel
18	Request for clarification on the gambit and expanse of illegal mining	Shri Pralhad Joshi Hon'ble Union Minister of Coal, Mines & Parliamentary Affairs Shastri Bhawan
17	Clarification pertaining to Section 21(5) of the MMDR Act pertaining to illegal	Ms Geeta Menon, IA& AS Joint Secretary Ministry of Environment Forest and Climate Change Government of India
16	Exemption on electricity duty payable on the consumption of captive solar energy generated should be further extended beyond 31 March 2020.	Shri Dinesh Kumar, IAS Principal Secretary Energy Department Government of Rajasthan
15	PHD Request for extension of due date for filing revised/ belated return of Income for AY	Shri Pramod Chandra Mody Chairman Central Board of Direct Taxes Department of Revenue Ministry of Finance

14	Request for necessary Amendments in Section 212 of the Companies Act, 2013	Smt Nirmala Sitharaman Hon'ble Minister of Finance & Corporate Affairs Government of India
13	Extension and implementation of Sabka Vishwas Legacy Dispute Resolution Scheme-2019 to the UT of J&K viz-a-viz the exemptions under Notification No 56/2002/-CE Dt:13-11-2002	Hon'ble, Shri Anurag Singh Thakur Ji Minister of State Finance and Corporate Affairs. Ministry Of Finance Government of India
12	Extending the renewal date of Driving Licences notification to 30th June 2021 for Senior Citizens	Shri Giridhar Aramane, IAS Secretary Ministry of Road Transportation & Highways Transport Bhawan New Delhi
11	Request to extend the due date for Filing Declaration under Vivad se Vishwas Scheme for all the Taxpayer's till 31 March 2021	Shri Pramod Chandra Mody Chairman Central Board of Direct Taxes Department of Revenue Ministry of Finance Government of India
10	Request for additional extension of two Months for holding Annual General Meeting under the Companies Act, 2013 for financial year ended 31.03.2020	Smt Nirmala Sitharaman Hon'ble Minister of Finance & Corporate Affairs Government of India
9	Clarification pertaining to Section 21(5) of the MMDR Act pertaining to illegal mining	Shri Anil Kumar Jain, IAS Secretary Ministry of Mines, Shastri Bhawan New Delhi.
8	Requesting clarification on EC conditions pertaining to Mining leases	Shri Rameshwar Prasad Gupta, IAS Secretary Ministry of Environment, Forest and Climate Change New Delhi
7	PHDCCI Suggestions on Faceless Assessment	Shri M. Ajit Kumar Chairman Central Board of Indirect Taxes and Customs Ministry of Finance
6	GST 18% applied to Services provided to Foreign Clients within FYWZ	Shri M. Ajit Kumar Chairman Central Board of Indirect Taxes and Customs Ministry of Finance

5	Request to extend the timelines of implementation of e-invoicing for taxpayers having aggregate turnover more than INR 100 Crore	Smt. Nirmala Sitharaman Hon'ble Finance Minister of India Ministry of Finance
4	Representation in wake of banning DG sets in Delhi-NCR for the Industry	Dr. BhureLal Chairman, Environment Pollution (Prevention & Control) Authority
3	Comments on Steel and Steel Products (Quality Control Order dated 17th July, 2020)	Shri Dharmendra Pradhan, Hon'ble Minister of Petroleum and Natural Gas and Minister of Steel Ministry of Steel
2	Request for Giving Preference to Rajasthan based HDPE pipe manufacturing units in "Jal Jeevan Mission" project in Rajasthan	Shri Ashok Gehlot Ji, Hon'ble Chief Minister, Government of Rajasthan
1	Electricity Duty on Solar Power for Captive Use (Exemption)	Shri Ajitabh Sharma, IAS Principal Secretary Energy Department Government of Rajasthan Jaipur



137. Suggestions on Haryana State Employment of Local Candidates Act, 2020 (6th August 2021)



Sanjay Aggarwal
President

6th August 2021

Respected Shri Piyush Goyal ji,

Greetings from PHD Chamber!

Sub: Suggestions on Haryana State Employment of Local Candidates Act, 2020

Haryana State Employment of Local Candidates Act, 2020 provides for 75% reservation to local candidates in private sector jobs in the state that offer gross salary not more than Rs 50,000/- (Rupees Fifty Thousand Only) per month. The persons to be eligible for reservation under this Act needs to be domiciled in the State.

It is necessary and imperative for the holistic and overall development of the State that the interest of all stakeholders is taken into consideration for the implementation of the Act. To ensure the above, necessary and important amendments and changes be made in the specific provisions of the Act or exemptions and relaxations be built into the Rules, which are yet to be framed.

In reference to your email dated 6th July 2021, regarding Summary of Discussion for CIM interaction with Industry on 22-06-2021 regarding Haryana State Employment of Local Candidates Act 2020 (enclosed), the following suggestions have been gathered from our various interactions with the members who have their industrial plants in Haryana, which need to be addressed for the overall interest of the trade and industry:

- **Gross monthly salary:** the expression monthly salary should be interpreted in line with the current industry practice and should also include all elements which constitute payment made by the company commonly known as “cost to the company”. All incentives, bonuses, perks or any other outgoings should form part of the gross salary.
- **Limit of Rs 50,000/-:** the limit of Rs 50,000/- is exorbitantly high limit. It is suggested that the limit should be reduced to Rs 15,000/-.
- The **threshold limit** for hiring local employees should be reduced from 75% to 25%.
- **Domicile:** the expression domicile should be defined for the purpose of this Act to mean and include person who have been living or working for gain in the state of Haryana for the last three years and a restricted and meaningful definition should be made for the purpose of this Act.

- The maximum education qualification criteria eligible for new hiring from the State local candidates under “Haryana State Employment of Local Candidates Act, 2020” should be 12th class. Thereafter, for higher education of more than 12th class, the Act should not be applicable.
- This Act should apply only to new vacancies and not to the existing employees. Change of job from one company to another or transfer within the company should be outside the purview of this Act.
- Renewal of contracts of contractual employees should be outside the purview of this Act.
- **Activity based exemptions:** there should be an exemption for highly skilled, super specialized and technical jobs (data analyst, accounting, engineering, software developers, medical, para medical, diagnostic and lab technicians, plumbers , etc.)
- **Industry based exemptions:** IT, ITeS, Telecommunication, Software, Banking, Insurance, Finance, Export Oriented Units Garment Manufacturers, Automobile Industries and Special Economic Zones, Software Technology Parks Information an Technology Parks, etc. should be exempted from the purview of the Act.
- Special Economic Zones, Software Technology Parks, Information and Technology Parks should be exempted from the purview of this Act.
- All infrastructure, construction and development projects having an investment of more than Rs 100 crores should be exempted from the purview of this Act.

With best regards,

Yours Sincerely,



Sanjay Aggarwal



“Towards Building Aatmanirbhar Bharat”



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136. Dharuhera, District - Rewari(Haryana) - Regarding Provision of Basic Adequate Facilities in the Dharuhera Industrial Area (30th July)



NATIONAL APEX CHAMBER
PHD CHAMBER OF COMMERCE AND INDUSTRY

Saurabh Sanyal
Secretary General

No.MC-1
30th July 2021

Dear Shri Agarwal ji,

Subject: Dharuhera, District - Rewari (Haryana)- Regarding provision of basic adequate facilities in the Dharuhera Industrial Area.

The Sub Tehsil of Dharuhera is almost 40 years old industrial area of District - Rewari, Haryana. There are many large and medium scale industries operating in this area from which the Government earns huge amount of revenue, and many people are employed through the operation of these industries which in turn becomes a source of livelihood for innumerable families.

It is important to note that even today the area lacks the most basic facilities, such as proper roads, hygienic drinking water facility, proper sewage line, Sewage Treatment Plant (STP) and streetlights, which makes it difficult for industries to operate. The above-mentioned issues were brought to the knowledge of the Hon'ble Chief Minister of Haryana by various representatives of Dharuhera Industrial Area and Rewari Chamber of Commerce through various channels like meeting in person, letters etc. during the financial year 2017-2018.

The Hon'ble Chief Minister gave instructions to the concerned officials to resolve the matter and Haryana Government sanctioned about Rs 160 crores for total development of Dharuhera Industrial Area through Haryana State Industrial & Infrastructure Development Corporation Limited. From April 2019, the construction of new roads has started and now almost after two years and two months since the beginning of the construction of roads, the work has been almost completed recently and only some finishing work is pending.

Unfortunately, despite this, during monsoon season the whole industrial area of Dharuhera gets totally water-logged. The non-availability of proper sewage facility remains as it was and now owing to the heavy rainfall the whole industrial area of Dharuhera is impacted and the industries, their employees, goods-carrying transport are facing huge difficulties leading to heavy monetary losses.



"Towards Building Aatmanirbhar Bharat"



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: 2 :

We intend to bring to your kind attention the aforesaid difficulties and request you to ensure the smooth and speedy development of the road and allied projects. We have on multiple occasions intimated the aforesaid difficulties to Haryana Urban Development Authorities (HUDA) now known as **Haryana Shahari Vikas Pradhikaran** and HSIIDC, but the issue has not been resolved yet.

We therefore request your goodself as follows:

1. In addition to the road development project, there is a need of sewage treatment plant and proper drainage system to facilitate removal of logged water. We request you to kindly instruct the concerned authorities to immediately commence construction of sewage lines and to provide adequate space/ area to ensure the removal of collected storm/ flood waters. In case the drainage system is not constructed now itself, non-availability of sewage lines will further cause damage to the newly developed roads and they will have to be substantially demolished to construct the drainage system which will be a huge waste of public money.
2. There is a continuous flow of polluted water from the nearby Bhiwadi Industrial Area, Rajasthan which is also causing difficulty in the development of roads and causing hardships for the employees and transportation system of the industrial area of Dharuhera. In order to resolve this issue, all competent authorities must look for long term permanent solutions in this matter.
3. Ensure fast development of sewage line, streetlights, water supply and other related work in interest of the industrial area and its habitants.

We request you to kindly consider the aforesaid issues on urgent basis, so that the long-standing request of the industries in Dharuhera are fulfilled thereby aiding the industries in realizing their true potential and contribute to the development of a vibrant Haryana by way of employment, revenues etc.

A delegation of PHDCCI would also like to call on you to personally discuss industry related issues and we shall be grateful if you kindly indicate date and time convenient to you for the call on meeting.

Thanking you and looking forward to your early positive response.

Regards,

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General

Shri Anurag Agarwal, IAS
Managing Director
HSIIDC
Distt- Panchkula (Haryana)



135. Dharuhera, District - Rewari(Haryana) - Regarding Provision of Basic Adequate Facilities in the Dharuhera Industrial Area (30th July)



NATIONAL APEX CHAMBER
PHD CHAMBER OF COMMERCE AND INDUSTRY

Sanjay Aggarwal
President

No.MC-1
30th July 2021

Hon'ble Shri Manohar Lal Khattar ji,

Subject: Dharuhera, District - Rewari (Haryana)- Regarding provision of basic adequate facilities in the Dharuhera Industrial Area.

The Sub Tehsil of Dharuhera is almost 40 years old industrial area of District - Rewari, Haryana. There are many large and medium scale industries operating in this area from which the Government earns huge amount of revenue, and many people are employed through the operation of these industries which in turn becomes a source of livelihood for innumerable families.

It is important to note that even today the area lacks the most basic facilities, such as proper roads, hygienic drinking water facility, proper sewage line, Sewage Treatment Plant (STP) and streetlights, which makes it difficult for industries to operate. The above-mentioned issues were brought to the knowledge of the Hon'ble Chief Minister of Haryana by various representatives of Dharuhera Industrial Area and Rewari Chamber of Commerce through various channels like meeting in person, letters etc. during the financial year 2017-2018.

The Hon'ble Chief Minister gave instructions to the concerned officials to resolve the matter and Haryana Government sanctioned about Rs 160 crores for total development of Dharuhera Industrial Area through Haryana State Industrial & Infrastructure Development Corporation Limited. From April 2019, the construction of new roads has started and now almost after two years and two months since the beginning of the construction of roads, the work has been almost completed recently and only some finishing work is pending.

Unfortunately, despite this, during monsoon season the whole industrial area of Dharuhera gets totally water-logged. The non-availability of proper sewage facility remains as it was and now owing to the heavy rainfall the whole industrial area of Dharuhera is impacted and the industries, their employees, goods-carrying transport are facing huge difficulties leading to heavy monetary losses.



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: 2 :

We intend to bring to your kind attention the aforesaid difficulties and request you to ensure the smooth and speedy development of the road and allied projects. We have on multiple occasions intimated the aforesaid difficulties to Haryana Urban Development Authorities (HUDA) now known as **Haryana Shahari Vikas Pradhikaran** and HSIIDC, but the issue has not been resolved yet.

We therefore request your goodself as follows:

1. In addition to the road development project, there is a need of sewage treatment plant and proper drainage system to facilitate removal of logged water. We request you to kindly instruct the concerned authorities to immediately commence construction of sewage lines and to provide adequate space/ area to ensure the removal of collected storm/ flood waters. In case the drainage system is not constructed now itself, non-availability of sewage lines will further cause damage to the newly developed roads and they will have to be substantially demolished to construct the drainage system which will be a huge waste of public money.
2. There is a continuous flow of polluted water from the nearby Bhiwadi Industrial Area, Rajasthan which is also causing difficulty in the development of roads and causing hardships for the employees and transportation system of the industrial area of Dharuhera. In order to resolve this issue, all competent authorities must look for long term permanent solutions in this matter.
3. Ensure fast development of sewage line, streetlights, water supply and other related work in interest of the industrial area and its habitants.

We request you to kindly consider the aforesaid issues on urgent basis, so that the long-standing request of the industries in Dharuhera are fulfilled thereby aiding the industries in realizing their true potential and contribute to the development of a vibrant Haryana by way of employment, revenues etc.

A delegation of PHDCCI would also like to call on you to personally discuss industry related issues and we shall be grateful if you kindly indicate date and time convenient to you for the call on meeting.

Thanking you and looking forward to your early positive response.

With best regards,

Yours sincerely,


(Sanjay Aggarwal)

Shri Manohar Lal Khattar
Hon'ble Chief Minister of Haryana
Haryana Civil Secretariat
Sector 1, 4th Floor
Chandigarh



134. GST Reduction from 18% to 5% on "Outdoor Media & Events (29th July)



Sanjay Aggarwal
President

29th July 2021

Hon'ble Finance Minister,

Subject: GST Reduction from 18% to 5% on "Outdoor Media & Events"

Established in 1905, PHD Chamber of Commerce and Industry (PHDCCI) has a long standing reputation to be India's Apex Industry Body. Since its inception, it has been working for the promotion of trade and industry while keeping the grand vision to shape humanity in the most equitable manner. It has large membership base touching close to 1,50,000 with a large number of them being from Small and Medium Enterprises (SMEs) that contribute significantly to the growth story of India and the region.

The Covid-19 pandemic has impacted the businesses (thus lives and livelihoods too) in unprecedented manner. The Service Sector is worst affected as the mobility restricted like never before. Outdoor Advertising known as Out of Home (OOH) and Events which is part of the Service Sector suffered a huge setback. Currently, there is 18% GST on Outdoor Media whereas 5% on Newspaper Advertising. Hereby, we solicit your kind attention on the following points, which are causing a very adverse impact on these segments of economy severely; I. Outdoor Media Owners buy rights from Municipal Corporations, Railways, Airports Authority, Metro etc; II. As per contract they are bound to pay full License Fee in any condition, whether they get the business or not; III. Outdoor Media is the last option for every campaign whereas Newspapers, TV, Radio, Social media is always a priority. After spending on these prime Media, whatever Budget balances that only comes to outdoor media; IV. This amount of budget is fixed. 18% Tax (GST) directly hits the revenue of Media Owners; V. Due to Pandemic, Outdoor Media promoters and professionals are facing existential challenges; VI. Lakhs of jobs are in danger with lack of works and hence demands; VII. Outdoor Advertising is an effective and economical Media which is used widely by all the Political Parties at the election time and regularly by Central and State Governments; VIII. Since, the Government has issued Circular to reduce expenses on Advertising, it's also hit our business

In light of the precarious business situation of Outdoor Advertising Media and Events, kindly consider reducing GST on these from 18% to 5%. The Outdoor Media had a business of about 5000-crore before pandemic value of Events was even higher. Hope you will consider sympathetically saving the Outdoor Media and Events.

Thanking you in anticipation of your positive consideration.

With best regards,

Yours sincerely,

(Sanjay Aggarwal)

Smt. Nirmala Sitharaman
Hon'ble Union Minister for Finance
Ministry of Finance
Government of India



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133. Representation: Emergency Credit Line Guarantee Scheme (ECLGS) - Inclusion of unbanked MSMEs in the eligibility criteria (29th July)



Sanjay Aggarwal
President

Date: 29th July 2021

Hon'ble Minister Smt. Nirmala Sitharaman Ji,

Subject: Emergency Credit Line Guarantee Scheme (ECLGS) - Inclusion of unbanked MSMEs in the eligibility criteria

PHD Chamber of Commerce & Industry appreciates the Government's efforts for providing substantial help and liquidity support to Micro, Small and Medium enterprises (MSMEs) through the 'Emergency Credit Line Guarantee Scheme and Thank you for raising the credit line with Government guarantee from Rs 3.0 lac crore to Rs 4.5 lac crore. The scheme has been quite helpful in improving the liquidity and financial health of MSMEs and to restart operations by giving them additional working capital support. Under the scheme, MSMEs which were availing credit facilities from Banks on 29th February, 2020 were made eligible to be provided 20 percent incremental collateral free credit (up to 40 percent for enterprises engaged in Hospitality and Travel/Tourism etc.) which can further be increased by 10 percentage points as per recent announcement.

You are kindly aware that the COVID-19 pandemic had severely disrupted cash flows of all MSMEs due to long disruptions in their operations. Majority of the MSMEs faced acute cash crunch due to a sharp fall in their business. Payments of MSMEs also got delayed as they did not get their dues timely from their large buyers including CPSEs which further caused severe impact on their working capital. The manufacturing units faced tremendous hardships in payment of their fixed expenses like salaries, rent and electricity bills, statutory dues and creditors etc.

In the light of above situation, the Government's ECLGS collateral free automatic loan scheme for MSMEs proved to be very helpful in mitigating the liquidity crisis. This scheme enabled MSMEs to get extra funding at the time when it was needed the most. However, as per the eligibility criteria laid down in the scheme, the ECLGS could only be availed by MSMEs which had outstanding credit availment as on 29th February, 2020. Hence a large number of MSMEs which were not availing any credit limit on the above said date or were new and unbanked and did not have any credit-line from the banking system have not been made eligible under the scheme.

While the Government has enhanced the size of ECLGS from Rs 3.0 lac crore to 4.5 lac crore, but it has not extended the benefit to those units which were not covered earlier as eligible borrowers.



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We therefore humbly request you to kindly consider the following:

- a) MSMEs which had the sanctioned limits with Banks but their utilization was much less or they had not utilized the full sanctioned limit on 29th February 2020 should be allowed to avail 20 percent of their full sanctioned limits.
- b) MSMEs which did not have any credit outstanding on 29th February 2020 or were unbanked and not at all availing any credit from the Banking system should also be made eligible under the scheme.
- c) Newly established MSMEs which are yet to get sanction of credit limits from the banks/NBFCs should also be made eligible under the scheme. Such enterprises can be offered credit line up to 20 percent of their last year's annual turnover as per the criteria of working capital credit fixed by Nayak Committee earlier.
- d) The repayment period of additional credit being granted under this scheme should be extended to 7 years with a moratorium period of 2 years for all borrowers under the scheme to avoid any defaults by units in timely repayment of this credit.
- e) The validity of ECLGS should be extended to 31.03.2022 or till guarantees for an amount of Rs.4.5 lac crore are issued in order to give enough time to new borrowers to avail the scheme.

From the latest information available, it is reported that the Banks have been able to sanction incremental credit of Rs. 2.73 lac crore and disbursed Rs 2.14 lac crore which is less than half of total credit line made available. Inclusion of additional number of eligible borrowers as suggested above will not only help these MSMEs but also facilitate higher utilization of the available credit line.

We hope our above recommendations will be considered favorably by your good self.

With Warm Regards,

Yours Sincerely,



(Sanjay Aggarwal)

Smt. Nirmala Sitharaman
Hon'ble Minister of Finance & Corporate Affairs
Government of India
North Block
New Delhi - 110001



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132. Representation on Emergency Credit Line Guarantee Scheme (ECLGS) - Inclusion of unbanked MSMEs in the eligibility criteria (29th July)



Sanjay Aggarwal
President

Date: 29th July 2021

Hon'ble Minister Shri Narayan Tatu Rane Ji,

Subject: Emergency Credit Line Guarantee Scheme (ECLGS) - Inclusion of unbanked MSMEs in the eligibility criteria

PHD Chamber of Commerce & Industry appreciates the Government's efforts for providing substantial help and liquidity support to Micro, Small and Medium enterprises (MSMEs) through the 'Emergency Credit Line Guarantee Scheme and Thank you for raising the credit line with Government guarantee from Rs 3.0 lac crore to Rs 4.5 lac crore. The scheme has been quite helpful in improving the liquidity and financial health of MSMEs and to restart operations by giving them additional working capital support. Under the scheme, MSMEs which were availing credit facilities from Banks on 29th February, 2020 were made eligible to be provided 20 percent incremental collateral free credit (up to 40 percent for enterprises engaged in Hospitality and Travel/Tourism etc.) which can further be increased by 10 percentage points as per recent announcement.

You are kindly aware that the COVID-19 pandemic had severely disrupted cash flows of all MSMEs due to long disruptions in their operations. Majority of the MSMEs faced acute cash crunch due to a sharp fall in their business. Payments of MSMEs also got delayed as they did not get their dues timely from their large buyers including CPSEs which further caused severe impact on their working capital. The manufacturing units faced tremendous hardships in payment of their fixed expenses like salaries, rent and electricity bills, statutory dues and creditors etc.

In the light of above situation, the Government's ECLGS collateral free automatic loan scheme for MSMEs proved to be very helpful in mitigating the liquidity crisis. This scheme enabled MSMEs to get extra funding at the time when it was needed the most. However, as per the eligibility criteria laid down in the scheme, the ECLGS could only be availed by MSMEs which had outstanding credit availment as on 29th February, 2020. Hence a large number of MSMEs which were not availing any credit limit on the above said date or were new and unbanked and did not have any credit-line from the banking system have not been made eligible under the scheme.

While the Government has enhanced the size of ECLGS from Rs 3.0 lac crore to 4.5 lac crore, but it has not extended the benefit to those units which were not covered earlier as eligible borrowers.



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We therefore humbly request you to kindly consider the following:

- MSMEs which had the sanctioned limits with Banks but their utilization was much less or they had not utilized the full sanctioned limit on 29th February 2020 should be allowed to avail 20 percent of their full sanctioned limits.
- MSMEs which did not have any credit outstanding on 29th February 2020 or were unbanked and not at all availing any credit from the Banking system should also be made eligible under the scheme.
- Newly established MSMEs which are yet to get sanction of credit limits from the banks/NBFCs should also be made eligible under the scheme. Such enterprises can be offered credit line up to 20 percent of their last year's annual turnover as per the criteria of working capital credit fixed by Nayak Committee earlier.
- The repayment period of additional credit being granted under this scheme should be extended to 7 years with a moratorium period of 2 years for all borrowers under the scheme to avoid any defaults by units in timely repayment of this credit.
- The validity of ECLGS should be extended to 31.03.2022 or till guarantees for an amount of Rs.4.5 lac crore are issued in order to give enough time to new borrowers to avail the scheme.

From the latest information available, it is reported that the Banks have been able to sanction incremental credit of Rs. 2.73 lac crore and disbursed Rs 2.14 lac crore which is less than half of total credit line made available. Inclusion of additional number of eligible borrowers as suggested above will not only help these MSMEs but also facilitate higher utilization of the available credit line.

We hope our above recommendations will be considered favorably by your good self.

With Warm Regards,

Yours Sincerely,



(Sanjay Aggarwal)

Shri Narayan Tatu Rane
Hon'ble Minister of MSMEs
Government of India
Udyog Bhawan
New Delhi - 110011



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131. PHD Representation: Perquisite Valuation in respect of company owned accommodation provided to employees (28th July)

Shri Jagannath Bidyadhar Mohapatra
Chairman
Central Board of Direct Taxes
Ministry of Finance,
Government of India
New Delhi

Respected Sir,

Greetings!

Perquisite Valuation in respect of company owned accommodation provided to employees

We wish to bring to your kind attention issues with respect to determination of perquisite value in respect of company owned accommodation faced by assessees.

As per Section 17(2) of the Income Tax Act, 1961, “Perquisite” includes value of rent-free accommodation provided to an assessee by his employer. The methodology for computing the perquisite value as stipulated in the Act is tabulated below:

Basis of Valuation of Perquisite - Rent Free Accommodation

Population of city	Where Accommodation is owned by Employer	Where Accommodation is taken on lease or rent by Employer
Exceeding 25 lakhs	15% of Salary	Lease rent paid or payable by Employer (or) 15% of Salary whichever is lower
Exceeding 10 lakhs but below 25 lakhs	10% of Salary	
Any Other	7.5% of Salary	
Note: If Furniture & Fixtures are provided by Employer, then 10% of the original cost of such Furniture & Fixtures (if owned by Employer) or actual hire charges to be considered as Perquisite value		

‘Salary’ for the above purpose includes: Pay, Allowances, Bonus or Commission or any other monetary payment but does not include DA, Employer’s contribution to PF, allowances exempt from tax and value of perquisites.

Issues

The aforementioned method of determination of perquisite value in respect of company owned accommodation suffers from various inequities, as summarised below:

i. Firstly, the perquisite value and the consequent tax implication on a company owned accommodation is significantly more than on an accommodation taken on lease by an Employer. This could be best illustrated by way of an example as below:

Let us assume that an Employer owns a Flat in a residential complex in Mumbai which is offered to one of its employees (say ‘X’); let us also assume, the Employer takes on lease

another but a similar flat in the same residential complex at a rental of, say, Rs.25,000/- per month and offers it to one other employee (say 'Y'). Then, the perquisite value of the accommodation provided to X and Y would be computed as below:

Year 1	Rs Lakhs	X	Y
Annual Salary		50.00	50.00
Annual Lease Rent		-	3.00
Methodology for computing Perquisite value		15% of Salary	Lease Rent or 15% of Salary, whichever is lower
Pequisite Value of Rent-free Accommodation		7.50	3.00
Income Tax @ 34.32%*		2.57	1.03

Salary includes Pay, Allowances, Bonus, Commission; Tax: 30% + 10% SC + 4% Edu Cess

It could be observed from the above table that the tax impact on the X staying in a company owned accommodation is much higher than Y staying on a company leased accommodation.

ii. Secondly, when the salary of employees increases (considering inflation, performance of the company, employee etc.), in respect of the employee staying in the same company owned flat, the perquisite value and related tax implication will be much more as compared to the other employee staying in the accommodation taken on lease by the Employer – see illustration below:

Year 5	Rs Lakhs	X	Y
Annual Salary (increased with time)		75.00	75.00
Annual Lease Rent		-	3.45
Methodology for computing Perquisite value		15% of Salary	Lease Rent or 15% of Salary, whichever is lower
Pequisite Value of Rent-free Accommodation		11.25	3.45
Income Tax @ 34.32%*		3.86	1.18

Salary includes Pay, Allowances, Bonus, Commission; Tax: 30% + 10% SC + 4% Edu Cess

As can be seen above, with passage of time where the salary of employees is likely to increase, the tax implication on X staying in company owned accommodation will be significantly adverse despite X continuing to stay in the same flat. Whereas in case of Y where the accommodation is taken on lease by the Employer, then perquisite value is fair and stable since it is linked to the lease rental value.

iii. Further, for a similar company owned accommodation, employees with different salaries will have different perquisite value. To illustrate, assuming the Employer owns 2 similar flats in a residential complex offered to two of its employees, the tax implication would be adverse for the employee whose salary is more than the other one – i.e. Rs.3.35 lakhs vs Rs.2.47 lakhs.

Rs Lakhs

Year 1	X	Y
Annual Salary	65.00	50.00
Perquisite Value of Rent-free Accommodation	9.75	7.50
Income Tax @ 34.32%	3.35	2.57

Salary includes Pay, Allowances, Bonus, Commission

iv. It is to be noted that, irrespective of the size or quality of company owned accommodation, the perquisite value and the consequent tax implication on the employees would be significantly different since under the present law, it is getting determined as a percentage of salary, without any correlation to the fair rental value of the said accommodation.

Implications

i. Retention of skilled manpower is a critical requirement for a company to be successful on a sustainable basis. One of the motivating tools adopted by corporates is to provide a good quality residential accommodation (typically owned & maintained by corporates) and related facilities to its employees & their families. However, the perquisite valuation methodology currently prescribed under the Income Tax Act acts as a deterrent to employees from willing to accept and stay in company owned accommodation.

As stated above, the recently introduced higher rates of surcharge has resulted in a peak personal tax rate of 42.74% (i.e. base rate + surcharge + cess), which has significantly increased the tax outflow senior / skilled employees, further compounding the problem of motivation/retention of senior management by an Organization.

ii. The aforesaid inequitable treatment also discourages corporates from investing in infrastructure, including residential projects, across the country. At a time when the economy needs investments, it is submitted that the Govt. amends the perquisite valuation methodology for company owned accommodation such that corporates are incentivized to invest in the real estate sector (which is also a high employment intensive sector of the economy).

Suggestion

i. It is suggested that in case of company owned accommodation, the concept of “fair rental value” be introduced to ensure that right amount of perquisite is determined for tax purposes. “Fair rental value” for this purpose should be defined as the rent which a similar accommodation would realize in the same locality; where fair rental value is not ascertainable, then the municipal valuation should be considered for determining the perquisite value.



ii. Towards this, Sections 17(2)(a)(i) and 17(2)(c)(i) be deleted. Instead, Section 17(2)(a)(ii) and 17(2)(c)(ii) be amended appropriately to include company owned accommodation as well such that the perquisite valuation of such accommodation be based on the fair rental payable for such accommodation; where fair rental is not determinable, then the perquisite valuation of such accommodation be determined based on the municipal valuation – as is being followed for determining Income from House Property under Section 23(1) of the Income Tax Act.

We trust our suggestions will receive your favourable consideration.

Thanking you

Yours sincerely,

Saurabh Sanyal
Secretary General
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454
Fax: +91 11 26855450



130. Inputs on New Foreign Trade Policy (2021-26) (28th July)

**Dr. Amiya Chandra,
Additional DGFT,
Department of Commerce,
Ministry of Commerce and Industry,
Government of India,**

Dear Sir,
Greetings!

At the outset, we would like to thank you for providing us an opportunity to give our view points on the forthcoming Foreign Trade Policy for the period 2021-26. It was nice talking to you yesterday regarding the important topic for enhancing the export growth trajectory with more focused ease of doing exports.

Please find the brief inputs along with the short term and long term suggestions.

1. Replacement of Advance Authorisation Scheme by Existing Duty Free Import Procedures
2. SEIS- Service Export Incentive Scheme
3. Remission of taxes / levies of exports
4. Restoration of India's Generalised System of Preferences (GSP) status
5. Resume MEIS Scheme for the period March 2020 to December 2020
6. Announcement of RoDTEP Rates
7. Improvement in logistics infrastructure and trade facilitation measures
8. Banking related norms be made more industry friendly for ease of doing business
9. Diversification of exports products portfolio in terms of more countries and also in terms of more products
10. Expanding Supply of Skilled Manpower and R&D Expansion

The detailed representation is attached herewith your kind perusal.

We trust our suggestions will be favorably considered for the interest of trade and industry.

Warm Regards,
Dr S P Sharma
Chief Economist | DSG
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454
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129. Release of Payment on account of Lodging & Boarding Charges provided to ULB/Panchayat Elections-2018 contesting candidates (Political Protectees) – In Hotels hired by the Divisional Commissioner, Kashmir. (26th July)



JK-IND-21-2754
26th, July 2021

Dr. Arun Kumar Mehta, IAS

SUB: Release of Payment on account of Lodging & Boarding Charges provided to ULB/Panchayat Elections-2018 contesting candidates (Political Protectees) – In Hotels hired by the Divisional Commissioner, Kashmir.

Dear Sir,

The PHDCCI Kashmir has received numerous representations from our Hotel Members regarding pending Payment on account of Lodging & Boarding Charges provided to ULB/Panchayat Elections-2018 contesting candidates (Political Protectees).

We would like to bring in your kind notice that these hoteliers are in deep trouble and are not able to meet their expenses to run their hotel with huge pending liabilities of Vendors, Staff wages, GST/Taxes, Bank EMIs, Electricity Charges and other Consumable day to day expenses.

It is pertinent to mention here that these Hoteliers are providing Lodging & Boarding facilities to the ULB/Panchayat Elections-2018 contesting candidates (Political Protectees) since November-2018, on the directions/orders/allotments issued by then Divisional Commissioner, Kashmir.

It has been mentioned that last year, Home Department, J&K has released funds amounting to Rs. 16.00 crore to the Divisional Commissioner Kashmir as on 27.03.2021, for making payment towards the claims of Hoteliers but the payments has not been released to Hoteliers by the concerned authorities.

We humbly request you to please look into the matter personally and resolve the issue on humanitarian ground. We would highly appreciate it if you handled this matter with urgency.

Yours Sincerely



Baldev Singh Raina
Chair PHDCCI-Kashmir

Dr. Arun Kumar Mehta, IAS

Chief Secretary & Financial Commissioner
J&K Government

CC:

- The Principal Secretary to the Government, Home Department, J&K with the request to look into the matter personally.



128. Request for Reconsideration of Eligibility/Technical Clauses | RFE (Ref No: NB/HO/FINTECH/DAAS/02/2021-22) (23rd July)

Dear Shri CH. S.S. Mallikarjuna Rao ji,

Greetings!

Subject- Request for Reconsideration of Eligibility/Technical Clauses | RFE (Ref No: NB/HO/FINTECH/DAAS/02/2021-22)

We would like to congratulate your esteemed bank for coming out with Request for Empanelment (Ref No: PNB/HO/FINTECH/DAAS/02/2021-22) for Companies in the field of Data Aggregation and Analytics Services. As on the leading chamber & incubator for MSMEs & Start Ups we believe such efforts are required at the ground level so that the vision of Ease of Credit for all can be achieved. It is services like this which at the ground level contribute in developing be-spoke solutions for borrowers from different sizes & industry.

However after going through the RFE document and several requests from our member Start Ups who are working in the similar domain, we feel the below mentioned clauses would not provide equal opportunity to a Start Up to showcase it's true Value to the Bank and vice versa Bank would might miss out an opportunity to create a benchmark of working with new age companies and providing them an option to solve the problem statement of Digitized Aggregation & Data Analytics for the Bank.

1. Clause 3 (Eligibility Criteria)- The company should have positive net worth in the preceding Financial Year.
2. Clause 3g (Eligibility Criteria)- The bidder should have experience of providing Data Aggregation & Analytics services as follows: (-Minimum 3 Public/Private Sector Bank operating within India with more than 1000 branches. Or, -Minimum 1 Public/Private Sector Bank with more than 1000 branches and 4 other Bank/NBFCs operating within India.) And - For at least two year and currently active relation with minimum 50000 requests per month.
3. Clause 6.2 (2a) Eligibility cum Technical Bid- Annual revenue (From Data Aggregation and Analytics Services) for the year 2019-20 as per audited Financial (Maximum Marks 2) 1 Marks for less than 10 Crore and 1 mark for every additional INR 10 Crore part.
4. Clause 6.2 (3a)- Experience in Banking/ BFSI area/ Government/ Large Enterprise (having PAN India presence with a minimum turnover of Rs 1000 Crore)

Sir, we would recommend that the above-mentioned clauses should either be revised/Exempted for Start Ups in order to provide them an equal opportunity to come forward and showcase the solutions to the bank. As per the Pre-Bid meeting minutes published on the website few of the clauses have only been raised by a single bidder only basis on which the Bank has revised the conditions exponentially. Technology solutions in the field of Financial Data Analytics are evolving every day to ease out the functioning of



large organizations, therefore a fair opportunity should be provided to companies of all sizes.

In this regard, please accept our request for the benefit of trade and industry

Thanking you!

With best regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is positioned above the printed name.

Sanjay Aggarwal

**Shri CH. S.S. Mallikarjuna Rao
MD & CEO
Punjab National Bank
Plot No. 4, Sector 10 Dwarka
New-Delhi- 110075**



127. Relaxing Norms for Traders to carry maintenance work in their Shops and Restaurants in Connaught Place (23rd July)

ST-18-D
23 July 2021

Respected Sir,

Relaxing Norms for Traders to carry maintenance work in their Shops and Restaurants in Connaught Place

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

Our members & traders from Connaught Place have requested us to draw your attention on relaxing in norms for permission to carry maintenance work in their shops and restaurant in the heritage market, claiming that it sometimes takes over three months to get the approval from the New Delhi Municipal Council (NDMC) and the Heritage Conservation Committee (HCC) for the same.

As the buildings in Connaught Place market, which was constructed in 1933, are notified as Grade II heritage structures, NDMC officials said HCC's permission is mandatory even for basic maintenance and internal repairs, including painting the premises and relaying floor or wall tiles, wood works or changing the wiring or fix the damage due to seepage or leakage,. The process is cumbersome and takes months to get the approval.

Moreover, HCC's November 9, 2020, direction to NDMC to not forward applications where there is a dispute regarding ownership of the building or between the landlord and tenant -- "to avoid HCC getting involved in litigation" -- has made it virtually impossible to carry out necessary repairs.

There are over 50 restaurants operating in Connaught Place. It is difficult for tenants to get permission from landlords for repair and maintenance. It is a heritage building and requires frequent repair and maintenance. The norms for it should be relaxed otherwise the property and its condition will deteriorate.

In some cases, like whitewashing or painting of the premises, the owners end up spending more money on the process of getting an approval than on the actual repair or maintenance work.



Colonial-era business district needs a proper maintenance plan and guidelines on the type of repairs allowed. For important structures like Connaught Place, a management plan should be prepared like we have it for Rashtrapati Bhavan so that if any work has to be done within the scope of the management plan, people should be allowed to do it.

In view of the above, we request you to kindly simplify and ease the procedures and relax norms so that at least basic maintenance work in their shops and restaurant in Connaught Place could be carried out.

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General

Shri Dharmendra, IAS
Chairman
New Delhi Municipal Council
Palika Sadan, Parliament Street
New Delhi



126. Confirmation of Recorded Oral Evidence pertaining to the meeting of DRPSC on Commerce held on 8.7.2021 (22nd July)

**Ms. Nidhi Chaturvedi,
Additional Director,
Rajya Sabha Secretariat.**

Respected Ms. Nidhi Chaturvedi ji,

Greetings!

We thank you for providing us the opportunity to review the Recorded Oral Evidence regarding the Department Related Parliamentary Standing Committee on Commerce meeting held on 8th July 2021 at parliament house Annexe.

We have reviewed and highlighted the necessary changes in the Recorded Oral Evidence document. We are therefore, requesting you to kindly make the following minor corrections before placing the document on record.

1. Vide Page 7 line no. 4: How many of them are really working to their capacity?
It may be rewritten as Most of the SEZ's are working below their capacity.
2. Vide Page 7 line no. 12 : Voltage goes up and down
It may be rewritten as voltage fluctuations.
3. Vide Page 11 line no. 14: Manufacture, capacity and capability of our units.
It can be rewritten as manufacturing capacity and capability of our units.
4. Vide Page 19 line no. 2: These are all jammed, especially during the peak hours.
It doesn't work efficiently, especially during the peak hours.
5. Vide Page 24 line no. 7: The country is building almost 50 kilometers of roads per day
It may be corrected by, the country is building almost 40 kilometers of roads per day.
6. Vide Page 31 Para 2 line no 4: We were growing at more than 40 per cent
It may be corrected by, We were growing at more than 17 per cent.

The highlighted document is attached herewith this email for your kind perusal.

Best Regards,

Saurabh Sanyal
Secretary General
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454 Ext: 109
Fax: +91 11 26855450
Email: sg@phdcci.in



125. DRPSC on Commerce - Examination of the subject 'Augmenting Infrastructure Facilities to Boost Exports' - reg. (16th July)

**Ms. Nidhi Chaturvedi,
Additional Director,
Rajya Sabha Secretariat.**

Respected Ms. Nidhi Chaturvedi ji,

Greetings!

We thank you for considering our background note on this important subject of Augmenting Infrastructure Facilities to Boost Exports regarding the Department Related Parliamentary Standing Committee on Commerce meeting held on 8th July 2021 in parliament house Annexe.

We have received the questionnaire for the above mentioned subject and prepared the inputs given by the members of PHD Chamber. The representations on questionnaire set-I is attached herewith this email for your kind perusal. The answers of the questionnaire set-II will be submitted shortly as we are still discussing some of the questions with our members.

We trust our suggestions will be favorably considered in the interest of trade and industry.

Best Regards,

Regards,

Saurabh Sanyal
Secretary General
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454 Ext: 109
Fax: +91 11 26855450
Email: sg@phdcci.in



124. Request for Notification for Relief and revival of the Business Sector in J&K handling of cases of Soft Loan for Sick units by J&K Bank thereof (15th July)

JK-IND-21-E-mail
15th – July – 2021

E-MAIL COMMUNICATION

Request for Notification for Relief and revival of the Business Sector in J&K handling of cases of Soft Loan for Sick units by J&K Bank thereof

**Shri Ranjan Prakash Thakur (IRTS)
Principal Secretary
Industries and Commerce
J&K Government**

Dear Sir,

Kindly find enclosed the Letter from Director Industries and Commerce Kashmir Vide Letter No: DI&C/RSU/Soft Loan-II/2021/868 Dated: 21-06-2021. It is requested to issue the necessary notification in this regard.

Thanking You

With Best Regards

**Baldev Singh Raina
Chairman PHDCCI-Kashmir**

123. The Agenda points/Issues as per the Format of Convenor UT Level Bankers Committee for Inclusion in the Meeting of Sub-Committee meeting of Empowered Committee on MSMEs (15th July)

POSITION OF MSME UNITS FINANCED BY BANKS AND UNITS DECLARED SICK IN UT OF J&K (POSITION AS ON 15-07- 2021)					
Sr. No.	Name of the Unit	Financing Bank with Branch Name	Amt. Sanctioned (Rs. In Lacs)	Brief Background of the Issue	Latest Status
1	Zainab Textiles Khonmoh	J&K Bank Khonmoh		Providing of Suitable Working Capital Facility is still pending, although the Physical Inspection report stands already submitted Vide office Letter No : DI&C/RSU/2021/40-41 Dated: 18-05-2021 and in this regard reminder letter has also been forwarded to Zonal head JK Bank by Jt Director Industries (Dev) Vide office Letter No : DI&C/RSU/2021/50-52 Dated: 29-05-2021 (Copy enclosed)	Working Capital not Provided till date
2	EMM ESS Ko Group Zakura	J&K Bank Zakura	70.75-JK Bank 29.25 JKSIDCO	The NOC has been issued by M/s Taj Thread Ball Factory which is enclosed for your reference. The request for inspection is also pending in this regard.	Revalidation of sanction by providing the soft loan upto 2Cr under CGTMSE Scheme as requested by the Unit holder
3	JK Card Board Ganderbal	J&K Bank Buchpora	Not Issued	The J&K State Financial Corporation has settled the Loan amount of Rs 12 Lacs and case is under consideration of court of Law. Please also sought the fresh report in this regard from JK SFC and accordingly the case may be considered.	Sanction letter is awaited and needs to be included in the Agenda discussion

Meeting of Empowered Committee on MSMEs

4	Shah Spices Bijbehara	J&K Bank Bijbehara	Not Issued	The fresh NOC from the Anantnag Central cooperative Bank Ltd has been enclosed for further necessary action. The case may be considered further for improvement and expansion.	Sanction Letter Awaited
5	DMS Petro Chemicals	J&K Bank Baribrahma			Meeting of the Constituted committee in last meeting not held as on date by Jt Director Industries Jammu.
6	Hindustan Metal Products	J&K Bank Zainakote	100 Lacs 30 Lacs	Avalied Bank Loan J&K Bank Soft Loan from J&K SIDCO	Deep Restructuring for both Banks and Soft Loan is requested by the Unit holder with the infusion of fresh Capital for business Continuity.
7	Asian Industries	J&K Bank Zainakote		Avalied Bank Loan J&K Bank Soft Loan from J&K SIDCO	Deep Restructuring for both Banks and Soft Loan is requested by the Unit holder with the infusion of fresh Capital for business Continuity.

Note: As per action taken report the J&K SIDCO has forwarded the list of 37 Sick unit holders to be financed by JK Bank on 100% basis as soft loan which is requested to be discussed in the meeting and JK Bank be asked to finance these units in time bound manner under CGTMSE Scheme. The Project cost of Soft Loan should be enhanced upto 2-Cr without asking for Credit report and CIBIL Score, keeping in view the cost escalations and increasing stress in the MSME sector which is a matter of concern.

122. Action Taken Report (ATR) of 50th Empowered Committee on MSME for the UTs of JK and Ladakh held on June 29, 2021 (15th July)

Sent: Thursday, July 15, 2021 4:47:50 PM

Subject: Action Taken Report (ATR) of 50th Empowered Committee on MSME for the UTs of JK and Ladakh held on June 29, 2021

Dear BVS Venugopal (Assistant Manager),

With reference to your email dated 12-July-2021. The Action Taken Report from PHDCCI-J&K is given below for your reference and records:

Agenda item no.2(iii)

The meeting with the members will be held in the last week of July-2021.

Agenda item no.2(iv)

CGTMSE cover denied to 1) EMMESSKO GROUP by J&K Bank Ltd. B/U Zakura Srinagar and 2) The Valley of Kashmir Mushrooms by JKDFC Sanatghar Bemina Srinagar. The updated cases will be forwarded as and when we will receive the details about denied CGTMSE

Agenda item no.4

The J&K Bank Ltd. had adopted Silk/ Handicraft Park Zakura under Cluster Financing Scheme long back and was supposed to open a SME branch in the Cluster/Park which has not been opened so far.

Agenda item no.5

J&K SIDCO vide letter no.SIDCO/IDC/DB/CO/2021/167/ 1471-76 dated 30-06-2021(copy enclosed) forwarded the list of 37 Sick Units for providing Soft Loan by J&K Bank Ltd. under Revival & Rehabilitation Scheme.

Agenda item no.9

The Proposal for Carrying the Diagnostic Study of Industrial Estates stands submitted by PHDCCI-J&K which is under consideration of UT J&K Govt. and will be conducted after getting the formal approval. The research Bureau of PHDCCI New Delhi is ready to conduct this study in collaboration with Banks and RBI with a partial financial Support to cater the expenses for conducting the research study.

Agenda item no.12

We have already submitted the five pressing problems faced by SMEs and Banks for financing and have agreed to be the part of 5-6 Member group to be formed by RBI as per the decision taken by the Chairman.

Thanking You

With Best Regards



Baldev Singh Raina
Chairman PHDCCI-Kashmir

Copy To:

- 1) Hon'ble Lieutenant Governor J&k Government
- 2) Hon'ble Chief Secretary J&k Government
- 3) Mr Raj Kumar Katoch, JKAS, Secretary JKPSC



121. Increase in Minimum Wages in NCT of Delhi (14th July)

Shri Anil Baijal
Hon'ble Lieutenant Governor of Delhi
Raj Niwas
Delhi

ST-18-D

14 July 2021

Respected Sir,

Increase in Minimum Wages in NCT of Delhi

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

Our members have requested us to draw your attention to the announcement of increase in minimum wages which are applicable from 1 April 2021. As you are aware, due to Corona lockdowns since March 2020, industrialists & traders in Delhi are facing lot of hardships and their profits have been badly hit. A large number of MSMEs have closed down and many others are struggling to survive. In this backdrop, entrepreneurs in NCT of Delhi are not in a position to bear this increased burden.

Moreover, since the minimum wages are comparatively less in neighbouring States, this move will result in business establishments moving out of Delhi resulting in loss of revenue to your Government. Also the minimum wages are already the highest in India for years and another increase will worsen the situation. Moreover no other state as far as our knowledge has increased the same due to the badly hit economy in industries in India. The unemployment rate is amongst the highest today and the above increase will further lead to more factories and traders shutting down and hence retrenching employees in huge numbers. This situation can lead to the crime rate increasing as more people will come on the roads.

In view of the above, we request you to kindly reconsider the decision regarding this increase and help the entrepreneurs in this difficult time.

With best regards,

Yours sincerely,

(Saurabh Sanyal)



120. Closure notices to all the water polluting units (12th July)

Shri Gopal Rai
Hon'ble Minister for Environment, Forest & Wildlife,
Development and General Administration
Government of NCT of Delhi
Delhi Secretariat, I P Estate,
Delhi-110002

ST-18-D
12 July 2021

Respected Sir,

Closure notices to all the water polluting units

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

Our members from Delhi have requested us to draw your attention to notice issued on 23/06/21 by DPCC for submitting test reports of the effluent to all water polluting units. Most of the units have submitted the test reports. But DPCC issued closure notices to all the water polluting units of 13 industrial areas. They are saying that none of the 13 CETPs are meeting the prescribed standards. CETPs are meeting all the prescribed standards which are regularly checked by CPCB and DPCC and connected online to DPCC and CPCB but there are certain parameters which cannot be controlled by the plants. It's beyond our members' control to meet these parameters. The plant was made by DSIIDC and handed over to the local Association but the authorities have ordered to close all water polluting units of Delhi, approximately 1100 units in 13 industrial areas where CETPs exist.

DPPC had given consent to most units which had been complying with their requirements. Now within no time they want to close the units, some even without notice. This is by monitoring the outflow from CETP plants. A number of units fall in the area where these plants are installed. Maybe due to one or two factories not treating their outflow properly, the entire outflow is getting affected. So why penalise all the other factories. DPPC should individually check the plants and then penalise the defaulting ones only and not all the units. A number of companies have spent huge amounts on just setting up their individual ETP plants and got them approved after paying handsome amounts. Now for the fault of some other factory owners, they are being asked to close.



Another problem is that orders are for closing the entire factory and not just the polluting activity. For example, car showrooms are also on the list. They service and wash cars apart from making sales. The Government can just order them to close the servicing area and not close the whole sales department. This also does not make sense as all have installed ETP plants in their service centres and comply with DPPC norms. It is unfortunate that DPPC is closing down these units. Question arises then where will all the car owners get their cars serviced from. Will they have to go to Haryana or Punjab to get their cars serviced. The above example also applies to industries. Some operations like phosphating before powder coating or zinc plating of parts are integral part of production processes. Similar examples can be given for other industries using water.

We would like to appeal to you that first closure of units should be immediately stopped and then the procedure of testing and report writing by DPCC on working of CETP plants should be reviewed and revised.

We shall be grateful if you could kindly instruct the DPCC to consider the above issue sympathetically in the interest of the entrepreneurs of Delhi.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General



119. Closure notices to all the water polluting units (12th July)

Shri Anil Baijal
Hon'ble Lieutenant Governor of Delhi
Raj Niwas
Delhi

ST-18-D
12 July 2021

Respected Sir,

Closure notices to all the water polluting units

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

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DPPC had given consent to most units which had been complying with their requirements. Now within no time they want to close the units, some even without notice. This is by monitoring the outflow from CETP plants. A number of units fall in the area where these plants are installed. Maybe due to one or two factories not treating their outflow properly, the entire outflow is getting affected. So why penalise all the other factories. DPPC should individually check the plants and then penalise the defaulting ones only and not all the units. A number of companies have spent huge amounts on just setting up their individual ETP plants and got them approved after paying handsome amounts. Now for the fault of some other factory owners, they are being asked to close.

