



MSME – Reliefs & Reforms and InCorp Service Suite

Introduction

Government announced an INR 20 lac crore package!! What is in it for me?

Need guidance for registration as an MSME?

Have liquidity or cashflow issues in your business due to the virus situation?

Confused about benefits available to you from the Government?

Don't know how to avail a benefit?

Are these the questions on your mind? Don't worry! We are here to help!

We have listed the various benefits available to MSMEs like you and the related assistance we can provide!

Various Areas of Relief Measures for MSMEs

1. *MSME Eligibility Criteria has been changed*
2. *Debt Finance to MSMEs*
 - a) *Collateral Free Debt for Standard loans*
 - b) *Sub-ordinate Debt for Stressed loans*
 - c) *Indirect credit through NBFCs / HFCs / MFIs*
3. *Invoice financing through TReDS*
4. *Equity Finance to MSMEs*
5. *Global Tenders' Disallowance*

6. *E-market linkage*
7. *Settlement of dues from Government agencies*
8. *Sectoral Reliefs*
9. *IBC Relief*
10. *EPF Relief*
11. *TDS Relief*
12. *Direct & Indirect Tax Compliance Relief*
13. *Companies Act Relief*
14. *Other Benefits to MSMEs*

Relief Measure & InCorp Services

Relief Measure	Description	InCorp Services
Revision in definition of MSME	<ul style="list-style-type: none"> No distinction between manufacturing and service Classification based on turnover and investment in plant & machinery 	<ul style="list-style-type: none"> Determining eligibility Obtaining registration as an MSME
Debt Finance	<p><u>Standard Loan Accounts</u></p> <ul style="list-style-type: none"> Emergency credit limit for working capital up to 20% of outstanding limit as on 29th Feb 2020 Collateral free loans with capped interest rate Benefit package of INR 3,00,000 cr <p><u>Stressed Loan Accounts</u></p> <ul style="list-style-type: none"> Emergency credit limit up to 15% of existing stake up to INR 75 lacs Benefit package of INR 20,000 cr <p><u>Indirect Credit through NBFCs / HFCs / MFIs</u></p> <ul style="list-style-type: none"> Infusion into NBFCs / HFCs / MFIs by the Government directly or through partial guarantee to stimulate further lending by these institutions Benefit package of INR 75,000 cr total 	<ul style="list-style-type: none"> Calculation of loan eligibility Syndication of loan from existing lenders Restructuring of outstanding loans with existing lenders Refinancing of outstanding loans with another lender

Relief Measure & InCorp Services

Relief Measure	Description	InCorp Services
Invoice Financing through TReDS	<ul style="list-style-type: none"> Enhancement of transaction based lending so MSMEs can access curated financing options to grow and sustain business 	<ul style="list-style-type: none"> Registration under TReDS Assistance in availing TReDS on an invoice basis
Equity Finance	<ul style="list-style-type: none"> MSMEs with growth potential and viability to be eligible for equity funding by the Government through Fund of Funds Benefit package of INR 10,000 cr 	<ul style="list-style-type: none"> Determining viability and growth potential of company Collateral preparation for showcase Assistance in due diligence, negotiation & documentation
Global Tenders' Disallowance	<ul style="list-style-type: none"> Only Indian companies (including MSMEs) to participate in Government tenders up to INR 200 cr Global tenders to be disallowed in this regard 	<ul style="list-style-type: none"> Certification Cashflow forecast for the project
E-market linkage	<ul style="list-style-type: none"> Virtual trade fairs and exhibitions to revive businesses, promote exports and recognition 	<ul style="list-style-type: none"> Assistance in registration under e-markets
Settlement of Dues from Government Agencies	<ul style="list-style-type: none"> MSME receivables to be settled by Government agencies within 45 days to enable better liquidity and working capital management 	<ul style="list-style-type: none"> Analysis of Government agency dues Assistance in follow up for recovery

Relief Measure & InCorp Services

Relief Measure	Description	InCorp Services
Sectoral Relief	<p>Sectoral reforms in the following sectors:</p> <ul style="list-style-type: none"> • Central Government Agencies' Contractors • Infrastructure Service Contractors • Real Estate Developers • Agriculture & Allied Sectors • Education • Health • Public Sector Private Participation • Power • Defence • Coal • Aviation • Atomic Energy 	<ul style="list-style-type: none"> • Mapping the benefits available to your company • Assistance in availing said benefits
IBC Relief	<ul style="list-style-type: none"> • Minimum threshold to initiate insolvency proceedings raised to INR 1 cr • Suspension of fresh initiation of insolvency proceedings up to 1 year • Exclusion of COVID-19 related debt from definition of 'default' for triggering insolvency proceedings 	<ul style="list-style-type: none"> • Calculation of debtors ageing • Suggestions of alternative recovery methods for outstanding debtors

Relief Measure & InCorp Services

Relief Measure	Description	InCorp Services
EPF Relief	<ul style="list-style-type: none"> Extension of Government Sponsorship of EPF extended under PMGKP scheme to applicable entities Statutory PF contribution reduced to 10% from existing 12% 	<ul style="list-style-type: none"> Payroll services EPF filings
TDS Relief	<ul style="list-style-type: none"> 25% cut in TDS / TCS rates for non-salaried payments to residents till 31st March 2021 	<ul style="list-style-type: none"> Assistance in determination of amount of TDS TDS return filing
Direct Tax Compliance Relief	<ul style="list-style-type: none"> Release of pending income tax refunds to non-corporate businesses Due date extension of income tax returns Due date extension of GST returns 	<ul style="list-style-type: none"> Assistance in recovery of refunds Income tax return filing GST return filing
Companies Act Relief	<ul style="list-style-type: none"> Decriminalization of Companies Act violations Due date extension of various compliances 	<ul style="list-style-type: none"> Corporate secretarial services for Companies Act compliance
Other Benefits	<ul style="list-style-type: none"> Interest reduction on Overdraft and other loans Technology and patent registration subsidies Electricity bill reduction, incentives for employee generation, dues recovery etc 	<ul style="list-style-type: none"> Obtaining registration as an MSME Mapping benefits available to your company

Thank You



For any query you reach out to us at:

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Stay Home and Be Safe!