



# SELF-RELIANT INDIA MOVEMENT

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**VINAY & KESHAVA LLP**  
CHARTERED ACCOUNTANTS

**Batgach**  
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A NETWORK APPROVED BY ICAI

# SELF-RELIANT INDIA MOVEMENT

## DAY 5

# KEY HIGHLIGHTS FROM FM'S SPEECH

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Union Finance Minister Nirmala Sitharaman on Sunday announced measures taken by the government to boost **economic activity in 7 sectors** amid COVID-19 outbreak situation in the country. Following are the key highlights announced to boost the economy: -

- ❖ In order to prove the resolve of an Aatmanirbhar Desh, land, labour, liquidity and laws have all been emphasised in the special economic package. The crisis and the challenge is an opportunity to build a self reliant India.
- ❖ One-time transfer of ₹ 2,000 has reached 8.19 crore farmers, total amount ₹ 16,394 crore. National Social Assistance Programme (NSAP) beneficiaries got ₹ 1,405 crore in first installment and ₹ 1,402 crore in 2nd instalment, target of ₹ 3,000 crore nearly achieved.

# FM'S SEVEN STEP ANNOUNCEMENTS



# IBC MEASURES – EASE OF DOING BUSINESS

- ✓ Minimum threshold to initiate insolvency proceedings raised to INR 1 crore (from INR 1 lakh, which largely insulates MSMEs);
- ✓ Central Government to exclude COVID 19 related debt from the definition of “default” under the Code for the purpose of triggering insolvency Proceedings;
- ✓ Section 240A of IBC to be notified to bring in Special insolvency resolution framework for MSMEs.
- ✓ Suspension of fresh initiation of insolvency proceedings up to one year depending upon the pandemic situation.





# COMPANIES ACT - DECRIMINALISATION OF DEFAULTS

- ✓ Decriminalization of Companies Act violations involving minor technical and procedural defaults (Namely - shortcomings in CSR reporting, inadequacies in board report, filing defaults, delay in holding AGM);
- ✓ Majority of the compoundable offences sections to be shifted to internal adjudication mechanism and Powers of Regional Director for Compounding enhanced;
- ✓ 7 compoundable offences altogether dropped and 5 to be dealt with under alternative framework;
- ✓ Lower penalties for all defaults for Small Companies, One person Companies, Producer Companies Start Ups.



# EASE OF DOING BUSINESS - CORPORATES

- ✓ India's Ranking on EoDB has improved overall due to Improvement in rankings in 'starting a business' and 'insolvency resolution';
- ✓ Direct listing of securities by Indian public companies in permissible foreign jurisdictions;
- ✓ Private companies which list Non-Convertible Debentures on stock exchanges not to be regarded as listed companies;
- ✓ Provisions of Part IXA (Producer Companies) of Companies Act, 1956 to be included in Companies Act, 2013;
- ✓ Powers to NCLAT to create additional/ specialized benches.



# EDUCATION – TECHNOLOGY DRIVEN

- ✓ SWAYAM PRABHA DTH channels to support those who doesn't have internet access, additional 12 channels added;
- ✓ Provision for telecast of interactive session with expert through skype;
- ✓ Tie up with private DTH providers to increase reach;
- ✓ 200 new textbooks added to e-Paathshaala;
- ✓ Co-ordination with states to share air time (*4 hours daily*) on SWAYAM PRABHA channels to telecast educational contents.





# HEALTH REFORMS & INITIATIVES

- ✓ Increased Public expenditure on health to **ramp up health and wellness** in both Rural & Urban area;
- ✓ Infectious diseases Hospital blocks across all the districts;
- ✓ Strengthening of **lab network and surveillance** in all districts, block levels and Public health units to manage pandemics;
- ✓ Implementation of **National Digital Health Blueprint**;
- ✓ National platform to encourage research by ICMR.



# MGNREGS

- ✓ Additional allocation of inr 40,000 crores under MGNREGS;
- ✓ Will help to generate 300 crore person days in total;
- ✓ Boost rural economy with increased production;
- ✓ Creation of durable and livelihood assets including water conservation assets;
- ✓ Addressing work to migrant workers during monsoon season as well.



# PUBLIC SECTOR ENTERPRISE POLICY

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## GOVERNMENT WILL ANNOUNCE A NEW COHERENT POLICY

- ✓ List of **strategic sectors** requiring presence of PSEs in public interest will be notified;
- ✓ In strategic sectors, **at least one enterprise will remain in the public sector but private sector will also be allowed;**
- ✓ In other sectors, PSEs will be privatized (*timing to be based on feasibility etc.*);
- ✓ To minimize wasteful administrative costs, **number of enterprises in strategic sectors will ordinarily be only one to four others will be privatized/ merged/ brought under holding companies.**

# VINAY & KESHAHA LLP

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CHARTERED ACCOUNTANTS

We Look Forward to help you to achieve your business goals.

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