Another problem is that orders are for closing the entire factory and not just the polluting activity. For example, car showrooms are also on the list. They service and wash cars apart from making sales. The Government can just order them to close the servicing area and not



close the whole sales department. This also does not make sense as all have installed ETP plants in their service centres and comply with DPPC norms. It is unfortunate that DPPC is closing down these units. Question arises then where will all the car owners get their cars serviced from. Will they have to go to Haryana or Punjab to get their cars serviced. The above example also applies to industries. Some operations like phosphating before powder coating or zinc plating of parts are integral part of production processes. Similar examples can be given for other industries using water.

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With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General

This representation has also been sent to:

Dr. K.S Jayachandran
Member Secretary
Delhi Pollution Control Committee
Delhi Secretariat, I P Estate,
Delhi-110002

Sh. Sanjeev Khirwar
Chairman
Delhi Pollution Control Committee
Delhi Secretariat, I P Estate,
Delhi-110002



118. Closure notices to all the water polluting units (12th July)

Shri Arvind Kejriwal
Hon'ble Chief Minister
Government of NCT of Delhi
New Delhi

ST-18-D
12 July 2021

Respected Sir,

Closure notices to all the water polluting units

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

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DPPC had given consent to most units which had been complying with their requirements. Now within no time they want to close the units, some even without notice. This is by monitoring the outflow from CETP plants. A number of units fall in the area where these plants are installed. Maybe due to one or two factories not treating their outflow properly, the entire outflow is getting affected. So why penalise all the other factories. DPPC should individually check the plants and then penalise the defaulting ones only and not all the units. A number of companies have spent huge amounts on just setting up their individual ETP plants and got them approved after paying handsome amounts. Now for the fault of some other factory owners, they are being asked to close.

Another problem is that orders are for closing the entire factory and not just the polluting activity. For example, car showrooms are also on the list. They service and wash cars apart from making sales. The Government can just order them to close the servicing area and not



close the whole sales department. This also does not make sense as all have installed ETP plants in their service centres and comply with DPPC norms. It is unfortunate that DPPC is closing down these units. Question arises then where will all the car owners get their cars serviced from. Will they have to go to Haryana or Punjab to get their cars serviced. The above example also applies to industries. Some operations like phosphating before powder coating or zinc plating of parts are integral part of production processes. Similar examples can be given for other industries using water.

We would like to appeal to you that first closure of units should be immediately stopped and then the procedure of testing and report writing by DPCC on working of CETP plants should be reviewed and revised.

We shall be grateful if you could kindly instruct the DPCC to consider the above issue sympathetically in the interest of the entrepreneurs of Delhi.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General

117. Delays in Environmental Clearances and Consent of Pollution Control Board for Mining of Minor Minerals in various districts of J&K. (8th July)

Shri Manoj Sinha Ji
Hon'ble Lieutenant Governor
J&k Government

SUB: Illegal Mining of Minor Minerals in various districts of J&K.

Dear Sir,

As you know that Directorate of Geology and Mining have e-auctioned Minor Mineral Blocks in Various districts of J&K and these Minor Mineral Block have been allotted to different people through e-auction to highest bidders Subject to the approvals of Mining Plan, Environmental Clearance, and Consent of Pollution Control Board.

The Letter of Intent (LoI) has been issued to miners with the direction to submit Approved Mining Plan, Environmental Clearance besides, deposition of remaining 50% bid amount & Consent to Operate within a period of 06 months, for final grant of Mining Lease for extraction of minor minerals (River Bed Material) from auctioned blocks. It has been clearly directed them that they shall not extract or allow extraction till the Mining Lease under rules is granted.

The banning to mining of minor minerals without compliances and Clearances and Consent to operate has emerged into an Illegal Mafia nexus of Mining especially in Ganderbal District. The Middle Class people who are grappling with acute shortage of raw material like sand/aggregate/RBM materials for construction work are being compelled to buy these materials on exaggerated rates through illegal miners.

It has been observed that in and around Ganderbal District the Illegal Mining is being carried with transportation of raw material throughout the night in dumpers having hidden number plates roaming around the Ganderbal District and in vicinity of Srinagar and are encouraging this illegal Mining Trade.

We strongly recommend that the Enforcement and Monitoring guidelines for Minor Minerals should be implemented and we push for the sale and purchase of Minor

Minerals online to make the process more transparent. "In order to curb illegal mining, it is very necessary that the general public should be made aware of the legal source of sand/aggregate/RBM suppliers.

It is suggested that the UT government should develop an online portal for sale and purchase of sand/aggregate/RBM. The UT government will also decide the model of sale and the price of sand/aggregate/RBM/Bricks. It is suggested and recommended that the controlled price list issued by Government would be more effective in controlling this illegal Mining Mafia.

Thanking You
With Best Regards

Baldev Singh Raina
Chairman
PHDCCI-Kashmir

CC:

- 1) Principal Secretary Hon'ble Lieutenant Governor
- 2) Divisional Commissioner Kashmir , with the request to look into the matter on priority
- 3) District Development Commissioner Ganderbal, with the request to control and check this illegal mining in District Ganderbal.

116. Representation on behalf of the Allottees of Sector 136 Noida (6th July 2021)



Sanjay Aggarwal
President

6 July 2021

Shri Sidharth Nath Singh
Hon' ble Cabinet Minister
MSME and investment promotion
Government of Uttar Pradesh
Lucknow (UP)

Dear Sir,

Greetings from the PHD Chamber!

Representation on behalf of the Allottees of Sector 136 Noida

At the outset, PHD Chamber of Commerce and Industry would like to appreciate the Uttar Pradesh (UP) State Government for undertaking effective reform measures to promote growth and development of industry, trade and economy of the State. The efforts of the State Government towards boosting investments and improving the ease of doing business in last few years are highly laudable.

PHD Chamber wish to bring to your kind notice a recent legislation enacted by the UP Government in August 2020 which is not in favour of various stake holders, investors and the people in general. The law may have been drafted with all noble intentions, however, the outcome may impact all lands allotted for genuine business and industry even though they are all fully paid for along with lease rentals as per registered lease deeds.

The Legislation

A law has been enacted which states as follows –

Provided that any land which has not been utilised for the purpose for which it was allotted within a period of 5 years from the date of possession the deed shall stand cancelled and the land shall vest with the authority. Provided further where the time has already lapsed before this act an additional time one 1 year to use the plot for the purpose it was allotted. If not used the allotment and lease deed shall stand automatically



"Towards Building Aatmanirbhar Bharat"



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cancelled. An ordinance was passed on 28th July 2020 during the peak of pandemic in July 2020 which was hurriedly enacted as a bill in the legislative assembly on August 31, 2020 without any debates / interaction thereon with the various stake holders including the allottee.

Observations by the Chamber.

- It appears that the legislation puts the onus on allottees for not constructing on the plots and is allowing only a 1 year additional window in the peak of COVID amid the time when not much construction work can happen due to intermittent lockdowns and various restriction until June 2021 (and is continuing).
- Development and delay in construction majorly depends upon the state policies and local area development by the authority concerned as compared to the role of entrepreneurs. However, it may be mentioned that most sectors have not appropriately developed in line with what was envisaged nor the basic amenities are in place on time to facilitate and justify construction on the plots. This was a condition precedent to the allotment.
- Let us take for instance the sector 136, NOIDA – This sector was launched in 2008-2009 and mostly all lease deeds were executed in 2011. Since then, the sector is still deficient in basic infrastructure and full water availability is yet to be made based on the entire requirement of water in the area. There is absence of police picket or street lights, which are necessary for vibrant corporate office . It may be mentioned that the sector does not have a substation and as a result, all buildings have to take a power connection of 300 KVA whereas their requirements are only 100 KVA.
- Every project entails significant amount of construction (excess of 50,000 sq ft) and under the current circumstances of Pandemic, it is not possible to effectively complete them in a short span of 1 year as stated in the legislation.
- Over the years, disparity has been witnessed in the land rates, which have been increased and created mismatch in plot use types. Corporate office plots now have an allotment rate of 78000/- per sq mtr, whereas ITES plots are at a lower rate of 28000/- per sq mtr. This has resulted in a non-competitive environment which is impeding development.
- Commercial use as in banks and food courts, which are the essence of a corporate hub, are not permitted, which is not in sync with the terms of allotment. At this juncture, growth promoting policies are required to boost the rate of return (ROI) and thereby flow of investments.
- Many allottees are in a rush to start construction and somehow manage a dummy completion. This will not yield actual results in terms of development and will also lead to creation of assets which will not be upto the quality mark. This will be a drain on resources instead of building an asset.
- Allotment of land is just a starting point of development. In this regard, the state Government is requested to provide an enabling environment and amenities as well as come out with encouraging and forward looking policies. This sector has all the trappings to make it a FINTECH hub of North India and with efforts on both sides (Government and Corporate) this can be achieved which will make NOIDA emerge as a futuristic growth centre.

PHD Chamber

Continuation Sheet

With this background, we humbly request you to kindly intervene and allow all land allottees an additional time of 5 years from 1st of July 2021 considering the present situation. Request you to kindly look into all the anomalies to let the Corporate Houses have a competitive environment.

It is suggested to direct the various authority concerned to implement all necessary works so as to put in place a world class infrastructure. There is a need for sound policy for a finance or Fintech hub in sector 136.

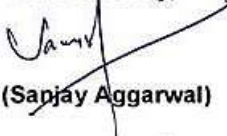
It may be mentioned that on 25th June NOIDA in its 202nd Board meet recommended for 5 years extension for construction with regard to plots allotted to farmers. Similar decisions are required for the industrial sector.

Industry is the only way to growth of any state or country. We urge the Government to kindly have a friendly policy for the growth and development of Uttar Pradesh.

We trust our suggestions will be favorably considered!

With best regards,

Yours sincerely,



(Sanjay Aggarwal)



115. Concerns of processed food MSME units on the proposed FOPL (Front of Pack Labelling) (29th June 2021)

**Chairperson
FSSAI
Government of India
FDA Bhawan
New Delhi**

Dear Madam,

Subject: Concerns of processed food MSME units on the proposed FOPL (Front of Pack Labelling)

Food Processing Industry in India today stands at the threshold of transformation of its inherent potential into a reality and unleash the potential of growth, employment, investments, and enhancing farm incomes. It promises to offer high quality safe food products to the Indian consumer at a significant scale.

The food processing industry which was identified and termed as a sunrise industry is still to see the sun rise. It is at a critical juncture, and is faced with the threat of getting completely destroyed. One such threat is from the proposed thresholds (from Draft regulations / WHO / FSSAI WG) and associated warnings/markings logo which if implemented in its current form, will stall the progress of the industry particularly the micro, small and medium enterprises. The thresholds prescribed there-in are totally unrealistic and impractical and over 80% of the current processed and packaged food products do not meet such prescribed thresholds. The proposed thresholds are based on fallacious causative reasoning between Non-communicable diseases (NCD) and pre-packaged food and are contextually misdirected and misplaced, unilateral and disruptive without any established consequential benefit. This regulation, if implemented can seriously impede the fundamental social and economic goals that any regulation should ideally achieve. The vested interests in civil society, some of them funded by foreign donors, are pushing a fake and misplaced agenda by advocating for an ill-conceived FOPNL regulation. In the following paragraphs we endeavor to clarify a few misconceptions and provide supporting facts.

1. Misconception - India is at an evolved stage in Food Processing and the root cause of NCDs lies in Pre-packed processed foods as they contain high Salt, Sugar or Fat.

Fact: the level of food processing in India is less than 10% even though India has 11.2% of arable land in the world and a leading producer of food grains, fruits and vegetables. The levels of food processing are far higher in countries such as US (65%) and China (30%).

Fact- 80% of food is prepared at home in India as our culture preaches to eat fresh, thus consumption of packaged food products in India is only at 11 % as compared to developed countries wherein consumption is more than 40-50%.



Fact - According to a NIN study 88% of calories come from home and eating-out food, miniscule portion of diet is being contributed by pre-packaged processed foods.

Misconception 2: The proposed regulation factors in the ability of industry to reformulate, to ensure consumer acceptance and grow

Fact: The industry is bound to face serious constraints in reformulation (e.g. Sugar & Fat are building block of Biscuit, significant reduction may lose the Biscuit Identity) and only a reasonable reduction is possible. In the past 2 years the industry has been able to reduce only 5% sugar in this category with great difficulty and consumer has started noticing it. Use of suitable alternate from past experiences has had its own challenges (stevia has bitter taste, limitation in quantity to be added including negative perception associated with chemicals and artificial sweeteners). Similarly, reduction in Saturated Fat will be compensated with unsaturated fat which are more prone to oxidation and rancidity which in turn impact the shelf life. Fat as an ingredient has multiple functions in the product right from preservation to Textural & building block and also acts as emulsifier and heat transfer to core. Consumer acceptance has been a challenge for e.g In the Retail Fruit Juice market in UK, the Juice drinks and Smoothies markets has declined continuously for the past 6 years in volume terms. The cumulative decline till 2019 from 2013 level is about 20%. (Mintel Reports' Fruit Juice, Juice Drinks and Smoothies - UK - January 2020 report)

Misconception 3: The proposed regulation is pragmatic and is implementable

Fact: The thresholds proposed till date (WHO, Draft Regulation and Working Group) have not been based on scientific facts, as per eating occasions in India and there has been no validation of the model being proposed. The reduction percentages can go upto 79% from current levels. (Refer Annexure 2). If adopted, more than 80% of the products will not meet the proposed thresholds and will carry warning labels. Even Nutritional Recipes from NIN/IHE and mid-day meal foods will also become “RED” by the threshold criteria proposed.

Misconception 4: The proposed regulation is aligned with global regulatory trends

Fact: Unlike the compulsory model being proposed in India, the FOP labelling schemes are voluntary in most parts of the world including in UK FOP scheme and not linked to recipe-thresholds. This is first time such HFSS foods have been arbitrarily defined / prescribed in regulation in the world.

Fact- Most of the developing / developed countries having significantly higher prevalence of the obesity as compared to India have not implemented the WHO models ‘as such’ however certain voluntary approach and gradual reduction approaches are identified and implemented. (Refer Annexure 3)

Misconception 5: Pre-packaged foods causes Obesity and India is a Obese Nation

Fact-Data from 214 countries shows that world obesity level ranges from 2.1% to 74.6%, India is favourably ranked 211 with obesity levels of 3.9%. (Refer Annexure 4) The Indian reality is different than that of US or UK data which is frequently referred to by vested interests in pushing for the change in labeling norms.

Fact- Data clearly establishes that consumption of Sugar and Fat in Indian diet is well below the recommended daily allowance (Refer Annexure 1). There is no clear and field level scientific study carried out in Indian context which links the impact of Pre-packed food on the obesity.

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Misconception 6: FOPL regulations will lead to consumer welfare and augment shift from unorganized sector to the organised sector

Fact: On the contrary, startling and unreasonable warnings on the pack will further wean away the consumer from the organized sector to unorganized sector. This will prove to be counterproductive and lead to the unwarranted outcome of placing Packaged Processed Foods in poor light leading to 'brand dilution' and 'consumer mistrust'. It will also threaten the Hygiene quotient of the food from unorganised sector.

Misconception 7: FOPL regulations will achieve the desired outcomes of protecting consumer health

Fact: Implementing FOPNL on packaged products is only tip of ice berg while addressing the aspect of NCDs. A large part of the food consumption in India lies completely outside the realm of processed and packaged food. The informal sector such as road side stalls, unbranded and loose form of food consumption will continue to be highly vulnerable to food adulteration, quality and hygiene issues.

Fact- addressing the elements like behavior change, Education, awareness and ways of Portion Control (serve size) and Physical Exercise need to be addressed to achieve the desired outcomes of protecting consumer health. Poorly designed and erroneously focussed models / regulations will only lead to unintended costs without achieving any of the desired outcomes.

Key Suggestions

In light of the above facts submitted for consideration we do believe that the myths created stand clarified. We also believe that following recommendation may help pave the way for the establishing winning strategies in this regard.

- There is need for developing science based on-ground studies / survey in Indian context. Methods in this direction could include a "Nutrient Consumption Survey including physical inactivity and its impact on the health" before arriving at the targeted model for adoption in Indian market.
- Emphasis should be on gradual reduction in HFSS levels in accordance with FSSAI Pledges, and there should be monitoring of the Pledges made to FSSAI & their status.
- As an interim approach, we must start with Energy and / or monochrome GDA
- As a pragmatic permanent solution, it will be extremely important to establish reasonable thresholds basis



- o the dietary principals, consumption pattern and serve size in Indian context. Detailed proposals basis these principles for major categories have been submitted to FSSAI through joint chambers (in June 2021).
- o Health impact assessment - 'cause and effect' relationship shall be established between consumption of a particular food and NCDs in Indian context.
- o Technological feasibility and challenges.
- o Grouping of only like-to-like products (in terms of format, process, formulation etc.)
- Emphasis on Consumer Education including Physical exercise logo, Eat in Moderation etc.

The industry will also be willing to participate in a collaborative manner with the Government in areas such as approach for various food categories and preparing strategies for gradual reduction, on nutrient of concerns, on voluntary basis in line with FSSAI pledges, consumer Education in social media including physical exercise logo, Eat in Moderation etc.

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REQUEST - We request that the impractical and stringent thresholds that are being proposed in a haphazard manner should not be implemented as this will create fear among consumers and adversely impact demand generation but also be detrimental to the growth of sector which is still developing and supports Honourable Prime Minister's Vision of Doubling Farmers Income.

Industry-led governance mechanisms, such as implementation of voluntary standards, codes of conduct in a gradual and phased manner will help deliver the policy objectives in an impactful manner, rather than an intrusive and potentially destructive regulatory intervention.

We do hope that the above concerns will be considered favourably on the merit of facts presented. We shall be pleased to provide further clarifications on the above and would look forward to further advice. We wish to reiterate processed food industry's commitment and solidarity with the government for faster growth of the industry with better health for all.

Best Regards,
Yours sincerely

(Saurabh Sanyal)

Copy to

1. Chief Executive Officer, FSSAI
2. Executive Director, FSSAI



114. Suggestions on Investment by Aluminum Industry to Support “AtmaNirbharata” in Defence and Aerospace Industries (29th June 2021)

**Shri Chandraker Bharti
Joint Secretary (Aerospace)
Department of Defence Production
Government of India
New Delhi**

Sub:- Suggestions on Investment by Aluminum Industry to Support “AtmaNirbharata” in Defence and Aerospace Industries

Respected Sir,

Greetings!

At the outset, we would like to appreciate PHD Chamber of Commerce and Industry acknowledges government of India’s initiative to extend the budgetary support of Rs 498.8 crore to Innovations for Defence Excellence (iDEX) to Defence Innovation Organisation (DIO) for the next five years. The budgetary support will provide a big boost to the ‘Aatmanirbhar Bharat Abhiyan’ of Prime Minister Narendra Modi as iDEX–DIO has the primary objective of self-reliance and indigenisation in defence & aerospace sector of the country. “PHD Chamber of Commerce and Industry in reference to increase the Investment by Aluminum Industry to Support AtmaNirbharata in Defence and Aerospace Industries, would like to submit some suggestions on issues pertaining on it.

Please find enclosed the views expressed by PHD Chamber of Commerce and Industry for your kind consideration.

We trust our suggestions on encouraging the investments by Aluminium Industry to support “Atma Nirbharata” in Defence and Aerospace Industries will be considered by the Government for immediate and favourable action.

With warm regards,
Yours sincerely,

(Saurabh Sanyal)



113. Representation for Request for support and intervention of Department of Animal Husbandry (25th June 2021)

Mr Atul Chaturvedi, I.A.S.
Secretary
Dept of Animal Husbandry & Dairying,
Ministry of Animal Husbandry, Dairying & Fisheries
Krishi Bhawan,
New Delhi – 110011

Dear Sir,

Sub: Request for support and intervention of Department of Animal Husbandry for

1. Early Adoption of BIS Specification IS 11968:2019 Pet Food for Dogs & Cats as Mandatory Standard for Pet Food Industry.
2. CLASSIFICATION OF ANIMAL FOOD (CAT & DOG FEED) AT 5% GST RATE UNDER GOODS & SERVICES TAX ('GST') REGIME UNDER CHAPTER 23 AT PAR WITH OTHER ANIMAL FEED.
3. Early Notification of the revised Animal Health Certificate acknowledging Heat treatment (70°C for 30 min) as inactivation step which eliminates risk of Avian influenza basis OIE guidance (World Organization for Animal Health). which will ease Import of Pet food (Dog & Cat) & Animal Origin Ingredients into India

On behalf of its members, the PHD Chamber of Commerce & Industry wishes to draw your kind attention on the current issues being faced by entire Pet Food Industry on account of pending notification of the revised Animal Health Certificate conditions, THE IMPOSITION OF HIGH gst @18% on cat and dog food and stringent conditions for import of ingredients of animal origin pending the notification of the Draft Animal Health Certificate; and absence of scientific approach and uniform regulatory guidelines on manufacturing, ingredients, food safety, quality, testing and nutritional requirements. In this regard detailed representations are submitted herewith for your kind consideration and request for early intervention with other concerned departments. (Annexures 1,2,3)

Background - Sir, Pet food has gained significance over the years and more so because of the rise in pet adoption and pet parents paying more attention to pet nutrition for their health and wellbeing. India is emerging as potential market for pet food, driven by consumer awareness towards benefits of pre-packaged food on pet's health along with the embracing culture of pet companionship.

Indian pet food Industry and its growth is primarily driven by significant pet population of 2.5 crore pet dogs and 4.5 million cats. At present, there is not enough capacity of Indian industry to manufacture and cater to the growing demand (@20%) of pet food, and there is huge dependency on imported food and ingredients.



Pre-packaged Pet food market is estimated at Rs 2,500-2,700 crore and has emerged as a clear solution to many concerns like lifecycle dietary needs, storage, quality, nutrition, shelf life, bulk versus smaller packages, storage temperature, shelf life, etc. According to industry experts, less than 15-18 percent of this market is catered domestically indicative of huge potential for investment and employment creation as also by-product utilisation and thus saving food loss and prevent pollution from meat and poultry industry.

In this backdrop, the pet food industry in India needs a policy push and support from the Department to maintain the growth momentum. There is need to promote the domestic pet food processing by taking policy steps to give a fillip to domestic industry by allowing imports of ingredients (of animal origin) and providing a level playing field to both domestic manufacturers as well as importers.

A harmonized regulatory environment focused on policies, standards, ease of doing business, reducing non-tariff barriers (Sanitary & Phyto Sanitary Guidelines), uniform taxation for pet food vis. animal feed and identical regulations for both domestic manufacturers & importers of pet food will empower the industry to reach its true potential in the coming years.

In this regard we are pleased to attach detailed notes as Annexure 1,2 and 3 on the industry concerns and requests for your kind consideration with request for early intervention.

We will be happy to provide any more information that you may desire on the subject. A copy of the BIS standard is attached for your reference. We shall be grateful if we are given an audience with yourself at your earliest convenience to explain our concerns in detail.

With warm regards

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

112. Regarding implementation time-line for the enforcement of "Acid value of Wheat Bran" standards (23rd June 2021)

**Shri Arun Singhal,
Chief Executive Officer,
Food Safety and Standards Authority of India,
FDA Bhawan, Kotla Road,
New Delhi – 110002.**

Subject: Regarding implementation time-line for the enforcement of "Acid value of Wheat Bran" standards notified vide Gazette Notification No. Stds/CPL & CP/Notification/01/FSSAI-2018.

With reference to the requirement of 'Acid value – Not more than 6' stipulated for 'wheat bran' under the subject gazette notification which is to be implemented from 1st July 2021, we wish to highlight following challenges in compliance with the stipulated requirement of 'acid value in wheat bran':

- We refer to the Minutes of the 28th Meeting of Food Authority held on 21.05.2019 as reproduced below and submit that we are unable to retrieve information pertaining to the status or outcome of this analytical tests conducted by the QA Division of FSSAI.

Further, special invitee requested to increase the limit of Acid value as 24 instead of proposed 6 as per the current availability of wheat bran in market. It was clarified that the product would not be edible at such a high acid value. Further, it was suggested that QA Division would generate data by testing wheat bran market samples.

- Current acid value test methods are available for oils (100% fat) and composite products (external fat is added) wherein extracted fat is higher in these products while in wheat bran extracted fat is very low (3-4%) resulting in higher acid value due to low denominator (weight of fat taken) in the formula of acid value calculation.
- Inherent nature of fat in wheat bran such as higher proportion of fat in free form (>79%) and high lipase activity in bran resulted in higher acid value even in freshly ground wheat bran.

If enforced without addressing the aforementioned challenges, industry will be discouraged to use wheat bran in their products so as to improve/ utilize nutritional benefits from it.

Therefore, we request to extend the implementation timeline for 6 more months so as to understand the outcome of FSSAI QA data, include method of analysis for acid value in wheat bran under Manual of methods for analysis and revise acid value as appropriate.



We hope this merit your consideration.

With regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal blue line.

(Saurabh Sanyal)

Copy to

1. Ms. Inoshi Sharma – Executive Director (Regulatory Compliance)
2. Dr. N. Bhaskar – Advisor (Science & Standards)



111. Seeking approval for utilization of preprinted packaging material inventories (23rd June 2021)

**Shri Arun Singhal,
Chief Executive Officer,
Food Safety and Standards Authority of India,
FDA Bhawan, Kotla Road,
New Delhi – 110002.**

Subject: Seeking approval for utilization of preprinted packaging material inventories and extension to comply with the FSSAI Gazette Notification (F.No. Stds/ M&MPIP (3)/SP/FSSAI-2018) related to “Standards for Meat and Meat Products”

Dear Sir,

This is in reference to FSSAI Gazette notification dated 9th July 2020 regarding Food Safety and Standards (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2020 which will be enforced from 1st July 2021. At the outset, we appreciate the FSSAI intent towards setting standards for various meat products in the trade and also extending support towards Industry's concerns.

In this regard, we wish to apprise you that industry has already started implementation of the above said Gazette notification for FSS (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2020 which has standards for various meat products. However, would like to highlight following Industry Concerns for your kind perusal:

☐ Despite of our best efforts, existing packaging material with high-cost values are still not exhausted in inventories and as new standards have defined quality, compositional and labelling requirements, minor reformulation of the recipes has been warranted, industry shelf life studies of reformulated meat products are in progress and in verge of completion.

☐ COVID-19 Pandemic situation in our country has disrupted many segments of the industry. It has resulted in major economic slow-down, capital loss, Low sales volume, extreme shortage of workers within companies, in associated agencies and other partners etc.

☐ Uniform implementation date for FSS (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2020 with FSS (Labelling & Display regulations): As we understand that new labelling regulations will require extensive changes in each and every SKU that is prevalent today in the market. Hence, we request since the time all the changes are finalized to work on this cost extensive exercise, we request for uniform implementation date.

Further we would like to bring to your kind notice that the challenge is not only for the huge stocks of existing inventory which remains to be salvaged but also the concern of business continuity to design and print new labels, since this standard brings about changes in the label declarations too (viz., Statement “Imitation’ if more than 2% isolated soy proteins



used, removal of proprietary product nomenclature and aligning with standardized food name etc.).

In this regard, we request to further provide transition time for 6 months which will help to comply with the regulation effectively without any major financial loss on account of unutilized inventory of packaging material and ensure business continuity.

We hope our request will merit your due consideration.

With regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

Copy to

1. Ms. Inoshi Sharma – Executive Director (Regulatory Compliance)
2. Dr. N. Bhaskar – Advisor (Science & Standards)



110. Seeking extension to comply with the FSSAI Gazette Notification (23rd June 2021)

**Shri Arun Singhal,
Chief Executive Officer,
Food Safety and Standards Authority of India,
FDA Bhawan, Kotla Road, New Delhi – 110002.**

Subject: Seeking extension to comply with the FSSAI Gazette Notification (No. Stds/CPL & CP/Notification/01/FSSAI-2017) related to “Mixed masala powder”

Dear Sir,

This is with reference to the requirements stipulated for ‘mixed masala powder’ under the subject gazette notification which is to be implemented from 1st July 2021.

Changes required in label: Before the advent of the subject standard, blended masalas (except curry powder) were categorized under proprietary foods and accordingly marked in label. Also, the percentage of emphasized ingredients was included in the list of ingredients. Since these standards are notified and blended masalas are now considered as ‘standardized food’ and the name to be revised in label as appropriate. Further there are new labelling requirements envisaged in the subject notification – to declare minimum percentage of “Spice Content” and “Salt Content above 5%”.

We would like to bring into your kind notice that the industry having been working towards implementation of these proposed changes. However, despite industry’s best efforts, there has been many practical and operational challenges in exhaustion of old inventory laminates as outlined below.

Huge write off of these unused packaging materials (approx.Rs 1.1 crores), which is not in the interest of nation and have huge financial implications on the food businesses.

a) Impact of COVID-19 Pandemic: Blended spices market in India is dominated by MSMEs (accounts for >85%) and segmented based on product type, distribution channel and region.

MSMEs were badly hit following the lockdown as industries remained closed for more than months. The current economic situation is not conducive to small industries as there is restricted liquidity in the system, though the government pumped in stimulus to keep the sector alive.

b) Slow-uptake in the market: There are huge stocks of old inventory lying at factories as there are slow moving products whose Minimum Order Quantity (MOQ) for their packing material caters to product supply for almost a year.

If enforced without addressing the aforementioned challenges, industry will be discouraged to use wheat bran in their products so as to improve/ utilize nutritional benefits from it.



Therefore, we request to extend the implementation timeline for 6 more months so as to understand the outcome of FSSAI QA data, include method of analysis for acid value in wheat bran under Manual of methods for analysis and revise acid value as appropriate.

We hope this merit your consideration.

With regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

Copy to

1. Ms. Inoshi Sharma – Executive Director (Regulatory Compliance)
2. Dr. N. Bhaskar – Advisor (Science & Standards)



109. Representation seeking approval for utilization of Preprinted packaging material inventories and extension related to Ragi Flour (23rd June 2021)

**Shri Arun Singhal,
Chief Executive Officer,
Food Safety and Standards Authority of India,
FDA Bhawan, Kotla Road,
New Delhi – 110002.**

Subject: Seeking approval for utilization of preprinted packaging material inventories and extension to comply with the FSSAI Gazette Notification (No. Stds/CPL & CP/Notification/01/FSSAI-2017) related to “Ragi Flour”

Dear Sir,

This is in reference to FSSAI Gazette notification dated 9th July 2020 regarding Food Safety and Standards (Food Products Standards and Food Additives) Third Amendment Regulations, 2020 which will be enforced from 1st July 2021. At the outset, we appreciate the FSSAI intent towards setting standards for various food products in the trade and also extending support towards Industry's concerns.

In this regard, we wish to apprise you that industry has already started implementation of the above said Gazette notification for FSS (Food Products Standards and Food Additives) Third Amendment Regulations, 2020 which has standards for various food products. However, would like to highlight following Industry Concerns for your kind perusal:

Despite of our best efforts, existing packaging material with high-cost values are still not exhausted in inventories and as new standard for Ragi flour have defined quality requirements, minor change in the manufacturing process and post-harvest handling of Ragi grains has been warranted, industry shelf life studies are in progress and in verge of completion.

COVID-19 Pandemic situation in our country has disrupted many segments of the industry. It has resulted in major economic slow-down, capital loss, Low sales volume, extreme shortage of workers within companies, in associated agencies and other partners etc.

Uniform implementation date for FSS (Food Products Standards and Food Additives) Fourth Amendment Regulations, 2020 with FSS (Labelling & Display regulations): As we understand that new labelling regulations will require extensive changes in each and every SKU that is prevalent today in the market. Hence, we request since the time all the changes are finalized to work on this cost extensive exercise, we request for uniform implementation date.

Further we would like to bring to your kind notice that the challenge is not only for the huge stocks of existing inventory which remains to be salvaged but also the concern of business continuity to design and print new labels, since this standard brings about changes in the



label declarations too (viz., Removal of proprietary product nomenclature and aligning with standardized food name etc.).

In this regard, we request to further provide transition time for 6 months which will help to comply with the regulation effectively without any major financial loss on account of unutilized inventory of packaging material and ensure business continuity.

We hope our request will merit your due consideration.

With regards,

Sincerely,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal blue line.

(Saurabh Sanyal)

Copy to

1. Ms. Inoshi Sharma – Executive Director (Regulatory Compliance)
2. Dr. N. Bhaskar – Advisor (Science & Standards)



108. Suggestions for Development of Sports Sector of J&K (22nd June, 2021)



NO: PHDCCI-20-21/2774
Dated: 22-06-2021

Mr. Alok Kumar, IRS
Principal Secretary
Youth Services and Sports,
J&K Government

Dear Sir,

PHD Chamber of Commerce and Industry (PHDCCI), founded in 1905 is the apex National body for promotion of trade, commerce, industry and overall economic development of Country and States. With more than 1.35 lakh direct and indirect members which include the Trade and Industry Associations and leading Chambers of Commerce of the Country PHDCCI represents all cross sections of trade and industry across segments ranging from large corporates to SMEs.

PHDCCI J&K Chapter has been operational in J&K from the last several decades and has been working relentlessly for the balanced growth of Industry, Commerce and youth related activities in Jammu & Kashmir. Infact among the leading national Chambers the PHDCCI is the only National Apex Chamber which is having grass root level presence and membership base in J&K. The Chamber, while becoming the industry's voice, has ensured its complete support to the efforts of the government in implementation of its policies for the overall development of the Region. The PHD Chamber has always advocated the issue of J&K on various Regional, National and Global Platforms. The Chapter has and will always work tirelessly towards the attainment of Peace, Harmony and Development of the Union Territory of J&K. The J&K Chapter of PHDCCI is headed by two separate regional Chairmen's.

The 2030 Agenda for Sustainable Development recognizes sports as a vital enabler of sustainable development and recognizes the growing contribution of sports for development and peace. The PHDCCI Kashmir would like to submit following suggestions and inputs for overall development of Sports ecosystem of J&K.

- 1) There should be announcement of much awaited Sports Policy of J&K and the Policy needs to be announced with a slew of incentives for talented sports person of J&K. There should be incentive in the policy for an Olympic gold medallist, Silver and Bronze Medallists from the J&K, and anyone participating in an Olympic event should get Rs 20 lakh, and also there should be incentives for world championships for Silver, Bronze and Gold Medallists.

- 2) It is learnt that most of the outstanding sportspersons in the State are without Government jobs and the doors for their appointments under SRO-349 have almost been closed from 2014 onwards. We suggest that for the Outstanding Sports persons there is need for creation of a separate cadre by introducing J&K Outstanding Sportsperson Service rules and regulations with reservation of Jobs in all categories of Jobs.
 - 3) There is need for formation of Committee for Granting recognition to State Sports Associations and these associations' needs to be monitored annually for their performance.
 - 4) Club culture needs to be promoted to create a competitive sporting environment in J&K.
 - 5) Development of Multipurpose sports playfield at Gram Panchayat Level under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGS)
 - 6) Every school has sports embedded in their curriculum as they understand the importance of physical health and activity. However, the importance given to sports ends there— in its inclusion just for the sake of formality. Many schools do not properly encourage students to participate in sporting events and parents add to the physical hindrance by not believing that this field can bring as much or even better chances of success than the academic field. Therefore we request that there should be awareness among Students and PHDCCI would like to join hands with Youth Services and Sports for Organizing Awareness Workshops and Webinars round the year.
 - 7) We suggest that only registered sports needs to be promoted in Jammu and Kashmir.
 - 8) Also we suggest that Coaches bio data and qualifications should be available on official website of J&K Sports Department.
 - 9) The Sports infrastructure like stadiums and Swimming pools should be completed on priority and the completed Stadiums and Sports Infrastructure should be deputed with Qualified Coaches and Managers.
 - 10) Sports council or youth services district centre should be having Counselling centres so that it will be easy for parents to choose the right sports for the children as per his/her talent.
 - 11) There are many sports coaches who are working in police department we can avail there services on deputation in sports department.
 - 12) The Kerala Blasters Football Club want to have the Pre-season in Srinagar from 25th July, 2021 to 30th August 2021 and they are interested in playing friendly
-

matches against few clubs from Jammu and Kashmir. The club has huge fan following with a fan-base of over 20 million people. The Kerala blasters have 10 international players playing currently and they all will be part of this tour. We request for facilitation from government for Organizing of these matches under the aegis of J&K Sports Department.

- 13) Mr Muhammad Amin Naik who is a champion rower. He has been awarded the highest medal to an Indian sportsman, the Arjuna Award, for his accomplishments in rowing. His service needs to be utilized for development of Water Sports in J&K.
- 14) Holding of National Youth Parliament Festival at Srinagar/Jammu. Besides youth parliament in each District of J and K.
- 15) Implementation of following Schemes in letter and Spirit for Youth in J and K.
 - National Service Scheme (NSS)
 - National Program for Youth and Adolescent Development (NPYAD)
 - Scouting and Guiding.
 - National Youth Corps (NYC)
 - Nehru Yuva Kendra Sangathan (NYKS)
 - International Co- Operation (IC)
 - Youth Hostels
 - Khelo India.
- 16) Last but not the least we request for the nomination of PHDCCI-J&K in all Advisory Committees and Councils of Youth services and Sports department of J&K.

Thanking you and looking forward for your kind support and Cooperation
With warm regards,

Sincerely yours



Baldev Singh Raina
Chairman
PHDCCI-Kashmir



107. Representations for 18th Session of India-Switzerland Joint Economic Commission (JEC) (22nd June 2021)

**Shri Ajaya Kumar Sahoo
Section Officer
FT(Europe-II) Division,
Department of Commerce, Ministry of Commerce & Industry,
Government of India
New Delhi**

Dear Sir,

Greetings from PHD Chamber!

Sub: Representations for 18th Session of India-Switzerland Joint Economic Commission (JEC)

At the outset, we would like to express our gratitude to the Ministry of Commerce and Industries for taking the initiative to start the 18th session for the India-Switzerland Joint Economic Commission (JEC). This 18th session of the JEC is expected to benefit both countries to expand their trade and investments. It will be significant since it will allow India to expand its export portfolio, which was previously limited to a few commodities.

India-Switzerland economic and commercial cooperation constitutes an essential dimension of the bilateral relationship. India's economic engagement with Switzerland saw new momentum in recent years wherein the total bilateral trade reached USD20 bn in 2017-18. On the contrary, the merchandise trade share in Covid time has decreased significantly and reached USD18.1 bn in 2019-20, which is around 12 percent less than the value in FY2017-18. India exported around USD1.2bn in terms of merchandise exports and imported about USD 16.8bn amount of goods from Switzerland during Covid times i.e. FY 2019-20. Despite the small share in India's trade, Switzerland is an essential partner for India in this pandemic. Switzerland has joined the list of countries that have helped India by delivering 600 oxygen concentrators and 50 respirators valued approximately \$3.3 million. Switzerland also supported the India's stand on Covid vaccine patent waiver.

The major Indian exports to Switzerland include: organic chemicals, natural and cultural pearls, articles of textile and clothing, footwear and gaiters, Machinery and mechanical appliances etc. Imports from Switzerland include: Gems and jewellery, pharmaceutical products, machinery and mechanical appliances, organic chemicals etc.

The major exports products of Switzerland to world: Gems and jewellery, machinery and mechanical appliances, pharmaceutical products, electrical machinery and their part of, organic chemicals, clock and watches, cinematographic and photographic articles, plastic articles. Whereas, Switzerland imports from the world such as natural and cultural pearls, pharmaceutical products, mechanical machinery and electrical machinery, vehicles, iron and steel, organic chemicals and plastic articles.



It has been three years since PHDCCI has collaborated with Switzerland. However, India's biggest potential may be in science and technology, tourism, education and skill development, Ayush and Telemedicine, railways, and civil aviation.

We trust our suggestions will be favorably considered in the interest of trade and industry.

With warm regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

106. Increase in minimum wages in NCT of Delhi (21st June 2021)

Saurabh Sanyal
Secretary General

ST-18-D
21 June 2021

Respected Sir,

Increase in Minimum Wages in NCT of Delhi

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

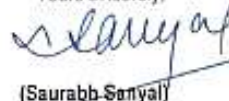
Our members have requested us to draw your attention to the announcement of increase in minimum wages which are applicable from 1 April 2021. As you are aware, due to Corona lockdowns since March 2020, industrialists & traders in Delhi are facing lot of hardships and their profits have been badly hit. A large number of MSMEs have closed down and many others are struggling to survive. In this backdrop, entrepreneurs in NCT of Delhi are not in a position to bear this increased burden.

Moreover, since the minimum wages are comparatively less in neighbouring States, this move will result in business establishments moving out of Delhi resulting in loss of revenue to your Government. Also the minimum wages are already the highest in India for years and another increase will worsen the situation. Moreover no other state as far as our knowledge has increased the same due to the badly hit economy in industries in India. The unemployment rate is amongst the highest today and the above increase will further lead to more factories and traders shutting down and hence retrenching employees in huge numbers. This situation can lead to the crime rate increasing as more people will come on the roads.

In view of the above, we request you to kindly reconsider the decision regarding this increase and help the entrepreneurs in this difficult time.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister
Government of NCT of Delhi




105. Huge hike in electricity bills (21st June 2021)

Saurabh Sanyal
Secretary General

ST-18-D
21 June 2021

Respected Sir,

Huge hike in Electricity Bills

Greetings from PHD Chamber of Commerce and Industry!

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

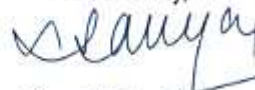
Our members have requested us to draw your attention to arbitrary charges being imposed by TATA Power. Number of factories owners, specially in Wazirpur Industrial Area, have received their electricity bills with huge hike in the amount to be paid. When they inquired about the same with their electricity provider (TATA power) they were informed that their sanctioned load has been increased without their consent and they have to deposit an advance which is in thousands.

Due to Covid-19 the factories owners are already facing loss of revenues and some are on the verge of closing down specially the small factories owners.

In view of the above, we request you to kindly instruct the electricity companies to withdraw these charges and help the entrepreneurs of Delhi in this difficult time.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister
Government of NCT of Delhi
New Delhi



104. PHD Chamber Suggestions on Ease of Doing Business: Protecting Minority Investors Indicator (18th June 2021)



Saurabh Sanyal
Secretary General

Shri K.V.R. Murthy
Joint Secretary
Ministry of Corporate Affairs
Government of India

Sub:- Suggestions on Ease of Doing Business : Protecting Minority Investors Indicator

Respected Sir,

Greetings!

In reference to the letter received from the Ministry of Corporate Affairs, Government of India dated 11th June 2021 regarding submission of suggestions for **Protecting Minority Investors Indicator and improve India's Ease of Doing Business ranking**. The PHD Chamber of Commerce and Industry would like to acknowledge the Government of India's initiative to improve India's Ease of Doing Business by practising global compliance standards by protecting minority investor's interest as per the World Bank's Doing Business Report, 2020.

The PHD Chamber of Commerce and Industry has taken inputs from the members of the Chamber in reference to support the minority investors rights. We are optimistic that it would enhance the transparency and easy access to the information for the shareholders and would help India to improve its score on the "Extent of Disclosure Index".

Please find enclosed the views expressed by PHD Chamber of Commerce and Industry for your kind consideration.

We trust our submission will be of value addition to the Ease of Doing Business : Protecting Minority Investors Indicator in India

With best regards,

Yours sincerely,

(Saurabh Sanyal)



"Towards Building Aatmanirbhar Bharat"



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103. Request to consider a change in the Current Forward Bidding Model (16th June 2021)

16 June 2021

Shri Prahlad Joshi
Hon'ble Union Minister for Coal & Mines
Shastri Bhawan
New Delhi-110001

Respected Sir,

Sub: Request to consider a change in the Current Forward Bidding Model of Mineral Blocks Auction to a more Sustainable and Investor Friendly Bidding Model.

As you may be aware, PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

At the outset, we would like to compliment the vision of your Government of attaining Atma Nirbharta and increasing transparency in the Mining sector. We appreciate that the Government of India is trying its best to unlock the mineral potential of our country but the auctions have seen more failures than success. The problem is not with the auction policy but with the model of auction.

As you are aware, the MMDR ACT 2015, introduced auctions as the sole method for allocation of mineral blocks. The Mineral Auction Rules 2016 were made in accordance with the MMDR Act to facilitate the auction of mineral blocks. But unfortunately the model adopted for auction has not given the desired results in the country. Post the recent amendment of the MMDR Act in 2021, all the mines which were blocked under Section 10A2B and many lapsed cases under Section 10A2C are now free for auction. But the current method of auction may not encourage more number of players for participation in the process.

The current bidding system has few major flaws as follows:

1. There is no cap on the maximum premium to be paid by the successful bidder. This coupled with unsustainable aggressive bidding, any mineral block auction will see more failures than success. This will lead to huge loss of time and revenue for the State Governments and the industries dependent on the minerals will also suffer.

2. The current model is based on the revenue share considering average sale price of the mineral to be published by IBM, which is always delayed by 3 to 4 months. This makes it very difficult for the miner to assess the actual cost of the mineral and after winning the bid at high premiums the mining company will always be at loss which will eventually lead to failure of mineral blocks.
3. Only big Industries having large consumption of a particular mineral can sustain aggressive bidding which has the potential danger of closing all the doors for smaller industries in our Country.
4. Chhattisgarh alone has more than 80 iron ore consuming units with no captive iron ore mine and they have signed more than 100 MOUs for setting-up new steel units.
5. It is not possible that every consuming unit will be able to secure a mine for long term and so the idea of merchant mining must be promoted in larger national interest. Although the reservation of a mineral block for captive use has been removed from the MMDR Act but aggressive bidding makes merchant mining companies uncompetitive, so even if a mine is auctioned for merchant use, it is secured by primary producers in the current model of auction.
6. The current situation of iron ore and steel prices in our Country is a testimony to the above mentioned facts which can be verified from the auction that took place in Karnataka and Odisha. Not even a single merchant miner has been able to run the mines successfully which were taken by them in auction.
7. Even the proposed National Mineral Index will not help in the current auction model because every State has different demographics and logistic cost for end users. A National Index cannot determine the sale value of a mineral for every State and so the idea of highest premium and revenue sharing based on National Mineral Index may not be considered.

After consultation with some of our members, we would like to suggest a more sustainable model for auction of mineral blocks which will not only promote the idea of merchant mining but also will help to double the mineral production and attract more players for value addition in the Country.

The revised auction methodology may be as follows:

1. Premium must be fixed as an amount equivalent to 150% of Royalty as has been done for PSUs having allotted iron ore mines post 2015. Reference:-(MMDR Amendment Act, 2021)
2. The bidding must be based on one time maximum upfront payment being offered by the bidders which shall be non-refundable and non adjustable.

3. The reserve price for upfront payment must be minimum 2% of the value of resources. If there is no bidder in the first round of auction then the reserve price may be reduced to lower percentage of the value of resources.
4. Any successful bidder must deposit 100% upfront payment within 7 working days post the auction in case of a mine which was under operation prior to the auction or within two years in the case of a virgin mine.
5. If the bidder fails to operate the mine as per the Mine Development and Production Agreement (MDPA), and the State Government cancels the mining lease, the bidder shall have no claim on the upfront payment.
6. If the bidder fails to comply with any terms and conditions of the auction then the upfront payment shall be forfeited.
7. Top 3 or 50% of the total bidders, whichever is higher, may be qualified for the next round of auction.
8. The final bidder who agrees to pay the maximum upfront payment must be declared as the successful bidder.
9. In case of a mine being auctioned post expiry of an operating mining lease then the miner must ensure at least 80% of the minimum production as per the last approved mining plan for the first 5 years of the mining lease failing which the bidder shall have to pay 100% of the statutory dues considering Premium, Royalty, DMF and NMET for the shortfall quantity.

We shall be grateful if the Government of India could consider our above proposal and do the needful on an urgent basis so that our Country could unlock the mineral potential and attract more number of players in the mining and value addition.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Prahlad Joshi
Hon'ble Union Minister for Coal & Mines
Shastri Bhawan
New Delhi-110001

102. Covid Lockdown in Chhattisgarh -Extension of time for lifting (16th June 2021)

16 June 2021

Shri Prahlad Joshi
Hon'ble Union Minister for Coal & Mines
Shastri Bhawan
New Delhi-110001

Respected Sir,

Sub: - Covid Lockdown in Chhattisgarh –
Extension of time for lifting of coal against FSAs and E-auction

As you may be aware, PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

I am writing to draw your kind attention to an issue being faced by some of our Coal based member Industries in Chhattisgarh regarding supply, delivery and payment, etc against delivery orders issued by the Subsidiaries of Coal India Ltd.(CIL), consequent to stringent lockdown measures implemented in Chhattisgarh.

The upsurge of Covid-19 cases across India has **necessitated certain relief measures like longer lifting period and grant of relaxation in payment dates**. The scenario is very similar to the unprecedented situation prevailed all across India last year which impacted many industries. Your kind self will appreciate that with many progressive schemes announced by the Government last year under the "Atma Nirbhar Bharat" campaign, signs of progress and green shoots of growing economy are now visible. Taking advantage of the improvement in economic growth and demand, the Industry had booked large quantities of coal under various schemes of E-auctions to meet the growing demand. There is now an apprehension that orders booked for supply of coal may get lapsed on account of operational difficulties.

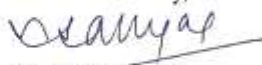
CIL also has huge coal stock piled up at its pit-heads. We would be grateful if the facility to lift material against delivery orders scheduled during the months of April, May & June 2021 are extended up to end of July 2021 along with extension of payment date against them by the end of July 2021 for FSAs as well as E-auction quantities of Power and Non-Power Sectors.

The Industry is confident that if the said request is accepted, it will definitely help in materialising usage of 100% booked quantity. It will surely also help CIL in liquidating huge stock build-up at pit-heads.

We shall be grateful if you could kindly instruct your concerned officials for taking the positive action at the earliest.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Prahlad Joshi
Hon'ble Union Minister for Coal & Mines
Shastri Bhawan
New Delhi-110001

101. Representation for 11th Session of India Turkey Joint Committee (16th June 2021)

16 June, 2021

Mr Ajaya Kumar Sahoo
Section Officer
FT(Europe-II) Division,
Department of Commerce, Ministry of Commerce & Industry,
Government of India

Dear Sir,

Greetings from PHD Chamber!

**Sub: Representations for 11th Session of India- Turkey Joint Committee on
 Economic and Technical Cooperation (JCETC)**

At the outset, we would like to express our gratitude to the Ministry of Commerce and Industries for taking the initiative to start the 11th session for the India-Turkey Joint Committee on Economic and Technical Cooperation (JCETC). This 11th session of the JCETC is expected to benefit both countries to expand their trade and investments. It will be significant since it will allow India to expand its export portfolio, which was previously limited to a few commodities.

India-Turkey economic and commercial cooperation constitutes an essential dimension of the bilateral relationship. India's economic engagement with Turkey saw new momentum in recent years wherein the total bilateral trade reached USD8.6 bn in 2018. On the contrary, the merchandise trade share in Covid time has decreased significantly and reached USD5.2 bn in 2020, which is around 24 percent less than the value USD6.9 bn of the year 2019. India exported around USD3.6bn in terms of merchandise exports and imported about USD 1.6bn amounted goods from Turkey during covid times. Despite the small share in India's trade, Turkey is an essential partner for India in this pandemic. The turkey provided 680 oxygen tubes, five oxygen generators, 50 ventilators, and 50,000 boxes of anti-viral medicines in this pandemic situation.

The major Indian exports to Turkey include: petroleum products, auto components/parts, man-made yarn, fabrics, made ups, aircraft & spacecraft parts, plastic raw materials, organic chemicals, dyes, industrial machinery, etc. Imports from Turkey include: industrial machinery, broken/unbroken poppy seeds; machinery and mechanical appliances, iron and steel articles thereof, inorganic chemicals, pearls and precious/semi- precious stones and metals (including imitation jewellery), granite and marble, etc.

