



IAAPI NEWSLETTER

INDIAN ASSOCIATION OF AMUSEMENT PARKS AND INDUSTRIES (IAAPI) | ESTABLISHED SINCE 1999 | WWW.IAAPI.ORG | PAGES 6 | MAY, 2020

IAAPI COMMITTEE

As every year, IAAPI is pleased to announce the Office bearers, Committee and Regional Heads for the year 2020-21. They will be heading the association's activities and will be unitedly spearheading for the progress. We wish them all the best.

Managing Committee

Chairman : Ajay Sarin

Vice Chairman : Rajeev Jalnapurkar

Members

- | | | | |
|----------------------|--------------------|---------------------|--------------------|
| ▶ Ajoykaant Ruia | ▶ Balwant Chawla | ▶ Rajive Kaul | ▶ Sohansinh Jadeja |
| ▶ Anuj Sarin | ▶ N. D. Rana | ▶ Santokh Chawla | ▶ Suraj Muchhala |
| ▶ Arunkumar Muchhala | ▶ Pradeep K Sharma | ▶ Satish Raj Deswal | ▶ VGP Ravidas |
| ▶ Ashok Goel | ▶ Rajen. S. Shah | ▶ Shrikant Goenka | ▶ Yogesh Dange |

Sub Committee

	Chairman	Vice Chairman		Chairman	Vice Chairman
Membership	Rohit Mathur	VGPR Premdas	IAC	Ankur Maheshwary	Kamalesh Chandra
Thriller	Arijit Sengupta	Kamalesh Chandra	MEP	Shrikant Goenka	Surender Malik
Finance	Yogesh Dange	Raanti Dev Gupta	Social Media & Digital Marketing	VGPR Premdas	Ashwin Dange
Trade Show	N D Rana	Suraj Muchhala	Print & Electronic Media	Santokh Chawla	Satish Raj Deswal
International Relations	VGP Ravidas	Rajeev Jalnapurkar	Award	Sohansinh Jadeja	
Safety	Pradeep Sharma	Abhijit Dutta			
Training	Anuj Sarin	Razi Halim			

Members

- PR & Liasioing** Ajay Sarin Rajeev Jalnapurkar Sohansinh Jadeja Yogesh Dange
- Advisory & Nomination** Rajen Shah (**Chairman**) N D Rana Balwant Chawla Yogesh Dange VGP Ravidas

Regional Council

	North	East	West	South
Chairman	Raanti Dev Gupta	Abhijit Dutta	Shivajee Sharma	Ashwin Dange
Vice Chairman	Rajesh Arora	Kamalesh Chandra	Abbas Jabalpurwala	Umesh Prabhu

► **The revised Definition of MSME (Micro, Small and Medium Enterprises)**

Existing MSME Classification

Criteria	Investment in Plant & Machinery or Equipment		
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.

Revised MSME Classification

Composite Criteria	Investment And Annual Turnover		
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs. 20 cr. and Turnover < Rs.100 cr.

► **Rs. 3 Lakh crores Collateral free Automatic loans for Businesses/MSMEs.**

- Emergency Credit Line to Businesses/MSMEs from Banks and NBFCs up to 20% of entire outstanding credit as on 29.02.2020
- Borrowers with upto Rs. 25 Crore outstanding and Rs. 100 Crore turnover eligible
- Loans to have a 4 year tenure with moratorium of 12 months on principal repayment
- Interest to be capped
- 100% credit guarantee cover to Banks & NBFCs on principal and interest
- Scheme can be availed till 31st October, 2020
- No guarantee/ fresh collateral

► **GOI will facilitate provision of Rs. 20,000 Cr as subordinate debt to Stressed MSME, who needs equity support.**

- Govt will provide support of Rs. 4000 Cr to CGTMSE i.e Credit Guarantee Fund trust for Micro and Small enterprises
- CGTMSE will provide partial credit guarantee support to Banks
- Functioning MSMEs which are NPA or are stressed will be eligible
- Promoters of MSME will be given debts by banks, which will then be infused by promoters as equity in unit

► **Rs. 50,000 equity Infusion for MSMEs through Funds of Funds (FoF)**

- Fund of Funds with Corpus of Rs 10,000 crores will be set up.
- Will provide equity funding for MSMEs with growth potential and viability.
- FoF will be operated through a Mother Fund and few daughter funds
- Fund structure will help leverage Rs 50,000 cr of funds at daughter funds level
- Will help to expand MSME size as well as capacity

