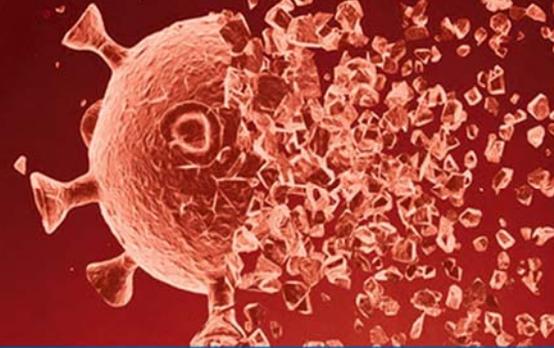


# COVID-19 COMMUNIQUE

ASA & ASSOCIATES<sub>LLP</sub>



June 02, 2020

## GLOBAL OUTLOOK

### **Global cases surpass 6 million**

Global cases of COVID-19 have now surpassed 6 million. Countries such as Brazil, Chile and Mexico are struggling to stem the spread of the virus. Brazil reported a record 33,274 new cases last Saturday with its death toll surpassing that of France.

*Source: Business Standard*

### **WHO launches initiative to support open research to fight COVID-19**

Thirty countries led by Costa Rica and multiple international partners signed up for the initiative, *COVID-19 Technology Access Pool (C-TAP)*, of World Health Organization (WHO). It aims to accelerate the discovery of vaccines, medicines and other technologies through open-science research, fast-track product development by mobilizing additional manufacturing capacity and make it accessible to all.

*Source: WHO*

### **EU proposes Euro 750 billion coronavirus recovery fund**

The European Commission has proposed a Euro 750 billion (\$825 billion) recovery fund to help the economy through the deep recession induced by the coronavirus pandemic. Under the proposal, the Commission would borrow the funds from the market and then disburse two-thirds in grants and the rest in loans to cushion the unprecedented slump expected this year due to the coronavirus lockdowns.

*Source: Economic Times, The Hindu*

### **Asian countries need to focus on public private partnerships to support infrastructure**

COVID-19 is directly impacting infrastructure services around the world. Demand for existing infrastructure has fallen sharply and construction of new infrastructure has slowed. In seeking value for money, public-private partnerships (PPPs) are an important modality for governments to attract private capital and expertise into infrastructure in Asia, says Asian Development Bank.

*Source: Economic Times*

## CFO WATCH

### **India Lockdown 5.0: three-phase unlock outside containment areas**

Additional activities to be allowed from June 08, 2020 in three phases subject to strict compliance of social distancing, as per order from Ministry of Home Affairs. Hospitality services and shopping malls to resume from June 08, 2020 in first phase and international air travel, metro rail services and cinema halls in third phase based on re-assessment of situation. Inter-state or intra-state movement of people and goods permitted from June 1, 2020 without e-pass, but states can regulate movement after prior publicity of information.

Source : [MHA](#)

### **Improvement in business activity with factories restarting operations**

Confederation of Indian Industry (CII) report shows pick-up in resumption of business activities, due to factories being operational in large part of the country. The 17.3 million e-way bills generated so far this month are about twice the 8.6 million filed in April. Constraints including lack of demand, high fixed costs, low capacity utilisation, labour shortage, lack of public transport which are still disrupting the businesses activity.

Source: [ET](#)

### **Government eyeing on RBI to monetise deficit**

Considering the devastating impact on revenues due to pandemic and nationwide lockdown, government is likely to look at the option of the Reserve Bank of India (RBI) monetising the deficit in the second half of the financial year. This could move the fiscal deficit to nearly 5.5% of GDP as compared to earlier estimation of 3.5%.

Source : [ET](#)

## REGULATORY RELIEFS

- **Indirect Tax**

### INDIRECT TAX

#### **Extension for acceptance of Undertaking in lieu of Bond**

**Considering the situation of lockdown**, the Central Board of Indirect Taxes and Customs (CBIC) has further extended the facility to accept Undertaking in lieu of Bond required during clearance of goods from customs from May 15 to June 15, 2020. The proper Bond may now be submitted upto June 30, 2020.

*Source : [Circular No. 26/2020-Customs dated May 29, 2020](#)*