The major exports products of turkey to world: vehicles other than railways, machinery and mechanical appliances, electrical machinery and their part of, iron and steel, articles of clothing, plastic articles and natural and cultural pearls. Whereas, turkey imports from the world such as mineral fuels, natural and cultural pearls, mechanical machinery and electrical machinery, vehicles, iron and steel, organic chemicals and pharmaceutical products.

PHDCCI have undertaken the following activities with Turkey after the 10th JCETC meeting:

- PHDCCI signed an MoU with Turkish Chamber of Commerce on 11 September 2014
- Call-on with H.E Mr. Sakir Ozkan Torunlar, Ambassador, Embassy of Turkey to India on 20th February 2018
- PHDCCI signed an MoU with Foreign Economic Relations Board of Turkey on 18 September 2019
- PHDCCI Business Delegation to Moldova & Turkey from 14 Sep - 19 Sep 2019
- Participation of H.E Mr. Sakir Ozkan Torunlar, Ambassador, Embassy of Turkey to India in the 9th International Heritage Tourism Conclave on 13th March 2020 held in Gwalior.

We trust our activities and initiatives will be favorably considered in the interest of trade and industry.

With best regards,

Yours sincerely,



(Saurabh Sanyal)



100. PHD Chamber Suggestions on National Mineral Index- Shortcomings in fixation of ASP for bauxite and incidence of double calculation of royalty in ASP (16th June 2021)

Shri Upendra C. Joshi
Joint Secretary
Ministry of Mines
Government of India
New Delhi

Sub:-Suggestions on National Mineral Index- Shortcomings in fixation of ASP for bauxite and incidence of double calculation of royalty in ASP

Respected Sir,

Greetings!

At the outset, we would like to appreciate policy reforms initiated by the government of India for developing National Mineral Index on the lines of the National Coal Index (NCI). It is creditable that the National Mineral Index is based on Coal India (CIL) notified prices and auction prices and import prices. We duly acknowledge the government of India's initiation to sought suggestions from various stakeholders to overcome the issue regarding National Mineral Index (NMI) for individual minerals. PHD Chamber of Commerce and Industry in reference to the National Mineral Index Fixation of ASP (Average Sales Price) for bauxite and incidence of double calculation of royalty in ASP, would like to submit some suggestions on issues pertaining to computation of Average Selling Price of Minerals.

Please find enclosed the views expressed by PHD Chamber of Commerce and Industry **on the National Mineral Index- Shortcomings in fixation of ASP for bauxite and incidence of double calculation of royalty in ASP** for your kind consideration.

We trust our submission will be considered by the Government for immediate and favourable action.

Warm regards,



Saurabh Sanyal
Secretary General
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454
Fax: +91 11 26855450
Email: sg@phdcci.in / saurabh.sanyal@phdcci.in
Website: www.phdcci.in



99. Suggestions to provide relief to trade and industry in view of COVID-19 pandemic (15th June, 2021)



NO: PHDCCI-20-21/2772
Dated: 15-06-2021

Shri Manoj Sinha Ji
Hon`ble Lieutenant Governor
Union Territory of J&K

SUB: Suggestions to provide relief to trade and industry in view of COVID-19 pandemic

Dear Sir,

Greetings from PHD Chamber J&K

PHD Chamber of Commerce and Industry (PHDCCI), founded in 1905 is the apex body for promotion of trade, commerce, industry and overall economic development in the UT of J&K and for the Nation. With more than 1.35 lakh direct and indirect members which include over Trade and Industry Associations and leading Chambers of Commerce of the Country PHDCCI-J&K represents all cross sections of trade and industry across segments ranging from large corporates to SMEs

Sir, at the outset, we would take this opportunity to appreciate the commendable efforts taken by the Government towards fighting the COVID-19 pandemic in Union territory of J&K and only with your efforts the graph of positive patients have gone down very significantly. The Hospital Beds are also available and people are genuinely cautious now.

There are some sectors of economy that are drivers of our economic growth and employment, this situation poses a very serious threat to the economy. It is therefore necessary to provide relief as possible to help them survive and come out of the acute crisis. In view of above we request following suggestions for various economic activities of J&K. The PHDCCI-J&K regularly takes up initiatives to act as a bridge between stakeholders and concerned regulatory bodies in order to convey and help in resolving genuine grievances or effectively implement the laws.

- The havoc created by the on-going pandemic on account of COVID 19 all around is well known and well documented and, therefore, hardly requires any elaboration. Even though the statistics may appear to show some declining trend, that too, of late, the ground realities show that the situation is not normal for business and professional establishments of J&K. Even while relaxations have been provided, several restrictions are still in place in various districts and movement is still restricted. With this several industries and private offices have still not resumed functioning at all. Also as travel by public transport continues to be restricted/limited this has led to work places being still shut down or at the least a shortage of workforce. The industries and offices that have resumed are still struggling to function at a certain level of normalcy. They are focused on steering their businesses back on line while

abiding by the restrictions and following the advisories. Among these struggles faced by the citizens of the J&K, they also have to abide by various due dates falling up to the month of June'21. Also many of the due dates in these months involve payment of taxes which is very difficult as cash flows have dried up - a fact that has been considered while coming up with various relief measures by the Reserve Bank of India. We request that these dates be extended at the least to the end of August'21, in a staggered manner, by which time some stability in business may happen and work places may be fully operational and compliance can be duly completed. We believe resuming of the businesses and their smooth functioning will be a key to reviving the economy and that a little space in terms of time of compliance can substantially ease the burden of Business in J&K as well as the individual citizen. A lot of dates were extended in earlier Lockdown but due to the slow speed on Unlock down of second wave an extension thereof till the end of August'21 with a re-evaluation thereafter is the need of the day and we request your honour to kindly issue necessary orders towards the same for UT level extension of due dates for Financial Year 2020-21 and F. Y 2021-22

- The tourism economy of J&K has been heavily hit by the coronavirus (COVID-19) pandemic, and measures introduced to contain its spread. Depending on the duration of the crisis, revised scenarios indicate that the potential shock could range between a 60-80% decline in the tourism economy of J&K. The UT Government has a crucial role to play in revival and growth of the tourism industry of J&K. Government needs to take immediate relief measures for survival and revival of Tourism of J&K:
 - To begin with, the GST collected in 2021-22 & 22-23 and in that UGST portion may be reimbursed to the Hoteliers and Restaurants.
 - Relief of Electricity Bills: The electricity Bills raised by Power Department consists of two Parts a) Actual Electricity Consumption b) Fixed Duty. We request for complete waiver of fixed duty and 50% Waiver in actual Electricity Consumed for the year 2021-22.
 - Tour operators and travel agents are required to pay GST 18% on commission earned for supplying specified services. A tax holiday may be introduced for a specified period to safeguard the interest and revival of such service providers.
 - Hoteliers, travel agents, guides and taxi operators, who are dependent on tourist arrivals for their livelihood, are in dire straits with 75 per cent of the summer season having been washed out due to the second Covid surge in April-May. The fear of banks declaring loan accounts as NPAs is haunting those who had taken loans to meet their expenses. A large number of

hotels in J&K are on sale as owners are under huge debts. The situation is so bad that many taxi owners, who had taken vehicles on loans, are desperately looking for buyers to dispose these off. With no income for the second consecutive season, they are unable to pay their EMIs and the banks have started issuing those notices. Therefore we urge the Hon'ble Lieutenant Governor to provide Loan Moratorium, Waiver of Electricity Charges and all fixed charges specifically for Tourism Industry including Relief from regulatory compliances, Relief from penal provisions for delays in dues, Relief from excise fees, Relief from electricity duty, Relief from other UT taxes etc.

- The RBI has brought the emergency credit line guarantee scheme 3.0 to provide relief to tourism, hospitality and travel sectors but most stakeholders could not take the benefit of the scheme due to the reason that the substantial number of stakeholders have not availed Credit from banks, therefore we suggest for Soft Working Capital Loan for Tourism Sector with One year Moratorium and 50% interest of loan be absorbed by the Department of Tourism J&K Government.
- The Employees engaged in the travel and tourism sector needs to be provided with personal loans upto Rs. 50,000. The Department of Tourism should absorb at least 6 per cent of the interest, while the remaining 3 per cent will have to be borne by the borrower concerned.

Sir We understand that the situation is little complicated but we have full trust and confidence in your good self and we are sure under your leadership and guidance the business, Trade and Industry of J&K would be able to survive and come out of difficult times.

Thanking you and looking forward for your kind help and support.

With warm regards,

Sincerely yours



Rahul Sahai

Chairman- PHD Chamber of Commerce Jammu

Copy To

- 1) Sh. B. V. R. Subramanian , IAS, Chief Secretary Union Territory of J&K
- 2) Sh. Nitishwar Kumar, IAS, Principal Secretary to Hon'ble Lieutenant Governor J&K
- 3) Sh. Pandurang K. Pole, IAS, Divisional Commissioner, Kashmir
- 4) Sh. Sarmad Hafeez, IAS, Administrative Secretary to Government, Tourism & Culture Department,

98. Request for extension for the filing of GST reimbursement and budgetary support claims for F.Y 2020-21 in View of COVID-19 Pandemic (11th June, 2021)



PHDCCI-JK/J/2771
Dated: 11-06-2021

Dr Arun Kumar Mehta (IAS)
Chief Secretary
Government of J&K

SUB: Request for extension for the filing of GST reimbursement and budgetary support claims for F.Y 2020-21 in View of COVID-19 Pandemic

Dear Sir,

We commend the Government for the way the pandemic has been efficiently tackled during the various phases of lockdown and unlock. We also appreciate the extension provided for GST returns.

Due to the restriction and mental Trauma, several industries and private offices have still not started fully functioning and are still struggling to function at a certain level of normalcy. To help the Corporate Industries and Small businesses Finance Ministry in 43rd GST Council meeting has already provided the Amnesty Scheme for pending GST return with reduced late fees for the period of July-2017 to April 2021.

Keeping in view that and considering the peculiar conditions of entrepreneurs of J&K who are battling the economic battle for survival and are have been supported by UT Administration through various initiatives and the GST reimbursement claim is part of that initiative of UT administration.

With due respect we request your Honour to take this into consideration and **extend the due dates for filling of reimbursement Claims and provide an amnesty or one time relaxation for filling the reimbursement claims for Financial Year**



2020-21. The entire fraternity of Industries, and entrepreneurs along with professionals will highly appreciate and will be obliged if this is done soon enough to allow the industry to get a clarity and we firmly believe that the decision in this regard will help the Industry of J&K amid covid economic slur.

With warm regards,

Rahul Sahai

Sincerely yours

Rahul Sahai

Chairman- PHD Chamber of Commerce Jammu

Copy To:

- 1) The Commissioner State Taxes Department Rail Head complex Jammu with the request to Kindly look into the matter and issue the necessary direction in this regard

97. Technical Problem for registration by JKBOSE for the Students whose families returned back to Kashmir due to Covid Lockdown and business closures. (8th June 2021)



NO: PHDCCI-20-21/2771
Dated: 08-06-2021

**Shri Manoj Sinha
Hon`ble Lieutenant Governor
Union Territory of J&K**

SUB: Technical Problem for registration by JKBOSE for the Students whose families returned back to Kashmir due to Covid Lockdown and business closures.

Respected Sir,

The current coronavirus (COVID-19) pandemic and lockdown is having a profound impact on the Kashmiri handicraft and other traders who were earning their livelihood in other states. Most of these people have returned back to their home along with their families.

We are in receipt of some representations from these families who are facing trouble in getting their wards registered for Board Exams from CBSE/ ICSE to J&K Education Board. We would like to mention that the results in other states for 10th class have been declared in April-2021 and then there was national mass promotion for 10th class.

Now in order to get these students registered in J&K Board as per the guidelines and Education act of J&K the result needs to be declared before 31-March-2021 to fulfil the requirement of 180 days of Academic Year. Therefore, the Board which is empowered to make changes in the Act needs to consider these special cases in view of Covid -19/ We have also recently witnessed there was grant of extension in affiliation and other compliances by JKBOSE.

In view of this we seek your intervention that special relaxation should be given for registering the students who have migrated or shifted from other states to J&K.



The parents of these students are deeply concerned for loss of precious academic year. We hope the issue will be resolved and necessary directions will be given by your Excellency to the concerned officials.

Sincerely Yours
With warm regards,

Sincerely yours
Baldev Singh Rania
Chairman- PHD Chamber of Commerce Kashmir
Mob: 9419400044

Copy to:

- 1) Dr Arun Kumar Mehta (IAS) Chief Secretary J&K Government for kind information and kind consideration
- 2) Shri Bishwajit Kumar Singh IFS, Principal Secretary School Education Department with the request to kindly issue your worthy orders and address the issue.
- 3) Prof. Veena Pandita, Chairperson JKBOSE with the request to kindly look into the matter on humanitarian grounds.



96. To Mirror the FDI Policy in the ODI Policy of Government of India (8th June, 2021)



Sanjay Aggarwal
President

8 June 2021

Respected Sir,

Namashkar!

To Mirror the FDI Policy in the ODI Policy of Government of India

Kindly recollect that the PHD Chamber of Commerce and Industry had written to Hon'ble Governor RBI more than two years back on this subject. The letter highlighted many cases of Indian Investors, who are facing undue hardships abroad due to constantly declining prices of Real Estate. With the on-set of Corona Virus crisis, not only have prices nose-dived, but sales are becoming next to impossible. The solution cited by our members was to mirror the FDI Policy in the ODI Policy to allow "**Sale / Leasing**" of buildings / premises located abroad, in these present times of hardship and it could be done easily by an amendment in the FAQs issued.

The hardship faced by our members has become more pronounced. Decision was given by the Government of India to delegate the power to amend the FAQ/ODI policy to the RBI. This was conveyed to PHDCCI during the discussion with the officers of Department of Economic Affairs, Government of India. PHDCCI was advised to follow up the matter of draft notification/FAQ announcements with RBI.

Sir, you will be happy to learn that the Chamber leadership also had a meeting with your predecessor Dr. Kanungo as well the earlier Senior Executive Director Mrs. Sinha. They had both supported the proposal for the one word amendment in ODI Policy, namely, to allow Sale/ LEASING in Indian Real Estate Projects abroad. It was then that proposal to make the amendment (which had earlier been approved by Ministry of Housing & Urban Affairs, and the Dept. of Economic Affairs) had been sent back to the Ministry of Finance (kind attention of Mr. K. Rajaraman, IAS) for publication. The Ministry of Finance had even got the approval of the Law Ministry to issue the amendment, we were given to understand. However, at that time a decision was taken by the Government to delegate the powers to amend the ODI Policy back to the RBI.

At present, the RBI in exercise of powers delegated to it, has drawn up the draft of the amendment to be issued. It has to be sent to the Department of Economic Affairs for concurrence. The Chamber requests that the draft may please be forwarded to DEA in the Ministry of Finance (for the kind attention of the Additional Secretary, Shri K. Rajaraman) since the Division is fully aware of the

facts of the issue. The matter has been unduly delayed for nearly two years and there is a genuine concern that in case any official gets shifted/ elevated, then the exercise would have to begin from scratch once again. Hence, the request to expedite the process.

This change in the policy is also well known to the Hon'ble Governor RBI who was himself the Secretary of Government of India earlier. We had also written to him requesting that the matter of draft notification/amendment in the FAQ to mention sale/leasing may please be expedited. We are given to understand that the draft notification is pending approval in the highest quarter in RBI. Sir, as the head of the foreign exchange department in RBI, the same can be expedited at your end and may please be sent to Government of India at the earliest.

We have been following up, because the market for sales of properties located abroad is facing a severe crisis currently. It is essential that buildings may be allowed to be "leased" to at least recover their maintenance cost before sale prices recover. Unfortunately, this small amendment is yet to take place despite many reminders.

Sir, we expect and hope for an expeditious resolution so that Indian investments abroad in real estate do not lose any further value and ease-of-doing-business is restored.

We trust our submission will be considered for immediate and favourable action.

With best regards,

Yours sincerely,



(Sanjay Aggarwal)

Mr Rajeshwar Rao
Deputy Governor
Reserve Bank of India
18th Floor, Central Office Building
Shahid Bhagat Singh Road
Mumbai



"Towards Building Aatmanirbhar Bharat"



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95. PHD Chamber of Commerce and Industry detailed suggestions to mitigate the impact of Pandemic Covid19 on Trade and Industry (7th June, 2021)



Sanjay Aggarwal
President

7 June 2021

Respected Sir,

Subject: PHD Chamber of Commerce and Industry detailed suggestions to mitigate the impact of Pandemic Covid19 on Trade and Industry

Greetings from the PHD Chamber!

At the outset, we would like to thank you for giving us an opportunity to present our thoughts and views on Virtual meeting held on 01.06.2021 at 7.00 PM on the agenda of **"Review with Industry Associations regarding their preparedness to combat the Covid-19 pandemic"**

PHD Chamber of Commerce & Industry appreciates Government's efforts for consistently reviewing and monitoring the situation and working arduously for better co-ordination between Centre, States, Hospitals and Suppliers of Oxygen and vaccines to match the demand and supply in the country, given the recent surge in cases of COVID-19 pandemic.

We duly acknowledge the proactive role of the Government to ensure the safety of citizens during this 2nd wave of pandemic and possible 3rd wave of Covid-19. Government's time to time initiatives such as meetings with industry associations would strengthen the fight against covid-19.

A detailed representation prepared on the basis of various suggestions received from the members of the PHD Chamber is attached for your kind consideration, which include requests for controlling the skyrocketed prices of industrial commodities/ basic inputs, minimize the customs duties on imports of industrial raw material, financial and structural support to MSMEs and NBFCs, suggestions for easing working capital requirements, disbursement of the pending scrips under various exports incentive schemes and suggestions to expedite the vaccination drive, among others.

We trust our suggestion will be favorably considered in the interest of trade and industry and to attain a higher economic growth trajectory in 2021-22.

Thanking you once again,

Yours sincerely,



(Sanjay Aggarwal)

Shri Piyush Goyal
Hon'ble Minister
Ministry of Commerce & Industry
Government of India
New Delhi



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94. Extending the Benefits to Carpet, Handicraft and Handloom weavers and Artisans under Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and J&K Building and Other Construction Workers Welfare Board (5th June 2021)

Shri Manoj Sinha Ji
Hon`ble Lieutenant Governor
Union Territory of J&K

SUB: Extending the Benefits to Carpet, Handicraft and Handloom weavers and Artisans under Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and J&K Building and Other Construction Workers Welfare Board

Dear Sir,

After Agriculture, Horticulture and Tourism the Handloom and Handicraft Industry are the largest source of employment and Livelihood across J&K. Over the past several decades, the Handicraft and Handloom Sectors of J&K have battled numerous challenges. But the current coronavirus pandemic has exacerbated their woes. The massive dip in economic activity and customer demand has made it difficult for the Artisans as well as Traders to stay afloat.

In such a time, instead of just being Vocal for Local, PHD Chamber Kashmir requests your Excellency to go the extra mile and direct the Government Officials as well as people of J&K to Buy Local made Products including Handicraft and Handloom Products.

In addition to this we would like to mention that the Carpet, Handicraft and Handloom activities are the main economic activities of the people residing in the rural as well as in certain pockets of urban Areas of Kashmir Valley. The Carpet, Handicraft and Handloom sector are labour-intensive sector employing the largest number of artisans and weavers throughout the valley. As per the grass root level reports these weavers and artisans are in deep trouble due to the lockdown. Most artisans are now looking for agricultural work or to do other labour Work.

This Covid Situation from last year has entrapped artisans and their families in a low-income situation with worse outcomes for their future generations. Further, large number of artisans and weavers are from the marginalised sections which is cause for concern as they are the least empowered sections of the society. We as an association therefore advocate and request for considering the idea of linking Handicraft and Handloom artisans with the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) or with J&K Building and Other Construction Workers Welfare Board service in order to provide safety, health and welfare measures to the Artisans.

Thanking you, and looking forward for your reply.

Thanking you,
With warm regards,



Sincerely yours
Baldev Singh Rania
Chairman- PHD Chamber of Commerce Kashmir
Mob: +91 96222 67777, 9419400044

Copy To

- 1) Dr Arun Kumar Mehta , IAS, Chief Secretary Union Territory of J&K
- 2) Sh. Nitishwar Kumar, IAS, Principal Secretary to Hon'ble Lieutenant Governor J&K
- 3) Sh. Ranjan Prakash Thakur, IAS, Principal Secretary Industries and Commerce UT of J&K



**93.Revalidation of Loan Case of M/s Valley of Kashmir Mushrooms Industrial Estate
Khunmoh Srinagar (5th June 2021)**



NO: PHDCCI-20-21/2769
Dated: 05-06-2021

**The General Manager
JKDFC Sanatghar Srinagar**

**SUB: Revalidation of Loan Case of M/s Valley of Kashmir Mushrooms Industrial
Estate Khunmoh Srinagar**

Dear Sir,

We are in receipt of a representation of **M/s Valley of Kashmir Mushrooms**. In this regard we would like to request you to please refer to your office sanction Letter issued vide Ref no: DFC/K/PF-39/2017-18/545 Dated: 08/12/2017.

Due to Various prevailing Conditions and disturbances and reorganization of J&K followed by COVID-19 the promoter could not avail the Loan facility sanctioned in his favor by JKDFC. The promoter have already made an investment in the project over and above of his margin by constructing the factory building on the allotted land and is interested to avail the loan facility under CGTMSME Scheme.

We therefore request and recommend you to Kindly revalidate the sanction letter accordingly enabling him to make his unit functional without any further delay.

**Thanking you,
With warm regards,**

**Sincerely yours
Baldev Singh Rania
Chairman- PHD Chamber of Commerce Kashmir
Mob: 9419400044**



92. PHD Chamber Representation on Steel and steel products (Quality Control Order dt. 17th July,2020) (5th June, 2021)

**Shri. Puneet Kansal
Joint Secretary
Ministry of Steel
Government of India**

Subject:- Representation on Steel and steel products (Quality Control Order dt. 17th July,2020)

Respected Sir,

Greetings!

At the outset, we would like to appreciate reforms initiated by the Government of India for the sustainability and revival of the steel Industry and to overcome the supply disruption caused due to pandemic. In the wake of acute shortage of tinplate/ tin free steel material which is largely used to manufacture cans and containers to pack processed food and fruits, the processed food packaging industry is adversely affected due to Pandemic. The small players who are into the business of packaging of fruits and other processed food have suffered due not able to meet the demand of tin cans and containers. It is requested that in the pretext of prevailing COVID conditions in India and as well as many other countries, the implementation of Quality Control Order be put on hold at least till March 2022.

Please find enclosed the detailed suggestions by PHD Chamber of Commerce and Industry for your kind consideration.

In view of the above, it is our humble request to consider the suggestions on the steel and steel products (Quality Control Order dated 17th July,2020)

We trust our submission will be considered by the Government for immediate and favourable action.

Warm regards,

**Saurabh Sanyal
Secretary General
PHD Chamber of Commerce and Industry**



91. Representation on Re-instating the clause of allowing waiver of ISTS access charges for RPO Obligated Entities (3rd June, 2021)



Saurabh Sanyal
Secretary General

3rd June 2021

Shri Tanmay Kumar
Joint Secretary
Ministry of Power
Government of India
New Delhi

Dear Sir,

Greetings!

Representation on the Re-instating the clause of Allowing Waiver of ISTS access charges for RPO Obligated Entities

At the outset, we would like to appreciate various reforms initiated by the government of India for the growth of power and energy sector. It is worth to consider that the Effective Renewable Purchase Obligation enforcement would benefit electricity users in the long run. It will assist the government in meeting long-term goals and sustainable growth of the renewable sector. It will also stimulate the demand for an industry that is still in its infancy. In this context, the PHD Chamber of Commerce and Industry, would like to submit suggestions and views regarding Re-instating the clause of allowing waiver of ISTS access charges for RPO Obligated Entities.

Please find enclosed the detailed suggestions for your kind consideration.

In view of the above, it is our humble request to consider the suggestions on the Waiver of Inter-State Transmission charges and losses on transmission of electricity generated from solar and wind sources of energy, R&R dated 15th January 2021 by the Ministry of Power, Government of India.

We trust our submission will be considered by the Government for immediate and favourable action.

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General



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90. India-UK Virtual Summit - proposed India-UK SME Partnership - inputs for PMO Action Taken Report (2nd June, 2021)



Saurabh Sanyal
Secretary General

2nd June 2021

Smt. Alka Arora
Joint Secretary, SME Division
Ministry of Micro, Small & Medium Enterprises
Government of India
New Delhi

Respected Madam,

I would like to take this opportunity to thank you and your team to provide PHD Chamber of Commerce and Industry the opportunity to develop a concept note to initiate a specific dialogue for a possibility to enter into a comprehensive partnership with UK in the SME sector.

We have dedicated teams at PHDCCI exclusively responsible for the International Affairs, MSME sector and Research Bureau. They have worked together to find out the possible areas of cooperation between the SME sectors of India and UK and drafted a concept note incorporating the various sectors within the gambit of SME. The draft concept note is attached for your kind reference.

We are available to discuss in details on the note as per your convenience.

We wish you and your loved ones Health and Safety.

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General



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89. Analysis of recent DDMA's order and what it means for the factory owners in Delhi (1st June, 2021)

ST-18-D-
1 June 2021

Respected Sir,

Analysis of recent DDMA's order and what it means for the factory owners in Delhi

Greetings from PHD Chamber of Commerce and Industry!!

At the outset, **we would like to compliment you for starting the unlocking process in Delhi.** At this juncture, we would like to submit that our members are very apprehensive about the modalities of unlocking.

As you are aware, DDMA has issued an Order No. F.2/07/2020/pt file-III/431 dated 29.05.2021 vide which, operations of manufacturing/ production units within closed premises in approved industrial areas and construction activities within the work sites have been permitted w.e.f. 31.05.2021. However, it may be mentioned that this has been done subject to strict compliance of the prescribed (some of which are non doable) directives and the owners of manufacturing/production units and the owners/contractors/employers of construction activities have been made responsible for ensuring this compliance in letter and spirit.

In the Table below, all the prescribed conditions have been tabulated along with their possible consequences for the factory owners:

S.NO.	CONDITION	COMPLIANCE ISSUES
5 (B) i	Only asymptomatic workers and employees will be allowed at workplace.	This is doable , but there is an issue in it – in case a worker goes undetected or develops symptoms of Covid while at work and an inspecting team finds it before the factory owner does - the owner will be held responsible. We request that the owner should not be held responsible for something over which he/she has no control.

5 (B) ii	Staggering of work / business hours will be followed at workplace in order to ensure proper social distancing between workers, adequate gaps between shifts, staggering the lunch breaks of staff etc.	Doable, but this is difficult for the factory owner to prove to the inspecting team that this is indeed being done.
5 (B)iii	COVID Appropriate Behaviour shall be strictly followed by all workers/employees at workplace viz. wearing of face masks, maintaining social distancing, no spitting at public place, no consumption of Pan, Gutkha, Tobacco and Liquor at work place.	While employees/ workmen will be directed by the management to follow Covid appropriate behaviour, the factory owner can not ensure it 100% since the employee is himself an adult and factory owner can only supervise him till a limit. It should be the responsibility of the individual employee who is an adult to strictly follow the prescribed Covid norms and in case he/she fails to do so, the factory owner should not be held responsible.
5 (B)iv	Provision of thermal screening, hand wash and sanitizer preferably with touch free mechanism will be made at all entry and exist points and common areas.	such provisions are difficult to implement specially in micro and small units which work on shoestring budgets.
5 (B) v	Frequent sanitization of entire work place, common facilities and all points which come into human contact e.g. door handles etc. shall be ensured, including between shifts.	Again, such provision are difficult to be implemented, especially in micro and small units which may not be able to afford it.
5 (C)	The owners of manufacturing/ production units, the owners /employers/contractors of construction activities will be responsible for strict compliance of aforesaid instructions /Directives at work place. In case of any	Such provisions will lead to inconvenience to the factory owners. This provision will act as a license to the Government agencies to gate crash into any factory and find grounds to harass entrepreneurs. Invoking such harsh provisions on factories, especially micro and small units, is not desirable and will be a major cause of harassment to their owners

	<p>/employers/contractors of construction activities will be responsible for strict compliance of aforesaid Instructions /Directives at work place. In case of any violation, concerned manufacturing/ production unit or construction activity shall be closed, besides strict penal action would be taken against the violator(s) as well as the owner of manufacturing unit or owner/ employer/ contractor of construction work activity, as the case may be, under relevant Laws/ Rules viz. Section 51 to 60 of Disaster Management Act, 2005, Section 188 of PC and other applicable laws.</p>	<p>of the Government agencies to gate crash into any factory and find grounds to harass entrepreneurs. Invoking such harsh provisions on factories, especially micro and small units, is not desirable and will be a major cause of harassment to their owners who may not even be physically present in the factory at the time of inspection. This provisions may be withdrawn.</p>
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5 (D)	<p>The movement of workers / employees shall be allowed only on the possession of e-pass (in soft or hard copy), which can be obtained by the owners / employers / contractors by submitting online application with details of workers / employees on the website www.delhi.gov.in.</p>	<p>Our members have informed us that they have been trying to get e-Passes but it is impossible to get e-Passes for workers and owners alike. Also, this provision should not be made mandatory as most of the workmen live in the vicinity of their place of work. Further, there are several classes of employees in a factory like casual, contractual etc., and therefore,</p>
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		<p>employees in a factory like casual, contractual etc., and therefore, arranging such passes for everyone can leave factory owners susceptible to future threats from unscrupulous persons.</p> <p>We would like to request you that only identity proof (on a letterhead of the company) of a workmen should be enough for allowing his movement.</p>
5 (E)	All District Magistrates shall ensure random RT-PCR / RAT testing in sufficient numbers at these manufacturing/ production units / construction sites on regular basis.	This may become another source of harassment for the factory owners. What if a workman at work is tested and is found to be Covid positive? The factory owner should not be penalized for this.
5 (F)	All District Magistrates and their counterpart district DCPs shall deploy Special Teams for regular inspection of these manufacturing / production units as well as construction sites for ensuring effective compliance of COVID Appropriate Behaviour by all workers/ employees.	As explained under 5(C) above, this will lead to widespread harassment of factory owners. Such provisions will give a license to the Special Teams to enter any factory premises and harass the factory owners under the threat of hefty fines, closure of unit and even jail.

CONCLUSIONS & SUGGESTIONS:

The above rules may kindly be reviewed to be more Industry friendly. We request the authorities for giving respect to the biggest contributors to the economy and treat them with dignity and respect they so clearly deserve. The rules should be modified treating the factory owners as a part of the implementers and innocent till proven guilty.

While steps must be taken to reframe the applicable laws and rules in tune with the changed times but since this cannot be done overnight, we would like to suggest that the area's Industrial associations should be made a part of the "Special Teams" and law enforcing agency should be avoided to enter any factory premises unless accompanied by a representative of the area association. Any adverse action against any factory should only be taken with concurrence of the accompanying association representative.

We shall be grateful if you could kindly take our suggestions into account and issue necessary amendments in the guidelines in the interest of Delhi's business community.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Sanjay Aggarwal)

Shri Arvind Kejriwal
Hon'ble Chief Minister
Government of NCT of Delhi
New Delhi

This Representation has also been sent to:

Shri Anil Baijal
Hon'ble Lieutenant Governor of Delhi
Raj Niwas
Delhi

88. Request to Hon'ble LG of Delhi to not extend the lockdown (28th May 2021)

ST-18-D-
28 May 2021

Respected Sir,

Greetings from PHD Chamber of Commerce and Industry !!

At the outset, we would like to compliment you for handling the current COVID crisis in Delhi in a very balanced and mature manner. It is indeed heartening to note that as a result of the continuous efforts of your administration, Delhi's case positivity rate has come down significantly from a record high of 36 per cent during the last week of April, to below 2% yesterday (now it has been below 2% for continuously two days). A positivity rate of below 5 per cent is considered safe as far as the spread of the virus is concerned.

Right from day 1 of the lockdown in 2020 till date, the business community of Delhi has supported the Government unconditionally in all ways. Considering the marked decrease in the number of cases, very low positivity rates, increasing number of vaccinated persons in Delhi, **the business community of Delhi would like to request you to not extend the lockdown from 31 May and let the industries, businesses and shops open.** The Gujarat Government has also opened commercial establishments from 21 May after daily Covid cases dropped below 5000 there and some more State Governments have already eased restrictions.

We need the support of your Government as the businesses in Delhi are dying an untimely death. We want to request the Government to support Delhi's industrialists, businessmen and traders and save them from heavy losses which are mounting leading to closure of small businesses and trading houses. We would also like to request you that markets may be allowed to open initially from **12 pm to 8 pm and offices from 10 am to 5 pm.** Our sincere request is that **please do not put the condition of allowing only 50% staff as these piecemeal measures don't help the cause and we are unable to run factories with such a clause.**

Members of Managing Committee from PHDCCI, led by our President, Mr Sanjay Aggarwal, **would like to have a virtual meeting with you to discuss the initiatives of the chamber and problems being faced by the entrepreneurs in Delhi.** We shall highly appreciate if your office could let us know a convenient date and time in the next week for the same.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Dr Yogesh Srivastav)

Shri Anil Bajaj
Hon'ble Lieutenant Governor of Delhi
Raj Niwas
Delhi

87. Request for credit/ refund of compound interest charged during the moratorium period (28th May, 2021)



Sanjay Aggarwal
President

28 May 2021

Respected Sir,

Greetings from PHD Chamber!

Request for credit/ refund of compound interest charged during the moratorium period

At the outset, on behalf of the PHD Chamber, we applaud the various measures undertaken by Reserve Bank of India (RBI) during the pandemic covid-19. The timely measures undertaken by RBI have helped the economy to remain on track with expectations of a high growth trajectory in the current financial year 2021-22.

We wish to bring to your kind attention an issue being faced by the members of trade & industry and general public alike due to non-refund of compound interest, interest on interest or penal interest collected on EMIs for loans taken during the last year.

The Supreme Court on 23rd March 2021 directed the banks and financial institutions to refund the component of interest collected on EMIs for loans during the period of moratorium from March 1 to August 31 during 2020 (supreme court order attached). As per the Supreme Court's order the amount accumulated as compound/penal interest or interest on interest during the six-month moratorium on term loan EMIs should be given as "credit/adjusted in the next instalment of the loan account.

It may be mentioned that the Hon'ble Supreme Court had observed that additional interest in the form of compound or penal is usually collected from loan defaulters. Thus, when the payment of instalments was already deferred during the moratorium, the borrowers need not be burdened amid financial losses due to pandemic and lockdown already afflicted.

In view of the above, it is suggested that the banks and financial institutions may be directed to comply with the Supreme Court's order dated 23rd March 2021 and refund/ adjust the compound interest, interest on interest or penal interest charged on EMIs during the six-month moratorium period from 1st March to 31st August 2020.

We trust our suggestion will be favorably considered.

Thanking You,

Warm regards,

Yours sincerely,



(Sanjay Aggarwal)

Shri Shaktikanta Das
Governor
Reserve Bank of India
18th Floor, Central Office Building
Shahid Bhagat Singh Road
Mumbai



"Towards Building Aatmanirbhar Bharat"



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86. Suggestions to provide relief to trade and industry in view of COVID-19 pandemic (27th May, 2021)



NO: PHDCCI-20-21/2767
Dated: 27-05-2021

Shri Manoj Sinha Ji
Hon'ble Lieutenant Governor
Union Territory of J&K

SUB: Suggestions to provide relief to trade and industry in view of COVID-19 pandemic

Dear Sir,

Greetings from PHD Chamber J&K

PHD Chamber of Commerce and Industry (PHDCCI), founded in 1905 is the apex body for promotion of trade, commerce, industry and overall economic development in the UT of J&K and for the Nation. With more than 1.35 lakh direct and indirect members which include over Trade and Industry Associations and leading Chambers of Commerce of the Country PHDCCI-J&K represents all cross sections of trade and industry across segments ranging from large corporates to SMEs

Sir, at the outset, we would take this opportunity to appreciate the commendable efforts taken by the Government towards fighting the COVID-19 pandemic in Union territory of J&K and only with your efforts the graph of positive patients have gone down very significantly. The Hospital Beds are also available and people are genuinely cautious now.

Sir going forward I have an appeal from PHDCCI-Kashmir to allow gradual economic activities. You will agree that the trade and industry of J&K is passing through a very difficult time due to the restrictions imposed to combat the second wave of the COVID-19 pandemic. It is therefore necessary to provide some relief as possible to help them come out of the acute financial crisis.

There are some sectors of economy that are drivers of our economic growth and employment, this situation poses a very serious threat to the economy. It is therefore necessary to provide relief as possible to help them survive and come out of the acute crisis.

In view of above we strongly recommend and request for following sectors need to be opened gradually and these Sectors must first put arrangements in place to follow the SOP before reopening.

- The automobile sector is biggest source of employment and revenue generation of J&K. We request to allow these kind of sectors to open up gradually and owners should be made responsible for all precautions and SOP's. We also suggest that there should be dedicated vaccination drive for Automobile Sector and Workshops

- We also request for opening of Malls also with fewer shops on alternate basis and restricted times. We should work on Pune model where shops are shut during day hours and are open Morning and evening with restricted hours with all precautions and COVID SOP's.
- Nearly all tourism related businesses in J&K tourism sector are at risk of bankruptcy due to the travel restrictions and lockdown in place, the situation could have been far worse if it were not for your Excellency Tourism Support Scheme, which supported up to 80 percent of a Daily worker's in Tourism Sector. Another year of terrible losses can be avoided if the government supports the swift resumption of National or international travel to J&K, which will be vital to powering the turnaround of the J&K economy. We therefore propose introduction of Digital Green Certificates as has been adopted by European Tourism Industry. This is a digital proofs that a person has been vaccinated against COVID 19, has recovered from the virus, or has a negative test result will greatly facilitate safe free movement of citizens and restart of travel and tourism in the J&K. We need a clear plan outlining conditions and timing to prepare for the safe restart of travel and tourism in J&K to be ready for the critical on going Season of 2021! J&K Government and all Stakeholders needs to work on this together leaving no place for fragmentation and unilateral actions.

We all are facing this unprecedented situation and we require your cooperation and patient hearing for resumption of limited economic activities. We would be very grateful if your good-self would take an early action in this regard and have a positive consideration of our suggestion.

Thanking you,
With warm regards,



Sincerely yours
Baldev Singh Rania
Chairman- PHD Chamber of Commerce Kashmir
Mob: +91 96222 67777, 9419400044

Copy To

- 1) Sh. B. V. R. Subramanian , IAS, Chief Secretary Union Territory of J&K
- 2) Sh. Nitishwar Kumar, IAS, Principal Secretary to Hon'ble Lieutenant Governor J&K
- 3) Sh. Pandurang K. Pole, IAS, Divisional Commissioner, Kashmir
- 4) Sh. Sarmad Hafeez, IAS, Administrative Secretary to Government, Tourism & Culture Department,



85. Issuance of New Press Note clarifying the FDI Policy in E-Commerce Sector and recommendations for the same (27th May, 2021)



Saurabh Sanyal
Secretary General

27th May 2021

Dr. Guruprasad Mohapatra, IAS
Secretary
Department for Promotion of Industry & Internal Trade (DPIIT)
Udyog Bhawan
New Delhi - 110001

Issuance of New Press Note clarifying the FDI Policy in E-Commerce Sector and recommendations for the same

Dear Sir,

1. This is in furtherance of the representation submitted by PHD Chamber of Commerce and Industry (PHDCCI) to your good office on March 22, 2021 requesting for issuance of a new Press Note and proposing recommendations to plug loopholes in the FDI Policy, especially clarifications issued under Press Note 2 of 2018.
2. India's retail industry is the 5th largest global destination in the world and accounts for over 10% of the Gross Domestic Product (GDP) of India and over 8% of India's employment. **India's retail industry consists majorly of Brick & Mortar Offline Stores ("Kiranans") and an ever-growing e-commerce retail industry.** According to Invest India, the e-commerce industry constitutes 25% of the total organized retail market in India and is set to grow to 37% by 2030. The e-commerce industry is estimated to surpass the US e-commerce market by 2034 to become the 2nd largest e-commerce market, according to the India Brand Equity Foundation (IBEF).
3. The staggering rise of e-commerce retail in India has been **at the cost of over 8 crore small and medium offline traders** and has severely impacted over 40 crore Indians who are directly and indirectly dependent on the retail sector. The COVID-19 pandemic has further added to the hardships of these small and medium offline traders and led to severe losses and in some cases, even the closure of these units impacting local grass root employment and livelihoods.



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4. The intent of the FDI Policy has always been to incentivize and increase investments in order to supplement domestic capital, technology and skills for accelerated economic growth and capital. The FDI Policy is laid down clearly to ensure that the lives and livelihoods of small merchants/shopkeepers/mom-and-pop stores are protected and safeguarded and that is why the policy has clearly **prohibited FDI in inventory-based model of e-commerce (Multi Brand Retail Trade "MBRT")** yet allowed for 100% FDI in marketplace model of e-commerce. This is to ensure that foreign entities do not have any control over inventory, directly or indirectly, and subsequently, on prices. The FDI Policy has been supplemented by press notes clarifying the letter and spirit of the FDI Policy, the most recent being Press Note 2 of 2018.
5. The FDI Policy and press notes issued by the Ministry of Commerce & Industry need to be further clarified to **plug the loopholes** arising out of implementation of the provisions of the policy. This needs urgent intervention of your good office because of the hardships it is causing to the offline retail industry, in particular and the overall retail industry in general. It is in pursuance of the same that the PHDCCI suggests the following amendments/changes to the FDI Policy to ensure and provide greater clarity which may lead to adherence in letter and spirit thereby curbing manipulation due to lack of clarity on fewer counts.
6. To ensure that foreign e-commerce marketplace entities do not have any direct or indirect control over the inventory and subsequently on prices, the **scope of the definition of "Group Companies" must be expanded** to include:
 - a) The marketplace entity itself;
 - b) Group Companies of the marketplace entity;
 - c) Affiliates of the marketplace entity;
 - d) Related Parties of the marketplace entity;
 - e) Associated Enterprises of the marketplace entity;
 - f) Beneficial Owners of the marketplace entity;
 - g) Any person controlled directly or indirectly by entities in a) to f) or in which the persons in entities a) to f) have a **direct or indirect equity or economic participation of any kind**.
7. The FDI Policy clearly stipulates that e-commerce marketplace entities are strictly prohibited from holding inventory because that would convert them into inventory-based model of e-commerce and **would be tantamount to MBRT by foreign companies** – of late, many instances have come to the fore where the e-commerce marketplace entities are flouting the FDI Policy. Hence, the following amendments to the definitions of "inventory based model of e-commerce" and "marketplace model of e-commerce" under **Clause 5.2.15.2.2. (iv)** are recommended:

"Marketplace based model of e-commerce- means providing of an information technology platform by an e-commerce entity on a digital & electronic network to act as a facilitator between buyer and seller. The entity operating the marketplace model of e-commerce shall be termed as "marketplace e-commerce entity"

"Inventory based model of e-commerce- Inventory based model of e-commerce means an e-commerce activity where inventory of any of the goods or services sold on the e-commerce platform is directly or indirectly owned or controlled by the e-commerce entity and is sold to the consumers directly. If any goods or services which are sold by the Group Companies (as per the revised definition in point '6') are resold on the e-commerce platform, then such activity shall be treated as inventory based model of e-commerce". FDI Policy applicable on Multi Brand Retail Trading in India shall also apply to inventory e-commerce entity.

8. It should be further clarified by the new Press Note that the e-commerce marketplace entity and its group companies will be prohibited from **selling those inventories which are purported to be sold by them on the marketplace platform**:

Amended Clause “5.2.15.2.4 (ii): *“Marketplace entity & its Group Companies (as per the revised definition in point ‘6’) shall not, directly or indirectly sell inventory of goods or services purported to be sold on the marketplace to the Sellers on the Platform”.*

Further, there should be a threshold limit of buying from domestic producers and the armed pricing to be followed with respect to domestic players. This is essential for integration of online-offline marketplace so that there are opportunities for both domestic and foreign players in India’s booming retail e-commerce industry.

9. It i’s a common business practice of certain e-commerce platforms to manipulate and discriminate against small, local third party vendors by **granting some ‘preferred sellers’ added visibility on the front/search page of the platform**. These preferential listings are also regularly provided for **private label products** at the cost of other third party sellers. It is suggested that a mechanism be developed for regulatory oversight on ‘advertising norms’ to prohibit such preferential listings. This would greatly help in leveling the playing field to some extent.

Looking forward to your kind consideration.

With best regards,

Yours sincerely,



(Saurabh Sanyal)



84. Representation on Extension of Mining Leases (27th May, 2021)



Saurabh Sanyal
Secretary General

27th May 2021

Shri Upendra C. Joshi
Joint Secretary
Ministry of Mines
Government of India
New Delhi

Respected Sir,
Greetings!

**Representation on the Extension of Mining Leases under Section 8(5)
of the MMDR Amendment Act, 2021**

At the outset, we would like to appreciate various reforms initiated by the government of India for the growth of the mining sector. These reforms will be vital for the growth of the mining sector, with long-term impact on efficiency, immediate boost to mineral production, employment generation, and Ease of Doing Business. In this context, the PHD Chamber of Commerce and Industry, would like to submit suggestions and views regarding Extension of Mining Leases under Section 8(5) of the MMDR Amendment Act, 2021 to facilitate investment and generate employment.

Please find enclosed the detailed suggestions prepared by PHD Chamber of Commerce and Industry for your kind consideration.

In view of the above, it is our humble request to consider the suggestions on the Extension of Mining Leases under Section 8(5) of the MMDR Amendment Act, 2021 by the Ministry of Mines, Government of India.

We trust our submission will be considered by the Government for immediate and favourable action.

With best regards,

Yours sincerely,

(Saurabh Sanyal)



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83. Request to bringing GST rate applicable on key inputs services (18%) in the Mining Sector at par with the GST on Minerals (5%) (27th May, 2021)



Saurabh Sanyal
Secretary General

27th May 2021

Shri M Ajit Kumar
Chairman
Central Board of Indirect Taxes and Customs
Ministry of Finance
New Delhi

Respected Sir,

Greetings from PHD Chamber!

Request to bringing GST rate applicable on key inputs services (18%) in the Mining Sector at par with the GST on Minerals (5%)

Metals and minerals are essential to almost all aspects of life; they enable farming, healthcare, communications, water and energy supply, transport, space technology, and the construction. The said Metal and Minerals sector forms the backbone of industrial sectors and includes everything from extracting raw material to delivering products to end-customers.

Mining of minerals has undergone substantial regulatory changes in recent past. Vide implementation of destination-based consumption tax (i.e. Goods and Services Tax (GST)) regime, it was expected that cascading nature of taxes and issues of tax accumulation in hands of the producers shall be eliminated.

It may be noted that 95% of the requirement of Copper Concentrate is met via Imports and only 5% is procured from domestic supplier as very few quantity of Copper Ore is available in India.

There was a meeting held on 6th April 21 in the Ministry of Mines to discuss about GST issues related to mining and smelting Sectors in the non-ferrous sector and finding out a solution. In the said meeting, there was a proposal from a domestic mining company to increase the GST rate (from 5% to 18%) on Copper Concentrate to rectify the inverted duty structure on their mining service of Copper Ore (18%).



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PHD Chamber

Continuation Sheet

As mentioned above, only 5% of Copper Concentrate in the domestic market can be supplied and 95% of Copper Concentrate are imported. All other Copper Smelters in India are, thus, dependent on import. As a result of the proposed increase of GST on Copper Concentrate, there will be an accumulation of input tax credit GST in the accounts of other Copper producers which will be a big setback to the Copper Industry. In addition, increasing GST rate on essential metal shall clearly set an inflationary trend which is neither in favour of public interest nor justifiable in current economic conditions.

Mining industry being a primary product, various inputs and input services typically consumed by the said sector should be subject to GST at lower rate or reduced to same rate as applicable to Minerals (ie 5%).

It may be noted that typical input services which Mining Industry avails and are taxed @ 18% are :

- License Fees Payable to Central and State Government
- Mining Contractor's Services to extracting the minerals

The imbalance between the GST on essential Minerals (5%) and mining services (18%) has created high accumulation of input GST credit, in the hands of mine owners.

Suggestion

It is therefore suggested that the following may be considered:

- a) GST credit so accumulated on account of input service used by the mining owners, should be refunded back to the mine owner, thereby implementing GST in its true spirit (i.e. destination based consumption tax).
- b) GST rate applicable on key inputs services eg (i) Licenses Fees payable to Government and (ii) Fees payable for Mining Contractor's Services used in mining of minerals, should be reduced from 18% to 5% GST rate applicable to the corresponding goods extracted.

We trust our request will receive a favourable consideration.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

82. Request to raise the limit of ₹50,000 to ₹10 lakh under Section 56 (2) (x) Income Tax Act to help pandemic affected people (25th May, 2021)

25th May 2021

Shri Pramod Chandra Mody
Chairman
Central Board of Direct Taxes
Ministry of Finance
New Delhi

Respected Sir,

Greetings from PHD Chamber!

Request to raise the limit of ₹50,000 to ₹10 lakh under Section 56 (2) (x) Income Tax Act to help pandemic affected people

As you are aware, the country is facing unprecedented times and the covid pandemic is bringing sufferings to the entire society. During these troubled times, it is seen that covid – 19 has entered every household and is affecting the life of every citizen. The economic activities including offices and shops have been closed and the entire concentration is on the well-being and safety of the citizens.

The situation had led to many families starving due to lack of employment, migrant labourers struggling to reach their hometowns, poor families saddled with huge medical bills and so on. During these testing times, many employers and fellow employees are willing to help family members of the deceased or very sick employees during Covid. This could be in the form of organizing and paying for transport to take migrant labourers to their hometowns, paying travel costs to migrant labourers, providing accommodation to migrant labourers, providing cooked meals and water or food provisions to migrant labourers or to the starving families or providing funds for such food, meeting the cost of hospital expenses of indigent patients, providing aid to families impacted by the death of their sole breadwinners and so on.

As per the provisions of Section 56 (2) (x) Income Tax Act, any amount received without consideration by a person is taxable, if it is in excess of ₹50,000 per year. Thus, in situations where a person is trying to help a distressed person by settling his medical bills and/ or taking care of educational expenses of his children by transferring the amount in the account of the bereaved person, such person would end up paying tax on the money so received. Gift amounts received above that are taxable in hands of recipient.

Given the huge amount of tragedies unfolding everyday and the continuing pandemic, the government should encourage even individual charity by excluding payments made to covid-19-affected persons (directly or indirectly affected) from the ambit of this taxing provision.

Alternatively, for the duration of this pandemic, the government should consider raising the limit of ₹50,000 to ₹10 lakh specifically under the following circumstances:-

- a) **Where a bill from a registered hospital in respect of a Covid + patient is paid by any person other than the relative of the person who was hospitalised.**
- b) **Where on the death of the Covid patient, the Govt. or his employer has given a one time award to the deceased employee to help the dependent family for future maintenance.**
- c) **Where the co-employees or other charitably disposed persons have created a relief account (crowd funding account) for the welfare of the family of the deceased covid patient and raised funds.**

This will ensure that the affected individuals and their families get the full benefit of the aid that they have been provided, and do not have to suffer the additional burden of tax on such aid.

We trust our suggestions will receive your favourable consideration.

With best regards,

Yours sincerely,



(Sanjay Aggarwal)

81. Request to Hon'ble LG of Delhi to not extend the lockdown (23rd May 2021)

Greetings from PHD Chamber of Commerce and Industry !!