- ▶ **Global Tenders will be disallowed in Government procurement tenders upto Rs. 200 Crores for step towards Self Reliant India and Make in India. This will help India to increase its businesses.**
- ▶ **MSME receivables from Government and Central public sector undertakings to be released in 45 days**
- ▶ **E-market linkage** to be promoted to act as a replacement for trade fairs & exhibitions. Fintech will be used to enhance transaction based lending using the data generated by the e-marketplace.
- ▶ **Rs. 2500 crore EPF support for Business & workers for more 3 months**
 - Under Pradhan Mantri Garib Kalyan Package (PMGKP), payment of 12% of employer and 12% employee contributions was made into EPF accounts of eligible establishments i.e. employees less than 100.
 - This was provided earlier for salary months of March, April and May 2020.
 - **This support will be extended by another 3 months to salary months of June, July & August 2020.**
- ▶ **EPF contribution reduced for Business & Workers for 3 months- Rs 6750 crores Liquidity Support**
 - It is necessary to provide more take home salary to employees and also to give relief to employers in payment of Provident Fund dues.
 - Therefore, statutory PF contribution of both employer and employee will be reduced to 10% each from existing 12% each for all establishments covered by EPFO for next 3 months.
 - This scheme will be applicable for workers who are not eligible for 24% EPF support under PM Garib Kalyan Package and its extension.
 - This will provide liquidity to employer and employees over 3 months.
- ▶ **Government agencies to partially release bank guarantees, to the extent contracts are partially completed, to ease cash flow.**
- ▶ Treat COVID-19 as an event of 'Force Majeure' under real estate projects and other contractual projects.
- ▶ **Rs. 50,000 Crores liquidity through TDS/TCS reduction**
 - In order to provide more funds at the disposal of the taxpayers, the rates of Tax Deduction at Source (TDS) for non-salaried specified payments made to residents and rates of Tax Collection at Source (TCS) for the specified receipts shall be reduced by 25% of the existing rates. This will improve cash flow of the company.
 - Payment for contract, professional fees, interest, rent, dividend, commission, brokerage, etc. shall be eligible for this reduced rate of TDS.
 - This reduction shall be applicable for remaining part of the F.Y 2020-21 i.e. from tomorrow till 31st March, 2021.

- ▶ All **pending refunds to charitable trusts and non- corporate businesses & professions** including proprietorship, partnership, LLP and Co-operatives shall be issued immediately.
- ▶ Due date of all income tax return for FY 2019-20 will be extended from 31st July, 2020 & 31st October, 2020 to **30th November, 2020** and Tax Audit from 30th September, 2020 to **31st October, 2020**.
- ▶ **Date of assessments** getting barred on 30th September, 2020 extended to 31st December, 2020 and those getting barred on 31st March, 2021 will be extended to 30th September, 2021.
- ▶ Period of **Vivad se Vishwas** Scheme for making payment without additional amount will be **extended to 31st December, 2020**.

Benefits of MSME (Micro, Small and Medium Enterprises)

- ▶ Collateral Free loans from banks
- ▶ Reservation policies to manufacturing / production sector
- ▶ Very easy to get Licenses, approvals and registrations
- ▶ Special consideration on international trade fairs
- ▶ Octroi benefits
- ▶ Waiver of Stamp Duty and Registration Fees
- ▶ Exemption under Direct Tax Laws
- ▶ Bar Code registration subsidy
- ▶ Subsidy on NSIC (National Small Industries Corporation Limited) Performance and Credit ratings
- ▶ Eligible for IPS (Industrial Promotion Subsidy)
- ▶ Counter Guarantee from Government of India through CGSTI
- ▶ Protection against delay in payment
- ▶ Reduction in rate of Interest from banks
- ▶ 15% CLCSS subsidy to purchase fully
- ▶ Waiver in Security Deposit in Government
- ▶ Concession in electricity bills
- ▶ Reimbursement of ISO Certification
- ▶ Preference in procuring Government Tender
- ▶ 15% weightage in price Preference
- ▶ 1% exemption on interest rate on OD
- ▶ 50% subsidy for patent registration

 **Indian Association of Amusement Parks and Industries**

 **SUBSCRIBE**

We are passing through an unprecedented crisis not seen in the last 100 years. All of sudden, the Covid-19 pandemic has spread over the entire globe and has impacted Countries, Humanity, and Businesses like never before. Every sector barring basic necessities and mobile and net services is adversely affected. These unprecedented situations require innovative and unconventional methods to tide over the crisis and continue the business, protect employees and organizations.

Please remember, nobody knows how long this will last, so preserve your cash, as CASH IS KING. Sharing below, some responses which organizations may use to manage the overstretched finances and steer their business.