At the outset, **we would like to compliment you for handling the current COVID crisis in Delhi in a very balanced and mature manner.** It is indeed heartening to note that as a result of the continuous efforts of your administration, **Delhi's case positivity rate has come down significantly from a record high of 36 per cent during the last week of April, to 3.58 % yesterday.** A positivity rate of below 5 per cent is considered safe as far as the spread of the virus is concerned.

Right from day 1 of the lockdown in 2020 till date, the business community of Delhi has supported the Government unconditionally in all ways. Considering the marked decrease in the number of cases, very low positivity rates, increasing number of vaccinated persons in Delhi, **the business community of Delhi would like to request you to not extend the lockdown from tomorrow and let the businesses and shops open.** The Gujarat Government has also opened commercial establishments from 21 May after daily Covid cases dropped below 5000 there.

We need the support of your Government as the businesses in Delhi are dying an untimely death. We want to request the Government to support Delhi's businessmen and traders and save them from heavy losses which are mounting leading to closure of small businesses and trading houses. We would also like to request you that markets may be allowed to open initially from **12 pm to 8 pm and offices from 10 am to 5 pm.**

Members of Managing Committee from PHDCCI, led by our President, Mr Sanjay Aggarwal, would like to have a virtual meeting with you to discuss the initiatives of the chamber and problems being faced by the entrepreneurs in Delhi. We shall highly appreciate if your office could let us know a convenient date and time in the next week for the same.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Dr Yogesh Srivastav)

Shri Anil Baijal
Hon'ble Lieutenant Governor of Delhi
Raj Niwas
Delhi



**80. Representation on the Draft Notification No. G.S.R. 285(E) in the Gazette of India:
Extraordinary on 22nd April 2021 (21st May, 2021)**

**Mr. Jigmet Takpa,
Joint Secretary,
HSM Division,
Forest and Climate Change,
Ministry of Environment,
Government of India
New Delhi**

**Representation on the Draft Notification No. G.S.R. 285(E) in the Gazette of India:
Extraordinary on 22nd April 2021**

Respected Sir,

Greetings!

At the outset, we would like to appreciate the initiatives taken by the environment ministry to protect and promote India's energy sector towards eco-friendly production process. The Draft Notification No. G.S.R. 285(E) in the Gazette of India: Extraordinary on 22nd April 2021 has been framed to ensure 100 % utilisation of fly ash by the coal or lignite based thermal power plants. It would help to conserve top soil and natural resources by promoting utilisation of ash in road laying, road and flyover embankments, shoreline protection measures, low lying areas of approved projects, backfilling of mines, as an alternative for filling of earthen materials. In this context, the PHD Chamber of Commerce and Industry would like to suggest, if the Government may consider of making a dynamic "Fly ash index" to incentivize all industries for increased compliance shall prove to be both as an exchange and platform for ash procurement and effort recognition.

In view of the above, it is our humble request to consider the suggestions on the Draft Notification No. G.S.R. 285(E) in the Gazette of India: Extraordinary on 22nd April 2021 by the Ministry of Environment, Government of India.

Please find enclosed the detailed suggestions prepared by PHD Chamber of Commerce and Industry for your kind consideration.

We trust our submission will be considered for immediate and favourable action.

With best regards,

Yours sincerely,

(Saurabh Sanyal)



79. Representation for Deferral of Tax Compliances due to COVID-19 Pandemic (20th May, 2021)

Shri Pramod Chandra Mody
Chairman
Central Board of Direct Taxes
Ministry of Finance
New Delhi

Respected Sir,

Greetings from PHD Chamber!

Representation for Deferral of Tax Compliances due to COVID-19 Pandemic

PHD Chamber of Commerce and Industry deeply appreciates the prompt and proactive approach adopted by CBDT to facilitate compliance by the tax payers', amidst the pandemic.

It is indeed appreciable that taking into cognizance the difficulties faced by industries at large due to the outbreak of novel coronavirus, the CBDT has recently extended the timelines across various compliances under the Income Tax Act.

Some more suggestions to facilitate compliance by taxpayers' are mentioned hereunder:

1. Deferral of section 194Q of the Act providing for TDS on purchase of goods

Section 194Q of the Act providing for TDS on the purchase of goods is set to come into effect from 1 July 2021.

It is suggested that the applicability of section 194Q should be deferred to April 1, 2022, considering significant time and efforts involved to build systems and processes to comply with the new requirements.

2. Deferral of section 206AB and section 206CCA of the Act

In absence of any API released by the Government, it is suggested to defer compliance with sections 206AB and 206CCA to April 1, 2022, to give sufficient time for companies to build the compliance systems and test the same for accuracy.

It is also suggested to consider building an API mechanism to validate tax return filing, similar to the API mechanism in place for GST returns.

3. Reduction in rates of TDS and TCS for Financial Year 2021-22

To provide more funds at the disposal of the taxpayers, the Central Board of Direct Taxes had reduced the rates of TDS by 25% which were applicable up to 31 March 2021. The pandemic in Fy 2021-22 is much more severe and is expected to have a substantially more negative impact on earnings for Fy 2021-22. Therefore it is requested that relaxation may be provided for the TDS rates applicable for payments/credits made during Financial Year 2021-22 by reducing them to 50% of normal rates.



4. Deferral of Advance Tax due on 15/6/2021

Due to the current pandemic, the profits for FY 2021-22 are uncertain and the companies are not in a position to pay advance tax. The tax payers shall deposit the advance tax once their profit projections for FY 2021-22 are more certain. Therefore, the tax payers should not be charged interest u/s 234C for non-payment of advance tax due on 15/6/2021.

5. Perquisite taxation in hands of employee for COVID-19 related reimbursements

With the onset of the second wave of COVID-19, numerous companies and employers are supporting their employees with their medical treatment expenditure.

Given the challenging times, it is suggested that a circular is issued on an urgent basis providing an exemption for medical reimbursements/grants provided by employers to employees, including their survivors/families, for COVID treatment for the employee or the family member, without prescribing any unreasonable requirements or conditions.

It is further suggested that a clarification may be issued that the treatment for COVID-19 is covered under the ailments referred to in Rule 3A(2) of the Rules, and the mandatory requirement of undertaking treatment only in approved private hospitals for claiming exemption may be relaxed to include all hospitals and medical facilities.

We trust our suggestions will receive your favourable consideration.

With best regards,

Sanjay Aggarwal
President
PHD Chamber of Commerce and Industry
PHD House, 4/2 Siri Institutional Area
August Kranti Marg, New Delhi-110016, India
Tel: +91 49545454
Fax: +91 11 26855450
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78.Discrimination being faced by MSMEs in the hands of SAIL (19th May, 2021)

MM-1
19 May 2021

Hon'ble Steel Minister,

Discrimination being faced by MSMEs in the hands of SAIL

As you may be aware, PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

The Micro, Small & Medium Enterprise (MSME) Act, 2006 is the Act which stipulates the preferences to be given to MSMEs. These preferences were thought necessary by the Lawmakers to be extended to these small business entities to protect them from the hardships due to their small size and less resources.

The Act mainly deals with preferences (with respect to price, delivery, credit period, etc.) and privileges given to MSMEs for supplies of Goods and Services by these entities. Nonetheless, it clearly exhibits the intent of the Government to protect the MSMEs and provide them a level-playing field in commercial and business activities. Therefore, it is obvious that there should not be any discrimination by any Public Sector Undertaking (PSU) in buying or supplying goods to the MSMEs which adversely affects the interests of MSMEs.

However, this sort of discrimination is taking place in Steel Authority of India Ltd. (SAIL), a Maharatna PSU of the Govt. of India, which we thought necessary to bring to your kind notice. SAIL is a major supplier of Iron & Steel to industrial units in the Country and have a network of branches all over the Country for marketing its products. The Company has two major mechanism of supplies – Firstly, Direct Despatches wherein the Branch books the orders and get it supplied from the concerned Plant directly through Rail/ Road to the customer's premises or a Public Railway siding. Second channel of supplies is through various stockyards. The price is higher in case of stockyard supplies because SAIL is charging Stockyard Margin of Rs. 600 per tonne in addition to the normal price.

MSMEs are mainly supplied through these stockyards and therefore have to bear these additional charges. On the other hand, the bigger entities are given supplies through Direct Despatches, thereby making the purchases of small buyers uncompetitive. This is a clear cut case of discrimination against MSMEs which needs to be stopped immediately.

Not only this, the discrimination gets further aggravated in case there is a fall in prices during any month due to market conditions. In such cases, the branch is accepting cancellation from bigger customers of their direct despatch orders. However, no such opportunity is available to MSMEs customers. In fact, to make the matter worse, after cancellation of direct dispatch orders, the requirement of bigger customers is met through stockyard which deprives MSMEs of availability of products.

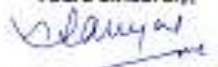
On the contrary, if the prices are increased mid-month, the MSMEs are liable to pay the increased price as they are supplied from the stockyard where price applicable on the date of delivery is chargeable. Whereas, bigger direct despatch customers continue to get supplies at pre-increased price. This is grave injustice and completely defies of intent and will of the Government to protect the MSMEs.

There is another advantage to Direct Despatch customers. They are charged for the quantity as per CA (Consignment Advice) and in case of Stockyard deliveries the actual weighed quantity is charged. There is always a difference between CA weight and actual weight of the same material which translates into price advantage of Rs 300-400 per ton to Direct Dispatch customers.

We shall be grateful if suitable instructions are given to the SAIL Management to stop this discrimination and amend the Marketing Policies for the benefit of MSMEs.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Dharmendra Pradhan
Hon'ble Union Minister for Steel & Petroleum and Natural Gas
New Delhi

Cc to:-

Shri Fagga Singh Kulaste
Hon'ble Minister of State for Steel

Shri Pradip Kumar Tripathi
Secretary, Ministry of Steel

Smt Soma Mondal
Chairperson, Steel Authority of India Limited

This Representation has also been sent to:

Smt Soma Mondal
Chairperson
Steel Authority of India Limited
New Delhi



77. Virtual Meeting of Hon'ble Governor of RBI with Trade Bodies (19th May, 2021)

Shri Shaktikanta Das
Governor
Reserve Bank of India

Respected Shri Shaktikanta Das ji,

Namashkar!

Virtual Interaction with Trade Bodies

On behalf of PHD Chamber, I express my sincere gratitude to you for providing us an opportunity to present our views at the Virtual Interaction held on 14th May 2021.

PHD Chamber of Commerce & Industry appreciates the significant reform measures undertaken by the Reserve Bank of India under your dynamic leadership to rejuvenate economy, industry and trade in the extremely difficult time of pandemic COVID-19.

The recent calibrated, sequenced and well-timed measures announced by RBI are very encouraging as these measures will provide liquidity, bring down cost of capital and mitigate the daunting impact of second wave of pandemic COVID-19.

PHD Chamber has been proactively supporting the Government by providing suggestions at each stage of development, creating awareness and disseminating knowledge among various stakeholders. The Chamber stands in complete solidarity and extends its all-out support to the Government in the fight for making India COVID-19 free country soon.

We trust our suggestions including the extension of ECGLS scheme with an increase in the amount; extension of timelines for implementation of "Resolution Framework For Covid-19 Related Stress"; the additional LC (Letter of Credit) facility to MSMEs with minimum margin and charges for fresh purchases of raw material; easier availability of credit to industry especially to MSMEs, among others will be favourably considered in the interest of trade, industry and economy. (Detailed suggestions attached for your ready reference)

Looking forward to more such opportunities and visionary discussions in future forums.

Thanking you once again,

Yours Sincerely,
Sanjay Aggarwal
President
PHD Chamber of Commerce and Industry
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August Kranti Marg, New Delhi-110016, India
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76. Extension in the due date for payment of challan filling contributions and administrative charges/ Inspection charges due for the Wage Month of May-2020 (18th May, 2021)

JK-IND-21-E-mail
18th – May – 2021

E-MAIL COMMUNICATION

Extension in the due date for payment of challan filling contributions and administrative charges/ Inspection charges due for the Wage Month of May-2020

**Shri Prashant K,
Regional PF Commissioner
Union Territories (UTs) of
Jammu and Kashmir and Ladakh**

Greetings from PHDCCI-J&K

SUB: Extension in the due date for payment of challan filling contributions and administrative charges/ Inspection charges due for the Wage Month of May-2020

Dear Sir,

Keeping in view the present lockdown and 2nd Phase of Pandemic, the PHDCCI-J&K requests the extension in the challan filing date for employers by a month to June 15 for the month of May besides waiving off any interest liability and penalty in the extended period. This would offer some respite to employers stuck with closed establishments following a nationwide lockdown since from the Month of April.

The due date for May, 2021 is ordinarily **May 15, 2021**. So grace period of thirty days needs to be allowed to the establishments covered under EPF& MP Ac-1952 to remit the contributions and administrative charges.

We would be very grateful if your good self would take an early action in this regard and have a positive consideration of our request. This will be very useful for the trade and Industry. In conclusion, we request that a suitable order may be issued to this effect at the earliest.

**Thanking You
Yours Sincerely
Rahul Sahai
Chairman PHDCCI-Jammu**

75. Extension of date of deposition of EPF & GST during lockdown (17th May, 2021)

NO: PHDCCI-20-21/27678
17th May 2021

Hon'ble Minister,

Extension in the due date for Various GSTR Compliances

The recent second wave of COVID -19 (Corona Virus) has brought J&K, to a standstill. The economy at large has been severely affected. Further restrictions have been imposed on Inter district movements due to the risk of rapid spurt and deaths in cases. As a result, restrictions like night curfew and weekend strict lockdown have been invoked by Government of J&K.

The nation is going through a great and unprecedented turmoil. The Government of India has been encouraging the people to work from home as much as possible and to avoid stepping out of their homes. However, in the midst of this still unleashed pandemic, a grave situation has arisen which is not only causing great hardship to various stakeholders, but is also putting the health of many professionals and employees of businesses at risk.

Considering above pain areas of every stakeholder in general, we request you to kindly consider extending the various GSTR Monthly and Quarterly Compliances due dates on behalf of all stakeholders of the economy in the interest of the trading and Business community of J&K

We are sure that the physical and mental health of the professionals and their staff, and staff of the taxpayers should be given their due importance in such agonizing times and that they need not desperately run from pillar to post at grave risk to their health in trying to effectuate the compliances.

We, PHDCCI, are very optimistic about the representations being considered by you.

With best regards,

Yours sincerely,



(Sanjay Aggarwal)

Smt Nirmala Sitharaman
Hon'ble Union Minister for Finance & Corporate Affairs
Government of India
North Block, New Delhi



74. Waiving off Property Tax for Lockdown period in the year 2020 & 2021 (15th May 2021)



Dr. Yogesh Srivastav

Assistant Secretary General

15 May 2021

Shri M L Sharma

Director – Property Tax
NDMC, Palika Kendra
New Delhi

Dear Sir,

Waiving off Property Tax for Lockdown period in the year 2020 & 2021

Greetings from PHD Chamber of Commerce and Industry !!

We use this opportunity to acknowledge your leadership in providing services to Delhites, even during the times of the unprecedented COVID crisis.

As you are aware, COVID lockdowns have caused huge disruptions in the normal businesses and our MSME entrepreneurs and Trader members are taking a huge financial hits. On behalf of our Members, we want to request NDMC to waive off Property Tax for the period, when offices/premises/shops/showrooms have been forced to close down during lockdown imposed by the Government in 2020 and currently in 2021.

Our members have paid Property Tax last year and out of that amount NDMC may adjust the waiver for lockdown period in the year 2020 and 2021, and then raise the property tax demand bill for the actual working days when the offices/premises/shops/showrooms were allowed to remain open.

We request you to consider the above request and provide some relief to our members.

With best wishes,

Yours sincerely,



Dr Yogesh Srivastav
Assistant Secretary General

Cc: Chairman, NDMC for necessary action



"Towards Building Aatmanirbhar Bharat"



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73. Request to remove illegal hawkers from corridors of Connaught Place (15th May 2021)



Dr. Yogesh Srivastav

Assistant Secretary General

15 May 2021

Shri R N Singh

Director – Enforcement

NDMC, Palika Kendra

New Delhi

Dear Sir,

Request to remove illegal hawkers from corridors of Connaught Place

Greetings from PHD Chamber of Commerce and Industry !!

We use this opportunity to acknowledge your leadership in providing services to Delhites, even during the times of the unprecedented COVID crisis.

As you are aware, COVID pandemic has destroyed our normal lives. Even after peak is achieved, cases decrease and lockdown is lifted, still all citizens will have to continue social distancing and COVID appropriate behaviour for a long time to come. As you will agree, in this scenario the illegal hawkers operating in Connaught Place are a big health hazard have proved to be a super-spreader of Corona virus and they ruined the Connaught Place market after the 2020 lockdown. The office goers, shop owners and people who come for shopping suffered badly due to indiscipline, illegal squatting, overcrowding and flouting of norms by illegal hawkers despite CP being a “No Hawking Zone”.

We are writing to request to frame a strict policy to revive the Non-squatting zone characteristics of CP and permanently shift all illegal hawkers to a special vending zone outside CP to save their livelihoods and Connaught Place. Due to pedestrians walking in the corridor, the existing customers as also new potential tenants have started to avoid CP. The Heritage Market is losing business due to illegal hawkers as also become a potential infection spreader.

We request you to consider the above request to remove illegal hawkers from CP and work towards providing an international shopping experience in CP.

With best wishes,

Yours sincerely,



Dr Yogesh Srivastav
Assistant Secretary General

Cc: 1 Chairman, NDMC for necessary action
2 Secretary, NDMC for necessary action
3 The DM, New Delhi District for necessary action



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72. Waiver of Fixed Charges in Electricity Bills raised during Lockdowns in 2020 and 2021 due to COVID 2019 pandemic (15th May, 2021)



Dr. Yogesh Srivastav

Assistant Secretary General

15 May 2021

Shri Dharmendra, IAS

Chairman

NDMC, Palika Kendra

New Delhi

Dear Sir,

**Waiver of Fixed Charges in Electricity Bills raised during Lockdowns in 2020 and 2021
due to COVID 2019 pandemic**

Greetings from PHD Chamber of Commerce and Industry !!

We use this opportunity to acknowledge your leadership in providing services to Delhites, even during the times of the unprecedented COVID crisis.

Please refer to letter dated 11 August 2020 issued by Executive Engineer, NDMC, Commercial Deptt, Gole Market, New Delhi informing regarding waiver of fixed charges in the electricity bills raised during the lockdown period in the jurisdiction of DERC.

On the above DERC vide its order dated 7 September 2020 directed concerned departments to waive off electricity fixed charges imposed in the electricity bills for the months of April and May 2020 for the lockdown period. Similarly, in the year 2021 ongoing lockdown has been imposed by the Government from 19 April 2021 and is still continuing.

The order of DERC is binding on distribution companies, including NDMC, and therefore we would like to request you to waive off fixed charges on electricity for April and May months in the year 2020 and also for April-May in 2021. Our

members have not received any credit in their bills for lockdown period in the year 2020 till date. Since our members are also facing similar lockdown in 2021 starting from 19 April which is still continuing, we request you to extend credit on account of waiving of fixed charges as per the DERC directives issued last year, to consumers of Connaught Place area, in the forthcoming electricity bills.

May we request you to kindly issue necessary instructions to the Executive Engineer, Commercial to give credit on account of waiver of fixed charges on electricity in the forthcoming electricity bills.

Looking forward to your sympathetic consideration on the above matter.

With best wishes,

Yours sincerely,



Dr Yogesh Srivastav
Assistant Secretary General

Cc: Director – Commercial Department, NDMC for necessary action



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71. Extension of Timelines for Implementation of Resolution Framework for Covid-19 Related Stress (10th May, 2021)

**Smt. Nirmala Sitharaman
Hon'ble Minister of Finance & Corporate Affairs
Ministry of Finance
Government of India
New Delhi**

Respected Madam,

Extension of Timelines for Implementation of “Resolution Framework For Covid-19 Related Stress”

The RBI vide its circular no. RBI/2020-21/16-DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August, 2020 has issued the “Resolution Framework for Covid-19 related Stress”. This was a lifeline for many businesses which were standard, but not in default for more than 30 days as on 1st March, 2020 but were affected by the lockdowns across the country and had the chance to restructure their debts without turning into NPA's, who otherwise had excellent track record. Further to this circular, an Expert committee under Shri K. V. Kamath spelt out the financial parameters to be complied by specific sectors which was submitted on 4th September, 2020. The RBI based on the recommendations of this expert committee further issued a circular on 7th September, 2020.

As per para no. 16 of the annexure to this RBI circular dtd. 6th August, 2021:
“Resolution under this framework may be invoked not later than December 31, 2020 and must be implemented within 180 days from the date of invocation”.

The fixation of timelines was to ensure that the entire resolution is completed in a time bound manner by all stakeholders.

In most of the cases, the invocation of the resolution plan was done in the months of November and December 2020 and accordingly the resolution plan needs to be implemented within the month of May / June 2021 i.e. within 180 days from the date of invocation.

Now, due to unprecedented circumstances arising because of second wave of Covid-19 pandemic in the country, the businesses / banks are facing delays in timely implementation of the resolution plan process already invoked in the prescribed timeline of 31st December 2020. Due to Covid-19 cases among their personnel involved with the process, with TEV and financial viability study consultants, rating agencies, statutory auditors, partial closure of branches of banks, personnel at Bank Head offices/ branches and even near and close family members of such people involved in the process have been adversely affected . The process has also been hampered due to lockdowns in many parts of the country especially all the metro cities where the corporate HQ's of the businesses and Banks HO's are located. Presently, we are not even sure when this second wave will subside.



Various Government Departments / agencies e.g. Income Tax Dept, SEBI, GST Dept, Ministry of Corporate Affairs, etc have extended the timelines for statutory compliances looking into the difficulty being faced by the companies and public in general. Even the Hon'ble Supreme Court of India has extended the period of limitation due to this second wave.

In view of the above, we request the RBI that the timelines for implementation of the "Resolution Framework for Covid-19 related Stress" be extended by 60 to 90 days i.e. within a period of 240-270 days from the date of original invocation. This will give a huge relief to the businesses to complete the implementation by July / August 2021 which are already undergoing the process of resolution under this framework and are viable businesses under the existing promoters and also help a large number of businesses from avoiding turning into NPA's/ further stress.

We trust our suggestion will be favourably considered in the interest of trade and industry.

Thanking you once again,
Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)



70. IGST Exemption on import of COVID relief material for charitable purpose (8th May, 2021)

**Shri Tarun Bajaj
Secretary (Revenue)
Department of Revenue
Ministry of Finance
Government of India**

Respected Sir,

Greetings from PHD Chamber!

IGST Exemption on import of COVID relief material for charitable purpose

It is very painful to observe the havoc created by second wave of Pandemic in our Country. The unprecedented rises in the number of cases and deaths have crippled the lives of citizens of the Country. The health care sector (government/ private) has witnessed acute shortage of essential medicines, oxygen, ventilators, beds, doctors, nurses and other health infrastructure and equipment (referred to as “COVID relief materials”). The Government of India has proactively committed to and actively pursuing all way and means to overcome this major catastrophe. It has accordingly taken various proactive initiatives to fill the gap between availability and requirements of COVID relief materials. One important step in this direction has been permitting import of COVID relief materials by claiming exemption from payment of Basic Customs Duty (“BCD”) leviable at the time of import vide Notification No. 28/2021-Customs and conditional exemption from payment of IGST vide Ad-hoc Exemption Order No. 4/2021-Customs. These steps are already witnessing increased supply of these materials in the country.

The exemption from basic customs duty on import of COVID relief material has been granted without any condition, which is a welcome step. However, exemption from IGST has been granted inter-alia subject to the condition that said goods are imported free of cost for the purpose of Covid relief by a State Government or, any entity, relief agency or statutory body, authorised in this regard by any State Government.

It has been observed that many social, charitable, religious, philanthropic, non-profit and non-government organisations, trusts, foundations etc. (hereinafter referred to as ‘institutions’ or ‘charitable institutions’) have come forward in this fight against pandemic. These institutions primarily do not have their source of income and are run through the grant /aids/donations received in monetary and non-monetary forms from various donors across the India as well as the world at large.

The ad-hoc order under the Customs has extended the benefit of IGST exemptions in respect of the import of goods by such institutions where such goods are imported on free of costs basis consequent to gifts/donations made by persons outside India.

However, it has been observed that many such institutions located in India and working tirelessly for the welfare of mankind and now waged in the war against the virus do not have source of donations outside India but intend to import the COVID relief material out of donations/contributions received from various donors within the Country. They are not importing COVID relief material for commercial consideration and do not intend to earn any profit. Merely because the imports are to be made by paying consideration to the foreign supplier out of donations received in India is resulting in imposition of 12% IGST viz a viz import of goods on free of costs basis. This is adversely affecting the selfless initiatives taken by various such institutions.

In the light of the above facts, we request your kind self to consider extending exemption from IGST leviable at the time of import of COVID relief material by such institutions from foreign vendors and distributing the same free of cost in India in such manner as may be considered appropriate by appropriate authority in this regard. Some of the alternatives that may please be considered in this regard are as follows:

Option 1: Inserting an explanation in the Ad-hoc Exemption Order that import of goods by specified Charitable Institutions registered under section 12AA of Income Tax Act having pre/post authorization from Nodal authority shall be treated as goods imported free of cost and thus entitled for exemption;

Option 2: Removing condition of free of cost import from Ad-hoc Exemption Order and extending exemption from IGST on import of COVID relief material.

Option 3: Allow such institutions to remove COVID relief material without payment IGST under suitable indemnity bonds/undertakings subject to end use conditions.

Option 4: There can be post import conditions but not pre-import conditions as every machine imported could save a life and cannot be delayed by cobweb of procedures. Similar exemptions were provided to hospitals in the past vide Notification No. 64/88-customs dated 1/3/1988. Unsold machines could be subjected to duty later with an option of re-export.

Option 5: Such other suitable means as may be considered appropriate by your goodself. Further, wherever such institutions are not permitted to remit the money outside India on account of RBI Regulations, either suitable relaxations should be allowed by RBI to remit the money for specified purposes or permit such institutions to permit the import of covid relief material claiming such exemption through some other entity.

It is evident that there cannot be a greater public interest warranting full exemption when the entire humanity is suffering and facing a grim situation and threat of extinction. This can be an overreaching consideration to extend the exemption irrespective of whether it is gifted from outside India and imported by such institutions based on donations received with the Country.

Anyway, the exemption extended vide said order is only for the limited time period upto 30th June 2021 and extending exemptions to such institutions to import without payment of



IGST during such short period may not have any unwarranted implications but could go a long way in fighting against this crisis.

We trust our suggestion will be favourably considered in the interest of trade and industry.

Thanking you once again,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)

This Representation has also been sent to:

Smt. Nirmala Sitharaman
Hon'ble Minister of Finance & Corporate Affairs
Ministry of Finance
Government of India



69. FCRA exemption needed to make effective customs and IGST exemption for Covid-19 relief items (7th May, 2021)

**Shri Tarun Bajaj
Secretary (Revenue)
Department of Revenue
Ministry of Finance
Government of India**

Respected Sir,

Greetings from PHD Chamber!

Representation for relaxation of FCRA regulations applicable on receipt of prescribed COVID-19 relief material (urgent lifesaving need)

India is suffering from unprecedented pandemic due to outbreak of COVID-19 virus (hereinafter referred to as “catastrophe”). To help Indians sustain and fight against this catastrophe, foreign companies, foreign citizens, persons & entities abroad (hereinafter referred to as “foreign source”) are donating/transferring (without any charges) prescribed COVID-19 relief material in the nature of drug and medicines, machines, equipments, etc.

Receipt of donations/transfers by any person from foreign source (hereinafter referred to as “foreign contribution”) are currently regulated by “The Foreign Contribution (Regulation) Act, 2010” (hereinafter referred to as “FCRA”) and rules made thereunder. As per Section 3, receipt and even further transfer of such foreign contribution is prohibited unless otherwise specified.

In the following cases, foreign contribution is allowed to be received:

- a. If any article is given as “gift”, market value of which is upto Rs.1 lac, the same is not considered to be foreign contribution and accordingly not regulated by FCRA provisions.
- b. If prior permission or registration has been already been obtained to receive such foreign contribution. It is relevant to note that the time limit for grant such prior permission or registration by Ministry of Home Affairs (“MOHA”) is ordinarily 90 days. Practically, much time is taken for grant of registration or prior permission by MOHA.

Customs Duty and IGST exemption:

It is relevant to note that, in line with the public interest, Ministry of Finance has already granted complete exemption from Customs duty and IGST vide Ad hoc Exemption Order No. 4/2021-Customs dated 03.05.2021 (hereinafter referred to as “exemption order”) on Imports of prescribed COVID-19 relief material into India which is received free of cost from abroad for free distribution in India. This exemption is applicable when prescribed COVID-19 relief material are imported by a State Government or, any entity, relief agency or statutory body, authorised in this regard by any State government. Ad hoc Exemption Order No.



4/2021-Customs dated 03.05.2021 alongwith Notification No. 27/2021- Customs dated 20.04.2021 and Notification no. 28/2021 dated 24.04.2021 which refers to the prescribed COVID-19 relief material is annexed with this representation.

Representations for urgent consideration (urgent lifesaving need):

Various entities and relief agencies such as NGOs, Trust, and other philanthropic organisations (even though otherwise qualified for free distribution of COVID-19 relief material as per exemption order) are handicapped since either they don't have required registration or prior permission or their application for grant of prior permission or registration or renewal is pending for processing by MOHA. It is thus humbly represented that either the requirement of prior permission or registration is waived atleast for a period of 6 months or it is clarified that no threshold limit would be applicable on gift provided the same qualifies to be prescribed COVID-19 relief material. In the alternative, it is requested that application for registration or prior permission be processed expeditiously.

It is relevant to note that restrictions imposed by FCRA provisions are intended to be applicable where there is threat to the sovereignty of India or is against public interest, etc. Free distribution of COVID-19 relief material is clearly not against the aforesaid parameters of restrictions. Even further, it is specifically provided in Section 8 of FCRA Act that foreign contribution can be utilized only for the purposes for which it has been received and as such there is least probability of such entities/relief agencies being engaged in malpractices. There are audit and penalty provisions contained in the Act to safeguard/cure the malpractices if any undertaken by any relief agencies in the guise of free distribution of COVID-19 relief material.

Above mentioned relaxation, if implemented on a priority basis will help various entities and relief agencies such as NGOs and other philanthropic organisations for ramping up the supply of prescribed critical COVID-19 relief material such as equipments, medicines, ventilators, etc. in hospitals. This is an urgent immediate life saving need on humanitarian ground for relief to citizens and is in keeping with the practical necessity adjunct to the exemption order mentioned above.

We trust our suggestion will be favourably considered in the interest of trade and industry. Thanking you once again,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)



68. Clarification required in connection with the claim for refund of unutilised input tax credit under Rule 89(4), (4A) and (4B) (6th May, 2021)

Shri M. Ajit Kumar
Chairman
Central Board of Indirect Taxes and Customs
Ministry of Finance
New Delhi

Respected Sir,

Greetings from PHD Chamber!

Clarification required in connection with the claim for Refund of unutilised input tax credit under Rule 89(4), (4A) and (4B)

We wish to bring to your kind attention the difficulties faced by the Industry due to lack of clarity while granting refunds of accumulated GST credit under Rule 89(4), (4A) and (4B) of the CGST Rules, 2017.

- As you are aware, the manufacturer-exporters before the advent of GST were permitted to procure duty-free inputs under the scheme of Advance Authorization as contained under Chapter 4 of the Foreign Trade Policy. Briefly, the manufacturer-exporters under the Advance Authorization Scheme were granted upfront exemption from the payment of duties on procurement of inputs (whether imported or domestic) meant for use in making the goods for exports. Said exemption was conditional upon fulfilment of the given export obligations. To operationalize the scheme, an advance license was granted by the DGFT to the concerned manufacturer-exporter to enable the procurement under the scheme. Therefore, the said scheme enabled savings in the working capital of the manufacturer-exporter by way of avoiding the blockage of funds in payment of duties which were eventually refundable. It, therefore, provided a boost to the exports of our country.
- However, when the GST was introduced w.e.f. 01.07.2017 the benefit of the Advance Authorization Scheme for the procurement of inputs without payment of GST was not allowed. Therefore, the manufacturer-exporters were compelled to make full payment of GST on all the procurements (imports as well as domestic).
- Subsequently, the said manufacturer-exporters were allowed to claim the refund of the accumulated input tax credits u/s 54 of the CGST Act, 2017 read with Section 16 of the IGST Act, 2017 by way of two options. The first option was to export the goods with payment of IGST and subsequently claim a refund of the said IGST paid by utilizing the input tax credit.
- The second option was to export the goods without payment of IGST under bond/LUT and subsequently claim a refund of the accumulated input tax credits as per the formula prescribed under Rule 89(4) of the CGST Rules, 2017. Therefore, under the second option Sec. 54(3) of the CGST Act, 2017 read with the formula given under Rule 89(4) permitted the

refunds of accumulated input tax credits with respect to inputs/input services based on the proportion of the turnover of zero-rated supplies (exports plus SEZ) to the adjusted total turnover as applied to input tax credits availed.

- However, the absence of upfront exemption from the GST on procurements against Advance Authorization (although accumulated input tax credits were eventually granted as a refund) resulted in the substantial blockage of working capital. This is because the manufacturer-exporter was required to pay the entire GST first and then claim the refund based on exports and hence the time lag between the procurements and exports resulted in the excess blockage of the working capital.
- It may be highlighted that GST Council at their 22nd GST Council Meeting held on 6th October 2017 appraised the above-referred concern and decided that an upfront exemption shall be granted under Section 6 of the IGST Act, 2017 read with Section 25 of the Customs Act, 1962 to import of goods for exporters availing the schemes of Advance Authorisation/Export Promotion Capital Goods/100% Export Oriented Units.
- Further, it was also decided in the said meeting that domestic supplies of goods made to exporters under the Advance Authorisation/EPCG shall be notified as deemed exports under Section 147 of the CGST/SGST Acts to allow refund of tax paid by the suppliers. An Advance Release Order (ARO) shall be issued in the name of a domestic supplier by exporter having AA/EPCG or EOU status. Therefore, a relaxation by way of an upfront exemption (as was the case before the GST implementation) in case of imports, as well as allowance of the refund of the GST, charged on deemed exports (on procurement from the domestic suppliers) were granted to avoid the lag and the consequent blockage of the funds.
- Subsequent to the said decisions at the 22nd GST Council Meeting, necessary notifications (viz. notification No. 78/2017-Customs, dated the 13th October 2017; notification No. 79/2017-Customs, dated the 13th October 2017; notification No. 40/2017-Central Tax (Rate), dated the 23rd October 2017 and notification No. 48/2017-Central Tax, dated the 18th October 2017) came to be issued to grant the exemption/refunds mainly w.e.f. 13.10.2017.
- In light of the above background Rule 89 of the CGST Rules, 2017 came to be amended by providing the mechanism to the supplier to claim a refund of the tax charged and paid in the case of deemed exports (subsequently recipient was also allowed to claim the refund), as well as new sub-rule (4A) and (4B), also came to be inserted to prescribe the mechanism to allow the refund of the accumulated input tax credits with respect to other inputs and input services to the extent used in making the exports, without the payment of IGST, out of the inputs procured under the exemption. It may also be noted that Rule 96(10) also came to be amended which now prohibits making exports with payment of IGST and claiming the refund thereof if an upfront exemption or refund of tax charged on inputs as deemed exports is availed/ taken.

As an example a manufacturer-exporter importing the inputs without payment of IGST (by claiming exemption under Notification No. 78 or 79 of 2017 – Customs) for making the exports under the scheme of Advance Authorization can claim the refund of the

accumulated input tax credits under sub-rule (4B) with respect to the tax paid on other inputs/input services to the extent used in making the said exports without payment of GST.

- Now the trade and industry are facing the issues while claiming the refund of the accumulated ITC in the aforesaid situations from the departmental field formations on the grounds that the refund permissible under Rule 89(4B) is only in respect of ITC on other inputs/input services “to the extent used in making the exports” and hence one-to-one correlation is required in claiming such refunds. In absence of the one-to-one correlation, the authorities are seeking to reject the refund claims.
- It may be highlighted that the entire design of the GST does not envisage a one-to-one correlation of inputs/input services with outward supplies. Further in many industries given the production processes and use of common inputs/input services, one-to-one correlation is not possible. Therefore it is suggested that a formula may be prescribed to determine the eligible refund amounts under Rule 89(4B).

In this regard it is suggested that the Government can borrow the pro-rata formula based on the value as prescribed under Rule 89(4). This is because, in absence of one-to-one correlation, the best possible manner of attributing the ITC to the exports is based on the turnover ratio of exports to aggregate turnover. The same shall not only be proper but shall also protect the interest of Revenue as no person shall be able to claim the refund higher than what is attributable to the exports.

- Alternatively it is suggested that the Government may issue a clarification to the effect that the exporters are at liberty to claim the refund of the accumulated ITC either under Rule 89(4) based on the pro-rata formula or under Rule 89(4A)/(4B) based on the one-to-one correlation, whichever is beneficial. The same shall go a long way in granting the exporters their due refunds.

In other words, the following may be considered:

1. Refund of zero-rated supplies can be allowed under Rule 89(4) even in cases where inputs are received by availing benefits of notification No. 78/2017-Customs, dated the 13th October, 2017 or notification No. 79/2017-Customs, dated the 13th October, 2017. Thus the refund mechanism provided under Rule 89(4A) and Rule 89(4B) be made optional and not binding in such cases.
2. In case the refund is filed under Rule 89(4B) to allow the refund of the accumulated input tax credits on other inputs/input services to the extent used in making the exports based on the pro-rata formula prescribed under sub-rule (4).

We trust our request will receive a favourable consideration.

With best regards,
Yours sincerely,



(Saurabh Sanyal)
Secretary General



67. Representation on Deferment of Issue of Show Cause Notices for Time - Barring Assessments (6th May, 2021)

Smt. Nirmala Sitharaman
Hon'ble Minister of Finance & Corporate Affairs
Ministry of Finance
Government of India

Respected Madam,

Deferment of Issue of Show Cause Notices for Time – Barring Assessments

The country is facing unprecedented times and the covid pandemic is at its peak bringing sufferings to the entire society. During these troubled times, it is seen that covid – 19 has entered every household and is affecting the life of every citizen. The entire economic activity including offices and shops has been closed and the entire concentration is on the well being of the citizens.

However, in these troubled times, the members of PHD Chambers of commerce and Industry are still receiving show-cause notices from Income Tax Department in respect of income tax cases for Assessment Year 2018-19. The last date of completion of assessments for Assessment Year 2018-19 was 30.04.2021. On 24.04.2021 the CBDT vide its notification extended the due date to 30.06.2021.

In these troubled times, any show-cause notice received from the Income Tax Department is acting as a bullet to an already battered tax payer of the country. The time right now is to provide positive energy in the system and not to issue show-cause notices to the income tax payers. Further, as the due date of completion of assessment has been extended till 30.06.2021 i.e. almost 2 months are pending for deadline to expire.

Therefore, it is prayed that no show-cause notices / income tax notices in respect of assessment which are to be completed by 30.06.2021 may be issued till 31.05.2021 or such other period by which the situation improves, as the tax payer is not in a position to reply to such show-cause notices due to total paralysis of office work and also because the offices of the tax consultants are also closed.

The fact that the due date which was set to expire on 30/4/2021 was extended on 24.04.2021 i.e. 6 days before the date of expiry means that the work of assessment is almost complete and even if the same is taken up in June, 2021 it will easily be completed by 30.06.2021.

In view of the above, you are requested to direct the concerned income tax officers not to issue show-cause notices in respect of Assessment Year 2018-19 and other assessments which are time barring on 30.06.2021 and give the necessary relief to the income tax payers so that they can address the medical issues of their families and close friends and relatives.



Also since there is a complete lockdown and the offices of the tax payer as well as the tax consultants are closed therefore any reply to the show-cause notices would not be possible.

You are requested to kindly consider our representation with a soft heart and oblige.

We trust our suggestion will be favourably considered in the interest of trade and industry.

Thanking you once again,
Yours sincerely,

A handwritten signature in blue ink, which appears to be 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)



66. Proposal for Migration of Listed Companies from Main Board to SME Exchanges (5th May, 2021)

Dear Shri Ajay Tyagi Ji,

Proposal for Migration of Listed Companies from Main Board to SME Exchanges

At the outset, we, at PHD Chamber of Commerce and Industry would like to congratulate and Thank SEBI for its excellent Regulatory and professional management of the Stock Markets.

As you are aware that two SME Exchanges are working in India as important segments of the BSE and NSE Stock Exchanges viz. BSE SME established by the Bombay Stock Exchange and EMERGE, established by National Stock Exchange. Listing on an SME exchange gives the SMEs vast benefits both as compared to the companies listed on the main board and unlisted companies. SEBI has prescribed certain guidelines for SMEs for the purpose of listing which broadly prescribe that equity issues with post issue face value capital up to Rs.25 crores may get listed at SME Platform and Issues with post issue face value capital above Rs.25 crores have to necessarily list at main board of the Exchanges. The companies listed on the SME exchange are allowed to migrate to the Main Board as and when they meet the listing requirements of the Main Board and there shall be compulsory migration of the SMEs from the SME exchange, in case the post issue paid up capital is likely to go beyond Rs 25 crore limit.

Certain relaxations are provided to the issuers whose securities are listed on SME exchanges in comparison to the listing requirements in Main Board, which inter-alia include, publication of financial results on “half yearly basis”, instead of “quarterly basis”, making it available on their website rather than publishing it, option of sending a statement containing the salient features of all the documents instead of sending a full Annual Report, no continuous requirement of minimum number of shareholders though at the time of IPO there needs to be a minimum of 50 investors etc. The existing eligibility norms like track record on profits, net worth /net tangible assets conditions etc. have been fully relaxed for SMEs as is the case globally. However, no compromise has been made to corporate governance norms.

A comparative analysis of various compliance requirements for listing by Companies on SME Exchanges vis-à-vis the Listing on Main Board of the Exchanges is given in the annexure 1. As mentioned earlier, the companies listed on the SME exchanges are allowed to migrate to the Main Board as and when they meet the listing requirements of the Main Board and there is compulsory migration of the SMEs from the SME exchange, in case the post issue paid up capital is likely to go beyond Rs 25 crore limit.

The Government of India has recently modified the definition of MSMEs vide notification dated 26th June, 2020, whereby the maximum limit of investment in Plant and Machinery has been raised from Rs.10.0 crore to Rs. 50.0 crore with the annual turnover cap of Rs. 250.0 crore. Hence, Companies with investment in Plant and Machinery and annual turnover up to Rs. 50.0 crore and Rs. 250.0 crore respectively will now be classified under



the definition of SMEs with separate criteria for each of the segment of Micro, Small and Medium Enterprises (MSMEs). With this upward revision in the definition, many companies which were earlier not being classified as SMEs due to not meeting the definition criteria, have now become SMEs as per the revised definition. These companies need to be given the benefit of relaxed compliance requirement to promote not only the SME Exchanges but to also give some reprieve to these newly classified SMEs.

It is therefore, desirable that Companies with post issue capital up to Rs. 25.0 crore which had earlier listed their equity shares on the Main Boards of Stock Exchanges, but have now become SMEs under the revised definition of MSMEs, should be allowed to migrate from Main Boards of the Exchanges to SME Exchanges. In addition, the companies which have post issue capital of more than Rs 25.0 crore and presently listed on the Main Board, but have now become SMEs, should also be given the option of shifting from Main Board to the SME Exchanges so that they can also benefit from the provisions of SME Exchanges. This shifting from the Main Boards to the SME Exchanges should not lead to any lengthy procedure for migration except SEBI making an enabling provision in rules providing the option to companies which have become SMEs to shift from the Main Board to the SME Exchange. Hence, SEBI should make enabling provisions in the rules to permit migration from the Main Board to SME Exchanges as per the following criteria:

Automatic migration to Companies with post issue capital up to Rs. 25.0 crore which had earlier listed their equity shares on the Main Boards of Stock Exchanges, but have now become SMEs under the revised definition of MSMEs. In addition, the companies which have post issue capital of more than Rs 25.0 crore and presently listed on the Main Board, but have now become SMEs, should also be given the option of shifting from Main Board to the SME Exchanges so that they can also benefit from the provisions of SME Exchanges.

This shifting from the Main Boards to the SME Exchanges should not lead to any lengthy procedure for migration except SEBI making an enabling provision in rules providing the option to companies which have become SMEs to shift from the Main Board to the SME Exchange. This will allow level playing to old and newly classified SMEs also. We hope the above proposal will be considered favorably in order to give impetus to the Government's 'Aatmanirbhar Bharat Abhiyan' by way of helping more and more SMEs to raise funds through the Stock Markets.

With Best Regards,

Yours sincerely,

(Sanjay Aggarwal)

Shri Ajay Tyagi
Chairman, SEBI
Head Office, SEBI Bhawan,
Plot No. C4-A, G Block,
Bandra Kurla Complex, Mumbai



65. PHDCCI suggestions to Mitigate the Daunting Impact of Second Wave of Pandemic Covid-19 on People, Economy, Trade & Industry (4th May, 2021)

Smt. Nirmala Sitharaman
Hon'ble Minister of Finance & Corporate Affairs
Government of India

Respected Madam,

Greetings from PHD Chamber!

PHDCCI suggestions to Mitigate the Daunting Impact of Second Wave of Pandemic Covid-19 on People, Economy, Trade & Industry

PHD Chamber of Commerce & Industry appreciates the Government's efforts of consistently reviewing and monitoring the situation and working arduously for better co-ordination between States, hospitals and suppliers of oxygen and vaccines to match the demand and supply in the country, given the recent surge in cases of COVID-19 pandemic. We duly acknowledge the measures taken by the Government to ensure the safety of citizens during this pandemic period.

We appreciate that the Government is not going for imposition of any National Lockdown which may harm the economy and that the states may implement micro containment zones or local lockdowns to safeguard life and livelihood of the citizens as well as to regain confidence of migrant workers and arrest their migration to their hometown.

PHD Chamber of Commerce and Industry and its members were greatly enthused by your distinguished presence and sharing your valuable views and insights on measures taken by the government to revive the economy during the second wave of pandemic . The dimensions and perspectives highlighted by you made vital & valuable contribution and has developed confidence of the industry stakeholders towards revival of the economy.

A detailed representation prepared on the basis of various suggestions received from the members of the PHD Chamber is being attached for your kind consideration, which include requests for extension in various timelines, financial and structural support to MSMEs, suggestions for working capital, extension in the IBC Moratorium period, and disbursement of the pending scrips under various exports incentive schemes, among others.

We trust our suggestion will be favourably considered in the interest of trade and industry.

Thanking you once again,
Yours sincerely,

(Sanjay Aggarwal)

This Representation has also been sent to: **Shri Piyush Goyal,, Hon'ble Minister, Ministry of Commerce & Industry, Government of India, New Delhi**

64. Seeking Government Intervention to Save Lives of the Masses (3rd May, 2021)

3rd May 2021

Hon'ble Minister,

Greetings from the Chamber,

Subject: Seeking Government Intervention to Save Lives of the Masses

~ A Representation By PHDCCI to the GOI

Situation:

At present there are about 1,91,77,029 active Covid-19 cases and 2,11,915 reported deaths in India. We are in absolute urgency and need of key drugs – Remdesivir, Tocilizumab, Favipiravar – used to treat patients of Covid-19. There is a sudden surge in number of patients and fatality (trigger for Keynesian supply shock). There are many manufacturers that have capacity above 200,000 injections/day. Yet, India grapples with the idea of overcoming legal shortcomings of Patent Act, which restricts the pharma companies of India to locally manufacture and supply the drugs on an urgent basis to the Indian population.

Reasons for the aforesaid situation are as follows:

The patent holder which patented Remdesivir, is US based company, namely, Gilead Sciences. Only seven Indian companies have the rights to produce and sell Remdesivir injection locally under agreement with US-based Gilead Sciences. There are certain other firms that can only manufacture and export the drug (hereinafter called "the exporting firms"). The "exporting firms" have imported the raw material of Remdesivir Injection against an advance license which has a condition that the imported material can be used only for export purpose. The import is done as Para 4 of the foreign trade policy. The companies which are given permission to marketing in India are Gilead approved companies who have patent in India. These India companies marketed as Phase three study with expiry of three months. No other person is permitted.

2. The import of Remdesivir API is prohibited by Drug controller General of India with the law, "only the API which are registered in our country can be imported". The exemption for this rule is given only for Para 4 of the Foreign Trade Policy 2015-20.

3. Permission to Manufacturer of Remdesivir Injection cannot be granted unless-until the process of new drug formulation is filed with DCGI (Drug Controller General of India). This rule of new drugs is also not applicable on Para 4 of Foreign Trade Policy. The drug Controller with delegation of powers to states has permitted new drug permission. This permission is based on our request with documents like; Foreign Party order, destination country of export and quantity for export. The Advance License is procured only after this permission.

Permission from the Government:

Some of these “exporting firms”, have approached the Center to permit sale of Remdesivir in domestic market as they have a license of only manufacturing the same and exporting it. Permission to sell Remdesivir in domestic market will enable the government to overcome the shortage (per news reports).

These companies have sought temporary exemption from patent laws from the central drugs standard control organization – and the injection can be made available for as low as only 1500/-. The Controller has not yet taken a decision on these applications.

Remdesivir licensing agreement:

To understand the dilemma of local production via authorizing government use – it is also necessary to analyze the Remdesivir licensing agreement intent. The licensing agreement is a non-exclusive agreement between the manufacturers based in Egypt, India and Pakistan. From India, (as stated earlier), there are seven manufacturers that have entered into this licensing agreement. These have further been granted to distribute this particular drug in about 127 countries.

Gilead official website discloses as under:

“Gilead has signed non-exclusive voluntary licensing agreements with generic pharmaceutical manufacturers based in Egypt, India and Pakistan to further expand supply of remdesivir. The agreements allow the companies – Cipla Ltd.; Dr. Reddy’s Laboratories Ltd.; Eva Pharma; Ferozsons Laboratories; Hetero Labs Ltd.; Jubilant Lifesciences; Mylan; Syngene, a Biocon company; and Zydus Cadila Healthcare Ltd. – to manufacture remdesivir for distribution in 127 countries. The countries consist of nearly all low-income and lower-middle income countries, as well as several upper-middle- and high-income countries that face significant obstacles to healthcare access. The regulatory approval status of remdesivir varies by country, and the distribution of remdesivir within each country listed below is subject to local laws and regulations.

Under the licensing agreements, the companies have a right to receive a technology transfer of the Gilead manufacturing process for remdesivir to enable them to scale up production more quickly. The licensees also set their own prices for the generic product they produce. The licenses are royalty-free until the World Health Organization declares the end of the Public Health Emergency of International Concern regarding COVID-19, or until a pharmaceutical product other than remdesivir or a vaccine is approved to treat or prevent COVID-19, whichever is earlier.” (Source: Gilead official website).

Patent Act, Epidemic Act, Disaster Management Act – Powers of Government of India to resolve this situation:

In exceptional situations the Indian Govt can grant **compulsory license** to a company to manufacture and sell this drug for the domestic market. Compulsory licensing means when a government allows a third person to use the patented product or process without the consent of the patent holder in circumstances enumerated by the Government.

- **Compulsory Licensing is regulated under the Indian Patent Act, 1970.**

Clause 92 of the Patent Act states that the Central Government in **circumstances of national emergency or in circumstances of "national emergency" or "extreme urgency"** can issue the **compulsory licenses** for any patent in force.¹

It can be issued at any time after the sealing thereof to work the invention by notification in the Official Gazette. The said provision is given below.

Special provision for compulsory licenses on notifications by Central Government. —

(1) If the Central Government is satisfied, in respect of any patent in force in circumstances of national emergency or in circumstances of extreme urgency or in case of public noncommercial use, that it is necessary that compulsory licenses should be granted at any time after the sealing thereof to work the invention, it may make a declaration to that effect, by notification in the Official Gazette, and thereupon the following provisions shall have effect, that is to say—

(i) the Controller shall on application made at any time after the notification by any THE PATENTS ACT, 1970 Page 72 person interested, grant to the applicant a license under the patent on such terms and conditions as he thinks fit.

(ii) in settling the terms and conditions of a license granted under this section, the Controller shall endeavor to secure that the articles manufactured under the patent shall be available to the public at the lowest prices consistent with the patentees deriving a reasonable advantage from their patent rights.

(2) The provisions of sections 83, 87, 88, 89 and 90 shall apply in relation to the grant of licences under this section as they apply in relation to the grant of licences under section 84.

(3) Notwithstanding anything contained in sub-section (2), where the Controller is satisfied on consideration of the application referred to in clause (i) of sub-section (1) that it is necessary

- (i) a circumstance of national emergency; or
- (ii) a circumstance of extreme urgency; or
- (iii) a case of public non-commercial use,

which may arise or is required, as the case may be, including public health crises, relating to Acquired Immuno Deficiency Syndrome, Human Immuno Deficiency Virus, tuberculosis, malaria or other epidemics, he shall not apply any procedure specified in section 87 in relation to that application for grant of licence under this section: Provided that the Controller shall, as soon as may be practicable, inform the patentee of the patent relating to the application for such non-application of section 87.

Section 100 of the Patents Act enables Central Government to use patented inventions for government purposes. –

100. Power of Central Government to use inventions for purposes of Government. —

¹ <https://ipindia.gov.in/writereaddata/Portal/ev/sections/ps92.html>

(1) Notwithstanding anything contained in this Act, at any time after an application for a patent has been filed at the patent office or a patent has been granted, the Central Government and any person authorized in writing by it, may use the invention for the purposes of Government in accordance with the provisions of this Chapter.²

• Bayer V. Natco Case

India has granted a compulsory license once in 2012 to the company called Natco Pharma for the generic production of Bayer Corporation's life-saving drug by the name of Nexavar. The Patent Office issued a compulsory license to Natco Pharma, which assured that the tablets would be sold for Rs8,880 per month to enable wider reach. It was agreed that 6% of the net selling price of the drug would be paid to Bayer by Natco Pharma as royalty.³

Compulsory Licensing under the Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement).

The term 'compulsory licensing' is not mentioned in the TRIPS agreement. However, Article 31 of the TRIPS Agreement 'on other use without the authorization of the right holder' contains a detailed set of conditions for the granting of compulsory license.⁴

The TRIPS Agreement **does not specifically list the reasons** that might be used to justify compulsory licensing. However, the **Doha Declaration on TRIPS and Public Health** confirms that countries are free to determine the grounds for granting compulsory licenses, and to determine what constitutes a national emergency², subject to the twin conditions of the applicants approaching the patent holder first for the license to manufacture for domestic market and also assigning adequate remuneration for the patent holder.

Ambit of the Disaster Management Act, 2005:

The legislative intent of the DM Act was to, "provide for the effective management of disasters". The National Disaster Management Authority (NDMA) under the DM Act is the nodal central body for coordinating disaster management, with the Prime Minister as its Chairperson. The NDMA lays down policies, plans and guidelines for management of disaster (S.6). Similarly, State, District and Local level Disaster Management Authorities were established, manned by high functionaries. All these agencies are envisaged to work in coordination.

NDMA so far formulated 30 Guidelines on various disasters including the 'Guidelines on Management of Biological Disasters, 2008'. The 2019 National Disaster Management Plan, issued also deals extensively with Biological Disaster and Health Emergency. This is the broad legal framework within which activities to contain COVID-19 are being carried out by the Union and State governments.

Power bestowed by DM Act on Central Government and NDMA are extensive. The Central Government, irrespective of any law in force (including over-riding powers) can issue any directions to any authority anywhere in India to facilitate or assist in the disaster management (Ss 35, 62 and 72). Importantly, any such directions issued by Central Government and NDMA

² <https://ipindia.gov.in/writereaddata/Portal/ev/sections/ps100.html>

³ <http://docs.manupatra.in/newsline/articles/Upload/93092AEC-D7C8-4C1E-9219-3B4CB5DAE8F9.pdf>

⁴ https://www.wto.org/english/docs_e/legal_e/27-trips.pdf

⁵ https://www.who.int/medicines/areas/policy/doha_declaration/en/#:~:text=The%20Doha%20Declaration%20refers%20to,freedom%20to%20establish%20the%20regime

must necessarily be followed the Union Ministries, State Governments and State Disaster Management Authorities (Ss 18 (2) (b); 24(1); 36; 38(1); 38(2)(b); 39(a);39(d) etc.).

In order to achieve all these, the prime minister can exercise all powers of NDMA (S 6(3)). This ensures that there is adequate political and constitutional heft behind the decisions made.

The present national lockdown was imposed under DM Act as per Order dated 24-03-2020 of NDMA 'to take measures for ensuring social distancing so as to prevent the spread of COVID 19' (S 6(2)(i)). Additional guidelines were issued on the same day by the Ministry of Home Affairs, being the Ministry having administrative control of disaster management (S. 10(2)(i)).

To alleviate social sufferings, NDMA/SDMA are mandated to provide 'minimum standard of relief' to disaster affected persons (Ss 12 and 19), including relief in repayment of loans or grant of fresh loans on concessional terms (S. 13).

Epidemic Act:

State governments, in addition to DM Act, have the power to use the Epidemic Diseases Act, 1897 and the various state specific Public Health Acts (eg: Tamil Nadu Public Health Act, 1939) to deal with the crisis. Taking cue from the 'Containment Plan for Large Outbreaks (COVID 19)' issued by the Union Ministry of Health & Family Welfare which is the Nodal Ministry for biological disaster, several states have issued COVID specific Regulations. Kerala, in addition to the above, invoked legislative power under Entry 6 (Public health and sanitation) of State List and issued 'Kerala Epidemic Diseases Ordinance, 2020'. Overall, States have also enough legal power in dealing with this biological disaster, including punishments for disobeying order of a public servant and malignant act likely to spread infection of disease dangerous to life (Ss 188 & 270 IPC respectively).

Further, when read with the Epidemic Act, the Central Government is duty bound to enforce their powers to acquire compulsory licensees for manufacturing the said drug to aid the citizens of this country. As per section 2 and 2A of the Epidemic Act, 1897, the State Government and Central Government have the power to take or require or empower any person to take, such measures and by public notice to prescribe temporary regulations – to prevent and control the outbreak.

However, no local production can be granted without the license and in the event of compulsory licensing – World Trade Organization rules/guidelines shall be manipulated by the pharmaceutical companies to challenge such licensing. This may result in heavy costs borne by the Government for bypassing the patent owner's rights to grant license.

Intervention of judiciary:

The present issue was also brought up by the Supreme court in the Suo moto case on COVID-19 issues- In Re Distribution of Essential Supplies and Services During Pandemic).

Notably, the Supreme Court of India put forward this very question when it asked the Solicitor General of India, Mr. Tushar Mehta, to explain why the Central Government is not invoking the powers under the Patents Act for compulsory licensing or government authorized use for drugs like Remdesivir, Tocilizumab, Favipiravar, which are used for treating COVID-19 patients on Friday, April 30th, 2021.

On 28th April 2021, a Constitution bench of the Supreme Court of India, acted in suo motu capacity to compel the Government to provide reasoning for not engaging its powers (rather functions) to authorize compulsory licensing or government use of the aforesaid drugs. Stated "This court has a constitutional duty to protect the fundamental rights traceable to Part III of the Constitution." The apex court sought explanation of the Government – for not invoking section 100 of the Patent Act – enabler for government to use patented innovations for government use. Hon Justice Ravinder Bhat observed "We were the first country to issue compulsory license in the NATCO case, where a life saving drug was involved. In view of the prevailing national emergency, a case is made out under section 92(3) of the Patents Act (for compulsory licensing)... Of course, we do not mean it as a direction, only as an ongoing dialogue....States like Germany, Canada and France have all issued compulsory licenses in respect of essential drugs. States like Germany, Canada and France have all issued compulsory licenses in respect of essential drugs. The government can even takeover (the invention) under section 100 of the Patent Act or there can be licensing through the patent controller".

Similarly, the High Court of Delhi, pondered over the same question of finding equilibrium in the supply and demand and observed on 20th April 2021;

"Looking to the present day situation, there can be no doubt that a case is made out for exercise of its power by the Central Government/ Controller under the aforesaid provisions of law. At the same time, the interests of the Patent holders/ licensees should be kept in mind, since it on account of their investments, inventions and hard work that such like medicines are made available to the public at large."

In Re Distribution of Essential Supplies and Services During Pandemic

As stated earlier, the Patent Act under section 90(3) and 92 read with section 2A, empower the Central Government to grant compulsory license at the times of extreme urgency – such as this. Per section 92 of the Patent Act, public interest and emergency are the essential ingredients. In the current scenario, every household in India is finding it nearly impossible to find remdesivir or oxygen to save the lives of their loved ones. Government must choose:

"The principle of utility judges any action to be right by the tendency it appears to have to augment or diminish the happiness of the party whose interests are in question." ~ Jeremy Bentham (An Introduction to the Principles of Morals and Legislation, 1789). Principle of utility, part of utilitarian and consequential theory, measures the pain and pleasure (happiness) of humans and greater good of the society. This theory is of relevance in the current times – to demarcate the unnecessary delay in action by the Government.

For many patients of Covid-19, seconds and minutes are precious. In this time of extreme urgency, the Center and judiciary are playing the blame game without any consequential relief to those grieving families. The countrymen are sitting with hope, for when this Government takes the decision to act and curb the deaths caused due to scarcity of drugs and oxygen in this state.

The arguments before the Supreme Court, High Court and delay by the Government are suggestive of a variety of ideas. Can the Center compel the necessary production and distribution at domestic level to save millions of lives in India or should it delay or take into

consideration the royalty program at cost of human suffering? The price of each human life is hanging by a thread while these decisions are being made in comfortable settings of privilege

PHD Chamber

Continuation Sheet

and power. So India continues to evaluate what should be the price tag of an Indian – time shall tell.

Conclusion:

In the light of the aforesaid, the ongoing COVID-19 pandemic can be classified as a "National emergency" and so, the Indian government can use its special powers under the Patent Act (read with the Epidemic Act/ Disaster Management Act) through its Controller, and can issue a compulsory license to other "exporting firms" to manufacture Remdesivir for India.

In addition, the following notifications can further be specifically issued:

1. Exemption of Form-10 for Remdesivir API in chemical or in real name. Notification to be issued by CDSCO.
2. Converting advance license of Remdesivir for local use after paying custom duties and other payable duties. This notification to be issued by the Customs Department of Revenue.
3. Exemption of new drug approval under rule 122-E of Drug and Cosmetic Act for Remdesivir Injection by CDSCO.

The aforesaid measures will help flood the country with the much-needed Remdesivir Injections.

We hope the Government of India will undertake the aforesaid urgent measures to resolve the current health crisis raging across India.

Looking forward to your consideration

Yours Sincerely



(Sanjay Aggarwal)

Smt. Nirmala Sitharaman
Hon'ble Minister
Ministry of Finance,
Govt. Of India



This representation has also been sent to:

Dr. Harsh Vardhan
Hon'ble Minister
Ministry of Health & Family Welfare,
Govt. Of India

Dr. Guruprasad Mohapatra
Secretary
Department for Promotion of Industry and Internal Trade
Ministry of Commerce & Industry,
Govt. Of India

Shri. Anup Wadhawan
Hon'ble Minister
Ministry of Commerce & Industry
Govt. Of India

Shri. Piyush Goyal
Hon'ble Minister
Ministry of Commerce & Industry
Govt. Of India



63. PHD Request for exemption from GST for all Covid-19 related AYUSH medicines and products (3rd May, 2021)



PHD CHAMBER
OF COMMERCE AND INDUSTRY

PRADEEP MULTANI
Sr. Vice President

Ind-Ayush/54
3rd May 2021

Hon'ble Minister ,

Greetings from the Chamber,

Subject: Exemption from GST for all Covid-19 related AYUSH medicines and products

The COVID-19 pandemic has created a global health crisis posing an unprecedented public health emergency. The number of deaths and people being infected are increasing daily throughout the globe. This situation is much more severe due to possible devastating situations because of several social and economic factors. Effective management to address this infection is still evolving and attempts are being made to integrate traditional interventions along with standard of care. Ayurveda and Yoga are certainly playing a pivotal role to augment preventive measures provided in the guidelines by Ministry of Health and Family Welfare (MoHFW). The current understanding of COVID-19 indicates that good immune status is vital to prevention and to safeguard from disease progression.

Ayush 64, Chywanprash, Giloy Ghan Vati, Ayush Kadha & Ashwagandha Tablets are among the AYUSH products used as the preventive measures for Covid 19.

Hence we request you to consider below points for the growth of AYUSH medicines & products and Exemption under GST for all Covid-19 related AYUSH medicines & products:

- Proper classification to consider AYUSH immunity booster and nutraceuticals at par with Allopathic immunity medicines.



"Towards Inclusive & Prosperous New India"



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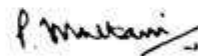


- Exemption of GST for all Covid-19 related AYUSH medicines and products will help to reduce prices and make it widely available to the Customers.
- Price reduction of AYUSH medicines will help the industry as a whole
- AYUSH immunity booster and nutraceuticals are prescribed and supplied widely now a days..
- Removal of total GST on sanitizer products (No Tax) will make it more affordable for everyone. As pricing of sanitizers products, because of GST are one of hindrances for wide usage during this pandemic time, where cleanliness is one of mantra to fight against Corona.
- Help AYUSH segments for export by endorsing AYUSH GMP licensing products in different countries as Quality Products as the entire world needs AYUSH immunity products at this stage.

Looking forward to your support and positive response

Best Regards

Yours Sincerely



Pradeep Multani

Dr. Harsh Vardhan
Hon'ble Union Minister
Ministry of Health & Family Welfare
Govt. of India
New Delhi



62. Seeking clarification for CSR contribution towards State COVID funds or State Chief Minister's Relief Fund (3rd May, 2021)

**Shri Rajesh Verma
Secretary
Ministry of Corporate Affairs
New Delhi**

Respected Shri Rajesh Verma Ji,

Seeking clarification for CSR contribution towards State COVID funds or State Chief Minister's Relief Fund

This is with reference to the circular released on March 23, 2020 through which it was notified that spending of CSR funds for COVID-19 is eligible CSR activity and Funds may be spent for various activities related to COVID-19 under item nos.(i) and (xii) of Schedule VII relating to promotion of health care, including preventive health care and sanitation and disaster management. Further, as per General Circular No. 21/2014 dated 18.06.2014, items in Schedule VII are also broad based and ready for liberal interpretation.

PHDCCI received concerns from corporates who have contributed towards PM CARES fund besides the funds incorporated by various states such as Haryana Corona Relief Fund, Govt. of Haryana and Chief Minister Distress Relief Fund, Govt. of Kerala in March, 2020. However, MCA issued clarification through FAQs on April 11, 2020 wherein only contribution towards PM CARES Fund was allowed as eligible contribution for CSR purposes.

We would like to highlight that contributions made by the Corporates to the local states where it either has project work or business establishment be considered under CSR as the intent of the contribution to PM CARES fund and State funds are similar in nature.

In this regard, PHDCCI would like to request MCA to kindly allow such contributions as eligible contribution under CSR. We would be most grateful for the Ministry's positive response on the above request.

With best regards,
Yours sincerely,

(Sanjay Aggarwal)

61. Request for Intervention in completion of Public Consultation process of various projects located in Odisha- EIA Notification, 2006 and Office Orders on Public Hearing (1st May, 2021)

The Secretary

Ministry of Environment, Forests & Climate Change
Indira Paryavaran Bhawan,
Jorbagh,
New Delhi.

Sub: Request for Intervention in completion of Public Consultation process of various projects located in Odisha- EIA Notification, 2006 and Office Orders on Public Hearing.

Respected Sir,

Greetings from the PHD Chamber of Commerce and Industry!!

At the outset PHD Chamber of Commerce and Industry express sincere gratitude for the proactive measures being taken by the Ministry of Environment, Forest and Climate Change during the COVID pandemic. The proactive steps taken by the ministry have been instrumental for industrial growth, and thus the socio-economic development of the nation. The unprecedented times wherein we do not have any visibility of abatement require many more steps by the policy makers. The industry has to survive and keep growing so that economic activity does not abate and in-fact grows. This is required so keep up the employment opportunities of the masses, else we would be staring at another survival and existential crisis.

We through this representation put forward our concern on the order no. 6412/IND-II-MISC-02 dated 18.04.2021(**copy attached as Annexure-I**) of the Odisha State Pollution Control Board (OSPCB) cancelling Public hearing of various projects citing restrictions on public gathering imposed by the State Government vide order No.1968/R&M(DM), dated 15.04.2021(**copy attached as Annexure-II**). OSPCB through its aforesaid order has stated that conducting public hearing as scheduled may increase Covid-19 infection at the public hearing venue and surrounding area.

The aforesaid order of OSPCB has impacted ten proposals (**list of these proposals attached as Annexure-III**) of different companies whose public hearings were scheduled between 14.04.2021 & 30.06.2021 and has now been cancelled till further orders. The decision of OSPCB to cancel the public hearings has effectively halted the process of grant of Environmental Clearance within the time stipulated under the EIA Notification, 2006.

In this regard, your kind attention is invited on the following points:

1. As per Para 7(III) (ii) of the EIA notification, 2006, the public consultation process comprises of two components viz. public hearing at the site for ascertaining concerns of local affected persons, and obtaining responses in writing from the other concerned persons having a plausible stake in the environmental aspects of the project or activity.
2. As per para 7(III) (iii) of the EIA notification, 2006, the State Pollution Control Boards shall conduct public hearing and forward the proceedings to the regulatory authority concerned within 45 days of a request the effect from the applicant.

3. As per para 7(III) (v) of the EIA notification, 2006, owing to the local situation, if it is not possible to conduct the public hearing in a manner which will enable the views of the concerned local people to be freely expressed, the nominated authority shall report the facts in detail to the concerned regulatory authority, which may after due consideration of the report, decide that the public consultation in the case need not include the public hearing.
4. Keeping in view the surge in cases of Covid-19, MoEF&CC vide its O.M. dated 14th September, 2020 issued guidelines to restrict the number of persons gathered at the time of public hearing and recommended to use virtual platform/ online facilities in addition to the physical hearing for conducting public hearing.

In view of the above, the association suggests the following for kind consideration of MoEF&CC so that the Public consultation process for all pending cases in the Odisha is completed at the earliest:

- a) The first component of the public consultation process i.e public hearing, may be conducted through the use of virtual platform/online facilities.
- b) Alternatively, as per the para 7(III)(v) of the EIA Notification, 2006, the physical public hearing process may be avoided considering the notification dated 18.04.2021 of the Odisha State Pollution Control Board and the public consultation process be completed by the OSPCB, based upon the responses obtained in writing from the concerned persons. The written responses received by OSPCB from concerned persons having plausible stake may be forwarded to the project proponents for addressing their concerns and issues, and for preparation of final EIA report as prescribed under para 7(III) (vi) of the said notification.

Sir, kindly intervene in the matter so that the public consultation process of the above proposals as listed is completed without further delay and the process of grant of prior Environmental Clearance is not halted /delayed as same would unduly delay the project implementation which will adversely impact revenue generation to the State/Nation and employment opportunities for the locals.

Your swift and kind response will help tide over some uncertainty in an otherwise gloomy environment.

With best wishes,

Yours sincerely,



Dr Yogesh Srivatsav
Assistant Secretary General
PHDCCI
New Delhi



60. India-Canada Comprehensive Economic Partnership Agreement - request for comments from stakeholders (29th April, 2021)

Mr. R. Manohar Kamath
Under Secretary (FT-NAFTA)
Department of Commerce,
Room No.516B, Udyog Bhavan,
New Delhi - 110001

Dear Sir,

Greetings!

This is in reference to Hon'ble CIM interaction with Secretaries of Line Ministries. Please find enclosed the valuable inputs received from the esteemed members on the same. The members have examined their respective tariff lines, shared their list of products of priorities for the first phase/early harvest and also list of product for second phase. We have also provided the comments as requested in appendix 1 & 2.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General



59. Appeal for generous donations for Covid relief (29th April, 2021)

Dear Esteemed Member,

APPEAL FOR GENEROUS DONATIONS FOR COVID RELIEF

To help tackle the tremendous shortage of oxygen in NCT of Delhi, the PHD Chamber has decided to airlift oxygen generation plants for charitable hospitals facing oxygen shortages.

Initially, PHD Chamber has arranged to airfreight two PSA Oxygen plants of 20,000 LPH. ie 333 LPM each suitable for 50-100 oxygen beds.

Cost will be approximately Rs. 32 Lakhs landed including GST for each plant.

My company, Paramount Communications Ltd. is remitting approx Rs. 7.5 lakhs initial advance being paid.

Our Former President Mr. Ashok Kajaria has generously agreed to donate the full cost of one plant, viz. Rs. 32 lakhs.

Rotary Club of Delhi South Central have also generously agreed to bear the balance cost of the second plant.

PHD Chamber shall keep procuring more oxygen plants as we receive more and more donations.

Donors are requested to come forward and donate generously to PHD Family Welfare Foundation for this purpose which will be eligible for Income tax rebate under Section 80 G of Income tax rules.

The details of account no and IFSC Code etc. is as under:-

Name: PHD FAMILY WELFARE FOUNDATION

Bank name -- Bank of India

Account NO -- 602210100005508

IFSC CODE -- BKID000 6022

Branch: Panchsheel Branch, New Delhi – 110016

We appeal to all donors to donate generously for this excellent humanitarian cause.

With best regards,

Your Sincerely,

(Sanjay Aggarwal)



58. PHD Chamber's Suggestions on Extension of time limits for filings and compliances under Income Tax Act(27th April, 2021)

Shri Pramod Chandra Mody
Chairman
Central Board of Direct Taxes
Ministry of Finance
New Delhi

Respected Sir,

Greetings from PHD Chamber!

Extension of time limits for filings and compliances under Income Tax Act (Act) in light of the raging pandemic

PHD Chamber greatly appreciates the swift action taken by CBDT to extend the timelines across various compliances under the Income Tax Act vide Press Release dated 24th April 2021, in view of the severe Covid-19 pandemic raging unabated across the country.

Some specific suggestions for extension of time limit to 31st July, 2021 or thereafter which have not been considered under the Press release are as under:

1. Time limit for filing CIT (A) appeals against assessment orders, reassessment orders, penalty orders, intimation u/s 143 (1) etc, under the Act.
2. Time limit for filing CIT (A) appeals against assessment orders under THE BLACK MONEY (UNDISCLOSED FOREIGN INCOME AND ASSETS) AND IMPOSITION OF TAX ACT, 2015.
3. Time for filing ITR in response to notices received u/s 148 or u/s 142;
4. Time limit for filing stay of demand pursuant to assessment orders etc.
5. Time limit for filing Penalty replies.
6. Time limit for filing rectification applications.
7. Time to file appeals before ITAT against CIT(A) orders, 263 orders etc.
8. Time to file objections before DRP against draft order u/s 144C (where TP additions or international tax additions are proposed)
9. Time limit for filing response against intimation u/s 143(1)(a).
10. Time limit for filing of SFT return for which due date is 31st May.
11. Time limit for deposit of TDS for March for which due date is 30th April, 2021.
12. Time limit for filing TDS & TCS Returns for 4th quarter for which due date is 31st May.
13. Issuance of TDS certificate in Form 16 to salaried employees
14. Making various investments /payment/acquisition/purchase/ deposit/ construction for capital gain benefits under section 54 to 54GB where time limit for making such investment etc. was expiring anytime between April 2021 till 30th June 2021.



It is suggested that to avoid loss and hardships to citizens, all matters pertaining to filings and compliances under the Act, for which time barring dates are falling between 15th April 2021 and 30th June 2021 may kindly be extended to 31st July 2021 or thereafter.

We trust our suggestions and inputs will be favorably considered.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

Secretary General



57. Request Support for Pet Food Supplies (26th April, 2021)

To,
Dr. O.P Chaudhary
Joint Secretary (National Livestock Mission)
Dept of Animal Husbandry & Dairying,
Ministry of Fisheries, Animal Husbandry & Dairying
Krishi Bhawan,
New Delhi – 110011

Respected Sir,

Request Support for Pet Food Supplies

As you may be aware due to on-going control and containment of COVID-19 pandemic many States have gone for partial/complete lock down to stop spreading of virus.

I would like to draw your kind attention that feed and fodder for large animals and food for companion and stray animals is an essential service and may be kept operational during lockdowns. District Administration may, if need be, allot specific time during the morning and evening hours of individuals/volunteers to provide food and water for street animals and birds. This is a valuable service consistently provided by compassionate individuals and the absence of it may cause a large number of animals and birds to suffer and die and carcasses of the dead animals and birds may further spread different diseases amongst community which will be difficult to control.

It is requested to kindly issue necessary direction to all concerned authorities to create awareness amongst the public to take care of stray animals during the lockdown due to COVID-19. The law enforcement authorities may also be directed to see that the animals and birds do not suffer due to hunger. A copy of the direction issued in this regard may also be forwarded to the Chamber for information.

Kindly treat the matter as MOST URGENT.

With best regards,

Yours sincerely,

(Saurabh Sanyal)

Secretary General



56. PHD Request for maintaining Status Quo on Working Hours of Banks (26th April, 2021)

Shri Debasish Panda
Secretary (Financial Services)
Department of Financial Services
Ministry of Finance
Government of India

Respected Sir,

Status Quo on Working Hours of Banks

We wish to bring to your kind attention an advisory issued by Indian Banks Association (IBA) asking banks to restrict working hours between 10 am to 2 pm, in view of the rising Covid cases across India. It has been reported that banks have been asked to consider steps like reducing working hours, work from home and continuation of only essential services.

It may be highlighted that the industry is already passing through a very difficult phase and needs hand-holding from banking sector. With the closure of banks, the credit availability will be hampered and the already struggling MSMEs will face the risk of being paralyzed.

As you are aware, the lack of working capital so far has constrained many of the shuttered, marginally functioning, and surviving MSMEs from returning to their full economic potential. The plethora of reform measures undertaken by the government to support trade and industry in the difficult pandemic need continued support from the banking operations for the far-reaching effect of reform measures.

The consumers across industries need liquidity in the market to pass through these difficult times and banks provide the much needed oxygen, in the form of liquidity to the struggling industries.

Further, there are lot of small towns where people que up to meet their daily banking needs. Restricting the banking hours will create a panic in these small areas leading to crowding during the 10 am – 2 pm window and put pressure on the existing resources.

It is therefore suggested that status quo may be maintained on the working hours of banks.

We trust our suggestion will be favorably considered in the interest of industry.

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General



**55. PHDCCI Representation Letter to DAHDF on "Pet Food and Ingredients Import to India"
(26th April, 2021)**

**To,
Shri O.P. Chaudhary
Joint Secretary (National Livestock Mission)
Dept. of Animal Husbandry & Dairying,
Ministry of Fisheries, Animal Husbandry & Dairying
Krishi Bhawan,
New Delhi – 110011**

Subject: Request to notify the Draft Animal Health Certificate which will ease Import of Pet food (Dog & Cat) & Animal Origin Ingredients into India acknowledging Heat treatment (70°C for 30 min) as inactivation step which eliminates risk of Avian influenza basis OIE guidance (World Organization for Animal Health).

Dear Sir,

We are indeed thankful to you for gracing the Webinar on “Pet Food Industry- Unleashing Opportunities and Key challenges”, on 16th April 2021 organised by the PHD CHAMBER. The Webinar witnessed presentations by both global players and the domestic manufacturers of cat and dog foods. The objective was to generate awareness about the opportunities in the eco system for the start Ups, and existing meat and poultry as also grain processing industry in the wake of surge in pet adoption rate and demand for processed pet food for cats and dogs.

As you would recall, a number of issues were flagged during the discussion which related to lack of level playing field, high rates of taxation, lack of single window and product standards for the sector. A White paper on the sector is under preparation and shall be shared with your kind office shortly.

However a pertinent issue highlighted during the session related to challenges faced in the import of pet food and animal origin ingredients due to revision of Animal Health Certificate conditions as part of Notification which is yet not notified.

Status for import of Pet food (Dog & Cat) & Ingredients of Animal Origin into India

1. Mandatory requirement of “Animal Health Certificate” from source country, as per Schedule I of Department of Animal Husbandry, Dairying & Fisheries notification no. S.O.1086(E), dated 2nd May 2008 vide “Pet Food Products of Animal Origin (Import into India) Order, 2008.
2. A certificate that the Pet food “Originates from the birds/ pigs from an establishment which is outside 25 kms radius of any Avian Influenza (AI) infected area”.

3. Delay in notifying the Draft veterinary health certificate for dog and cat food (containing animal origin material) imports, dated October 26, 2015, by Department of Animal Husbandry, Dairying, and Fisheries, Government of India, removing the earlier requirement that a processing facility needed to be located outside 25 km radius from an avian influenza infected area and introducing some new text and requirements in comparison to the earlier protocol. (For example, the draft certificate specifically requires imported pet food to be manufactured from certain animal meat/products and specifies that ingredients cannot include animal meat that is prohibited under any Indian law. Other modifications or additions include new heat treatment processing guidelines, specifying the ports that can accept imported pet food, new testing requirements for sulphite reduced clostridium for canned and moist pet food, and manufacturer/exporter declarations.).

The draft certificate is a welcome step backed with scientific rationales by DAHDF, but it has not been formally notified as yet for implementation/adoption.

Concern

India needs a huge amount of food for its 2.5 crore pet dogs and 4.5 million cats. In the absence of sufficient capacity of Indian industry to manufacture and cater to the growing demand (@20%) of pet food, the pet parents/ owners are dependent on imported food and ingredients. The supply of imported pet food is drying up due to the present condition of 25km radius exclusivity of manufacturing facility.

Dog owners in India consider many factors when purchasing dog food, including storage, buying in bulk versus buying smaller packages, shelf life, lifecycle needs and dietary needs. Dry dog food emerged as a clear solution, since it can be stored in a dry place at room temperature, lasts longer than wet dog food and can be bought in bulk, unlike wet dog food, which tends to come in smaller packages in India. According to industry experts, the total manufactured pet food market is Rs 2,500 crore of which less than 10 per cent is supplied domestically indicative of huge potential for investment and employment creation as also by product utilisation and thus saving food loss and prevent pollution from meat and poultry industry. Sir, in the event of a surge in demand for pet food pushing up the pet food sales by 20 percent in 2020 and the demand trend like to maintain the momentum, there is need to promote the domestic pet food processing by taking policy steps to allow imports of ingredients (of animal origin) which will also push domestic manufacturing and also encourage exports to neighbouring countries. Taking a cue from the potential, many established companies are planning to introduce more new products to cater to the burgeoning pet segment in India.

Unfortunately, restrictive policy conditions have put a complete freeze on imports of pet food and ingredients especially from countries like Belgium, France, Austria, which are major producer of pet food and have experienced an early outbreak of avian influenza in some parts of their country.

Most of the pet food and ingredient importers, dependent on supplies from France, Austria, Belgium have run out of inventory, and are unable to cater to the demand of the market

and ultimately cats & dogs are deprived of the food which is fundamental need for their health & well being.

Request

In this context, we wish to submit that the draft Animal Health Certificate be notified at the earliest to ease imports, with stringent conditions for ensuring compliance and quality testing and certifications in relation to heat treatment to ensure that the virus is inactivated & eliminates risk associated to avian influenza and restriction on import of ingredients of animal origin that are not allowed as per Indian law.

Supporting documents

1. Action Plan for Prevention, Control & Containment of Avian Influenza (Revised – 2021), published by the Department of Animal Husbandry and Dairying, Government of India, (copy attached) and
2. FSSAI – Guidance Note - Safe handling, processing & consumption of poultry meat and eggs during bird flu outbreak.

These two documents clearly state that “poultry meat cooked at more than 70°C temperatures for 30 minutes inactivates the virus and it is absolutely safe to consume properly cooked poultry meat and eggs” (page no.38) and “Proper cooking inactivates the virus present inside the meat and eggs. Poultry meat and eggs from areas with outbreaks in poultry should not be consumed raw or partially cooked. However, to date, no evidence indicates that anyone has become infected following the consumption of properly cooked poultry or poultry products, even if these foods were contaminated with the avian influenza virus.”

3. News Release by WHO also states as under:
“Cooking of poultry meat (e.g. chicken, ducks, geese, turkeys and guinea-fowl) at or above 70°Celsius throughout the product, so that absolutely no meat remains raw and red, is a safe measure to kill the H5N1 virus in areas with outbreaks in poultry, FAO/WHO said. This ensures that there is no active virus remaining if the live bird has been infected and has mistakenly entered the food chain. To date, there is no epidemiological evidence that people have become infected after eating contaminated poultry meat that has been properly cooked.”<https://www.who.int/mediacentre/news/releases/2005/pr66/en/>

In view of the foregoing, it is established that properly cooked poultry meat, pork and ingredients of animal origin pose absolutely no health risks to humans. The New Veterinary Health Certificate will only reaffirm that there is control on instances of infection spreading to humans.

We therefore request you to kindly consider our request to allow import of pet-food (Dog & Cat) & permissible Animal Origin Ingredients as per Indian law, which have been cooked at a temperature not less than 70 °C for 30 min as inactivation step which eliminates risk of Avian influenza irrespective of the country of origin, basis OIE guidance.



We will be happy to share any additional information that you may require on the subject and also make a presentation in person or virtually as advised.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General



54. Logistics workers to be at par with Frontline Workers (23rd April, 2021)

Shri Pradeep Singh Kharola
Secretary
Ministry of Civil Aviation
Government of India
New Delhi

Respected Sir,
Greetings!

Logistics Workers to be at par with Frontline Workers

At the outset, we would like to appreciate the initiatives taken by government in the last one year for the frontline workers in this pandemic covid-19. The PHD Chamber of Commerce and Industry would like to request you to recognise the cargo logistics service as “frontline workers” and to provide the COVID vaccination to them on priority. It is pertinent to mention here that, as Logistics falls under “essential services”, our members and their employees have worked continuously and tirelessly during the lockdown period to ensure that our EXIM industry’s function remains unhindered even in the global pandemic crisis.

Facilitation from our fraternity has been upfront from the very beginning. The logistic workers handling cargo at various Terminals have braved to handle and deliver medicines and other perishable items successfully in a timely manner in spite of the various state-wise stringent rules and regulations during the lockdown period. This also caused immense threat to their lives due to the prevailing COVID19 situation.

Nevertheless, the EXIM industry has also lost many workers due to COVID while discharging their duties for the nation. By providing support to the “Lifeline Udan” initiatives of MOCA for movement of medical and essential supplies across the country and beyond, the logistic workers ensured that our country’s Doctors, Paramedics and frontline COVID warriors receive their necessary protective gears to serve the nation in this most challenging times. Moreover, the cargo sector is now handling vaccines through various airports.

In view of the above, it is our humble request to consider the logistics workers as frontline warriors and to be recognised by your Ministry and Government of India as “Frontline Workers”. The logistics workers too should be given the same status and treated at par with the COVID frontline workers and should be accorded to have access to COVID19 vaccine on priority.

We trust our submission will be considered by the ministry of civil aviation for immediate and favourable action.

With best regards,

Yours sincerely,

(Saurabh Sanyal)
Secretary General



53. Extension of deadline for RBI Circular Dated 6th August 2020 on Resolution Framework for COVID-19 related Stress (23rd April, 2021)

**Shri Debasish Panda
Secretary (Financial Services)
Department of Financial Services
Ministry of Finance
Government of India**

Respected Sir,

Extension of deadline for RBI Circular Dated 6th August 2020 on Resolution Framework for COVID-19 related Stress

We wish to bring to your kind attention challenges being faced by various sectors particularly infrastructure sector/ PPP projects to meet their operational & investment funding needs.

As you are acutely aware, economic impact of the coronavirus pandemic in India has been disruptive with Indian economy contracting by 7.7%, the worst since independence. RBI has put in all efforts to provide liquidity & easing financial hardships to lessen the impact of COVID-19 which showed in economy rebounding with a slight growth in Q3 FY21.

Last year more than 53% of businesses had high impact of Pandemic leading to loss of employment. Few sectors such as Hospitality, Aviation, Transportation, Tourism, etc. found their businesses unsustainable and small & medium businesses in such sectors have closed shop. Businesses in MSME sector faced maximum heat due to reduction of their revenue by 20-50%, liquidity crunch, supply chain disruptions & loss of available workforce leading to many of them closing down intermittently or permanently. The Indian travel & tourism industry is likely to lose around INR 5 Lakh Cr. across the entire value chain with many specific entities like Airports losing 90% of their operating profits. Delay in payment from consumers especially Government agencies have also increased stress for businesses e.g. despite Government of India releasing funds to State DISCOMS under Aatamnirbhar Bharat schemes, Power Producers have seen their overdue amount climbing by 22% to INR 90,026 Cr. in Feb'21 from year ago period. The lack of funds has led to curtailment of operations & fresh investments by businesses resulting in loss of millions of jobs. As per CMIE estimates, more than 14 Cr. jobs were lost during the lockdown resulting in loss of household income & lowering of consumer sentiment which is essential in recovery of consumption driven Indian economy.

With vaccination started and the covid surge contained, industry was looking forward to a slow but sustained recovery. The 2nd wave of Covid-19, has dashed all such hopes for now. The pain, it seems will continue much longer and the recovery delayed further. As per Confederation of All India Traders (CAIT), preventive measures including curtailment of

business hours & curfews over last week has already led to loss of 30% business activities in retail markets. Curtailed business activities & localised lockdowns will have a debilitating impact on the economic recovery.

Many countries have extended reliefs to specific sectors like low cost funds, reimbursement of staff salaries, waiver on taxes, etc. While Indian government has focused on saving lives, saving livelihood has yet to get appropriate concern; as GoI has yet to provide any sector specific relief for worst affected sectors due to resultant lockdowns. With loss of avenues for raising finances or taxes, the available options for government has become limited. Hence, it is pragmatic to extend the reliefs to counter the 2nd wave of pandemic, which were already in force last year.

RBI in its 6th August'20 circular on Resolution Framework for COVID-19-related Stress had allowed acceptance of resolution plans for restructuring of companies without being classified as NPAs up to December'20. In view of 2nd wave of COVID-19, business entities and their holding companies are now facing stress beyond the level they can cope. Hence, a consideration to extend validity of said provisions of RBI's circular dated 6-8-20 till 31-12-21 will go long way to meet challenges besides helping banks; by not treating such stressed assets as NPA arising out of reasons beyond the control of business entities. Hence, you are requested to consider providing a similar window of opportunity until Dec'21 for companies seeking one-time restructuring & to permit bilateral restructuring without insisting for Inter Creditor Agreement & escrow mechanism.

We trust our suggestion will be favorably considered in the interest of industry.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

This representation has also been sent to:

Shri Shaktikanta Das
Governor
Reserve Bank of India
18th Floor, Central Office Building
Shahid Bhagat Singh Road



52 . Request for extension of due dates for compliances under Income Tax Act (23rd April, 2021)

Shri Pramod Chandra Mody
Chairman
Central Board of Direct Taxes
Ministry of Finance, North Block
New Delhi

Respected Sir,

Greetings from PHD Chamber!

We wish to bring to your kind attention an issue being faced by the members of trade & industry due to the upsurge in Covid cases in India.

As you are aware, in the last 20 days, the number of covid cases in India has increased exponentially. Due to this the offices of the income tax payer and tax consultants have been deeply affected and there is complete paralysis of work. Further from 19th April, 2021 to 26th April 2021 complete lockdown has been declared in many cities including Delhi. Due to the above reasons the offices are not functioning and compliances with provisions of the Income Tax Act is not possible.

In view of the above, the extension of following dates is requested to provide some relief to the assess:-

1. Extension of time limit for completion of scrutiny assessment for Assessment Year 2018-19.

The last date for passing of order u/s 143(3) for scrutiny cases for Assessment Year 2018-19 is 30th April, 2021. In many cases the Income Tax Department has issued show cause notice but due to closure of office of the tax payer as well as tax consultants it is not possible to comply with the show cause notice. In the absence of furnishing of reply the tax officer may pass order ex-parte against the assessee. In view of the above it is prayed that the due date for completion of assessment is extended till 31st May, 2021 so that no hardships is caused to the tax payer.

2. Extension in due date for deposit of TDS

The Due date for deposit of TDS for the month of March 2021 is 30th April 2021. In the month of March all the provisions for expenses are made and as the office of the tax payer have been badly affected / closed in the month of April 2021, therefore, it is not possible to deposit the TDS by 30.04.2021 in most of the cases. As a result, it is prayed that due date for deposit of TDS for the month of March shall be extended till 31st May, 2021 without charging any interest whatsoever.

3. Extension of due date of filing TDS Return for 4th Qtr. Of F.Y. 2020-21.



As it is not possible for the assessee to deposit TDS by 30th April, 2021 and it is prayed that the date may be extended by one month therefore the due date for filing of TDS return which is 31st May, 2021 shall also be extended by atleast one month period.

4. Extension of Due date for payment under Vivad se Vishwas Scheme.

The CBDT in February 2021 had extended the due date of filing application under Vivad se Vishwas Scheme to 31st March, 2021 and also extended the due date of payment of tax under Vivad se Vishwas Scheme to 30th April, 2021 without levy of any extra tax. However, as the entire month of April, 2021 has been made ineffective due to covid pandemic therefore you are requested to extend the due date of payment of tax under vivad se vishwas scheme by a period of 2 months to enable the assessee to make payment of tax.

We trust our suggestions and inputs will be favorably considered in the interest of industry.

Thanking You,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Sanjay', followed by a long horizontal stroke.

(Sanjay Aggarwal)

51. PHDCCI recommendation on Decriminalization of offences under the legal Metrology Act, 2009 (20th April 2021)

Saurabh Sanyal
Secretary General

20 April 2021

Ms. Leena Nandan, IAS
Secretary
Department of Consumer Affairs
Ministry of Consumer Affairs, Food, & Public Distribution
New Delhi

Respected Ms. Leena Nandan ji,

Greetings!

**PHDCCI Recommendation on
Decriminalization of Offences under the Legal Metrology Act, 2009**

With reference to the "Virtual Meeting to discuss the issue of decriminalization of offences under the Legal Metrology Act, 2009 on 08.4.2021", Mr. Saurabh Sanyal, Secretary General, PHDCCI and Prof Bejon Misra, Co-Chairman, Consumer Affairs and public Health Committee, PHDCCI represented Industry views. In furtherance of the same, we wish to additionally submit that:

The consultation initiated by Government of India on Decriminalisation of "The Legal Metrology Act, 2009" is at the most appropriate time to encourage ease of doing business, which establishes and enforces the standard of weights and measures used in the commercial sector in the interest of fair trade and consumer protection. It has long been subjected to censure owing to its harsh punitive measures and lack of effective law enforcement tools and techniques used by the State Regulatory Bodies.

In the era of Globalization, we need enabling provisions for conducting business in a seamless manner to attract investments from domestic and overseas multinational corporations in the interest of MSME and outsourcing, rather than the iron fist of the Act, by libeling any one name, can now affect the livelihoods of millions across the globe. Therefore, the time for change has come again.

Decriminalization of minor offences, which do not harm the consumer nor ethical business entities, was under Government's consideration since 2019, but the decision on the same was under consideration since long. However, given the present economic crisis, decriminalization of minor offences at this stage will be a significant step towards improving the business processes and the economy.

'Ease of doing businesses has rightly been one of the primary schemes of the present Government. Accordingly, the legislature has adopted measures in order to decriminalize – or at least liberalize – India's business operations regime. Decriminalization of offences under various financial statutes that govern the market operations in the country shall encourage and facilitate business activities at the macro as well as the micro levels without compromising on the rights of the consumers and fair trade practices.

Despite various attempts to adopt ease of doing business in India, the Legal Metrology Act, 2009, comprises various criminal penalties for minor and technical non-compliance, which are major drawbacks with regard to the ease of doing business as operators, which are deterred from functioning due to such penal provisions. We have to examine the proposed draft legislation word by word, which we are undertaking internally to suggest the changes accordingly to you.

In order to align the Legal Metrology Act of 2009 with the objective of attaining ease of doing business in India, the legislature is taking a step in the right direction by decriminalizing offences that serve more as an obstacle in doing business than facilitating the same. While decriminalization is desirable in some aspects, it is not a '**one size fits all**' mantra for improvement.

- **Section 25, 26**

As mentioned in the act, if anyone uses non-standard weight or measure then there should not be an imprisonment clause. They shall be punished with a fine of twenty thousand rupees for the first offence and for the second offence, the fine should not be more than fifty thousand rupees and subsequent offence may lead to an imprisonment at a later stage.

- **Section 27 and 28**

For the first time offence, there should be a fine of thirty thousand rupees, for the second time offence, the fine may extend up to fifty thousand rupees and subsequent offence may lead to an imprisonment at a later stage.

- **Section 30**

There should be a fine of five thousand rupees for the first offence and for the second offence, the fine should not be more than fifteen thousand rupees and if it continues then there should be a need of strict action against that entity but imprisonment for this offence should be consider at a later stage.

- **Section 31**

Failed to produce any documents without any reasonable excuse then there should be a fine of five thousand rupees, if this happened again then there should be a fine of twenty five thousand rupees and subsequent offence may lead to an imprisonment at a later stage for a time period of two months.

- **Section 32**
For the first time offence, there should be a fine of five thousand rupees, for the second time offence, the fine may extend up to fifteen thousand rupees and there should be an imprisonment at a later stage if offence continues.
- **Section 33**
Person shall be punished with a fine of two thousand rupees for the first time offence and for the second offence, shall be punished with a fine of not more than twenty thousand rupees and subsequent offence with imprisonment for 20 days which may extend up to two months.
- **Section 36**
 - (1) The fine amount should reduce to around Rupees ten thousand for the first offence; for the second offence the fine amount may extend to rupees thirty five thousand and for the subsequent offence, with fine which shall not be less than fifty thousand rupees but which may extend to one lakh rupees depending on the turnover of the company or with imprisonment for a term which may extend to six months or with both.
 - (2) The fine amount shall not be less than ten thousand rupees for the first time offence but which may be extended to twenty five thousand rupees and for the second and subsequent offence, with fine which may extend between rupees fifty thousand to one lakh rupees depending on the turnover of the company. The imprisonment for a term may be extended to a later stage to one year.
- **Section 37- suggestions**
 - (1) The fine may extended to between seventy thousand rupees to one lakh rupees depending on the turnover of the company.
 - (2) Be punishable with imprisonment at a later stage which may extend to one year or with fine which may be extended to fifty thousand rupees or with both.
- **Section 38- suggestions**
Fine may be extended to twenty-five thousand rupees for the first offence and for the second offence, fine may be extended to fifty thousand rupees and for the subsequent offence, imprisonment for a term which may extend to four months or with fine which may extend to one lakh rupees or with both.
- **Section39- suggestions**
Fine may extend to twenty five thousand rupees for the first offence, for the second offence fine may extend to fifty thousand rupees and for the subsequent offence, fine may extend to eighty thousand rupees and imprisonment for a term which may be extended to a later stage.
- **Section 40- suggestions**
A fine may be extended for fifty thousand rupees for a period of two years for the first offence, for the second offence fine may extend to one lakh rupees depending on the turnover of the company for a period of two years and for the subsequent offence, imprisonment for a term may be extended to two years.
- **Section 41-suggestions**
 - (1) Fine which may extend to ten thousand rupees for the first time offence and for the second offence fine which may extend to rupees fifty thousand and for the subsequent offence fine which may extend to one lakh rupees depending on the turnover of the company, with imprisonment at a later stage.

- (2) Fine, which may extend to seven thousand rupees for the first offence and for the second and subsequent offence fine may extend to rupees fifty thousand, with imprisonment at a later stage.
- **Section 43- suggestions**
Punishment of imprisonment for a term at a later stage, fine may extend to fifty thousand rupees.
- **Section-44 suggestions**
 - (1) Punishment with a levy of fine for one lakh rupees for first offence, for the second or subsequent offence with fine with amount of one lakh rupees which may extend to two lakh rupees depending on the turnover of the company, with imprisonment for a term which shall not be less than six months but which may extend to three years, at a later stage.
 - (2) Punishment with a levy of fine for fifty thousand rupees for the first offence and for the second or subsequent offence, fine with amount of one lakh rupees which may extend to two lakh rupees depending on the turnover of the company, with imprisonment for a term which shall not be less than six months but may extend to two years at a later stage.
 - (3) Punishment with a levy of fine for fifty thousand rupees and for the second or subsequent offence, with imprisonment for a term which shall not be less than six months but which may extend to two years.
- **Section 45**
There should be imposition of fine upto Rs 40,000 in case of second subsequent offence instead of an imprisonment clause. The imprisonment clause should be enacted in case of continued offence at the later stage.
- **Section 46**
There should not be any fine in case of offence conducted first time and rather a strict warning should be provided to the offender and for a subsequent offence the fine of upto Rs 5,000 shall be imposed. This fine should be increased by not more than Rs 10,000 in the subsequent offences. The imprisonment clause should be enacted in case of continued offence at the much later stage.
- **Section 47**
In case of first time offence, there should be imposition of fine only and not the imprisonment clause. In case of second time offence the fine should be increase upto Rs 40,000 and imprisonment clause should be enacted in case of third subsequent offence.
- **Section 48**
Other sections, which are not mentioned in this particular section, should also be included for the purpose of compounding of offences. The maximum limit of the settlement amount should be reduced to the level of not more than 75% of the amount of fine of offences so compounded.
- **Section 49**
In sub section 4, where the offence is committed by person of the company, other than the person nominated, the punishment should be enacted only upon the person who has committed the offence and not the person nominated.

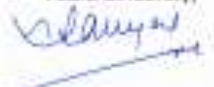
Comprehensive Recommendations

- Nomination of managerial level person instead of director level as the nominated directors are oftentimes not even available or involved at the time of occurrence of an offence and in order to encourage professionalism, we must empower our professionals to take appropriate responsibilities.
- Removing criminal offences and converting offences into a civil wrong by reconsidering the fine amounts to provide an aid in de-clogging of legal matters in Courts and promoting ease of doing business. However, all offences under the Act should not be decriminalized to maintain the essence of criminal liability and deterrent action to avoid reoccurrence of the violation.
- To avoid the discrepancy in the jurisdiction due to various department in charge as per the geographical locations, the same should be brought under the jurisdiction of the Department of Consumer Affairs in all the States & Union Territories to provide the provisions with a uniform backing and a solid up back in the form of the supreme supervisor and uniform surveillance mechanism.
- Cancellation of licenses as a penalty for most of the provisions may not be right approach and must be considered carefully as the businesses having multi-location presence, where place default at once could lead to cancellation of licenses for all the units as this would certainly be against the spirit of law and equity and ease of doing business.

With regard to the amount of financial penalties that are being reconsidered, an important aspect to be taken under consideration is that of proportionality. The penalty being levied should be structured in accordance to the volume/turnover of the business/establishment upon which such liability is being ordered and should be decided in a transparent and non-discriminatory manner. There should be recourse to appeal and third party audit/mediation for prompt resolution.

With best regards,

Yours sincerely,



(Saurabh Sanyal)



**50. Representation on the Draft Plastic Waste Management (Amendment) Rules, 2021
(20th April, 2021)**

**Shri C.K. Mishra
Secretary
Forest and Climate Change
Ministry of Environment
Government of India**

Respected Sir,

Greetings!