► PLANNING

To form a core Cross Functional Group to assess the impact and plan a response. Prepare a new demand forecast across products and territories. Take a highly conservative outlook post talking to your key customers. Based on the above, prepare a Production, Purchase, and other essential supplies requirement. Prepare cash flow projections based on likely situations- **create multiple scenarios: Optimistic, Realistic, and Pessimistic**

► MANAGING SOURCES OF FINANCE

List and pursue various measures announced by the Government for liquidity infusion and extension/increase in credit facilities.

Many measures have been announced like easy, collateral-free, lesser interest loans, 20% additional credit subject to certain terms, Moratorium on loans and interest. Especially for MSME, you need to get in touch with your bankers and pursue what is best suited for your organization.

MSME can pursue outstanding beyond 45 days from Govt., by uploading the details on the portal, as Government has announced to clear the same on priority.

Pursue for pending Income Tax refund, as Government has given instructions to release pending refunds. Review any litigation with IT department may decide to take a call on paying 100% of disputed amount to save on interest and penalty. All this will help ease the cash flow position.

► MANAGING PAYABLES AND EXPENSES

Make use of the Deferment of Statutory dues at lower interest rates and Moratorium on loans and interest from banks and financial institutions.

- Review Supply Chain management
- Explore Alternate supplier options
- Optimize Inventory management
- Renegotiate payment terms
- Revisit Marketing expenses
- Increase spends in digital space while reducing in other marketing channels
- Revisit travel plans to prune to bear minimum
- Check Force Majeure clause in various agreements and assess the impact
- Renegotiate Rent agreements and revisit space requirements
- Check Insurance policies for various exclusions and coverages.

► EMPLOYEE COST

On employee cost, it is advisable to consult experts while reviewing pay cuts, layoffs, renegotiating of package, etc. There have been a few judgements on the subject, yet it is advisable to consult a labour consultant. Try to inculcate Work from Home by use of technology, Review fixed costs, opt for variable costs, Consider Outsourcing, Manage salaries optimally or make a staggered payment.

Each business is unique and there cannot be "one size fits all". Organizations need to critically evaluate all responses, with due diligence and appropriate professional advice.

Indian Association of Amusement Parks and Industries (IAAPI) organized a series of Webinars for the Industry leaders across regions, formats, and categories together on a common platform during the lockdown. It covered all the aspects and innovative ways to solve the unique challenges we face in these unprecedented times.

Staying Connected – Digitally with Guest & Staff during Lockdown

27 April 2020

Speaker: Mr. Paresh Mishra
Senior VP - Sales & Marketing Esselworld Leisure Private Limited

No. of participants: 100

Man-hours trained: 100

Influencer Marketing - Marketing To Millennials

4 May 2020

Speaker: Mr. Ashwin Dange
Business Head - GRS Fantasy Park

No. of participants: 130

Man-hours trained: 130

Improve Revenues and Brand presence with Merchandising

11 May 2020

Speaker: Mr. Dhimant Bakshi
Jt. CEO - Imagicaaworld Entertainment Ltd

No. of participants: 136

Man-hours trained: 136

Re-booting our Indoor Amusement Centres

18 May 2020

Speaker: Mr. Shreyes Menon
DGM Revenue & Procurement - Fun City India

No. of participants: 175

Man-hours trained: 175

FRP Mould and Moulding for the benefit of Amusement and Water Park, IAC, Manufacturers and Users

21 May 2020

Speaker: Mr. Chaitanya Shah
Director - Mechemco Resins Pvt Ltd
CEO - Royal Thermoset Pvt Ltd

No. of participants: 130

Man-hours trained: 130

Man and Machine's safety in times of Lockdown

30 April 2020

Speaker: Mr. Anuj Sarin
Director - Hindustan Amusement Rides Pvt. Ltd

No. of participants: 150

Man-hours trained: 150

Creativeness Post Covid-19 In Theme Park Industry

7 May 2020

Speaker: Mr. Rajeev Jalnapurkar
CEO - Ramoji Filmcity

No. of participants: 190

Man-hours trained: 190

Bureau of Indian Standards for Amusement / Water Park/ Manufacturers - Important Guidelines

14 May 2020

Speaker: Mr. Pradeep Sharma
Chairman - Bombay Amusement Ride P Limited

No. of participants: 115

Man-hours trained: 115

Interaction with Industry Leader

18 May 2020

Speaker: Mr. Ashok Goel
Chairman - EsselWorld

Man-hours trained: 195

Shape Your Destiny

25 May 2020

Speaker: Mr. Rajen Shah
Managing Director – Arihant Industrial Corporation Ltd

No. of participants: 185

Man-hours trained: 278

Electrical Safety

28 May 2020

Speaker: Mr. Dayanand Arya
Adroit Control Systems Pvt Ltd

No. of participants: 152

Man-hours trained: 152