Representation on the Draft Plastic Waste Management (Amendment) Rules, 2021

At the outset, we would like to appreciate the initiatives taken by the environment ministry to protect and promote India as green economy. The PHD Chamber of Commerce and Industry, would like to submit that the proposed amendment of Addition of Rule 4(3) to the Plastic Waste Management Rules, 2016 ("Original Rules") should be uniformly applicable to all products which use "single-use plastic" for packaging, with effect from 1 July 2025, to enable adequate time for industries to shift to viable alternate materials. Provided, however, if the Government is of the opinion that alternative packaging solution is not available for the industry to switchover, then the Government shall consider extending the timeline till suitable alternative solutions are found.

Please find enclosed the detailed suggestions prepared by PHD Chamber of Commerce and Industry for your kind consideration.

In view of the above, it is our humble request to consider the suggestions on the Draft Plastic Waste Management (Amendment) Rules, 2021 by the Ministry of Environment, Government of India. We trust our submission will be considered by the Government for immediate and favorable action.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)
Secretary General

49. Recommendations from PHDCCI (19th April 2021)

ST-18-D
19th April 2021

Dear Shri Anurag Jain,

RECOMMENDATIONS FROM PHDCCI

Greetings from PHD Chamber of Commerce and Industry !!

On behalf of Delhi's Real Estate Industry and Trade community, we would like to give following Recommendations for further improving the Real Estate market in Delhi –

1. Incentives for green building projects in Delhi

Recommendation - Additional Floor Area Ratio (FAR) free of charge for projects which are rated Green in Delhi

Supported Benchmarking –

- **Government of Punjab**
 - Department of Local Government (Town Planning Wing) offers an additional 5% Floor Area Ratio (FAR) free of charge for projects which are rated Gold or above by IGBC
 - Department of Housing and Urban Development, Government of Punjab offers an incentive of additional 5%, 7.5% and 10% FAR free of charge with 100 % exemption of building scrutiny fee for projects which are rated Silver, Gold and Platinum respectively by IGBC.
- **Government of Rajasthan**
 - Urban Development Department offers additional 0.075, 0.10 and 0.15 BAR free of charge for projects which are rated Silver, Gold and Platinum respectively by IGBC.

- **Rajasthan Investment Promotion Scheme - 2019** offers Enterprises of MSME sector a subsidy in the form of reimbursement of 50% of amount paid to the suppliers for the plant, excluding civil work, for adopting Green Building Measures (means process or technology adopted to obtain green rating under Indian Green Building Council) for building having a minimum floor space of 2,000 sq mtrs, subject to a maximum of Rs Fifty Lakhs only and this shall be a onetime assistance.
 - **Government of West Bengal**
 - **A. Government of West Bengal (Department of Municipal Affairs - Kolkata Municipal Corporation)** additional 10% FAR for projects which are Pre-certified/ Provisionally Certified as Gold or above by IGBC.
 - **B. Government of West Bengal (New Kolkata Development Authority)** additional 10% FAR for projects Pre- certified/ Provisionally Certified as Gold or above by IGBC.
 - **Government of Uttar Pradesh**
 - **A. Government of Uttar Pradesh (Housing and Urban Planning Department):** Additional 5% FAR free of charge for projects which are rated as Gold or above by IGBC.
 - **B. Additional 5% FAR free of charge is offered by the Greater Noida Industrial Development Authority (GNIDA) in Uttar Pradesh for projects which are rated as Gold or above by IGBC.**
 - **Government of Andhra Pradesh**
 - The **Industries & Commerce Department** offers 25% subsidy on total fixed capital investment of the project (excluding cost of land, land development, preliminary and preoperative expenses and consultancy fees) for buildings which obtain green rating from IGBC. This incentive is applicable for MSME and large industries.
 - **Municipal Administration and Urban Development** Department offers the following incentives to projects obtaining the rating from IGBC:
 - 20% Reduction on Permit Fees
 - If the property is sold within three years, one-time reduction of 20% on Duty on Transfer of Property (Surcharge on Stamp Duty) on the submission of Occupancy Certificate issued by the Local Authority.
 - **Government of Himachal Pradesh (Town & Country Planning Deptt.)** offers an additional 10% FAR for projects which are granted Gold / Platinum rating by IGBC.
 - **Urban Development and Housing Department, Government of Jharkhand** offers an additional FAR of 3%, 5% and 7% for Green Buildings rated by IGBC as Silver, Gold and Platinum respectively.
 - **Government of Haryana (Town & Country Planning Department)**, as per amendment in chapter 6 of the Haryana Building Code 2017 on 8 May 2018, offers an additional FAR (Floor Area Ratio) of 9%, 12% and 15% for Green Buildings rated as Silver, Gold and Platinum respectively by IGBC.
 - **Government of Maharashtra**
 - **Urban Development Department** offers an additional FAR of 3%, 5% and 7% for Green Buildings rated by IGBC as Silver, Gold and Platinum respectively.
-

- **Pune Municipal Corporation (PMC) and Pune Metropolitan Region Development Authority (PMRDA), Government of Maharashtra** offers an additional FAR of 3%, 5% and 7% for Green Buildings rated as Silver, Gold and Platinum respectively by IGBC.
- **Public Works Department (PWD), Government of Maharashtra** has mandated that the renovation of existing buildings and the development of all new government buildings in Maharashtra shall be carried out as per the suitable IGBC Green Building Rating system
- **Government of Gujarat**
 - **Gujarat Tourism Policy 2021-25** offers reimbursement of 50% of Certification fee, with a maximum limit of INR 10.0 lakh, to hotel / wellness resorts obtaining green rating from Indian Green Building Council (IGBC).
 - **Industries Commissionerate, Industries and Mines Department** provides incentive upto 50% of consulting charges, with a maximum limit of INR 2.50 lakh, for Industrial Buildings with green rating from Indian Green Building Council (IGBC).

2. Reduction in the Stamp Duty in Delhi

Recommendation – The Stamp Duty to be reduced at par with Maharashtra Government to enable home buyers returning to the market and keeping the cash inflows of the real estate sector intact in Delhi.

Supported Benchmarking - A review of stamp duties internationally indicates that, most countries' rates are less than 5%, including several emerging and developing countries. With these high rates, it imposes high compliance costs on taxpayers, encourages under-declaration of property value, and most importantly, reduces the responsiveness of real estate markets in Indian cities by discouraging transactions. In states like Goa, Tamil Nadu, Delhi (South-SDMC), stamp duty along with registration and transfer charges add up to 8% and more.

Maharashtra on the recommendations of the Deepak Parikh Committee reduced the stamp duty in September 2020, from 5% to 2% till December 31, 2020.

The results were astonishing. Sales registrations in the city rose by almost 200% from a year ago, according to data published on the Maharashtra government's website. Maharashtra's revenues from registrations rose by Rs 367 crore in 2020 as announced by the revenue minister of state, Balasaheb Thorat.

Despite a more severe COVID -19 induced lockdown in Mumbai and Pune, the two most important housing markets, the stamp duty waiver helped revenue collections to rise 4% from a year ago.

3. Consolidated Repository of the Real-Estate Demand in State.

Recommendation – An ICT platform can be launched in association with PHD Chamber to track demand and supply of Real Estate Inventory in the state of Delhi where citizens can register their preference for Real Estate properties in the Delhi based on location, unit size, budget etc. to help builders plan their projects efficiently.

4. New Economy – Post GST and with e-Commerce and online shopping becoming popular, trading, warehousing, retailing have becoming intermingled. This should be kept in consideration in policy formulation.
5. We have submitted the following objections/suggestions to DDA on 9 April for consideration before finalizing and notifying its (Green Development Area Policy):

SUGGESTIONS UNDER GRADE-2 AND GRADE-3: FOLLOWING ARE OUR OBJECTIONS AND SUGGESTIONS:

- 1) 25% perimeter of the plot would be an impossibility. The regulations should ensure appropriate connectivity to the plot rather than such a suggestion of 25% of the entire parameter area because this provision in the current form will fail the entire scheme.
- 2) GRIHA 3 or equivalent needs to be transparently & clearly defined so that the applicants plan their proposals well in advance rather than meeting the dead-end after making heavy investments by getting declared as non GRIHA compliant.
- 3) Several permissible uses under Grade-2 and Grade-3 have not been detailed and are very vague as indicated below. They need to be detailed with all Do's and Don'ts for transparency and clarity.
 - (i) Sports facilities: This should be notified in detail. What does it all include?
 - (ii) Primary and Secondary Education Facilities: Does it mean secondary schools can be set up in 4000 sq meters of land? The proposal is very vague and will lead to confusion. DDA's proposal will become highly controversial unless all do's and don'ts and all permissible things under this head are detailed & notified now at this stage.
 - (iii) Higher Education campuses means what? Does it mean deemed universities, international campuses, medical education campuses, higher education in every field or some specific fields only? (iv) Healthcare facilities: This is also vague. Does it mean setting up of hospitals, nursing homes, old age health care facilities, health care products manufacturing etc.?
- 4) Side Set backs: The new fire regulations expect 6 meter setbacks on all four sides of plots for such activities, whereas under Grade – 2, B-4, only 5 meter setbacks have been proposed on three sides of the plots, and the same too have been made further relaxable. The same Grade-2 requirements should also be for Grade-3 activities.
- 5) Important Suggestions:
 - (i) Most of the enthusiastic policies including those notified under the Master Plan 2021 and under the 2010 notified Zonal plans of the DDA/ Government of India, continue to remain on paper for the reason that complete A to Z of working systems were left to be notified at a later date by some other office/ authorities rather than everything being part of the currently proposed guidelines under the same office. It is therefore suggested that all fees, levies, charges, conversion charges from green agricultural land to proposed uses mentioned in Grades 1,2,3 should be simultaneously notified as part of these regulations in consultation with all the municipal corporations and the Govt. of NCT of Delhi, otherwise all the proposed developments under the Green Development Area Policy would also stay on paper, and only the old illegal constructions in Farm Houses would perhaps get regularized and all other things may stay on the policy document stage.

- (ii) Confusion has been deeply created by the proposed Green Area Policy guidelines by not notifying any guidelines or regulations for approving permissible development in the Urban Villages notified by the DDA and the GNCTD. DDA should simultaneously address and notify regulations for development in the urban villages as most of them are touching the green area development villages.
- Even mutations in the names of land purchasers are being refused by the revenue authorities of the Govt. of Delhi despite the lands having been registered in the names of the purchasers because no one in Delhi knows the status or character of the Urban Villages. DDA should not commit the mistake of assuming this to be an unrelated objection or suggestion. This GAD Policy will directly clash with the absence of implementable policy regulations in the urban villages where even the registered land purchaser's names are not being entered into the government records because of complete absenteeism by the governing authorities.
- (iii) The concept of TDR also continues to remain on paper despite having been notified as part of the master plan Delhi 2021 and zonal plans of Delhi in June 2010. Unless detailed guidelines and empowered authorities are simultaneously notified for all the decisions which have already been taken, the concept of TDR in the GDA policy will continue to remain on paper.
- (iv) Provisions expected in Para 6 of the proposed DDA document regarding areas for eco-sensitive areas, major access roads, Master Plan and Zonal Plan roads passing through Green Development Areas should be notified now otherwise the entire policy will continue to have the same fate as the land pooling policy and the spot zoning policy and the previous master plans.
- (v) External development charges and charges of all other nature as mentioned in Para 8, and as may be later levied for conversion of land use/ activity if any should be notified now rather than leaving it to the Municipal Corporation or the Govt. of NCT Delhi or to the DDA or the central government. And these charges and rates should be frozen till 2030 for the Green Area Policy to really take off.
- (vi) Our suggestions regarding point no. 2 of Table 1 regarding minimum access road for grade are as follows: Grade 2 : Plot must be accessible from 12 mtr. ROW of a continuous length equivalent to at least 10% of the perimeter of the plot. Grade 3 : Plot must be accessible from minimum 30 mtr. ROW of a continuous length equivalent to at least 10% of the perimeter of the plot. Please clarify in your Policy that in case a plot has less than the required perimeter accessible from the required ROW then the proportionate FAR & ground coverage shall be allowed to be covered under the Grade and the balance under the previous grade. For example, if a plot size of 4000 sq mtr. has a accessible 12 mtr. ROW but only to the extent of 5% and if the accessibility requirement is say 10% then FAR and ground coverage of 5% divided by 10% = 50% of the allowed FAR & ground coverage may be allowed on the plot.
- In the proportionate area which will not get covered under Grade – 2, development control norms of Grade 1 shall be applicable.
- (vii) Availability of Clean Water/Permission for Tube Wells: The entire policy would collapse and stay on paper unless the farm house applicants are legally permitted to install tube wells for residential purposes. Similar permission would be required for all the activities mentioned in Grade-2 and Grade-3 without which none of these activities would become operational. DDA may kindly include the above in the current policy and in the Regulations so that the Green Development Area Policy takes off on the ground and does not get stuck because of DJB of Sewerage Board or the Municipal Corporation or GNCTD clearances.



We shall be grateful if you could consider the above issues sympathetically.

Looking forward to a positive response.

With kind regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)

Shri Anurag Jain, IAS
Vice Chairman
DDA
Vikas Sadan
New Delhi



48. Request to address the Economic Conclave (virtual) as Guest of Honour in Technical Session 1: Stimulating Sustainable Growth and US\$ 5 Trillion Economy from 10.55 AM to 11.40 AM on 5th May 2021 (16th April, 2021)

Dr. Abhijit Banerjee

Ford Foundation International Professor of Economics

MIT Department of Economics - The Morris and Sophie Chang Building

50 Memorial Drive

Respected Sir,

Greetings!

Subject: Request to address the Economic Conclave (virtual) as Guest of Honour in Technical Session 1: Stimulating Sustainable Growth and US\$ 5 Trillion Economy from 10.55 AM to 11.40 AM on 5th May 2021

India's fight against COVID-19 has brought about a renewed focus on AatmaNirbhar Bharat. Keeping in mind the situation created by the pandemic COVID-19, it has become important for India to have a strong backbone in manufacturing. This calls for an increased focus on building domestic capacities and capabilities to fulfill domestic demand with indigenous production as well as to increase our presence in global markets particularly in our top export destinations. Thus, COVID-19 offers an opportunity to revisit the ease of doing business and competitiveness of Indian economy, industry and manufacturing.

In the current dynamic times amid COVID-19, noticeable changes are being witnessed in the global supply-chains. This is the most opportune time for India to focus on capturing a significant share in the world economic system. At this juncture, as various foreign companies are looking at India for investments, there is a need to sustain the momentum of implementing reforms both at the Centre and State levels. Further, offering a red carpet to foreign investors and companies by providing the most favourable terms for setting up manufacturing bases in our country is crucial to make India one of the best destinations to do business.

These measures have indispensable role to play in achieving goal set by our Hon'ble Prime Minister Shri Narendra Modi ji of a USD 5 trillion economy and AatmaNirbhar Bharat.

At this backdrop, PHD Chamber of Commerce & Industry is organizing its 3rd Economic Conclave: "Ease of Doing Business for AatmaNirbhar Bharat, Sustainable Economic Growth and a US\$ 5 Trillion Economy" on Wednesday, 5th May 2021 from 10:00 AM to 1:00 PM. The objective of the Conclave is to deliberate on the significant role of ease of doing business for AatmaNirbhar Bharat, sustainable economic growth and a US\$ 5 trillion economy and gather suggestions for the effective way forward.

Sir, you are a great visionary and a thought leader and well known for your astute thought process, we request you to kindly grace the occasion as Guest of Honour and share your perspective in our 3rd Economic Conclave in the Technical Session 1: Stimulating Sustainable



Growth and US\$ 5 Trillion Economy from 10.55 AM to 11.40 AM. Your insightful articulation and suggestions on the said subject would help in addressing the impediments faced by the Indian economy thereby taking the economic growth trajectory to the greater heights in the coming times.

We have invited Shri Anurag Singh Thakur ji, Hon'ble Minister of State, Ministry of Finance, Government of India, as our Chief Guest for the Inaugural Session of the 3rd Economic Conclave.

The agenda of the Conclave would focus majorly on deliberations on the following points:

- Impediments and imperatives to the growth prospects of Indian economy.
- Enhancing ease of doing business in the country to attract foreign investments and provide a considerable boost to the domestic businesses.
- Thrust to the growth promising sectors of the Indian economy and special focus on cross border trade and investments.
- To make India an essential part of global supply chains, along with focus on localization, capacity building more indigenous production to create surpluses for exports.
- Attaining a sustainable economic growth trajectory.
- Road ahead for Indian economy- Suggestions to stimulate economic growth and attain the goal of AatmaNirbhar Bharat and USD 5 trillion economy in the coming times.

More than 200 delegates including members of PHD Chamber of Commerce and Industry and industry stakeholders from various segments of trade and industry along with academicians are expected to participate in the conclave.

We would be sharing the draft minute to minute schedule of the 3rd Economic Conclave shortly. Looking forward to your favourable response!

With best regards,
Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal blue line.

(Saurabh Sanyal)

Secretary General

**47. Objections/Suggestions to 'Green Development Area Policy' dated 24th February 2021
(9th April, 2021)**

9th April 2021

To
The Commissioner cum Secretary
Delhi Development Authority
B-Block, Vikas Sadan
New Delhi- 110023

Dear Sir,

Objections/Suggestions to 'Green Development Area Policy' dated 24th February 2021

The following objections/suggestions may kindly be considered by the DDA before finalizing and notifying its (Green Development Area Policy):

SUGGESTIONS UNDER GRADE-2 AND GRADE-3: FOLLOWING ARE OUR OBJECTIONS AND SUGGESTIONS:

- (1) 25% perimeter of the plot would be an impossibility. The regulations should ensure appropriate connectivity to the plot rather than such a suggestion of 25% of the entire parameter area because this provision in the current form will fail the entire scheme.
- (2) GRIHA 3 or equivalent needs to be transparently & clearly defined so that the applicants plan their proposals well in advance rather than meeting the dead-end after making heavy investments by getting declared as non GRIHA compliant.
- (3) Several permissible uses under Grade-2 and Grade-3 have not been detailed and are very vague as indicated below. They need to be detailed with all Do's and Don'ts for transparency and clarity:
 - (i) Sports facilities: This should be notified in detail. What does it all include?

- (ii) Primary and Secondary Education Facilities: Does it mean secondary schools can be set up in 4000 sq meters of land? The proposal is very vague and will lead to confusion.

DDA's proposal will become highly controversial unless all do's and don'ts and all permissible things under this head are detailed & notified now at this stage.

- (iii) Higher Education campuses means what?

Does it mean deemed universities, international campuses, medical education campuses, higher education in every field or some specific fields only?

- (iv) Healthcare facilities: This is also vague. Does it mean setting up of hospitals, nursing homes, old age health care facilities, health care products manufacturing etc.?

(4) Side Set backs:

The new fire regulations expect 6 meter setbacks on all four sides of plots for such activities, whereas under Grade – 2, B-4, only 5 meter setbacks have been proposed on three sides of the plots, and the same too have been made further relaxable. The same Grade-2 requirements should also be for Grade-3 activities.

(5) Important Suggestions:

- (i) Most of the enthusiastic policies including those notified under the Master Plan 2021 and under the 2010 notified Zonal plans of the DDA/ Government of India, continue to remain on paper for the reason that complete A to Z of working systems were left to be notified at a later date by some other office/ authorities rather than everything being part of the currently proposed guidelines under the same office.

It is therefore suggested that all fees, levies, charges, conversion charges from green agricultural land to proposed uses mentioned in Grades 1,2,3 should be simultaneously notified as part of these regulations in consultation with all the municipal corporations and the Govt. of NCT of Delhi, otherwise all the proposed developments under the Green Development Area Policy would also stay on paper, and only the old illegal constructions in Farm Houses would perhaps get regularized and all other things may stay on the policy document stage.

- (ii) Confusion has been deeply created by the proposed Green Area Policy guidelines by not notifying any guidelines or regulations for approving permissible development in the Urban Villages notified by the DDA and the GNCTD.

DDA should simultaneously address and notify regulations for development in the urban villages as most of them are touching the green area development villages.

Even mutations in the names of land purchasers are being refused by the revenue authorities of the Govt. of Delhi despite the lands having been registered in the names of the purchasers because no one in Delhi knows the status or character of the Urban Villages.

DDA should not commit the mistake of assuming this to be an unrelated objection or suggestion. This GAD Policy will directly clash with the absence of implementable policy regulations in the urban villages where even the registered land purchaser's names are not being entered into the government records because of complete absenteeism by the governing authorities.

- (iii) The concept of TDR also continues to remain on paper despite having been notified as part of the master plan Delhi 2021 and zonal plans of Delhi in June 2010. Unless detailed guidelines and empowered authorities are simultaneously notified for all the decisions which have already been taken, the concept of TDR in the GDA policy will continue to remain on paper.
- (iv) Provisions expected in Para 6 of the proposed DDA document regarding areas for eco-sensitive areas, major access roads, Master Plan and Zonal Plan roads passing through Green Development Areas should be notified now otherwise the entire policy will continue to have the same fate as the land pooling policy and the spot zoning policy and the previous master plans.
- (v) External development charges and charges of all other nature as mentioned in Para 8, and as may be later levied for conversion of land use/ activity if any should be notified now rather than leaving it to the Municipal Corporation or the Govt. of NCT Delhi or to the DDA or the central government. And these charges and rates should be frozen till 2030 for the Green Area Policy to really take off.
- (vi) Our suggestions regarding point no. 2 of Table 1 regarding minimum access road for grade are as follows:

Grade 2 : Plot must be accessible from 12 mtr. ROW of a continuous length equivalent to at least 10% of the perimeter of the plot.

Grade 3 : Plot must be accessible from minimum 30 mtr. ROW of a continuous length equivalent to at least 10% of the perimeter of the plot.

Please clarify in your Policy that in case a plot has less than the required perimeter accessible from the required ROW then the proportionate FAR & ground coverage shall be allowed to be covered under the Grade and the balance under the previous grade.

For example, if a plot size of 4000 sq mtr. has a accessible 12 mtr. ROW but only to the extent of 5% and if the accessibility requirement is say 10% then FAR and ground coverage of 5% divided by 10% = 50% of the allowed FAR & ground coverage may be allowed on the plot.

In the proportionate area which will not get covered under Grade – 2, development control norms of Grade 1 shall be applicable.

(vii) Availability of Clean Water/Permission for Tube Wells:

The entire policy would collapse and stay on paper unless the farm house applicants are legally permitted to install tube wells for residential purposes.


Similar permission would be required for all the activities mentioned in Grade-2 and Grade-3 without which none of these activities would become operational.

DDA may kindly include the above in the current policy and in the Regulations so that the Green Development Area Policy takes off on the ground and does not get stuck because of DJB of Sewerage Board or the Municipal Corporation or GNCTD clearances.

Above objections and suggestions by us may kindly be given due and appropriate consideration by the DDA and the Government of India for arriving at the best possible decisions in the public interest. An early decision shall be highly appreciated.

With best regards,

Yours sincerely,



(Sanjay Aggarwal)



46. Suggestions for the Haryana State Employment of Local Candidate Act. 2020 (8th April, 2021)

**Shri Manohar Lal
Hon'ble Chief Minister
Government of Haryana**

Respected Sir,

Greetings!

Suggestions for the Haryana State Employment of Local Candidate Act. 2020

At the outset, PHD Chamber of Commerce and Industry would like to thank you for calling a virtual meeting with the leading Industry Bodies and Industrial Business Houses in Haryana on 25th March 2021.

PHD Chamber had submitted a representation on the subject, Reservation for Employment in Haryana, on 6th March 2021, suggesting that the implementation of the said legislation just when industrial and business activities are resuming after the COVID pandemic can result in exodus of investors from the Haryana, along with perpetuating economic fragmentation and adversely impacting the labour market. (Representation is enclosed for your ready reference)

Going ahead, PHD Chamber would like to suggest the following measures for your kind consideration before notification of the Act and in the Rules to be framed under the Act –

- As indicated by yourself, PHD Chamber would be eagerly awaiting the draft rules for public suggestions.
- The implementation of the Act should be delayed for technical personnel including but not limited to the IT / ITES Industries, Automobiles, Chemicals, Exports, Hospital, Hospitality, Retail and such area where availability of the required skills is inadequate within the State of Haryana.
- In order to ensure that adequate skilling takes place in the state of Haryana, it could be mandatory for such industries to induct a small percentage of their new employment towards apprenticeship and training of the Haryana youth.
- To reduce the threshold salary level of Rs. 50,000/- p.m to Rs. 15,000/- p.m. This should be total cost to the company of the employees and not basic salary. This threshold can be increased marginally every year as and when the skill development takes place in the State.
- The starting reservation should be not more than 20 – 25% which should be enhanced over the next decade, as and when the skill development of relevant technical & specialized areas takes place.



- The criteria of domicile should include the employees who are living and working in the State for the last 3 years as they have been contributing to the economic and socio-economic ecosystem and development of the State.
- Renewal of contracts of contractual employees should be outside the purview of this Act.
- Special Economic Zones should also be exempted from this Act.

We look forward to your kind consideration of the suggested measures so that the Industries and Business Houses in Haryana State can prosper, continue to have an edge in competition compared to the other states in the country and there is further improvement in the ease of doing business.

We trust our submission will be considered for immediate and favorable action.

With best regards,
Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)

45. Notices issued on directions of the monitoring committee may be treated as withdrawn (6th April, 2021)

• 6 April 2021

Respected Sir,

**NOTICES ISSUED ON DIRECTIONS OF THE MONITORING COMMITTEE
MAY BE TREATED AS WITHDRAWN**

Greetings !!

This has reference to our letter no ST-18-D dated 15 March 2021 on the above subject.

As you aware, on the instructions of the Monitoring Committee appointed by Supreme Court, NDMC had issued more than 125 notices to properties in Connaught Place. Later on as per order of 14 August 2020 of the Supreme Court, it was clarified that the Monitoring Committee had no jurisdiction & authority to instruct NDMC to issue these notices as the Monitoring Committee was formed by SC only with the mandate of averting 'residential properties being misused for commercial purposes' while Connaught Place has all commercial properties only.

We have sent Representations on this issue to Chairman NDMC on 2 March and 19 February 2021 (copies are attached).

I am once again writing to request you to kindly issue instructions to NDMC that all such notices issued on directions of the Monitoring Committee may be treated as withdrawn. NDMC should also communicate this to all to whom the Notices were issued on the directions of the Monitoring Committee.

We shall be grateful if you could consider the above issues sympathetically.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Saurabh Sangha)

Shri Hardeep Singh Puri
Hon'ble Minister of State for Housing and Urban Affairs
& Civil Aviation (IC)
Nirman Bhawan
New Delhi



44. Kamath Committee Report on Resolution framework for Covid 19 Stressed accounts in 26 sectors Issues and Challenges (6th April, 2021)

Mr. K Rajeswara Rao
Senior Advisor
EAC to PM

Dear Sir,

Greetings!

This in reference to the telephonic conversation with **Shri Ratan P Watal, Member Secretary, Economic Advisory Council to the Prime Minister (EAC to PM)** regarding the **Kamath Committee Report on Resolution framework for Covid 19 Stressed accounts in 26 sectors and issues connected with its recommendations and implementation.**

To carry the task forward the PHD Chambers of Commerce and Industry after getting the input from its members has prepared a brief note about the issues that our members would like to raise regarding the resolution process and its implementation.

Please find enclosed the representation prepared by the PHD Chambers of Commerce and Industry on the same on the basis of inputs received from its members.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(Saurabh Sanyal)



43. The Mines and Minerals (Development and Regulation) Amendment Bill, 2021 (26th March, 2021)



Dr. Yogesh Srivastav
Assistant Secretary General

26 March 2021

Respected Sir,

Subject: The Mines and Minerals (Development and Regulation) Amendment Bill, 2021

Re: Definition of illegal mining and past clarifications sought by us on the same vide our representations dated 4 March 2021

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy. We are committed to support the Government of India in building an **Atmanirbhar Bharat**.

We had represented before your good office that the existing wide interpretation of Section 21(5) of the MMDR Act pertaining to illegal mining needs clarification. It was submitted that an anomalous interpretation by any State government would lead to avoidable litigation and stress for the mining industry. Our earlier submissions to the ministry are attached as Annexure-1.

We wish to thank your good office for considering our representation and to have brought in amendment to S.21 (5) clarifying the term "Illegal Mining". The said amendment states that "On and from the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2021, the expression "raising, transporting or causing to raise or transport any mineral without any lawful authority" occurring in this section, shall mean raising, transportation or causing to raise or transport any mineral by a person without prospecting license, mining lease or composite license or in contravention of the rules made under section 23C."

Similar definition is provided for in under Rule 2(c) of The Minerals (Other than

Atomic and Hydro Carbons Minerals) Concession Rules, 2016.

In view of the recent amendment, we believe that the S. 21(5) had the same meaning since 2012, and it has been accepted that the Hon'ble Supreme court's judgment in W.P.(C) 114 of 2014 (Common Cause vs Union of India), which was delivered on 02.08.2017, was only applicable to a period prior to 2012. The judgment in this regard had clearly stated that "the simple reason for not accepting this interpretation is that Rule 2(ii-a) of the MCR was inserted by a notification dated 26th July 2012 while we are concerned with an earlier period." This was because prior to 2012 there existed no definition for the term "illegal Mining".

Sir, in light of the above, we once again request that the Mining Ministry, which is the custodian of the MMDR Act and rules made thereunder to clarify the applicability of S.21(5) and also the definition of Illegal mining for the period 2012-2021 i.e. after the definition of illegal mining was introduced in The Minerals (Other than Atomic and Hydro Carbons Minerals) Concession Rules and before the the Mines and Minerals (Development and Regulation) Amendment Act, 2021.

We would be grateful for an early response.

Best Regards,

Yours sincerely,



(Dr. Yogesh Srivastav)

Shri Prahlad Joshi
Hon'ble Minister of Mines
Ministry of Mines
Shastri Bhawan, New Delhi



"Towards Building Aatmanirbhar Bharat"



PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel : +91-11-2686 3801-04, 49545454, 49545400
Fax : +91-11-2685 5450, 49545451 • E-mail : phdcci@phdcci.in • Website : www.phdcci.in, CIN: U74899DL1951GAP001947

Connect with us:





42. Request for correction in Eligibility Criteria in the tender for Submarine Cable Connectivity from Mainland India to Lakshadweep Islands (26th March, 2021)

ShriAnshuPrakash
Chairman DCC & Secretary – Telecom
Department of Telecommunications
Ministry of Communications

Request for correction in Eligibility Criteria in the tender for Submarine Cable Connectivity from Mainland India to Lakshadweep Islands

Tender No. MM/ILD/KLI/T-701/2021, Dated: 10/03/2021

Respected ShriAnshuPrakashJi,

PHDCCI would like to bring your kind attention towards the eligibility criteria of the tender document which we believe are restricting fair and wider participation.

1. Turnover:

As per CVC guidelines the average turnover of the project should Rs 234 Crores in last three year i.e. cumulative Rs.702 Crores and not Rs.1400 Crores as per tender condition.

2. Past Experience:

a. The experience criteria of clause No. 4.3 and 4.4 (a) and (b) are also not as per the CVC guidelines and should be as following.

- i. Three similar completed works costing not less than the amount equal to 40% of the estimated cost which is either for 746 Kms or of 318 Crores or
- ii. Two similar completed works costing not less than the amount equal to 50% of the estimated cost or which is either for 933 Kms or of 397 Crores
- iii. One similar completed work costing not less than the amount equal to 80% of the estimated cost 1492 Kms or of 635 Crores

b. We would also like emphasize that as the Repeated segment of the project is a minor percentage of the project and has been added even after dissent from PSA & NITI Aayog, to restrict competition, therefore for fair competition, its experience as eligibility criteria should be removed from the tender condition.

c. As per ITU Standards Submarine cables are laid freely on seabed beyond 1000 metres of water depth and thus required no special capabilities, depth experience requirement of 3000 metres only results in restricting prospective capable bidders. For fair competition, please keep the depth experience at 1000 meters.

3. Binding OEM in consortium



- a. OEMs should be allowed to participate in Project through Manufacturers Association Form (MAF) as done in all other BSNL/BBNL/TCIL/DoT projects.
- b. Binding OEM in consortium, when all other BSNL tenders require MAF will increase the cost of the project and will restrict companies to bid.

4. AtmaNirbhar Bharat, DPIIT Policies

- a. This Tender is not in line with the Department of Promotion of Industry and Internal Trade (DPIIT) Policies which states “it is the policy of the Government to encouragement Make in India and promote manufacturing and production of goods and services in India” since tender conditions require eligibility conditions which no Indian company can meet and thus goes against the stated policy of our Respected Prime Minister Sh. NarendraModiji on AtmaNirbhar Bharat.
- b. The tender mentions in every eligibility clause “repeated cables” but the BOQ and Price Schedule does not mention any differentiation between repeated and un-repeated cables.

PHDCCI believes that AtmaNirbhar Bharat, DPIIT &CVC guidelines must be adhered to in the tender for a fair, wider, and transparent participation.

With best regards,

Yours sincerely,

(SaurabhSanyal)
Secretary General

This representation has also been sent to:

Shri P K Purwar
Chairman & Managing Director
Bharat Sanchar Nigam Limited
Ms. Nidhi Arora - Consultant – Legal - NITI Aayog
Mr. Amitabh Kant – CEO – Niti Aayog
Mr. Kamal Bhagat – DDG (II) USOF
Ms. Shivalini Sinha – Executive Director – TCIL
Mr. Vineet Saxena – PGM (ILD) & Submarine – BSNL

41. Repealing the Introduction of Franchisee Fee in Draft Excise Policy 2021-22 (24th March, 2021)



NO: PHDCCI-20-21/2751
Dated: 24-03-2021

Dr Arun Kumar Mehta, IAS
Financial Commissioner
Department of Finance,
Government of UT of J & K Jammu

SUB: Repealing the Introduction of Franchisee Fee in Draft Excise Policy 2021-22

REF: Draft J&K Excise Policy 2021-22

Dear Sir,

The whole of the business community of the state is indebted to you for always showing the concern for relief and meaningful revival of the business sector in the Union Territory of J&K. Today, we seek your kind attention towards the draft Excise Policy 2021-22 that has been put under public domain for comments on 08 March 2021. Although the time period that has been provided for submission of comments was not enough and under paucity of time deliberating upon the impact of Policy on Liquor Industry of J&K within two days was itself perplexing the whole purpose of drafting this Policy.

In view of that we therefore in this regard would like to submit our comments and recommendations as under:

We strongly endorse to revoke the Clause 6 of Draft Policy "the Reintroduction of Franchisee Fee of Rs 18per LPL w.e.f 01-April -2021, payable at the time of issuance of permit, for up to Economy brand Manufactured in J&K"

As PHD Chamber Jammu we believe that this Draft Excise Policy should have been aimed to implement the Prime Minister's vision of 'Vocal for Local with Global outreach' under Aatmanirbhar Bharat Abhijan by means of paving way for huge investments in manufacturing and bottling of Liquor Industry in UT of J&K. The Clause 6 of the Draft Excise Policy will never encourage the Investments in Liquor industry by local tieups and direct investments by big national companies and it is evident that this will give unhealthy competition to Liquor manufacturing Industry of Jammu and will eventually result in cost escalation of locally processed /manufactured/bottled liquor products. Sooner or later this will encourage other cheap/ fake brands, keeping in view the pricing structure. This will sap the process of local bottling industry, force human resource retrenchment, unemployment and more importantly deprive the J&K government of the whopping excise duty. Needless to mention that the Franchise fee will only give the competition benefit on the basis of pricing but not on

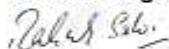
quality, and customers will have to pay extra amount to the locally manufactured/bottled liquor products.

Reintroducing the franchise fee would prove detrimental for all the stakeholders of liquor Industry of J&K. Such a fee is nowhere in vogue in any state or the union territory of the country. Also, such a step will demotivate the entrepreneurs in the trade and some of them might feel constrained to discontinue their existing brands because of price escalation, which will eventually lead to drop in sales. Such a situation will really be bad for the local liquor Industry and those dependent on it directly or indirectly.

In this backdrop we request your benign self to very kindly relook and review the Draft Jammu and Kashmir Excise Policy 2021-22, keeping in view the aspirations of the local stakeholders. We would even take the privilege of putting the draft policy on hold and to engage with the stakeholders for evolving a mechanism, which will be win-win for all.

Looking forward to earnest consideration of our concerns.

**Thanking You
With Best Regards**



**Rahul Sahai
Chairman
PHDCCI-Jammu**

CC:

- a) **Shri Manoj Sinha** Hon'ble Lieutenant Governor Government of Union Territory of J&K
- b) **Shri Nitishwar Kumar**, IAS Principal Secretary to Hon'ble Lieutenant Governor Government of Union Territory of Jammu & Kashmir
- c) **Shri Ranjan Prakash Thakur**, IAS Principal Secretary Industries and Commerce Government of Union Territory of Jammu & Kashmir
- d) **Shri. Rahul Sharma**, KAS Excise Commissioner Government of Union Territory of Jammu & Kashmir Jammu.

40. Delayed payment provisions and Strengthening of MSE Facilitation Councils (23rd March, 2021)

Saurabh Sanyal
Secretary General

No. IS-IC- 303
23rd March, 2021

Dear Shri B B Swain ji,

Sub: Delayed Payment provisions and Strengthening of MSE Facilitation Councils

"The Micro Small and Medium Enterprises Development Act 2006" made provisions to mitigate the problem of delayed payments to provide help to the MSE sector. The Act provides that where any buyer fails to make payment of its amount to the MSEs as per agreed terms or maximum within 45days, he would be liable to pay monthly compounded interest at the rate of three times of the Bank Rate notified by the Reserve Bank of India. Further, in case of any dispute with regard to realization of principal and interest, the MSEs could make a reference to 'The Micro and Small Enterprises Facilitation Councils' established in terms of Section – 20 of The MSMEs Development.

At the time enactment of MSME Development Act in 2006, it was felt that these provisions of setting of 'Facilitation Councils and providing for payment of interest for delayed payments at three times of the Bank Rate would deter the buyers of MSEs products from committing defaults in making payments on due dates, but, the experience of last 14 years indicates that the mechanism of establishing MSE Facilitation Councils has not proved to be very effective. The slow pace of resolution through this mechanism is visible from the following data: (Source MSME Ministry)

Applications filed with MSEFCs	71,820
Value of such cases	Rs. 19,813.60 cr.
Applications disposed off by MSMFCs	6424
Value of such cases	Rs. 988.19 cr.

From the above data, it is clear that MSEFCs have been able to dispose off less than 10% of total cases filed by MSEs.

Considering the above situation, there is a need to strengthen the provisions for resolution of delayed payments and to improve the functioning of MSE Facilitation Councils. Towards this

Considering the above situation, there is a need to strengthen the provisions for resolution of delayed payments and to improve the functioning of MSE Facilitation Councils. Towards this end, our Chamber, which comprises of majority of MSME members, would like to make following recommendations:

1. Clearance of all pending dues of Central PSUs to MSMEs:

In order to tackle the problem head-on and to give a message of being serious about the issue, Government should take a decision to order one time clearance of all overdue bills and receivables of all Central PSUs. The Government should direct all CPSUs to make payment of their entire overdue bills in 30 days and take steps to provide adequate funds to those CPSUs which report lack of financial resources to meet their payment obligations.

2. Government 's Sovereign Guarantee for CPSUs to raise Market Borrowings:

For payment of all pending dues of MSMEs by CPSUs, the Government of India should collect information of the total outstanding overdues for payment to MSMEs and provide funds to those CPSUs who do not have financial resources for such payments. Alternatively, the Government should provide Sovereign Guarantee to such CPSUs to enable them to raise bank loans or other market borrowings through Bonds or Debentures etc specifically, for making payments of the MSME vendors.

3. Additional Credit Limits to Companies/PSUs Joining TReDS:

All PSUs and even large private companies with sales above Rs. 500 Crore are obliged to pay MSEs through various TReDS platforms. There are currently three TReDS platforms in operation and every MSE Vendor as also PSUs/ Largebuyers have to be registered thereon. Unfortunately, many PSUs are unable to join the TReDS platform due to shortage of funds and their inability to provide sufficient comfort to the Bankers for discounting their vendors bills. Further, out of 63 million MSMEs, only few thousand units have so far joined the TReDS Platform which clearly speaks of its lack of effectiveness in resolving the problem of delayed payments.

We suggest that TReDS should be made more attractive and certain concessions to PSUs/Large Companies who join TReDS be considered, for example- they can be allowed additional funding by Banks to the extent of 50% of MSMEs annual purchases. The Government may provide sufficient comfort to the Bankers for such specific additional funding by way of some Guarantee so that the vendors to PSUs are able to get their bills discounted. Such an arrangement shall also help the Banks to meet their priority sector lending targets.

4. Relaxation in classification of MSMEs' Accounts into NPAs:

Government supplies are high value in nature and since purchases by PSUs & Govt. departments are on behalf of Government of India, their payment is guaranteed and risk free. It is therefore desirable that relief be granted to such units whose bills and receivables are stuck with government organisations and private companies from classifying their bank borrowing into NPAs.

5 In the provisions made in MSME Development Act 2006 for resolution of delayed payment of bills the bills of Medium Enterprises have not been covered. Only Micro and Small Enterprises can refer their delayed payments to the MSE Facilitation Councils. It is therefore recommended that the Medium Industry should also be included under the Micro and Small Enterprises Facilitation Councils for settlement of delayed payments from the buyers with the provision of payments within maximum of 45 days if there is no specified payment date in the purchase order.

In addition to the above measures which would help in faster payments of bills of MSMEs, it is also desirable that the functioning of MSE Facilitation Councils is improved to avoid delays in disposal of cases and for prompt/timely enforcement of awards & decisions given by the councils. One such measure could be by giving judicial status to these Facilitation Councils which would make their judgements legally binding. Additionally, the law of limitation for making reference of one payment overdue for more than 3 years should not be made applicable in case of such reference to the Facilitation Councils.

We hope, the above measures would greatly help in easing out the long-standing problem of delayed payments of bills of MSMEs in the country.

We request for favourable consideration of the above recommendations.

Warm Regards,

Yours sincerely,



(Saurabh Sanyal)

Shri B. B. Swain
Secretary, Government of India
Ministry of Micro, Small and Medium Enterprises
Udyog Bhawan, Rafi Marg, New Delhi - 110011



39. Representation to Fast tracking of Patents and Trade Marks Registrations (23rd March, 2021)

Shri RajendraRatnoo, IAS
Controller General of Patents, Designs & Trademarks
Joint Secretary
Department for Promotion of Industry and Internal Trade
Ministry of Commerce & Industry

Fast tracking of Patents and Trade Marks Registrations

Dear ShriRatnooJi,

At the outset, we would like to congratulate you for bringing in tremendous improvement in the registration process and fast tracking of new trademark applications without statutory objections and third party oppositions. The process of registration has substantially improved with the shortest possible time being taken in the registrations of new trademarks.

However, based on the feedback received from members who are concerned with the registration and protection of the Intellectual Property Rights, we would like to submit the following issues for your attention & consideration.

1. In the applications for registration of Trade Marks where some opposition or objections are raised, such cases are not taken up promptly by the department. Many such cases of registrations with opposition by some parties are pending for action and disposal.
2. With the onset of the Pandemic, like other courts, the Registry offices too had suspended physical hearings. Earlier this year, however, the Registry offices began physical hearings. But, these hearings were unfortunately only of new trademark applications and old cases with objections having remained pending.
3. The Registry offices are even presently not hearing any contested opposition matters. This, despite the fact that almost all courts in India have resumed normal hearings. The delay in disposal of the matters is greatly hampering the interest of our members and industry in general who are naturally discouraged from further investing in their businesses without registration of their Trademarks. We therefore, request you to kindly look into the aforementioned issues and issue necessary directions so that the contested matters and matters that have been pending for a long time are taken up on priority basis.

With best regards,

Yours sincerely,

(SaurabhSanyal)

Secretary General

38. Request for One Nation, One Electricity Tariff for Industries (18th March)

Shri R K Singh
Hon'ble Minister of State (IC) of
Power and New & Renewable Energy
Shram Shakti Bhawan,
New Delhi

Respected Sir,

Request for One Nation, One Electricity Tariff for Industries

At the outset, PHD Chamber of Commerce and Industry appreciates the significant reforms undertaken by the Government of India in the power sector. The transformation in the Indian electricity sector has increased the access to electricity among the citizens.

PHD Chamber of Commerce and Industry has been proactively supporting the Government by providing suggestions at each stage of development, creating awareness and disseminating knowledge among various stakeholders.

We would like to bring your kind attention to the issues faced by the industry in respect of the varied electricity tariff across states in the country. It may be noted that electricity is an essential input for the industrial activity. It may also be mentioned that Government is encouraging creation of captive power production/Renewable Energy generation but has a provision for charging a levy on captive power generation.

The low and uniform electricity tariff for industry across all the states has appended advantages -

1. Low cost will lead to rapid industrialization, which will support the increase in GSDP and economic growth, job creation/reduction in unemployment.
2. Cost of production will decrease making products more competitive in the international market. This will result in increase in exports and decrease in imports, thus giving a boost to Make in India and Atmanirbhar Bharat campaigns.
3. Foreign investors/MNCs are more likely to invest in India if industrial electricity tariff reduces and becomes comparable to other countries. Low tariff has become one of the deciding factors of any industry for investing in any Country/State.
4. Industrial units have to migrate from one state to another due to high cost of power. Uniformity in tariffs across the states would reduce the time and cost of industry relocation.

At this backdrop, PHD Chamber of Commerce and Industry suggests removal of cross subsidies and ensuring uniformity in electricity tariff across all States. There should be 'one



nation, one electricity tariff' in lines with the 'one nation one tax' in case of GST. Table giving electricity tariff in various States is attached.

Further, it is suggested to issue an advisory to the states to stop the levy of electricity duty on captive power generated by the industry for their own consumption with immediate effect.

We trust our submission will be considered by the Government for immediate and favorable action.

Thanking you,
Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a horizontal line.

(Sanjay Aggarwal)

37. Representation-Replacement of Performance Bank Guarantee with an Insurance Scheme of Surety Bonds (8th March, 2021)

Dear Shri Ajay Bhushan Pandey ji,

Sub: Replacement of Performance Bank Guarantee with an Insurance Scheme of Surety Bonds

PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHD Chamber with a special focus on MSMEs works at the grass root level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

The Public Procurement Policy for Micro and Small Enterprises (MSME) of the Government has mandated that every Central Ministry/Department/PSU shall procure at least 25% of their total annual purchases of the products or services produced or rendered by MSEs. While the policy has been appreciated to empower MSEs to participate in Government procurement, the requirement for giving Performance Security/ Bank Guarantee by MSMEs at par with large enterprises is very restrictive and difficult to comply with. As soon as any MSME unit wins the tender, they are taken at par with Medium and Large Units and asked to pay 100% of the Performance Bank Guarantee – PBG or Security Deposit as required to be paid by any vendor.

Presently, the Government organizations and PSUs require 4 kinds of Bank Guarantees for the purpose of Earnest Money, Contract Performance, Advance payment and Equipment Performance Guarantees. The possibilities of replacing Equipment Performance Guarantee by an Insurance Product has been examined in detail by having discussions with MSMEs and other concerned stakeholders and a note has been prepared in this regard which is attached for your kind perusal.

The Insurance companies in India presently offer 'Product liability Insurance' which offer protection to distributors, manufacturers, retailers and wholesalers against any legal liability arising out of third-party injury or damage to property which is caused by the consumption or use of the product sold or supplied. This kind of insurance policy which helps to protect a business against legal issues and covers the expenses involved, is available from General Insurance companies like The New India Assurance Co, HDFC Ergo, Bharti Axa General insurance, Bajaj alliance etc.

In 2016, the Department of Financial services, Government of India had written to IRDAI to explore the possibility of introducing Surety Bonds in favour of Central Board of Direct Taxes and Customs to facilitate the trade by substituting Bank Guarantees. Later on due to the COVID-19 pandemic and

subsequent economic impact on liquidity and cash flow issues in the Indian banking sector, the Ministry of Road Transport and Highways, Government of India also requested IRDAI to examine the possible offering of Surety Bonds by General Insurance Companies as substitute for Performance Bank Guarantees. Accordingly, IRDAI constituted a Working Group to examine the suitability of offering of Surety Bonds by Indian insurance industry and the working group has submitted its report.

The IRDAI working group has recommended that the Insurance Regulatory and Development Authority of India (IRDAI) may issue separate guidelines to Insurance Companies for issue of Surety Bond Insurance. The working group has suggested IRDAI to provide separate approval and guidelines for issuance of Surety Bonds.

It is therefore, requested that the Government should consider the difficulties being faced by Companies engaged in Government contracts for development of Infrastructure and the Industry particularly MSMEs in furnishing Performance Bank Guarantee for maintenance and product performance and approve the policy for acceptance of Surety Bonds which can be issued by the Insurance Companies in place of Performance Bank Guarantee. A decision for replacement of Performance Bank Guarantees/Product Guarantees by Surety Bonds would greatly help the Industry and MSMEs in easing their business operations and improve their liquidity without in any way compromising the interests of project owners and the Government buyers.

We look forward to your kind consideration and taking up the matter for approval and issuing the required guidelines.

With Best Regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Ajay Bhushan Pandey
Finance Secretary, Government of India
Ministry of Finance



36. Reservation for Employment in Haryana (6th March, 2021)

**ShriManoharLal
Hon'ble Chief Minister
Government of Haryana
Chief Minister's Office**

Respected Sir,

Namashkar!

Sub: Reservation for Employment in Haryana

Haryana Cabinet has approved the legislation to provide 75% reservation in private sector jobs for eligible candidates of state domicile. This also earmark new jobs with a salary of less than ₹50,000 per month to local candidates in privately managed companies, societies, trusts, limited liability partnership firms, partnership firms etc. which employ more than 10 persons.

Sir, we want to bring to your kind notice that the implementation of the legislation may rather adversely affect the growth of the industry in the state of Haryana. Hon'ble Prime Minister ShriNarendraModi ji through the implementation of the programme, 'Ek Bharat Shreshtha Bharat' has taken an initiative to enhance interaction between people of different States and UTs to promote mutual understanding between States/UTs.

The approved legislation by Haryana government violates Article 14 that speaks of equality of all citizens and Article 19 that grants every citizen the right to reside and work in any part of the country. Moreover, this would set a wrong precedent and may prompt other states to stop hiring youth from Haryana.

In view of this, we submit the following points for not bringing this legislation:

- Investors and businesses source the best human resources available in the country to be competitive and successful. Hiring is done on the basis of merit and talent rather than the domicile of the candidates.
- The implementation of the legislation just when industrial and business activities are resuming after the COVID pandemic can result in exodus of investors from the Haryana. Some companies will consider relocating outside Haryana.
- Gurugram has become the 'Silicon Valley' of North India and has become hub for MNCs. Companies investing in a state are recruiting people based on education, skill and expertise do not prioritise on the basis of state.
- Many industries are in the process of starting their ventures in rural areas, in such a case, it may not be easy to find skilled labour force across bands to fulfil the reservation rule. Industry requires a competitive market, unless modern industry emerges in India, the nation cannot prosper.



- This move can be a disservice to the locals because companies often outsource their human resource services to rest of the world. This could also perpetuate economic fragmentation and adversely impact the labour market.
- Industry always strives to employ best people and a balance should be struck between social responsibility and creating enterprise value.

This move can affect the productivity and competitiveness of Haryana. PHDCCI strongly requests you to re-look at the legislation in the interest of industrial development and economic growth of Haryana State.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', followed by a long horizontal stroke.

**(Sanjay
Aggarwal)**

35. Proposal for Making Common Facility Center (CFC) at Silk Park Zakura Srinagar functional. (4th March, 2021)

NATIONAL APEX CHAMBER

NO: PHDCCI-20-21/2739
Dated: 04-03-2021

Shri Mehmood Ahmad Shah (KAS)
Director Handicrafts and Handloom
UT Government of J&K –Srinagar

SUB: Common Facility Center (CFC) at CDI & IICT Complex Nowshehra Srinagar.

Dear Sir,

We are thankful to your goodself for making the portion of Paper Pulp at CFC functional through M/s Kashmir Paper Mache Industrial Cooperative Ltd. on the Same lines we request that other portion of CFC building dedicated for Carpet Industry be made operational and functional through Kashmir Carpet Cluster Development organization and MEERAS Industrial Cooperative Ltd.

The Kashmir Carpet Cluster Development Organization is already providing raw material support to the carpet artisans and weavers at CFC and the MEERAS Industrial Cooperative Ltd. is the owners of GI for Handknotted Carpets having registration with your office.

The demand of making CFC fully functional have been taken by us on different forums of J&K Government and is the long pending demand of basic stakeholders related with Handicraft and Carpet Industry.

We are hopeful for early necessary action in this regard so that the whole CFC will be made functional and operational from 01-04-2021

Thanking You
With Best Regards



Baldev Singh Raina
Chairman
PHDCCI-Kashmir

Copy To:

- 1) Chairman Kashmir Carpet Cluster Development Organization, IICT Complex Nowshehra Srinagar for information
- 2) President MEERAS, Industrial Cooperative Ltd Srinagar for Information.

34. Applicability of Section 21(5) of the MMDR Act (4th March 2021)

Dr. Yogesh Srivastav
Assistant Secretary General

4 March 2021

Respected Sir,

Applicability of Section 21(5) of the MMDR Act.

PHD Chamber of Commerce and Industry, which was established in 1905, is a proactive National Apex Chamber working at the grass-root level and with strong national and international linkages. The Chamber acts as a catalyst in the promotion of industry, trade and entrepreneurship. PHD Chamber, through its research-based policy advocacy role, positively impacts the economic growth and development of the nation. We are committed to support the Government of India in building an **Atmanirbhar Bharat**.

The wide interpretation of Section 21(5) of the MMDR Act pertaining to illegal mining has been raised by our members during the recent meeting of the Mining Committee. We had earlier vide letter dated 28.01.2021 requested the ministry to clarify the said section's scope and applicability, as an anomalous interpretation by any State government would lead to avoidable litigation and stress for the mining industry. Our earlier submission to the ministry is attached as **Annexure-1**.

The term Illegal Mining has been clearly defined under Rule 2(c) of The Minerals (Other than Atomic and Hydro Carbons Minerals) Concession Rules, 2016, as:

"illegal mining" means any reconnaissance or prospecting, or mining operations undertaken by any person or a company in any area without holding a mineral concession as required under subsection (1) of section 4;

Explanation. -For the purpose of this clause, -

- (a) violation of any rules other than the rules made under section 23C within the mining lease area by the holder of a mining lease shall not include illegal mining; and*
- (b) any area granted under a mineral concession shall be considered as an area held with lawful authority by the holder of such mineral concession while determining the extent of illegal mining.*

The varied interpretation of the term arose after the Hon'ble Supreme court's judgment in W.P.(C) 114 of 2014 (Common Cause vs Union of India), which was delivered on 02.08.2017. The relevant extract of the judgment is as follows:

"128. The simple reason for not accepting this interpretation is that Rule 2(ii-a) of the MCR was inserted by a notification dated 26th July 2012 while we are concerned with an earlier period. That apart, as mentioned above, the holder of a mining lease is required to adhere to the terms of the mining scheme, the mining plan and the mining lease as well as the statutes such as the EPA, the FCA, the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. If any mining operation is conducted in violation of any of these requirements, then that mining operation is illegal or unlawful. Any extraction of a mineral through an illegal or unlawful mining operation would become illegally or unlawfully extracted mineral.

129. It is not, as suggested by learned counsel, that illegal mining is confined only to mining operations outside a leased area. Such an activity is obviously illegal or unlawful mining. Illegal mining takes within its fold excess extraction of a mineral over the permissible limit even within the mining lease area, which is held under lawful authority, if that excess extraction is contrary to the mining scheme, the mining plan, the mining lease or a statutory requirement. Even otherwise, it is not possible for us to accept the narrow interpretation sought to be canvassed by learned counsel for the mining lease holders particularly since we are dealing with a natural resource which is intended for the benefit of everyone and not only for the benefit of the mining lease holders."

While the judgment was unambiguous and dealt in context for the period 2001-2011, the wide interpretation of the term Illegal Mining requires clarification from the ministry.

The copy of the judgment dated 02.08.2017 is attached herewith and marked as **Annexure-II**.

Sir, with the prevailing opinions and interpretations the mining committee members have once again requested that the Mining Ministry, which is the custodian of the MMDR Act and rules made thereunder, to kindly clarify the current scope and ambit of Section 21(5) specifically with regards to (1) Whether the interpretation of the Hon'ble Supreme Court pertaining to the expanse and scope of Section 21(5), as per its judgement dated 02.08.2017 in W.P.(C) 114 of 2014 would apply to cases even post 2012 i.e., even after the Definition of the term Illegal Mining was introduced on 26th July 2012?

We would be grateful for an early response

Best Regards,

Yours sincerely,



(Dr. Yogesh Srivastav)

Shri Prahlad Joshi
Hon'ble Minister of Mines
Ministry of Mines
Shastri Bhawan
New Delhi.

**33. Notices issued on directions of the monitoring committee may be treated as withdrawn
(2nd March 2021)**

ST-18-D
2 March 2021

Respected Shri Dharmendra ji,

**NOTICES ISSUED ON DIRECTIONS OF THE MONITORING COMMITTEE
MAY BE TREATED AS WITHDRAWN**

Greetings !!

This has reference to our meeting at your office on 9 February 2021 and my letter dated 19 February 2021 on the above subject.

As conveyed to you, on the instructions of the Monitoring Committee appointed by Supreme Court NDMC had issued more than 125 notices to properties in Connaught Place while as per order of 14 August 2020 of the Supreme Court, they have no jurisdiction & authority to instruct NDMC to issue these notices as the Monitoring Committee was formed by SC only with the mandate of preventing "residential properties being misused for commercial purposes" while Connaught Place has all commercial properties only.

May I once again request you to issue instructions to the concerned department that all such notices issued on directions of the Monitoring Committee may be treated as withdrawn. NDMC should also communicate this to all to whom the Notices were issued on the ILLEGAL directions of the Monitoring Committee.

We shall be grateful if you could consider the above issues sympathetically.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Pradeep Multani)

Shri Dharmendra, IAS
Chairman
New Delhi Municipal Council
New Delhi

32. Ease of doing business in NCT of Delhi (26th February, 2021)

Respected Madam,

Ease of Doing Business in Delhi

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

A large number of our members are facing acute harassment from your organisation. They are getting notices for payment of property tax without application of mind. These are totally fishing enquiries and in some cases they are even asking records since 2003-2004 which is ridiculous. According IT Act, we have to only keep record for last 6 years. Even demand for higher categories of property tax are being raised for storage area for raw material, finished goods and offices. Your organisation is also not renewing Factory Licences and are rejecting them online without giving any reason.

The Government of India has given major thrust to ease of doing business and has worked aggressively to ensure that India moves up on the rankings of ease of doing business of the World Bank. India has been continuously improving in World Bank's Ease of Doing Business Rankings and has jumped by 79 spots from 142nd rank in 2015 to 63rd rank in 2020 among 190 economies but still much more needs to be done to improve Ease of Doing Business in NCT of Delhi

These actions by your organisation will prove to be counterproductive and our aim of making Delhi the most preferred destination for businesses and Startups will be in jeopardy.

On behalf of the business community of Delhi, may we request you to kindly stop sending Property Tax demands arbitrarily and harassment to businesses. We request you to withdraw all such Notices sent (copy of one such Notice is attached).

* Looking forward to your kind intervention and sympathetic consideration in the above matter.

With warm regards,

Yours sincerely,

Saurabh Sanyal
(Saurabh Sanyal)

Ms Anamika Singh
Mayor
South Delhi Municipal Council
8th Floor, E1 Tower, Dr. S.P. Mukherjee Civic Center
JLN Marg, New Delhi – 110002

This representation has also been sent to:

Shri Gyanesh Bharti, IAS
Commissioner
North Delhi Municipal Corporation

Shri Jai Prakash
Mayor
North Delhi Municipal Corporation



31. Request to extend the timeline for filing GSTR-9 & 9C for the Financial Year 2019-20 till 31.03.2021 (25th February)

Sub: Request to extend the timeline for filing GSTR-9 & 9C for the Financial Year 2019-20 till 31.03.2021

At the outset, we would like to appreciate the commendable efforts of Central Government and all State Governments and all the subordinate offices thereof to introduce and implement GST in India-the biggest tax reform since independence. The implementation of GST has resulted in implementation of the policy of 'one nation, one tax' across the country which is truly a significant achievement when compared with the erstwhile indirect tax regime.

We also deeply appreciate and applaud the prompt and proactive role of CBIC for undertaking measures to facilitate compliance by trade & Industry post the Covid pandemic. This has only strengthened and bestowed the industry's faith in the Government and will ensure voluntary compliance by the tax payers'.

We wish to bring to your kind attention an issue being faced by the members of trade & industry in filling GSTR 9 and GSTR 9C for FY 2019-20. Most of the members of trade & industry are facing genuine difficulties to comply with the timelines for filing the GSTR returns till 28th February, 2021.

Due to COVID-19 pandemic, organizations were operating with the minimum possible strength of staff in order to cope-up with the social distancing norms issued by the Government. Recently, staff has started coming back to office gradually and is engaged in preparing accounts for the year ended 31st March 2020 and return of incomes for the year ended 31st March 2020. All stakeholders presumably have just finished their Income Tax compliances (viz. Income Tax Returns, TDS Returns etc.) under Income Tax Act 1961 and ROC Compliances under Companies Act, 2013 on or around 15th February 2021, followed by filling of regular GST Returns by 24th February, 2021, and they have very little time left for ensuring compliances under GST.

In the backdrop of above highlighted situational difficulties, it is suggested that instead of extension of Due date for filling GSTR 9 & GSTR 9C for FY 2019-20, we request you to waive of late fees/ penalty to be charged for filling of GSTR 9 and GSTR 9C for FY 2019-20 till March 31, 2021 in terms of Section 128 of the CGST Act as it was done during March – September, 2020 for filling of various GST Returns. It is not out of place to highlight that extension of due date of filling Annual Return has other implication in the GST Law viz. Time period for issuance of SCN/ Order under Section 73 & 74 of the CGST



Act, Period of retention of books of accounts under Section 36, etc., of the CGST Act also gets extended.

In light of the above, it is requested to provide appropriate relaxation to the taxpayers by extending waiver of late fees/ penalty till March 31st, 2021 for filing GSTR-9 & 9C for FY 2019-20. This would provide much needed relaxation to the trade, in combating the circumstances arising out of pandemic COVID-19.

We trust our suggestions will receive a favorable consideration.

Thanking you

With Best Regards,

A handwritten signature in blue ink, which appears to read 'B. Jain', is written over a horizontal line.

(Bimal Jain)

Chairman, Indirect Taxes Committee

30. Proposal for finance payout/ Dealers Reserve System for Automobile sector (24th February, 2021)



NO: PHDCCI-20-21/2735
Dated: 24-02-2021

Mr. Rajesh Kumar Chhibber
Chairman & Managing Director
J&K Bank Ltd

SUB: Proposal for finance payout/ Dealers Reserve System for Automobile sector

Dear Sir,

Jammu and Kashmir Bank's competitive products and wide reach across J&K is nurturing value addition to the Automobile dealers and our customers that is surely boosting our sales and revenues. We will also look into further strengthening our relationships in days to come.

The Automobile committee of PHDCCI-Kashmir would like to recommend the proposal for Finance payout which is big earning for automobile dealers throughout the country and which helps in overall financial sustainability of dealerships.

Since the J&K Bank being the largest financier for auto sector in J&K, we would like to propose an incentive structure for finance payout to automobile dealers of J&K on following pattern.

Slab	Payout Percentage
<60	Zero
60-65	1.00
65-70	1.25
70-75	1.50
75-80	1.75
>80	2.00
* Slab is based on total vehicles financed by a dealer.	
* Slab includes payout to Sales Executive of dealers.	

This arrangement is proposed and aimed at benefiting banks and will boost an employment generation in J&K. Under this arrangement, the bank will incentivize the dealers and will directly benefit the Sales Executives who would sell the products of Auto sector of J&K Bank.

Thanking you and looking forward for your kind cooperation.

With Best Regards
Sincerely Yours

(Baldev Singh Raina)
Chairman PHDCCI-Kashmir
Cell: 9622267777, 9419400044



29. WAIVER OF INTEREST U/S 234C FOR NON PAYMENT/SHORT PAYMENT OF ADVANCE TAX (23rd February, 2021)

Shri Pramod Chandra Mody

Chairman

Central Board of Direct Taxes

Department of Revenue

Ministry of Finance

Government of India

Respected Sir,

Greetings!

WAIVER OF INTEREST U/S 234C FOR NON PAYMENT/SHORT PAYMENT OF ADVANCE TAX

In the midst of crisis caused by COVID 19, the prompt and proactive role of CBDT is highly appreciable and we the PHD Chamber of Commerce and Industry applaud the same. The Hon'ble Finance Minister has already announced certain concessions in respect of Income Tax compliances and payment of taxes which we accept with gratitude.

In the backdrop of daunting impact of pandemic COVID-19 on trade and industry, member organizations of PHD Chamber have urged for the waiver of interest u/s 234C for non-payment/short payment of advance tax.

Taxpayers (other than those who opt for presumptive taxation, either under section 44AD or section 44ADA of the Income-tax Act, 1961) are required to pay advance tax as follows: -

Due Date	Amount
On or before 15 th June	12% of total tax due
On or before 15 th September	36% of total tax due
On or before 15 th December	75% of total tax due
On or before 15 th March	100% of total tax due

(2) Taxpayers who opt for presumptive taxation scheme under section 44AD or section 44ADA are required to pay on or before 15th March 100% of total tax due

(3)(a) Interest under section 234C of the Income-tax Act, 1961 is leviable @ 1% per month or part thereof, if advance tax paid in any installment(s) is less than the stipulated amount.

(b) Interest under section 234C is not levied, if the shortfall in payment of advance tax is due to failure to estimate the amount of capital gains or income referred to in section 2(24)(ix) (i.e. winning from lotteries, crossword puzzles, etc) or income from a new business or income referred to in section 115BBDA (i.e. dividend received from a domestic company exceeding Rs. 10,00,000/-). In



such cases, the taxpayer is required advance tax on such income as a part of immediate succeeding installment(s) or till 31st March, if no installment is pending.

(3) The provisions of section 234C of the Income-tax Act, 1961 are machinery provisions wherein the levy of interest is automatic in the event of failure to remit advance tax in the prescribed manner.

(4) While the provisions are, even otherwise, very harsh with no exception provided for an unforeseen business exigencies or for businesses newly set up during the year or in case of seasonal business the situation arising out of the outbreak of the pandemic has only exponentially compounded the worries of and hardships faced the taxpayer.

(5) In a situation where the entire Country went through the rigors of a national lockdown for a substantial period of time and where large parts of the economy were standing at an uncertain future, the difficulty, rather impossibility, of estimating the income for the current year can well be appreciated. While incomes are bound to and will suffer drastically even otherwise with the large - scale disruption in economic activity, inability of business to operate smoothly for extended periods of time, the reasons for failure to estimate incomes for the financial year ending on March 31, 2021 only becomes apparent.

Due to lockdown and its subsequent impact, business enterprises were expecting losses / Very low profitability in the initial estimates for the FY 2020-21 due to which either no advance tax was paid or the amount paid as advance tax was considerably low for 1st and 2nd instalments. Due to turn around in Indian economy which started in the month of September 2020 the revised estimates of Annual Income for many sectors has substantially improved, due to which advance tax paid for the 1st and 2nd Quarter has fallen short substantially which will attract interest under Section 234C.

In view of the above and in the interest of the members of trade and industry it is humbly suggested that interest leviable u/s 234C for the entire FY 2020-21 (AY 2021-22) should be waived off to save businesses suffering from further hardships.

We trust our submission will be favorably considered by the department for immediate and favorable action. Thanking you!

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Saurabh Sanyal', is written over a horizontal line.

Saurabh Sanyal
Secretary General

28. Request to categorize the ayurvedic medicines industry under Green Category (18th February 2021)

Respected Sir,

Request to categorize the Ayurvedic Medicines Industry under Green Category

Greetings from PHD Chamber of Commerce and Industry !!

At the outset, we would like to thank you for sparing your valuable time to meet a delegation from PHDCCI on 17 February 2021.

As discussed, enclosed please find-

- a) DPCC – Consent Management – Activity List of Industries Categorization/Classification of the Units/Activities based on the earlier "Green/Orange Categorization of the Units", in view of the Office Order dated 12/04/2016 (Annexure 'A').
- b) Ministry of Environment & Forest List of 'Re-Categorisation of Industries a landmark decision, new category of white industries will not require environmental clearance'. Javadekar.

Kindly see Table-3: List of Green Category of Industries – Serial No. 2 – Ayurvedic Medicines (Annexure 'B').

Sir, Ayurvedic Medicines are NOT listed in the list of Permissible 'Green Category' Industries in the list displayed on DPCC Website. The full list of Categorization/Classification of the Units/Activities based on the earlier "Green/Orange Categorization of the Units", in view of the Office Order dated 12/04/2016.

You will observe that "Ayurvedic Medicines" Category is MISSING in DPCC List.

BOILER ON PNG: Govt. of NCT of Delhi has ordered that BOILERS/FURNACES have to be operated only on PNG.

It is humbly requested that as per Central Govt. Notification, ALL Ayurvedic & Unani Medicines may kindly be classified & listed under 'GREEN category' if they have BOILERS / FURNACES working on PNG.

We shall be grateful if your office could send your confirmation at the earliest.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister of Delhi
Delhi Secretariat, I P Estate
New Delhi



27. Request to further extend date for filing revised return of income for the year ended 31.03.2019 up to 31.03.2021 as a last chance (16th February, 2021)

Shri Pramod Chandra Mody

Chairman

Central Board of Direct Taxes

Department of Revenue

Ministry of Finance

Government of India

Respected Sir,
Greetings!

Request to further extend date for filing revised return of income for the year ended 31.03.2019 up to 31.03.2021 as a last chance

In the midst of crisis caused by COVID 19, the prompt and proactive role of CBDT is highly appreciable and we the PHD Chamber of Commerce and Industry applaud the same. The Hon'ble Finance Minister has already announced certain concessions in respect of Income Tax compliances and payment of taxes which we accept with gratitude.

The member organisations of PHD Chamber of Commerce and Industry have expressed their concerns regarding the due date for filing revised return of income for the year ended 31.03.2019 up to 31.03.2021 appended for your kind reference.

It may be noted that the revised return for the year ended 31.03.2019 had to be filed by 31.03.2020. However, on consideration of difficulties faced by the taxpayers due to Covid-19 Pandemic, the said date was extended to 30.06.2020, subsequently to 31.07.2020 and 30.09.2020. Further, the Central Board of Direct Taxes vide F. No. 225/150/2020-ITA-II dated 30.09.2020, further extended the due date of filing belated/ revised return of income for the year ended 31.03.2019 to 30.11.2020. Due to COVID-19 pandemic, organisations were operating with the minimum possible strength of staff in order to cope-up with the social distancing norms issued by the Government. Recently, staff has started coming back to office gradually and are engaged in preparing accounts for the year ended 31.03.2020 and return of incomes for the year ended 31.03.2020, which is to be filed by 15.02.2021. In the course of this work, some mistakes for the year ended 31.03.2019 has been identified, by certain members of PHDCCI.

In light of the above, it is important that the date for filing revised return of income for the year ended 31.03.2019 which had been extended up to 30.11.2020 should further be extended up to 31.03.2021 as a last chance."



We trust our submission will be considered by the department for immediate and favorable action.

Thanking you!

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is positioned above the printed name.

Saurabh Sanyal
Secretary General

26. Ease of Doing Business in NCT of Delhi (16th February 2021)

Respected Sir,

Ease of Doing Business in NCT of Delhi

Greetings from PHD Chamber of Commerce and Industry !!

At the outset, we would like to compliment your Government for very ably leading Delhi through the ongoing Corona crisis.

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

The Government of India has given major thrust to ease of doing business and has worked aggressively to ensure that India moves up on the rankings of ease of doing business of the World Bank. India has been continuously improving in World Bank's Ease of Doing Business Rankings and has jumped by 79 spots from 142nd rank in 2015 to 63rd rank in 2020 among 190 economies but still much more needs to be done to improve Ease of Doing Business in NCT of Delhi

On behalf of Delhi's Industry and Trade community, we would like to request you to kindly take action on the following issues to make NCT of Delhi the best State to do Business in –

1. **Minimum Government & Maximum Governance** - Reduce the number of Govt. Departments which an Industry has to deal with from the present 30-40 to less than 5. There should be SIMPLE ONE PAGE APPLICATION FORM FOR REGISTRATION. Permission should be granted in 7 working days OR deemed to be granted.

2. Bureaucrats as Enablers: We suggest that inspection of industries should only be conducted by giving 15 days advance notice to the Industry (in writing). This should be done ONLY with the approval of the Commissioner of the concerned Department. For discrepancies, if any, considerable time should be given to rectify the same. This will go a long way in supporting business sentiments with the approach of all Government authorities as enablers.

3. One time Registration/License – There should be ONLY a ONE TIME Registration of Industry & Trade. 'LICENSE' WORD may kindly be OMITTED. Every three years reasonable FEES may be levied as deemed appropriate.

4. Removal of Fixed Electricity Charges – Delhi Government charges one of the highest electricity tariffs in the country. We should do away with the system of fixed charges, which is the biggest loot. Electricity bill should be generated only on the basis of the actual consumption.

5. There should be Efficient & Speedy Justice System. All disputes should be decided within 365 days. All Judges Posts / Vacancies should be immediately filled. The number of Courts & Judges should be doubled.

6. NDMC Issues –

- a) Connaught Place, which is the pride of India and a tourist attraction, was built in 1937 after which many deviations have happened. NDMC keeps sending various notices to traders in Connaught Place for flimsy issues which results in lot of harassment
- b) Stop permission required to be taken from the HCC for necessary maintenance/repair of the premises in Connaught Place where structural change is not required
- c) Regulation of Mezzanine floor in Connaught Place for commercial use
- d) Removal of illegal hawkers from Connaught Place area

7. New Economy – Post GST and with e-Commerce and online shopping becoming popular, trading, warehousing, retailing have becoming intermingled. This should be kept in consideration in policy formulation.

8. **LEVEL PLAYING FIELD** - There should be Production linked Incentive of 20 Percent to give Indian Industry a level playing field with China. China gives Industrial land practically at ZERO COST, Electricity & Water charges are very low. Rate of Interest on Capital & Working Capital is 1-2 percent ONLY V/s 8 to 10 Percent in India. Logistics cost in China is below 2

percent whereas in India it is 7 to 10 percent. Labour productivity is higher in China. In Industrial Parks common Effluent Treatment Plants should be maintained by Govt. as for Individual Industries it is a BIG COST & harassment. To have a level playing field, 20 percent Production linked Incentive should be given to all sectors.

We shall be grateful if you could consider the above issues sympathetically.

Looking forward to a positive response.

With kind regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister of Delhi
Delhi Secretariat, I P Estate
New Delhi

25. Representation seeking reduction of Stamp Duty on the Conveyance Deeds/Sale Deeds in the State of Delhi(12th February 2021)

12 February 2021

Representation seeking reduction of Stamp Duty on the Conveyance Deeds/Sale Deeds in the State of Delhi

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

We would like to bring to your kind attention a pertinent concern of real estate industry in the interest of all stakeholders and seek a **reduction of Stamp Duty on the Conveyance Deeds/Sale Deeds in the NCT Of Delhi**

It is needless to mention here that due to the complete nation-wide lockdown, the real estate business in India has been seriously affected. In the State of Delhi, due to the severe financial crisis, the business of real estate is in a standstill position. Common people are not coming forward to buy or for the execution of Conveyance Deeds/Sale Deeds of Units/Flats due to financial crisis. Therefore, in order to encourage the homebuyers to purchase housing Units during the pandemic, it is necessary to reduce the existing stamp duty. Such a reduction will augur well for the revival of real estate industry in the State and is will give a much-needed boost to the ailing sector amid the pandemic. Such reduced cost of the stamp duty will also encourage the homebuyers to invest in real estate.

In this regard, we would like to point out that recently Maharashtra Government has directed such reduction of stamp duty in Maharashtra to boost the stagnant real estate market hit by COVID-19. **In the State of Maharashtra, the Government on 26th August, 2020 decided to temporarily reduce the stamp duty from 5 percent to 2 percent until 31st December 2020 and thereafter @ 3 percent from 1st January, 2021 to 31st March, 2021.**

This reform has helped government of Maharashtra in generating ₹367 crore and rise of 48% of registration of documents in 2020 as compared to 2019 as per the recent reports.

In view of the above facts and circumstances, we humbly request your good self to pass similar directions/ orders in the State of NCT of Delhi also to boost the stagnant real estate market hit by COVID-19. Such a move will benefit the customers and foster demand creation along with giving stimulus to the allied industries coupled with employment generation.

It is relevant to mention herein that whenever there has been a reduction in the stamp duty in the past, it has only lead to an increase in revenue in the Government Treasury. Also, such a step will certainly stimulate the housing demand in the State.

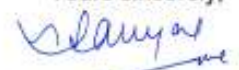
We believe that above relaxation would be in the larger interest of not only the industry but also the general public.

Therefore, we, being the apex chamber of commerce and industry request your good self to kindly look into the larger interest of the Real Estate Sector and kindly issue/pass necessary directions as requested herein above at the earliest to give a boost to the real estate sector in Delhi, which is facing grave situation due to the impact of Novel Corona Virus (COVID-19) pandemic.

We trust our submission will be favorably considered by the Government for immediate and favorable action

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister of Delhi
3rd level, Delhi Secretariat, I.P. Estate,
New Delhi-110002



24. Ease of Doing Business in NDMC Area (9th February 2021)

Ease of Doing Business in NDMC Area

Greetings from PHD Chamber of Commerce and Industry!!

At the outset, we would like to compliment you for very ably leading NDMC through the ongoing Corona crisis.

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

In order to improve the Ease of Doing Business in the NDMC area as also circumvent the adverse impact of COVID restrictions on Businesses, NDMC's Business community requests you to kindly take action on the following issues –

1. HCC

i. We should do away with the permission required from the HCC for repair and renovation as process is cumbersome and expensive.

ii. Section 6.4.1 under BBL should be continued in force for Connaught place where structural change is not taking place.

iii. No need for fresh structural certificate issued by authorised structural architect as structural certificate has already been submitted by our members in the year 2017, as such there is no need submit structural certificate in regard to NDMC public notice on structural safety during earth quack.

iv. Regularization of the mezzanine floor for commercial activities as they are intermitted floor and not a mezzanine floor

v. Properties sealed due to sunken floor on directors of the Monitoring Committee. Monitoring Committee had NO jurisdiction to instruct NDMC officials on privately owned commercial property. This has been held by Hon'ble Supreme Court in other cases. In view of the same, it is requested all SEALED PROPERTIES be De-sealed & notices served to more than 125 premises be kindly withdrawn.

vi. Mezzanine floor sealed by NDMC, no action taken to de-seal the same.

vii. The occupants to be allowed to furnish affidavit, before start of regular repair and maintenance (like whitewash, plastering, flooring, electric repairs, termite-woodwork,

sanitary repairs and/or any other non-structural change repair and renovation) stating that they will not undertake any structural changes and if found otherwise action as per law be initiated. Intimation of completion may also be filed.

viii. This application process to be made online and if no communication is recd. within 15 days from the department, it should be deemed to have been approved/granted.

ix. The structures were constructed way back in 1935-40 and the laws were made in 1950-51 onwards, therefore construction/usage allowed before any law was enforced cannot be illegal. Now the occupants have been using the premises, including intermittent floor for business since last 75-80 years, suddenly they cannot be declared as illegal/misused.

2. Illegal Hawkers

- i. People should be selling only with the original ID
- ii. Hawkers are using pillars for display of their products
- iii. Hawkers are occupying areas beyond the permitted area.
- iv. Vehicles parked by hawkers 24X7 in parking area to use as storage
- v. No effective enforcement to check open food cooking and sale.

3. Property Tax

Rate factor of 12 applied to rent to commercial property is too high.

Under MCD factoring for rented is only done for Residential Property. The factoring for Commercial Properties whether rented or self-occupied is the same.

Under NDMC for same facilities provided to various properties,

- RV for Residential Self Occupied is Rs 1,200;
- RV for Commercial Self Occupied is Rs 4,800; and
- RV for Residential Rented is Rs 14,400

This is discriminatory. RV Based on Actual Rent in case rent is more than UAV

Adding a clause of valuing Properties on Actual Rent and now on Hypothetical Rent is a significant departure from the objectives and promotes discretion.

The very basis of brining in UAM was to levy Property Tax on a scientific basis which is uniform and transparent.

4. Electricity Department

- i. DG sets have been removed but no alternate supply as guaranteed by Chief Electricity Deptt. is awaited. Gensets should be allowed to be installed again.
- ii. NDMC electricity department has not given credit to our members for waiving off 50% of fixed charges for two months by DERC, despite lapse of two months.



- iii. There should be automatic electricity load reduction and enhancement on the same line as procedure adopted by BSES.
- iv. Discrepancies in electricity bill not being redressed by commercial department despite repeated reminders.
- v. The concept of Fixed Charges on Sanctioned Load may kindly be SCRAPPED. Let there be an Electricity Rate which is chargeable on the UNITS consumed. Many properties are LYING VACANT & Owners / Occupiers have to pay huge revenue even when they have ZERO income.

5. Architect Department

- i. No need for fresh structural certificate issued by authorized structural architect as structural certificate has already been submitted by our members in the year 2017, as such there is no need submit structural certificate in regard to NDMC public notice on structural safety during earth quack.

6. Other issues with NDMC

- i. Appointment of nodal officer
- ii. Appointment of full time maintenance service provider. (FMS)
- iii. Re-alignment of radial roads for in and out traffic.

7. RESTAURANTS in NDMC area may kindly be permitted to use Balconies & open spaces for service to customers. Delhi's new EXCISE Policy recommends the same & also SDMC has already implemented it in their jurisdiction areas.

We shall be grateful if you could consider the above issues sympathetically.

Being the Key Decision Maker and an innovative thinker, we cordially request you to spare your valuable time to grace a Virtual Interactive Session with our Members as the Chief Guest on any day in February 2021 convenient to you. I am confident that your presence would help in solving the issues faced by entrepreneurs of New Delhi. I sincerely hope that you will kindly accept our request and be a part of this Session.

Your office may contact my colleague – Punit Chaudhry (9911576699, punit@phdcci.in) for any query. We shall be grateful if your office could send confirmation of date and time convenient to you at the earliest.

Looking forward to a positive response.

With kind regards,
Yours sincerely,
(Pradeep Multani)
Shri Dharmendra, IAS
Chairman
New Delhi Municipal Council
Palika Kendra, Parliament Street, New Delhi



23. Urgent Need for the CBDT to issue clarification regarding the manner of determination of residential status during FY 2020-21 (8th February, 2021)

**Shri Pramod Chandra Mody, IRS
Chairman,
Central Board of Direct Taxes
New Delhi.**

Hon'ble Chairman Sir,

Urgent Need for the CBDT to issue clarification regarding the manner of determination of residential status during FY 2020-21

Thank you for giving us the opportunity to meet you and hear our Chambers' view during the post budget interactive meeting on 4th February, 2021. In the said meeting it was brought to your kind notice about the real hardship being faced by ordinary citizens of India who are unable to determine their FY 2020-21 residence status due to suspension of International flights posed by the Nationwide lockdown to curb the spread of Corona Virus. This matter is affecting employees, retirees, students and business people alike as they either (as NRIs) have inadvertently spent more days in India than intended, or (as Resident Indians) have been stranded overseas and therefore spent more days overseas than permissible for Resident Indian status.

Individuals living outside India are not considered to be resident in India, on account of the concession given under clause (b) of Explanation 1 to section 6(1) which earlier allowed an individual to be a non-resident in India if the stay in India did not exceed 182 days; and pursuant to the amendment made vide Finance Act, 2020 allows an individual to be a non-resident if the stay in India does not exceed 120 days or if the income exceeds Rs. 15 lakhs; and if the stay in India does not exceed 182 days but if the income does not exceed Rs. 15 lakhs.

It was represented by various Chambers that the amendment made vide Finance Act 2020 of reducing the period of stay in India from 182 days to 120 days, which became effective from current financial year i.e. FY 2020-21 be postponed for atleast two years as this year is completely compromised due to Corona Virus restrictions which have still not yet opened up and the restriction on International commercial flights continues. It looks that most of the part of next financial year will also be affected under COVID until normalcy returns worldwide. Hence, the representation was made by various Chambers, including ours, to defer implementation of this provision by two years, i.e. FY 2020-21 & FY 2021-22.

This aspect has not been addressed by the Government in the Budget 2021 presented on 1st February 2021. Hence, a request was made in today morning's meeting with your goodself to draw your kind attention to the hardships faced by ordinary citizens of India who are stranded either in India or abroad due to lockdown and suspension of International flights.

In this regard, we also brought to your kind notice the CBDT circular issued on 08.05.2020 to provide, *inter-alia*, that for the purpose of determining the residential status under section 6

of the Act during the FY 2019-20, in respect of an individual who has come to India on a visit before 22.03.2020 and who was not able to leave India before 31.03.2020, the period of stay from 22.03.2020 to 31.03.2020 shall not be taken into account. However, no clarification/ relaxation has been issued by CBDT for the current Financial Year 2020-21.

You had been very kind to understand the hardships faced by ordinary citizens of India or NRIs who are stranded either in India or overseas due to flight restrictions posed by COVID and have agreed to consider issuing similar Notification shortly for current financial year i.e. FY 2020-21 as well so that people can plan their affairs for the remaining part of the year.

In light of the above, on the lines of your circular issued on 08.05.2020 for period covering 22.03.2020 to 31.03.2020, the circular for the current financial year i.e. period starting 01.04.2020 till date be excluded and should not be taken into account while calculating 182/120 days provisions under clause (b) of Explanation 1 to Section 6(1) of the Income Tax Act.

Hardship for person responsible for deducting TDS

As restrictions on operation of international flights and worldwide lockdowns are still continuing since end March 2020, many NRI's have ended up spending more than 182 days and may accordingly legally qualify as a resident as per section 6 of the Act. An issue that arises in view of the delay in issuance of the necessary guidelines by the CBDT is as to whether to consider the payee as a resident or a non-resident while deducting TDS.

While the relief that may be provided by CBDT may be taken into account by the taxpayers at the time of filing their return of income; however, uncertainty on this aspect creates an issue for the person responsible for paying any income to such a person and who is required to deduct TDS in respect of such amount payable. In the absence of the benefit of the guidance from CBDT as on date, it is difficult for deductee to furnish any declaration with certainty as to whether he shall qualify as a resident or a non-resident during the year and consequently, it is difficult for the deductor to ascertain as to whether to consider such person as a resident or a non-resident while deducting taxes.

Accordingly, there is uncertainty as to the relevant provision under which and the rate of tax at which, TDS is to be deducted. The rate at which TDS is to be deducted is different for a resident and for a non-resident. For instance, the rate at which TDS is to be deducted for payment of dividend to a resident is 10% whereas the rate at which TDS is to be deducted for payment of dividend to a non-resident is 20% under the Act without considering Treaty benefits.

In such cases, if TDS is so deducted by considering the individual as a resident whereas the residential status is ultimately determined as a non-resident in view of the expected CBDT Circular, it may potentially lead to litigation wherein the payer may be held to be an assessee in default for short deduction of tax at source. Moreover, there is also a requirement to furnish Form 15 CA and 15CB in case of payment to non-residents. The payer may also be subject to penalty proceedings on account of non-compliance in respect of the same.



Thus, there is an urgent need for the CBDT to issue the guidelines and the relief proposed to be given so as to avoid litigation around the said issue in future.

Thanking you,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanjay', is positioned above the printed name.

Sanjay Agarwal
President, PHDCCI

**22. Representation to EASE the process to buy land for AYUSH medicinal plants cultivation
(8th February)**

Dr. Ranjeet Mehta
Deputy Secretary General

No. IS-5- 177
8th February 2021

Hon'ble Chief Minister

Sub: Representation to EASE the process to buy land for AYUSH medicinal plants cultivation

PHD Chamber of Commerce and Industry (PHDCCI), A National Apex Chamber, has been working for the socio-economic development of India and for promotion of Indian industry, trade and entrepreneurship for the past 116 years.

Doubling Farmers' Income (DFI) by the year 2022, a target set by the Government is a commendable step to improve the livelihood of farmers. The DFI strategy, as recommended by the Inter-ministerial Committee constituted by the Government, includes seven sources of income growth viz., (i) improvement in crop productivity; (ii) improvement in livestock productivity; (iii) resource use efficiency or savings in the cost of production; (iv) increase in the cropping intensity; (v) diversification towards high value crops; (vi) improvement in real prices received by farmers; and (vii) shift from farms to non-farm occupations.

The target can be realised by harnessing the potential of several aromatic and medicinal plants found in the mountains of Uttarakhand. We acknowledge that the Uttarakhand Government has formulated a series of policies for conservation of a number of species of medicinal plants. These policies have two main components: regulation of the collection of medicinal plants from the wild to protect biodiversity, and promotion of cultivation to meet demand and provide farmers with new income opportunities. But, the policy to promote the domestication and cultivation of medicinal plants has met with very limited success.

By leveraging the strength of AYUSH in Uttarakhand, the state can emerge as a popular destination in AYUSH wellness tourism and create opportunities for revenue generation and employment generation through cultivation and propagation of medicinal plants.

Against the above background, PHDCCI would like to bring to your kind notice that many of our members who have their AYUSH businesses in Uttarakhand are moving towards backward integration by cultivating the medicinal plants organically, for which they are in process of

procuring land in the same/nearby areas of their factories and have applied for land registration from last many months, but till now the process has not been completed.

We request your kind self to look into the matter so that Uttarakhand can become one of the most favourable destinations for investment and is ranked among the top in Ease of doing business and be the No.1 state to achieve Doubling of Incomes of our hardworking Farmers.

PHDCCI suggests the following

- The long & cumbersome procedure to purchase Agricultural land may kindly be reduced from the present 37 steps to minimal steps.
- Permission for land purchase may kindly be decided at District Magistrate level itself for land up to 500 acres.
- The time period for permission to purchase land may be fixed at maximum 30 days.

We look forward to seek your guidance and help in this regard.

With best regards,



Yours sincerely,
(Dr. Ranjeet Mehta)

Shri Trivendra Singh Rawat
Hon'ble Chief Minister – Uttarakhand

21. Ease of Doing Business in NCT of Delhi (5th February, 2021)

Ease of Doing Business in NCT of Delhi

Greetings from PHD Chamber of Commerce and Industry !!

At the outset, we would like to compliment you for very ably leading Delhi through the ongoing Corona crisis.

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

We would like to compliment you for exempting Restaurants from getting health trade licenses from Municipal Corporations in Delhi and making FSSAI's license sufficient. This will go a long way in improving Ease of Doing Business in Delhi. Only a great visionary and Pro Business leader like you, who also has a Tax background, could have taken these decisions –

Respected Sir, to go the full hog and further improve the Ease of Doing Business as also circumvent the adverse impact of COVID restrictions on Businesses, specially on hotels and restaurants, the Delhi's Business community requests you to kindly consider the following also and make Delhi the best State to do Business in –

1 Simplification in the process to obtain NOC for Fire – This is presently a Herculean Task, as the form is complicated and unnecessary documents and equipments are being demanded. Instead, we request you to implement SELF CERTIFICATION process

2 All Restaurants in Delhi having liquor license in Delhi should be permitted 'Open air dining and service of food and liquor' thereby they should be allowed to serve food & liquor in open and on terrace, specially in Connaught Place and Khan Market.

3 Allow Bars and Restaurants to remain open till 3 am – As recommended by a Committee of the Delhi Government, the minimum age for serving drinks in bars and restraints in Delhi should be reduced to 21 and the bars and restaurants in Delhi should be allowed to open till 3 am. This will increase inflow of tourists in Delhi and will also increase the Government's revenue.


A delegation from PHDCCI, headed by our President, would also like to call on you, as per your convenience, to give you our suggestions and also invite you for a virtual Interaction with our Members

We shall be grateful if your office could send your confirmation at the earliest.

Looking forward to a positive response.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

Shri Arvind Kejriwal
Hon'ble Chief Minister of Delhi
Delhi Secretariat, I P Estate
New Delhi

20. Representation to categorize the Biscuit Industry under the Green Category (1st February, 2021)

Dr. Ranjeet Mehta
Deputy Secretary General

No. IS-5- 171
1st February 2021

Dear Dr. Gargava Ji,

Sub: Representation to categorize the Biscuit Industry under the Green Category

Federation of Biscuit Manufacturers of India which is secretarial affiliate of PHD Chamber of Commerce and Industry (PHDCCI) and incorporated in 1950, is a leading organisation comprising of small, medium and large biscuit manufacturers from all across India and is a forum of the organized segment of the biscuit industry in India. FBMI works for protecting and promoting the interests and development of the biscuit industry.

The members of the Federation are engaged in manufacture and supply of Biscuits & other bakery products, which are products of mass consumption. Biscuit is one of the very few items, which are extremely affordable and consumed by most middle, lower middle class and poorest of the poor consumers.

We wish to bring your kind attention to categorization of Biscuit Industry under Orange Category.

The Biscuit Industry falls under the orange category but we want to draw your kind attention that Biscuit industry uses different kinds of production fuel of which a majority use natural gas as the medium of production which is non hazardous in nature and ultimately results in generation of fewer pollutants. There has to be a way of differentiating the manufacturers based on the fuel used by them for production and the entire biscuit Industry should not be categorized in Orange Category.

Hence, it is suggested that the industry using PNG should be brought back to Green Category as Biscuit Industry was categorized before. We propose that the Biscuit Industry should be put under the Green Category as a majority of the biscuit manufacturing factories use environment

friendly Piped Natural Gas for production which is consistent with the environmental objectives.

We shall be grateful if our above mentioned suggestions are taken into consideration.

Thanking you and looking forward to receive your early positive response.

With warm regards,

Yours Sincerely



(Dr Ranjeet Mehta)

Dr. Prashant Gargava
Member Secretary,
Central Pollution Control Board



19. Suggestions for the upcoming Specialty Steel PLI Scheme (1st February, 2021)

Smt. RasikaChaube, IDAS
Additional Secretary
Ministry of Steel

Dear Madam,

I congratulate the Government on announcing the Production Linked Incentive for the Speciality Steel Sector. The sector welcomes the Government's initiative and looks forward to contributing to the Prime Minister's vision of "Aatmanirbhar Bharat." We are hopeful that the Government of India's PLI benefit endeavour will enable the steel industry to attract new investment and state of the art technology that would make India self-reliant in producing value-added specialty steel products.

To introduce, the PHD Chamber of Commerce and Industry, PHDCCI has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

The PLI initiative of the Government has been received positively by the industry, and further granular details are being keenly awaited on the scheme. In this regard, we would like to suggest a few relevant interventions the Government may consider while derating the final detailed guidelines:

1. Target list of beneficiaries (i.e., grades of steel) to be included in the scheme:

We understand that the Government is contemplating to extend the PLI benefit to the industries manufacturing specialty steel product lines such as coated steel, high strength steel, alloy steel bars, and rods, Super Alloys made from Nickel, Cobalt, and Titanium (HSN Code: 7505/ 72299060; 750522/7229060; 750620/7202; 81059000; 81089010). It is requested to include 'High Speed Steel' in the target list of products in Alloy steel bars Category sub category Tool and Die Steel, eligible for PLI incentives, as it directly contributes towards self -reliance in strategic sectors such as Aerospace and Defence.

2. Setting a lower incentive cap per company:

It is requested that the Government may consider setting a lower cap for each company and extend the benefit to a larger segment. For example, the maximum incentive ceiling per company may be considered INR 50 crores to bring more companies under the PLI scheme's umbrella.

3. Annual Investment Eligibility



It is kindly submitted that there must be an eligibility criterion for minimum investment of INR 50 Crores annually by the companies willing to avail incentives under the scheme.

4. Minimum Incremental Incentive:

It is submitted that the minimum incremental Incentive for PLI eligibility must be higher for Specialty Rails and Alloy Steel Products. The minimum incremental production is presently set at 25% for these products, which must be modified to 10%.

5. Year on Year Growth parameters:

Standardizing the Thresholds for YoY growth as 15% for all the products/categories covered under the scheme. It will enable more participation and ensure easier implementation of the scheme.

We are hopeful that the above suggestions will be found relevant in enabling the Government to achieve the scheme's desired objective, thus benefitting every stakeholder.

With best regards,

Yours
sincer
ely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

(SaurabhSanyal)

Secretary General



18. Request for clarification on the gambit and expanse of illegal mining (28th January, 2021)

ShriPralhad Joshi

Hon'ble Union Minister of Coal, Mines & Parliamentary Affairs

ShastriBhawan

Dear Sir,

Request for clarification on the gambit and expanse of illegal mining

As you may be aware that PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 116 years. It is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

We seek your kind attention to the ambiguity on the definition of illegal mining and seek clarification from your good office. It is pertinent to highlight the following:

1. Illegal Mining has been defined under rule 2 (ii-a) of Mineral Concession Rules, 1960 ("MCR, 1969") vide G.S.R 593E, dated 26th July 2012 (w.e.f. 27.07.2012). The definition stated

““Illegal mining” means any reconnaissance or prospecting, or mining operation undertaken by any person or a company in any area without holding a reconnaissance permit or a prospecting licence or, as the case may be, a mining lease, as required under sub-section (1) of section 4 of the Act.

Explanation. - For the purpose of this clause, -

(a) Violation of any rules, other than the rules made under section 23C of the Act, within the mining lease area by a holder of a mining lease shall not include illegal mining.

(b) Any area granted under a reconnaissance permit or a prospecting licence or a mining lease, as the case may be, shall be considered as an area held with lawful authority by the holder of such permit or license or a lease, while determining the extent of illegal mining.]”

2. The same definition is also provided for under Rule 2 (c) of the Minerals (Other than Atomic and Hydro Carbons Energy Minerals) Concession Rules, 2016.

3. Whereas, the Hon'ble Supreme Court vide its judgment dated 02.08.2017 in Writ Petition (C) NO. 114 of 2014 have held that:

“128.The simple reason for not accepting this interpretation is that Rule 2(ii-a) of the MCR was inserted by a notification dated 26th July 2012 while we are concerned with an earlier period. That apart, as mentioned above, the holder of a mining lease is required to adhere to the terms of the mining scheme, the mining plan and the mining lease as well as the statutes such as the EPA, the FCA, the Water (Prevention and Control of Pollution) Act, 1974

and the Air (Prevention and Control of Pollution) Act, 1981. If any mining operation is conducted in violation of any of these requirements, then that mining operation is illegal or unlawful. Any extraction of a mineral through an illegal or unlawful mining operation would become illegally or unlawfully extracted mineral.

129. It is not, as suggested by learned counsel, that illegal mining is confined only to mining operations outside a leased area. Such an activity is obviously illegal or unlawful mining. Illegal mining takes within its fold excess extraction of a mineral over the permissible limit even within the mining lease area, which is held under lawful authority, if that excess extraction is contrary to the mining scheme, the mining plan, the mining lease or a statutory requirement. Even otherwise, it is not possible for us to accept the narrow interpretation sought to be canvassed by learned counsel for the mining lease holders particularly since we are dealing with a natural resource which is intended for the benefit of everyone and not only for the benefit of the mining lease holders.”

4. As the judgment reads the illegal mining definition provided for under MCR 1960 was not made applicable to the case as it was pertaining to a period prior to 2012. This implies that for the cases after 2012, the definition as provided for under rule 2(ii-a) of MCR 1960 would be applicable. However, the judgment also stated that “Illegal mining takes within its fold excess extraction of a mineral over the permissible limit even within the mining lease area, which is held under lawful authority, if that excess extraction is contrary to the mining scheme, the mining plan, the mining lease or a statutory requirement. Even otherwise, it is not possible for us to accept the narrow interpretation sought to be canvassed by learned counsel for the mining lease holders particularly since we are dealing with a natural resource which is intended for the benefit of everyone and not only for the benefit of the mining lease holders.”

5. The ambiguity, therefore, is whether illegal mining is “excess extraction of a mineral over the permissible limit even within the mining lease area, which is held under lawful authority, if that excess extraction is contrary to the mining scheme, the mining plan, the mining lease or a statutory requirement.” or is governed by the definition that is provided under rule 2(ii-a) of the MCR 1960?

6. It has been brought to our attention that a couple of State governments have started to construct the word illegal mining widely and are demanding penalty under Section 21(5) of the MMDR Act for violation of EC conditions/CTO and or Mining Plan. For example, one state government has divided the EC limits which are given for annual production capacity into monthly limits (dividing the total production limit by 12) and then alleged that since the lessee has produced in excess of monthly derived pro-rata capacity, it’s a violation of the EC/Mining Plan/CTO and has thus imposed penalty under Section 21(5) of the MMDR Act.

7. The allegations and demands being raised by one State government without clarification from the Mining or the Environment ministry may lead to serious impediments to mining in the country. A scenario where all mines of Coal India and major mining lessee will be saddled in litigation cases is frightening. This, therefore, needs to be curtailed by the mining ministry by issuing a clarification of the definition of Illegal mining as soon as possible.



In view of the above, we most humbly request your good office to clear the existing ambiguity and clarify the definition of “illegal mining”.

With best regards,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Yogesh Srivastav', is placed above the printed name.

(Dr. Yogesh Srivastav)



17. Clarification pertaining to Section 21(5) of the MMDR Act pertaining to illegal (19th January, 2021)



Dr. Yogesh Srivastav

Assistant Secretary General

19 January 2021

Dear Madam,

**Clarification pertaining to Section 21(5) of the
MMDR Act pertaining to illegal mining**

Greetings from the PHD Chamber of Commerce and Industry!!

PHD Chamber of Commerce and Industry, which was established in 1905, is a proactive National Apex Chamber working at the grass-root level and with strong national and international linkages. The Chamber acts as a catalyst in the promotion of industry, trade and entrepreneurship. PHD Chamber, through its research-based policy advocacy role, positively impacts the economic growth and development of the nation. We are committed to support the Government of India in building an Atmanirbhar Bharat.

Some of our members want to have clarification from the ministry on the applicability of Section 21(5) of the MMDR Act, in cases where the lessee has all statutory clearances and works in the defined lease boundary, but has done major production in few months rather than being evenly spread over the twelve months.

It may be noted that technically mining cannot be done evenly across the twelve months based on the permissible annual production limit. The reasons may range from occurrence and exposure of the seam, force majeure conditions, others akin to force majeure, which lead to variation in the monthly production of mineral, however within the overall EC limit granted by the MoEF.

Example (1) A mine has an EC of 12 MTPA. For instance, it is submitted that there can be two kinds of variations while maintaining the total annual permissible production for the year at 12 MTPA:

(i) Monthly variations in production due to local weather conditions, or discontinuance of operations by the State government which may result in some months of the year having high production, some nil production and some moderate or low production or a combination of the above.

(ii) Discontinuance of the mining operations due to force majeure conditions or conditions akin to force majeure like temporary closure due to litigation etc. In this case, the mine owner maximizes production after the mine resumes operations while taking all environmental safeguards.

Example (2): Many coal and other mines have high over burden. These mining companies remove the OB for many months and then begin the mineral production. During the time of pandemic CIL and other miners, to keep the labour engaged just kept removing OB and now after the demand picked up have begun producing coal etc.

We wish to bring to your kind attention that in further deliberations held with the members there were many viewpoints which emerged, which may be helpful to the ministry while discussing the clarification on this important and pertinent issue. Few of them are summarized as under:

1. If a project proponent does not distribute the annual production evenly over the 12 months it cannot be said that the project proponent has deviated from the calendar plan, including excavation, the quantum of mineral, and waste by not doing pro-rata monthly production. It is pertinent to note that there is no mention of condition in either the EC or the EP Act, Air Act, Water Act to do pro-rata monthly or daily production. Moreover, the calendar plan provided in the EIA-EMP and reproduced in the EC states annual permissible production limit, even the limits pertaining to the quantum of excavation, mineral and waste are provided for on an annual basis. Therefore, if a project proponent produces within the permissible annual limit, there cannot be a case of EC violation.

2. It was also discussed at length that while preparing the EIA-EMP and to calculate the emission level, the peak annual permissible limit is divided into monthly and daily limits. This is done so as otherwise it is impossible to come to a mathematical formula for permissible emissions and mitigation measures thereof. What is essential is that the mitigation measure is corresponding to the pollution on an annual basis. Therefore, there is no mandate of daily checking or maintain of emission data. There cannot be a non-compliance of something not provided/mandated by the Act or the EC to be complied.

3. One of the members stated that even without prejudice to other reasonings, even if it is stated that a project proponent is to do pro-rata production as otherwise the daily limits of emission would increase, it is to be noted that the daily permissible limit is not provided for by the ministry nor is there is a condition to have a daily data register to be submitted to the Regional MoEF. In the absence of any such measurement condition to expect any project proponent to do production on the assumed daily production limits (arrived at for calculation purposes only), the limit is far-fetched and unreasonable.

4. Another pertinent issue highlighted was that the pollution control equipment's and the EC



conditions are based on annual peak permissible production. This is evident as the equipment's are not required to be changed every year based on change in production as per the calendar plant. Therefore, the requirement of pro-rata production to keep the pollution level in control cannot be stemming from the said condition of EC.

5. Lastly, it was discussed how it is trite law that there can only be a non-compliance or violation thereof only of something that is mandated or required to be complied with. In the absence of any requirement/mandate of pro-rata production or even maintaining daily emission data, it cannot be said that a project proponent is in violation of he is not producing on a pro-rata basis.

Therefore, the Minerals and Metals committee members arrived at a logical reasoning that the project proponents may have variations in the daily or monthly measurements but as long as they are within the annual, or any other frequency, norms stipulated in the EP Act 1986, Air Act and Water Act there and mandated in the EC they may not be treated as violation cases of the applicable act.

However, in order to have definite clarity on the subject issue our members would request your kind clarification on the subject at the earliest please. This clarification is of strategic importance as a non-clarity may result in almost all coal mines and 80% of other miners in alleged non-compliance leading to a spate on unnecessary and avoidable litigation.

We shall be grateful if you could kindly clarify on the above, please

With best regards,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Yogesh', is placed above the printed name.

(Dr. Yogesh Srivastav)

Ms Geeta Menon, IA& AS

Joint Secretary

Ministry of Environment Forest and Climate Change

Government of India

New Delhi

16. Exemption on electricity duty payable on the consumption of captive solar energy generated should be further extended beyond 31 March 2020.

Shri Dinesh Kumar, IAS
Principal Secretary
Energy Department
Government of Rajasthan
Jaipur

Dear Sir,

This has reference to our letter dated 1 October 2020 addressed to the then Principal Secretary, Energy Department, Mr Ajitabh Sharma, IAS.

Industries are allowed to put solar power plants & the power distribution companies install a net metering system to calculate how much power has been pumped in by industry into the discom's system from the generation of rooftop solar power. Hon'ble Prime Minister has also been emphasising the significance of renewable energy.

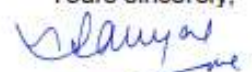
There was an order No. JP/SE(C)/XEN(P & IA)/F.D. 1271 dated 24.07.2019 from Jaipur Vidyut Vitran Nigam Limited (JVNL) according to which electricity duty on solar power plant set up for captive use was exempted. The validity of this exemption notification was till 31 March 2020 which has unfortunately not been extended resulting in charging of electricity duty on solar power generated and used captively wef 1 April 2020.

Our members have desired that the exemption on electricity duty payable on the consumption of captive solar energy generated should be further extended beyond 31 March 2020.

We request that the Government should issue notification extending the exemption on electricity duty on solar power generated and used captively. This will also encourage production of Renewable Energy and will ease the demand of thermal power and contribute to achievement of India's RE and clean energy production target.

With best regards,

Yours sincerely,



(Saurabh Sanyal)

This Representation has also been sent to:

Shri Akhil Arora, IAS
Principal Secretary
Finance Department
Government of Rajasthan



15. PHD Request for extension of due date for filing revised/ belated return of Income for AY (8th January, 2021)

**ShriPramod Chandra Mody
Chairman
Central Board of Direct Taxes
Department of Revenue
Ministry of Finance
Government of India**

Respected Sir,
Greetings!

Request for extension of due date for filing revised/ belated return of Income for AY 2019-20

PHD Chamber deeply appreciates the prompt and proactive approach adopted by CBDT to facilitate compliance by the tax payers', amidst the pandemic.

It is indeed appreciable that taking into cognizance the difficulties faced by industries at large due to the outbreak of novel coronavirus, the CBDT has recently extended the due dates for various form/reports for AY 2020-21 from 31st December 2020 to 15th January 2021 and for return of income from 31st January 2021 to 15th February 2021.

We, however, would like to bring to your kind attention that the due date for furnishing belated/revised return of income for AY 2019-20 has not been further extended by the CBDT causing difficulties for the assesseees.

In view of the above and in the interest of the members of trade and industry it is humbly suggested that the due date of filing belated/revised return of income for AY 2019-20 be suitably extended, to a further date.

We trust our submission will be favorably considered by the department for immediate and favorable action.

Thanking you,
With best regards,

Yours sincerely,

(SanjayAggarwal)



14. Request for necessary Amendments in Section 212 of the Companies Act, 2013 (8th January, 2021)

SmtNirmalaSitharaman
Hon'ble Minister of Finance & Corporate Affairs
Government of India

Respected SmtNirmalaSitharamanJi,
Wishing you Happy and Prosperous New Year 2021!!

Request for necessary Amendments in Section 212 of the Companies Act, 2013

This is with reference to the Section 212 of the Companies Act, 2013 which requires majorAmendments, as it is a major concern for the Industries now a day.

PHDCCI has received caveat concerns from the members and would like to provide someSuggestions in this regard which are mentioned below:-

Section 212 (3) of the Companies Act

Where the investigation into the affairs of a company has been assigned by the CentralGovernment to Serious Fraud Investigation Office, it shall conduct the investigation in theManner and follow the procedure provided in this Chapter; and submit its report to the Central Government within such period as may be specified in the order.

SUGGESTION

From a promoter, company management or financial point of view, a serious fraud investigationundergoing in a company may seriously affect its sentiments in the market. To be clearer, acompany borrowing from financial sector may be seriously affected as the market may not see the company's fundamentals positive. There may be a hitch to go along with such type ofcompany. Therefore, a time frame for investigationshall be fixed; it may be like publishingquarterly results. Be it MSME or a listed fortune company the brand and reputation is affected.Customer behavior flows with the reputation of the company. Hence, the government may look into the time frame of the investigation under SFIO.

1. Section 212(6) of the Companies Act, 2013

Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (2 of 1974), [1]offence covered under section 447] of this Act shall be cognizable and no person accused of anyoffence under those sections shall be released on bail or on his own bond unless-

(i) the Public Prosecutor has been given an opportunity to oppose the application for such release; and

(ii) where the Public Prosecutor opposes the application, the court is satisfied that there are

Reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail:

SUGGESTION

An accused shall not be pronounced guilty unless proved through the process of fair trial. The arrest of the KMP or any other member also hampers the day-to-day affairs of the company resultantly affecting the financials. The effective person is not available on the board and decisions are pending. The Non-Executive Directors shall be given the benefit of doubts, especially the young family members, women who are merely on the board to fulfil the quorum.

The arrested person is under trial if nothing is required to be recovered from him or he cannot tamper with evidence, then there is no need to crowd the prisons with any accused in any matter. It is believed that an executive of a company if undergoing SFIO has done something wrong. Strict action needs to be taken against arraying bank officials who lend to the companies on basis of projections & not past balance sheets and re-payment capacities. Hence, bail in SFIO matters may be looked into and amount based bail condition may be prescribed with surrender of passport mandatory.

The Hon'ble Supreme Court in *Serious Fraud Investigation Office vs. Nittin Johari and Ors* 2019(9) SCC 165 at para 11 also held that:-

At this juncture, it must be noted that even as per Section 212(7) of the Companies Act, the limitation Under Section 212(6) with respect to grant of bail is in addition to those already provided in the Code of Criminal Procedure. Thus, it is necessary to advert to the principles governing the grant of bail Under Section 439 of the Code of Criminal Procedure. Specifically, heed must be paid to the stringent view taken by this Court towards grant of bail with respect to economic offences.

The following observations of this Court in *Y.S. Jagan Mohan Reddy (supra)* may also be referred:

34. Economic offences constitute a class apart and need to be visited with a different approach in the matter of bail. The economic offences having deep-rooted conspiracies and involving huge loss of public funds need to be viewed seriously and considered as grave offences affecting the economy of the country as a whole and thereby posing serious threat to the financial health of the country.

35. While granting bail, the court has to keep in mind the nature of accusations, the nature of evidence in support thereof, the severity of the punishment which conviction will entail, the character of the Accused, circumstances which are peculiar to the Accused, reasonable possibility of securing the presence of the Accused at the trial, reasonable apprehension of the witnesses being tampered with, the larger interests of the public/State and other similar considerations.

The decision of the Hon'ble Apex Court in the case of Nikeshtarachand (2017) 87Taxmann.com 257(SC) may also be considered though it was rendered in the context of PMLA. The judgment of the Hon'ble Supreme Court in the aforesaid Case on the aspect of constitutional validity of twin conditions for granting bail raises questions on similar provisions which exist in other statutes particularly dealing with economic offences. If the constitutional validity was to be tested only on the ground that they are inherently 'arbitrary' and 'unreasonable', it is most unlikely that such a challenge would be upheld by the Apex Court, given the fact that it has already been acknowledged by the Supreme Court in the case of Rohit Tondon v. Enforcement Directorate that the "economic offences need to be viewed seriously and considered as grave offences affecting the economy of the country and thereby posing serious threat to the financial health of the country".

A literal interpretation of Section 212(6) would lead to keeping a presumably innocent person in indefinite custody and would defeat the very purpose of trial, which would take years to complete. This arbitrary power vested in the Public Prosecutor alone makes the Section violative of Article 14 of the Constitution. The twin conditions also wipe off the fundamental right of personal liberty guaranteed by Article 21.

2. Section 212(14A)

Where the report under sub-section (11) or sub-section (12) states that fraud has taken place in a company and due to such fraud any director, key managerial personnel, other officer of the company or any other person or entity, has taken undue advantage or benefit, whether in the form of any asset, property or cash or in any other manner, the Central Government may file an application before the Tribunal for appropriate orders with regard to disgorgement of such asset, property or cash and also for holding such director, key managerial personnel, other officer or any other person liable personally without any limitation of liability.

SUGGESTION

The aforementioned section was inserted by the Parliament on 14.08.2019 coming into effect from 15.08.2019. The said section was inserted to make the Director/KMP or any other officer of the company responsible for various reasons mentioned above. The exercise is to bring the management once again under the purview of SFIO creating hostile environment for the management. It may be true that in recent past top management has been involved in asset transferers but this stringent insertion of 14A shall not be applicable to all the companies under The Companies Act, 2013.

It is suggested that the company's internal audit committee shall not approve any such transaction and make sure that it is recorded in writing in the minutes of the board, so that only those persons are responsible who were party to the transaction, not all shall be drowned in the investigation procedure. It is further suggested that if a company has undertaken such transactions, then a time limit shall be granted to correct the mistake by ROC thereby quashing the offense than compounding.



The alternate “ways& means” to achieve status-quo may be evaluated as the governance process or audit committee functioning cannot be a panacea. It is at best just a mitigating factor.

We hope our suggestions will be considered favourably.

With best regards,

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Sanjay', followed by a long, sweeping horizontal line that extends to the right.

(SanjayAggarwal)

13. Extension and implementation of Sabka Vishwas Legacy Dispute Resolution Scheme-2019 to the UT of J&K viz-a-viz the exemptions under Notification No 56/2002/-CE Dt:13-11-2002 (29th December, 2020)



NO: PHDCCI-20-21/2699
Dated: 29-12-2020

Hon'ble, Shri Anurag Singh Thakur Ji
Minister of State Finance and Corporate Affairs,
Ministry Of Finance Government of India

SUB: Extension and implementation of Sabka Vishwas Legacy Dispute Resolution Scheme-2019 to the UT of J&K viz-a-viz the exemptions under Notification No 56/2002/-CE Dt:13-11-2002

Dear Sir,

We seek your intervention for extension and implementation of Sabka Vishwas Legacy Dispute Resolution Scheme-2019 to the UT of J&K viz-a-viz the exemptions under Notification No 56/2002/-CE Dt:13-11-2002.

There is no doubt that the scheme provides 'never before, never again' offered benefits. The said scheme has now been extended to the assesses in the State of Jammu & Kashmir till 31st-Dec-2020 Vide OrderNo. 01/2020 Dated 13.11.2020 by way of Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 (Removal of Difficulties) Order 2020.

The department of Central Excise (now CGST) at Jammu & Kashmir is not accepting the applications filed under Sabka Vishwas (Legacy) dispute resolution Scheme, 2019, in respect of the matters connected with Notification No. 56/2002-CE Dated 14.11.2002, on the ground that these matters fall under 'refund' which stands excluded from the Sabka Vishwas scheme as per Section 125(1)(d).

That units located in the Union Territory of J&K, Uttarakhand, Himachal Pradesh and North East including Sikkim were eligible to avail exemption from payment of Central Excise duty in terms of area based exemption notifications issued under Section 5A of the Central Excise Act, 1944.

That while ab-initio exemption was available to the units located in the States of Uttarakhand and Himachal Pradesh, the units located in other aforesaid areas were required to pay Central Excise duty and avail exemption by way of refund of cash component of such duty paid.

That the units located in the UT of Jammu & Kashmir were eligible to avail exemption from payment of Central Excise duty by way of refund of Excise duty paid in cash after exhausting CENVAT credit, in the subsequent month, in terms of area based exemption Notification No.56/2002-CE Dated 14.11.2002, issued under Section 5A of the Central Excise Act, 1944.

That the aforesaid mechanism i.e refund of Excise duty paid in cash after exhausting CENVAT credit, in the subsequent month, is nothing but exemption granted from payment of excise duty subject to conditions to be fulfilled as specified in the aforesaid notification.

Baldev Singh
Raisi
Chairman
PHDCCI-Kashmir

Rahul Sahai
Chairman
PHDCCI-Jammu

Kuldeep Gupta
Co-Chairman
PHDCCI-Jammu

Arshad Nizam
Shawl
Co-Chairman
PHDCCI-Kashmir

Sanjay
Aggarwal
Co-Chairman
PHDCCI-Jammu

Showkat
Choudhary
Co-Chairman
PHDCCI-Kashmir



NATIONAL APEX CHAMBER

That the refund of any duty of excise is governed by Section-11B of the Central Excise Act, 1944.

That the effective source of both the excise duty payment as well as the excise duty refund lies in the aforesaid exemption Notifications and, therefore, it is not refund of any duty of excise governed by Section-11B of the Central Excise Act, 1944.

That the interpretation of the department of CGST (earlier Central Excise) at Jammu & Kashmir **that these matters fall under 'refund' which stands excluded from the Sabka Vishwas scheme as per Section 125(i)(d) is erroneous, in as much as, refund under Notification No.56/2002-CE, is not a case of erroneous refund or refund under Section 11 B of the Central Excise Act, 1944, but a case of exemption by way of exemption Notification issued under Section 5A of the Central Excise Act, 1944.** The interpretation adopted by the department at Jammu is a narrow one in as much as the plain reading of Section 5A and the preamble of the Notification No. 56/2002-CE clearly shows that it is a case of exemption and not a case of refund as has been interpreted by the CGST department at Jammu (earlier Central Excise at Jammu).

Against this background now the issue is that the Sabka Vishwas (Legacy Dispute Resolution) Scheme, 2019 closes on 31st of December, 2020. It is therefore humbly requested that the clarification to this effect may kindly be issued at the earliest to the CGST(earlier Central Excise) at Jammu that 'refund' as envisaged in the Notification No.56/2002-CE or /and others relevant parallel notifications is not erroneous refund or refund under Section 11B of the Central Excise Act, 1944 but a case of exemption by way of exemption Notification issued under Section 5A of the Central Excise Act, 1944 and aforesaid Scheme is also eligible for the assesses in the UT of Jammu & Kashmir, even in the matters under Notification No. 56/2002-CE Dated 14.11.2002 and others relevant parallel notifications so that numbers of assesses may avail the benefit of the scheme **which is going to be expire on 31st of December, 2020 with a request to extend the same upto 31-March-2021** keeping in mind the current prevailing situation in Jammu & Kashmir as well as COVID-19 pandemic resulting such clarification will go a long way in serving the main purpose of the aforesaid scheme to garner big chunk of revenue.

Thanking You
Sincerely Yours

Rahul Sahai
Chairman
PHDCCI-Jammu

Encl: Order regarding Extension of Sabka Vishwas Legacy Dispute Resolution Scheme-2019 to the UT of J&K and Ladakh

Copy to: 1) **Dr Arun Kumar Mehta (IAS)** Financial Commissioner J&K Government
2) **Shri Manoj Kumar Diwevedi (IAS)** Commissioner, Secretary Industries and Commerce J&K Government

Baldev Singh
Raina
Chairman
PHDCCI-Kashmir

Rahul Sahai
Chairman
PHDCCI-Jammu

Kuldeep Gupta
Co-Chairman
PHDCCI-Jammu

Arshad Nizam
Shawl
Co-Chairman
PHDCCI-Kashmir

Sanjay
Aggarwal
Co-Chairman
PHDCCI-Jammu

Shaukat
Choudhary
Co-Chairman
PHDCCI-Kashmir

12. Extending the renewal date of Driving Licences notification to 30th June 2021 for Senior Citizens (28th December 2020)

28th December 2020

Dear Sir,

"Extending the renewal date of Driving Licences notification to 30th June 2021 for Senior Citizens"

Greetings from PHDCCI !!

As you may be aware, PHD Chamber of Commerce and Industry (PHDCCI) have been working for the promotion of Indian industry, trade and entrepreneurship as a catalyst for the past 115 years and is a forward looking, proactive and dynamic pan-India apex organization. As a partner in progress with industry and government, PHDCCI with a special focus on MSMEs' works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

As we know, as suggested by WHO, due to the prevailing Covid-19 pandemic, senior citizens are being advised not to go to public places as they are more prone to Covid -19. Even on 27 December 2020, 757 new case and 16 deaths due to Covid have been reported in New Delhi. Reports of a mutant variant of Corona virus have further complicated the situation for senior citizens.

In view of the above, PHDCCI wants to request the Government for the following amendment which will go a long way in providing relief to Senior Citizens in this pandemic :

"For senior citizens whose licenses have expired between 14th March, 2020 to 31st December, 2020, the date for renewing the driving licences should be extended by notification to 30th June, 2021."

This is essential as the fear of spreading of Covid-19 among senior citizens is high and they simply cannot be exposed to the crowds in the Licensing Extension Hall which is very crowded

We request you to kindly look into the matter and issue the necessary notification.

With best regards,

Yours sincerely,



(Dr Yogesh Srivastav)
Assistant Secretary General

Shri Girdhar Aramane, IAS
Secretary
Ministry of Road Transportation & Highways
Transport Bhawan
New Delhi



11. Request to extend the due date for Filing Declaration under Vivad se Vishwas Scheme for all the Taxpayer's till 31 March 2021 (28th December, 2020)

Shri Pramod Chandra Mody
Chairman
Central Board of Direct Taxes
Department of Revenue
Ministry of Finance
Government of India

Respected Sir,

Greetings!

Request to extend the due date for Filing Declaration under Vivad se Vishwas Scheme for all the Taxpayer's till 31 March 2021

In the midst of crisis caused by COVID 19, the prompt and proactive role of CBDT is highly appreciable and we the PHD Chamber of Commerce and Industry applaud the same. The Hon'ble Finance Minister has already announced certain concessions in respect of Income Tax compliances and payment of taxes which we accept with gratitude.

In the backdrop of daunting impact of pandemic COVID-19 on trade and industry, member organizations of PHD Chamber have expressed their concerns regarding the extension of due date **for Filing Declaration under** Vivad se Vishwas scheme for all the taxpayer's till 31 March 2021 for your kind reference.

It may be noted that the Central Government vide Notification No. 85/2020 dated 27th October 2020, has extended the date for payment without additional amount under Vivad se Vishwas Scheme from 31st December 2020 to 31st March 2021. The said notification has also notified the last date for filing declaration under Vivad se Vishwas Scheme as 31st December 2020.

However due to pandemic Covid-19 the work at various offices of taxpayers as well as professionals has not yet resumed as was expected. Certain states are still facing partial lock-down(s) with no public transport for common workers and employees to travel to and from office. The relevant stakeholders have not been visiting the offices for past 8.5 months and have been working remotely from their homes. There is also a shortage of manpower which is hampering the continuity of work.

Even the Commissioners of Income Tax, Assessing Officers are attending their offices in a very limited manner. They have not been able to give effect to Rectification Petitions and even Appeal Effects have not been given. Thus the demand reflected in department's record is not correct. Even where additions were made in 2 files and in one were made on Protective basis, in such cases despite declaration under Vivad Se Vishwas Scheme in case of Main file, the Officers are not deleting addition made in other file on protective basis.



It may be highlighted that during the month of December, there are many other compliances to be made like payment of Advance tax, filing of relevant GST returns, GST Annual Returns over & above audit & tax returns. Further, in the current year, Capital Gains transactions also have to be reported which is a very time-consuming process.

In this tough current environment, it is still very difficult for assesseees to meet income-tax compliances as they need to first concentrate on getting their operations on track. This has paralysed, albeit partially but substantially, functioning of Government offices including income tax. All such issues are making it virtually impossible for most of our members and the taxpayers to adhere to the revised due dates of 31.12.2020.

In view of the above and in the interest of the members of trade and industry it is humbly suggested that the due date of filing declaration under Vivad se Vishwas scheme for all the assesseees be suitably extended, to 31.03.2021.

We trust our submission will be favorably considered by the department for immediate and favorable action.

Thanking you!

Yours sincerely,

A handwritten signature in blue ink, which appears to read 'Saurabh Sanyal', is written over a horizontal line.

Saurabh Sanyal
Secretary General



10. Request for additional extension of two Months for holding Annual General Meeting under the Companies Act, 2013 for financial year ended 31.03.2020 (22nd December, 2020)

SmtNirmalaSitharaman
Hon'ble Minister of Finance & Corporate Affairs
Government of India

Respected SmtNirmalaSitharamanJi,

Request for additional extension of two Months for holding Annual General Meeting under the Companies Act, 2013 for financial year ended 31.03.2020

This is with reference to representation submitted by PHDCCI dated 21 August 2020 regarding the request to extend time period for holding AGM till December 2020. We would like to extend our heartfelt thanks for accepting our request and giving relaxation to Corporates till 31st December, 2020. In pursuance of the same, we would like to highlight that PHD Chamber has been again receiving grievances from industries and associations regarding additional extension of two months for holding Annual General Meeting (AGM) for the Financial Year 2019-2020. PHDCCI is aware about the necessary and mandate provisions of the laws, however we also acknowledge the fact that Ministry of Corporate Affairs (MCA) has gone far and above to provide facilities to the Corporates for effective and smooth functioning during COVID 19 pandemic which has impacted the businesses in India and worldwide largely. This pandemic following with serious lockdowns and impediments is causing several challenges such as:-

1. The disruptions of the operations due to less movement of people has hampered the compliances, bookkeeping and accounting by corporates and audit of secretarial and cost records & financial statements of corporates.
2. All the companies have not restarted their operations with full capacity. The main focus of corporates now days is to sustain existence by managing cash flow; debtors for recoveries, creditors for extended credit periods and banks and financial institutions for enhanced financial credit.
3. Also, for corporates that switched to work from home models, there are several aspects of financial bookkeeping for corporates and essentially for audit of financial statements for AGM that require physical verification at multiple sites across states such as checking cash in hand, stock, etc. that could not be carried out due to curbs on movements of office staff.
4. The continued restrictions of travel in many parts of country such as Night Curfew or compulsion to travel with COVID Negative report are increasing the problems of smooth functioning of Corporates specially those companies with overseas subsidiaries.

5. We are also aware that even though vaccination for Covid 19 has been approved, authorities will have to quicken its mass production and make it market-ready with all regulatory concerns taken care of which may definitely lead to the delay in availability of vaccination to general public. Till that, the staffs of offices are not willing to work on full capacity.

6. In addition to the fear of Covid 19, there has been seeing a new strain of Covid at UK which is 70% more lethal than Covid 19. The states are announcing daily alerts as a precautionary measure amid mounting fears about a new corona virus variant spreading in Britain. Recently Maharashtra government has declared a night curfew. All these issues are creating more fear among staff of companies and therefore auditors, directors are not willing to attend regular office. The news article in this regard is attached for your ready reference.

All these challenges are preventing companies from preparing financial statements and get them audited by Chartered Accountant for financial audit, Company Secretary for secretarial audit and Cost Accountant for Cost audits and also to fulfill other requirements for conducting the AGM. As we are at end of December, businesses are not yet working at full capacity; it may prove counterproductive to expect preparation of financial statements on time and then seek approval of Board for the same.


The MCA vide General Circular no. 20/2020 dated May 5 2020, has allowed the companies to conduct AGM through Video Conferencing or other Audio Visual means during the calendar year 2020. This dispensation works for large and listed companies but the stakeholders and directors of MSME sector and other corporates in suburban/tier -2 cities and rural areas are facing difficulties in having these meetings through Video conferencing and audio visual means due to issues in internet connectivity in remote places, lack of digital hardware for conducting meetings through digital means and lack of trained employees to conduct meeting through digital means.

The government is also looking at suspension of insolvency cases against fresh Covid related defaults to extend by another three months from December 25. The extension will help thousands of cash strapped firms tide over the Covid impact without the fears of getting dragged to the National Company Law Tribunal (NCLT). On same principle, the relief sought by PHDCCI needs to be provided to corporates acknowledging that corporates are finding it difficult to hold AGM in Covid era. Therefore, we request your good office to provide additional extension of two months for conducting AGMs for the financial year 2019-2020. This would promote the cherished vision and initiative of Prime Minister of Ease of Doing Business and Minimum Government, Maximum Governance. Also with additional extension, companies will gain the opportunity to put in place a working digital infrastructure or for those lacking the capital to invest at the moment.

We hope our suggestions will be considered favourably.

With best regards,

Yours sincerely,



(Sanjay Aggarwal)



**9. Clarification pertaining to Section 21(5) of the MMDR Act pertaining to illegal mining
(26th November, 2020)**

Shri Anil Kumar Jain, IAS
Secretary
Ministry of Mines,
Shastri Bhawan
New Delhi.

Subject: Clarification pertaining to Section 21(5) of the MMDR Act pertaining to illegal mining.

Respected Sir,

Greetings from PHD Chamber of Commerce and Industry!!

At the outset, we would like to compliment the Government for announcing bold & structural reforms in the Coal & Mining Sector, which will indeed make our country ATMANIRBHAR and a leader in these sectors.

PHD Chamber of Commerce and Industry, which was established in 1905, is a proactive National Apex Chamber working at the grass-root level and with strong national and international linkages. The Chamber acts as a catalyst in the promotion of industry, trade and entrepreneurship. PHD Chamber, through its research-based policy advocacy role, positively impacts the economic growth and development of the nation. We are committed to support the Government of India in building an Atmanirbhar Bharat.

Many of our members having mining leases, obtained through auctions and other than auctions and having all statutory clearances working in the defined lease boundary are seeking clarification on the applicability of Section 21(5) as, MMDR Act and the Rules.

The judgement of the Hon'ble Supreme Court in W.P.(C) 114 of 2014 (Common Cause vs Union of India) has defined the term illegal mining. The judgement states:

"The overall purpose and the objectives of the MMDR Act, as well as the Rules framed thereunder, is to ensure that mining operations are carried out in a scientific manner with a high degree of responsibility including responsibility in preserving and protecting the environment and the flora of the area. Through this process, the holder of a mining lease is obliged to adhere to the standards laid down under the Environment (Protection) Act, 1986, or the EPA as well as the laws pertaining to the air and water pollution and by necessary implication, the provisions of the Forest (Conservation) Act, 1980. If the holder of a mining lease does not adhere to the provisions of the statutes or the rules or terms of the mining lease, that person is liable to incur penalties under Section 21 of the MMDR Act.....

It was wrongly submitted that a mining operation only outside the mining lease area would constitute "illegal mining". That is because the definition of "illegal mining" in Rule 2(ii-a) of the MCR was inserted by a notification dated 26-7-2012 while the present case is concerned with an earlier period."

(Emphasis supplied)

The Rule 2(ii-a) as inserted by the said notification defines “illegal mining” which means any reconnaissance or prospecting or mining operations undertaken by any person or a company in any area, without holding a reconnaissance permit or a prospecting license or, as the case may be, a mining lease, as required under subsection (1) of section 4 of the Act.

Explanation: For the purpose of the clause,-

- (a) Violation of any rules, other than the rules made under section 23C of the Act, within the mining lease area by the holder of a mining lease shall not include illegal mining.
- (b) Any area granted under a reconnaissance permit or a prospecting license or a mining lease, as the case may be, shall be considered as an area held with lawful authority by the holder of such permit or license or a lease, while determining the extent of illegal mining.

Further, the approved mining plan for the lease details the permissible annual production of ROM, Lump, Fines of various grades and OB. The monthly production or quarterly production or any concept of pro-rata production does not form part of any approvals as only the annual limits are approved by the IBM and the EC granted by MoEF is also for annual production thereof.

In view of the above factual background, it may be clarified if the following would come under the gambit of illegal production:

- (i) Monthly variations in production due to local weather conditions, or discontinuance of operations by the State government which may result in some months of the year having high production, some nil production and some moderate or low production or a combination of the above but working within the statutory limits (EC/FC/ CTO/Mining plan) and within the lease area.
- (ii) Discontinuance of the mining operations due to force majeure conditions or conditions akin to force majeure like temporary closure due to litigation etc. In this case, the mine owner maximizes production after the mine resumes operations while taking all environmental safeguards and working within the statutory limits (EC/FC/ CTO/Mining plan) and within the lease area.

The above clarification is urgently required as many mining leaseholders have had the mining lease executed earlier, could not begin production due to valid reasons, but are bound to produce 80% of the EC as per the tender document or face consequential penalties. They would maximize production within the remaining months and are concerned that this should be coming under the gambit of the “illegal mining”.

We shall be grateful if you could kindly clarify the above issue.

Thanking you.
With kind regards,
Dr Yogesh Srivastav
Principal Director
PHDCCI
New Delhi



8. Requesting clarification on EC conditions pertaining to Mining leases (26th November, 2020)

**Shri Rameshwar Prasad Gupta, IAS
Secretary
Ministry of Environment, Forest and Climate Change New Delhi.**

Sub: Requesting clarification on EC conditions pertaining to Mining leases

Respected Sir,

Greetings from PHD Chamber of Commerce and Industry!!

At the outset, we would like to compliment the Government for taking bold decisions for reducing pollution and working towards decarbonising the Indian economy.

PHD Chamber of Commerce and Industry, which was established in 1905, is a proactive National Apex Chamber working at the grass-root level and with strong national and international linkages. The Chamber acts as a catalyst in the promotion of industry, trade and entrepreneurship. PHD Chamber, through its research-based policy advocacy role, positively impacts the economic growth and development of the nation. We are committed to support the Government of India in building an Atmanirbhar Bharat.

As per the EIA 2006, there is a well-defined process for obtaining an EC involving the submission of application in Form I along with proposed TOR, approved Mining plan, issuance of TOR and collection of baseline data, preparation of draft EIA and EMP, public consultation and preparation of final EIA -EMP and its approval.

The EC has various conditions pertaining to Air, Water, Wind, Soil, Dust, Noise, Industrial waste, Transportation, groundwater management etc. which needs to be adhered to by the mining lessee. In the General Conditions, there is a clear direction that “No change in the calendar plan including excavation, the quantum of mineral, and waste produced shall be made”.

A few of our members have requested clarification on the above condition since there are many factors some of which are force majeure conditions, others akin to force majeure, which lead to variation in the monthly production of mineral, however within the overall EC limit granted by the MoEF. e.g., a mine has an EC of 12 MTPA; there can be two kinds of variations while maintaining the total production for the year at 12 MTPA:

(i) Monthly variations in production due to local weather conditions, or discontinuance of operations by the State government which may result in some months of the year having high production, some nil production and some moderate or low production or a combination of the above.



(ii) Discontinuance of the mining operations due to force majeure conditions or conditions akin to force majeure like temporary closure due to litigation etc. In this case, the mine owner maximizes production after the mine resumes operations while taking all environmental safeguards.

Our members would request your kind clarification that if mining is done as per a valid EC and they maintain the yearly permitted production as per the granted EC, in both the above-stated situations, i.e. (i) and (ii) there would be no violation of Environment norms.

We shall be grateful if you could kindly clarify the above issue.

Thanking You,

With kind regards,

Dr Yogesh Srivastav
Principal Director
PHDCCI
New Delhi



7. PHDCCI Suggestions on Faceless Assessment (3rd November, 2020)

Shri M. Ajit Kumar
Chairman
Central Board of Indirect Taxes and Customs
Ministry of Finance
North Block
New Delhi 110 001

Respected Sir,
Greetings!

PHDCCI Suggestions on Faceless Assessment

We wish to bring to your kind attention an issue being faced by the members of trade & industry regarding changes in Faceless assessment, Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 (CAROTAR, 2020), E Office, Manufacturing and Other Operations in Warehouse Regulations, 2020 (MOOWR, 2020) etc.

It may be highlighted that many procedural and process changes have been introduced by CBIC in the recent times, most significant relating to Faceless assessment, CAROTAR, E Office, MOOWR etc.

In recent times, number of new initiatives was introduced, the entire process of handling of Exim cargo has become little challenge and delays have become inevitable.

There are issues faced at ground level for handling of import/ export consignment.

We are enclosing herewith for your kind perusal, our suggestions to streamline the processes.

We trust our suggestions will receive your favourable consideration.

Thanking you

With Best Regards,

(Bimal Jain)
Chairman, Indirect Taxes Committee



6. GST 18% applied to Services provided to Foreign Clients within FYWZ – (2nd November, 2020)

Shri M. Ajit Kumar

Chairman

Central Board of Indirect Taxes and Customs

Ministry of Finance

North Block

New Delhi 110 001

Respected Sir,

Greetings!

GST 18% applied to Services provided to Foreign Clients within FYWZ

We wish to bring to your kind attention an issue being faced by by Units (holding valid Letter of Approval from the Development Commissioner office, SEZ Division, Ministry of Commerce) operating with the Free Trade & Warehousing Zone (FTWZ), a sector specific special economic zone under SEZ Act.

It may be highlighted that while FTWZ is deemed to be a foreign territory and it is also considered to be a tax free enclave, however, GST is being levied on services provided to foreign entities (who do not have any presence in India) availing services of Indian FTWZ. This is mainly because of the GST provision with respect to “Place of Service”.

The following may be mentioned with respect to the above:

- In case of services rendered by any IT SEZ to foreign entities within a SEZ located in Indian, GST is zero rated/ exempted.
- FTWZ Units provide various services to foreign entities like storage for their goods; value added services, transportation, etc. within its SEZ area in India.
- These foreign entities have no physical presence within FTWZ or in India, except for their goods lying within the FTWZ area.
- However, presently these foreign entities are required to pay GST @18%.
- GST paid by such foreign entity is cost to them as they cannot take input credit on the GST paid. Also, there is no mechanism for refund of GST charges on such services thereby discouraging foreign entities to avail services of Indian FTWZ's.
- In case of FTWZ across the world like Dubai, for similar nature of services the tax there is "NIL".

It is therefore suggested that an urgent action be initiated in the above matter, so that true business potential of FTWZ can be unleashed which will not only increase FOREX earning for the country but also boost employment, increase ease of doing business, create India a Global Trading Hub and curb outflow of forex from India.



We trust our suggestions will be considered on merits.

Thanking you

With Best Regards,

A handwritten signature in blue ink, which appears to read 'B. Jain', is positioned above the printed name.

(Bimal Jain)
Chairman, Indirect Taxes Committee



5. Request to extend the timelines of implementation of e-invoicing for taxpayers having aggregate turnover more than INR 100 Crore

Smt. Nirmala Sitharaman

Hon'ble Finance Minister of India

Ministry of Finance

North Block

New Delhi-110011

Respected Ma'am

Greetings!

Sub: Request to extend the timelines of implementation of e-invoicing for taxpayers having aggregate turnover more than INR 100 Crore

PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian industry, trade and entrepreneurship for the past 115 years. It is a forward looking, proactive and dynamic pan-India apex organization. Our endeavour is to strengthen linkages for technological advancement through effective industry and government research partnership.

At the outset, we would like to appreciate the commendable efforts of Central Government and all State Governments and all the subordinate offices thereof to introduce and implement GST in India-the biggest tax reform since independence. The implementation of GST has resulted in implementation of the policy of 'one nation, one tax' across the country which is truly a significant achievement when compared with the erstwhile indirect tax regime.

Further, the introduction of e-invoicing in the current ecosystem has completely revamped the invoicing pattern of the industry. We would like to appreciate the commendable step taken by the government to eliminate the fake invoicing system prevalent in the economy for distributing the fake input tax credits and reward honest taxpayers by allowing them valid input tax credit.

We would like to highlight that while the objective of the government is in the best interest of taxpayers, there are few practical issues being faced by small taxpayers in implementing the above.

Some of the issues pertinent to the e-invoicing system are enclosed for your kind consideration.



We trust these will be favourably considered in the best interests of industry.

Thanking You

With Regards

A handwritten signature in blue ink, appearing to read 'Sanjay', is written over a light blue horizontal line.

Sanjay Agarwal
President, PHDCCI



4. Representation in wake of banning DG sets in Delhi-NCR for the Industry (12th October, 2020)

Dr. BhureLal
Chairman
Environment Pollution (Prevention & Control) Authority

Representation in wake of banning DG sets in Delhi-NCR for the Industry

Dear Dr. BhureLal,

PHD Chamber of Commerce and Industry (PHDCCI) has been working as a catalyst for the promotion of Indian Industry, trade and entrepreneurship for the past 115 years. PHD Chamber with a special focus on MSME works at the grass roots level, with strong national and international linkages for propelling progress, harmony and integrated development of the Indian economy.

The Environment Pollution and Control Authority vide its letter no EPCA-R/2020/L-38 dated 8th October, 2020 (enclosed) has banned the use of DG sets for the industry in Delhi NCR from 15th October 2020 onwards.

We hereby want to submit that the Industry uses DG sets only as power backup in case of electricity failures or power cuts as otherwise usage of DG sets are not feasible for the industry. Essential and Continuous Industry like chilling plants, assembly lines, injection and molding units, boilers and textiles etc requires an undisrupted supply of electricity for smooth operations without which the losses can be huge. Security in industrial areas at night without the regular flow of electricity is also at stake. Industry is already going through a rough phase considering the ongoing pandemic and such measures will further aggravate the challenges for the industry. We request EPCA to allow the usage of DG sets in case of power failures only.

We sincerely hope that the Environment Pollution (Prevention & Control) Authority will positively consider our request and ensure early action to support the industry during the challenging times. Thanking you and looking forward to receive your early positive response.

With Kindest Regards

(Dr. Ranjeet Mehta)



3. Comments on Steel and Steel Products (Quality Control Order dated 17th July, 2020) (9th October, 2020)

Shri Dharmendra Pradhan

Hon'ble Minister of Petroleum and Natural Gas and Minister of Steel

Ministry of Steel

Government of India

Comments on Steel and Steel Products (Quality Control Order dated 17th July, 2020)

Ref: Ministry of Steel Notification issued dated 17th July 2020 regarding Mandatory BIS Certification for Various Steel and Steel Products

Hon'ble Minister,

PHDCCI's Metal Container Manufacturers Member Companies who are the major consumers of tinplate / tin free steel have the following concerns with regard to Steel and Steel Products (Quality Control Order dated 17th July 2020).

Our comments to the referred notification are as follows:

- Similar kind of quality control orders had been brought few times earlier (2008, 2015 and 2017) also but the same were withdrawn keeping in mind the practical difficulties in implementation of these orders and also that industry essentially requires both prime and non prime materials.
- Total demand of tinplate/tin free steel in the country is around 6,50,000 tonnes while the domestic availability is 4,00,000 tonnes. The gap in demand and supply is met through imports.
- The total demand of 6,50,000 tonnes represent approx. 70% prime material and 30% is non prime material.
- Tin containers/closures are primarily used for packing of edible and non-edible products. While the prime material is mainly used for food and edible products, non-prime material (arising out of production of prime material) is required for non-edible and non-critical products like Talcum powder, paints, mosquito coils, file clips, stationery products etc.
- Various categories of tinplate/ tin free steel are currently not produced in the country like thinner gauges, width more than 1000mm, narrow width coil etc.
- As regards tin free steel is concerned only Tinplate Company of India is producing the same and that too they produce it only once a quarter. So there is always a demand supply gap for this product. Tin free steel is mainly

required to manufacture crowns/closures/components etc. used to seal bottles for soft drink beer/ juices/flavoured milk etc.

- Import of prime material is generally as per respective country's standard which are either equal to or stricter than relevant ISO standards like BIS 1993 is align with ISO 11949. Prime material is strictly produced as per specification given by the importer.
- As regards Non-prime material, the same is arising during production of prime material and is downgraded to non-prime due to various reasons like surface defects, pin hole, off gauge/size etc. This material is normally sold by the tinsplate Mills through an auction in order to achieve the right market price. As mentioned above this material is used for various non-critical products as already detailed above.
- In order to ensure use of prime tinsplate for food products FSSAI had issued a notification on 24th December 2018 where they have allowed use of equivalent International Standards, i.e. ISO 11949-2016 for tinsplate and ISO 11950 – 1995 for tin free steel along with relevant BIS standard. The Authority after considering the representation of the industry and keeping in mind that there is a demand supply gap and also in order to ensure that the essential packaging material like tin containers are available to the processed food and beverage industry, they agreed to allow equivalent International Standards.
- As per QCO this order will be effective six months from the date of publication. In this regard, keeping in mind the current COVID-19 situation with ban on International Travel as well Covidfear, the foreign Tinsplate Mills will not be able to get the relevant BIS Licences. There is a total uncertainty and no one is prepared to take a risk to travel internationally even if it is allowed in next few months. Therefore, the proposal to implement the order after six months is not recommended at all.
- We also understand that one of our supplier M/s. NIPPON Steel applied for a BIS License in January 2020 and so far none of BIS representative could visit them in order to qualify them.
- As per QCO the foreign suppliers are required to take BIS licence in order to supply to India. We understand the process is quite cumbersome and expensive and also time consuming. The cost for getting such licence and fees payable to BIS will obviously be included in the selling price being charged from us. Therefore, it will increase our landed prices and requirement of more cash by the industry which is already struggling to reset their business and facing huge liquidity crisis.

- The food processors in India import huge quantities of empty cans as well and various food products packed in tin cans which are sold in the Indian market are imported & marketed by trade in India. Such imports will not qualify under this QCO. If they are allowed to be imported, then it will not be fair to Indian manufacturers, who are supplying to Food Processing Industry.
- There are lot of components required by can industry which are not sufficiently manufactured in India like Easy open ends, peel off ends, cones and domes etc. are imported in to India as the demand in India do not justify huge capital investment in this sector. Therefore, the industry imports such products from different countries as making a capital investment to produce them here is not viable. Such products are covered in Table-II at Sl. no. 3,4,5,6 and 7 of the QCO. These components are generally produced from tinplate/tin free steel which Indian can manufacturer buys from different countries and are generally as per quality standards of respective country which is again align with ISO Standards and such components are approved for use in containers by respective customer. Moreover, for various products like easy open ends/peel off etc., there are no BIS Standards as these products are not produced in the country.
- Although, there are no official figures of such imports but it is estimated that the material used for these components is approx. 5000 tonnes per annum. (Approx. 300 million ends per annum)
- As per Clause 2-D of QCO it has been mentioned that the consignment shall be accompanied with the test certificate carrying BIS license Number of the Input material. We feel this is the most impractical requirement and against ease of being doing business. It is quite common in the industry to manufacture different components of cans from different source of material and it would be most difficult for any Can manufacturer to establish identity as to which source of material is used for making body, bottom, lid, ring etc. This will unnecessarily increase the paper work and the compliance cost and still will not be able to achieve the purpose. Even the test certificate of the consignment given by the producer of tinplate contains different sizes and thicknesses. Therefore, to arrive at one to one co-relation with the finished product will not be possible for a can maker. AS mentioned above the industry need 6,50,000tonnes therefore, it would be a huge clerical work to meet this requirement.
- Please refer to Sl. no. 4 of Table -2 which says that tinplate and tin free cans of capacity less than 50 Litre. Which are to be closed by soldering/ crimping while all the Can makers are currently using seam welding technology which is not covered here.

PHDCCI would like to submit the following recommendations:

1. Keeping in mind demand supply gap, we request Ministry of Steel to allow use of materials which are aligned to ISO. This has already been included in FSSAI order as well as recommended by M/O MSME.
2. There is only one producer of TFS in the country and that too it produces material once a quarter while requirement is virtually spread all over the year.
3. Considering COVID 19 situation with restriction on movements in and out of country including International travel, we strongly recommend to defer this notification.
4. Non-Prime material is essentially required by industry for non-critical non-edible products; therefore any move to ban import of such material will result in to job loss and increase in defaults to banks. Moreover this material is commercially acceptable for the products for which it is used and such products are manufactured in Micro and small sector. While Government of India is working hard on announcing financial packages to revive this sector, unfortunately QCO is going against that spirit.
5. Tinplate/Tin free steel products like EOE/Peel off/Cone/Domes etc., which are imported and are not sufficiently manufactured in the country, are essentially required as they are used for consumer conveniences and are accepted in the market. Proposals in QCO will restrict import of such products which is not desirable at all. This certainly requires reconsideration as it would be huge set back to the industry.
6. Government should seriously consider of setting up a development fund to provide soft loan to the industry in order to develop local capability for producing such components in the country in few years in order to promote “Make in India” and “Atmanirbhar Bharat”. This fund will also promote import substitution and encourage exports from India.

Keeping in view the above submissions we recommend to hold implementation of the said order till the details are discussed with the metal container industry. As mentioned, similar notifications were issued in the past but on representation by industry, a realistic view was taken and they were withdrawn. Process food industry is one of the thrust sectors of the Government and tin containers are essential packaging material for them, Steel QCO will restrict supply of input material to can industry and packaging material to process food industry which is not in the interest of nation where already food loss is up to 30%. This will also result into virtual monopolistic situation in the country as there are only two producers and one of them don't produce TFS at all.

Finally, the order will affect large number of small can makers/product manufacturer in MSME SECTOR and large number of people engaged in the trade who generate huge employment and revenue to the Govt.

Hope this receives your kind attention.



With best regards,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Sanyal', with a long horizontal stroke extending to the right.

(SaurabhSanyal)

Secretary General



2. Request for Giving Preference to Rajasthan based HDPE pipe manufacturing units in “Jal Jeevan Mission” project in Rajasthan (6th October 2020)

**Shri Ashok Gehlot Ji,
Hon’ble Chief Minister,
Government of Rajasthan**

Sub: Request for Giving Preference to Rajasthan based HDPE pipe manufacturing units in “Jal Jeevan Mission” project in Rajasthan.

Respected Sir,

At the outset we would like to place on record our sincere appreciation and gratitude for the commendable work, being done by Government of Rajasthan under your visionary leadership for providing water to every rural household in Rajasthan, under the “Jal Jeevan Mission” (JJM).

Requirement of HDPE pipes and other related items would be huge & constitute a significant component of this ambitious programme.

We would like to bring to your kind notice that Rajasthan has emerged as a known HDPE pipe manufacturing hub with over 200 units mostly in MSME sector in different districts of the State.

We take this opportunity to humbly request you to kindly give preference to Rajasthan based HDPE pipe manufacturing units for procuring pipe requirements in water supply schemes under JJM.

It will be a significant help & support of Government of Rajasthan to large number of MSMEs in Plastic sector in post Covid-19 scenario which will go a long way in helping large number of migrant workforce besides contributing tremendously to the exchequer by way of GST etc. It would also facilitate new investment in this sector.

It may be mentioned that other State Governments in India are also giving preference to local manufacturers for supply of pipes & other components under JJM procurement.

In the above backdrop we solicit your kind personal indulgence in the matter and request you to kindly issue necessary directions to the concern Departments.

With kind regards,

(Digvijay Dhabriya)
Chairman, PHDCCI, Rajasthan Mobile No. 9829052707
Email: digvijaydhabriya@polywood.org

(Suneel Dutt Goyal)
Co-Chairman, PHDCCI, Rajasthan Mobile No.: 9414063537



Email: suneelduttgoyal@gmail.com

CC To:

1. Hon'ble Minister of PHED, Government of Rajasthan
2. Hon'ble Minister of Industries, Government of Rajasthan
3. Chief Secretary, Government of Rajasthan
4. Principal Secretary, Industries Department, Government of Rajasthan
5. Principal Secretary, PHED Department, Government of Rajasthan

(Representation on the same subject also sent to Shri Shri B.D. Kalla Ji, Hon'ble Minister Public Health Engineering Department, Government of Rajasthan, Jaipur)



1. Electricity Duty on Solar Power for Captive Use (Exemption) (1st October 2020)

**Shri Ajitabh Sharma,
IAS
Principal Secretary
Energy Department
Government of Rajasthan
Jaipur**

Dear Sir,

Electricity Duty on Solar Power for Captive Use (Exemption)

Industries are allowed to put solar power plants & the power distribution companies install a net metering system to calculate how much power has been pumped in by industry into the discom's system from the generation of rooftop solar power. Hon'ble Prime Minister has also been emphasizing the significance of renewable energy.

There was an order No. JP/SE(C)/XEN(P & IA)/F.D. 1271 dated 24.07.2019 from Jaipur Vidyut Vitran Nigam Limited (JVVNL) according to which electricity duty on solar power plant set up for captive use was exempted. The validity of this exemption notification was till 31 March 2020 which has unfortunately not been extended resulting in charging of electricity duty on solar power generated and used captively wef 1 April 2020.

Our members have desired that the exemption on electricity duty payable on the consumption of captive solar energy generated should be further extended beyond 31 March 2020.

We request that the Government should issue notification extending the exemption on electricity duty on solar power generated and used captively w.e.f. 1 April 2020. This will also encourage production of Renewable Energy and will ease the demand of thermal power and contribute to achievement of India's RE production target.

With best wishes,

Yours sincerely,

(Saurabh Sanyal)

(Representation on the same subject also sent to Shri A K Gupta, Managing Director, Jaipur Vidyut Vitran Nigam Limited (JVVNL), Jaipur-30200 (Rajasthan); Shri Shreemat Pandey, Chairperson, Rajasthan Electricity Regulatory Commission (RERC), Vidyut Viniyamak Bhawan Sahakar Marg, Jaipur-30200 (Rajasthan)).