



## Message from Hon'ble Prime Minister



Move with confidence towards self-reliance



Time to become vocal about local products & make them global



Economy, Infrastructure, Technology Driven Systems, Vibrant Demography & Demand are 5 Pillars of AatmaNirbharBharat



Bold Reforms across sectors



Comprehensive package of Rs 20 lakh crores equivalent to 10% of India's GDP for cottage industry, MSMEs, labourers, middle class, industries



## ₹1.70 Lakh Crore Relief Package under PMGKY\*

\*Pradhan Mantri Garib Kalyan Yojana



Insurance cover of ₹50 Lakh per health worker



80 crore poor people given benefit of 5 kg wheat/rice per person for next 3 months



1 kg pulses for each household for free every month for the next 3 months



20 crore women Jan Dhan account holders get ₹500/month.; free gas cylinders to 8 crore poor families for the next 3 months



Increase in MNRGA wage to Rs 202 a day from Rs 182 to benefit 13.62 crore families





## ₹1.70 Lakh Crore Relief Package under PMGKY\*

\*Pradhan Mantri Garib Kalyan Yojana



Ex-gratia of ₹1,000 to 3 crore poor senior citizen, poor widows & Divyang; ₹2,000 paid to farmers (PM-KISAN) benefitting 8.7 crore farmers



Construction workers welfare fund to be used to provide relief to workers



24% of monthly wages to be credited into PF accounts for next 3 months for wage-earners below Rs 15,000 per month



5 crore workers registered under EPF to get non-refundable advance of 75% of the amount or 3 months of the wages



Limit of collateral free lending increased from ₹10 to ₹20 lakhs for women SHGs supporting 6.85 crore households







## RBI Relief Measures (1/2)



Reduction of Cash Reserve Ratio (CRR) resulted in liquidity of ₹1,37,000 crores



Targeted Long Term Repo Operations (TLTROs) of ₹1,00,050 crore for fresh deployment in investment grade corporate bonds



TLTRO of ₹50,000 crore for investing in Bonds, Commercial Paper & non-convertible debentures of NBFCs & MFIs



Increased the banks' limit for borrowing overnight under marginal standing facility (MSF), banking system to avail an additional ₹1,37,000 cr of liquidity at reduced MSF rate



Special refinance facilities to NABARD, SIDBI & the NHB for a total amount of ₹50,000 crore at the policy repo rate





## RBI Relief Measures (2/2)



Special liquidity facility (SLF) of ₹50,000 crore for mutual funds to alleviate intensified liquidity pressures



Moratorium of 3 months on payment of instalments & payment of Interest on Working Capital Facilities in respect of Term Loans



Easing of Working Capital Financing by reducing margins



For loans by NBFCs to commercial estate sector, additional time of 1 year given for extension of date for commencement for commercial operations (DCCO)





## ₹3 lakh Crores Collateral-free Loans for Businesses, MSMEs



Emergency Credit Line to MSMEs from Banks & NBFCs up to 20% of entire outstanding credit as on 29.2.2020



Borrowers with up to ₹25 crore outstanding & ₹100 crore turnover to be eligible



45 lakh units to resume business activity & safeguard jobs; scheme can be availed till 31st Oct 2020



Loans to have 4 year tenor with moratorium of 12 months on Principal repayment



Interest to be capped; No guarantee fee, no fresh collateral. 100% credit guarantee cover to Banks & NBFCs on principal & interest







## ₹20,000 Crores Subordinate Debt for Stressed MSMEs



2 lakh MSMEs likely to benefit; functioning MSMEs including stressed & NPAs are eligible



Govt. to provide a support of ₹4,000 Cr. to CGTMSE\*

\*Credit Guarantee Fund Trust For Micro And Small Enterprises)



CGTMSE will provide partial credit guarantee support to Banks up to 65%



Promoters of the MSME to be given debt by banks, which will then be infused by promoter as equity in the unit





## ₹50,000 Cr. Equity Infusion for MSMEs through Fund of Funds



Fund of Funds (FoF) with Corpus of ₹10,000 crores to be set up



To provide equity funding for MSMEs with growth potential & viability



FoF will be operated through a Mother Fund & few daughter funds



Fund structure to help leverage ₹50,000 cr of funds at daughter funds level



Will encourage MSMEs to get listed on main board of Stock Exchanges







## New Definition of MSMEs



MSMEs now need not fear in growing size



Investment limit to define MSME will be revised upwards



Distinction between manufacturing and service sector to be eliminated



Additional criteria of turnover to be introduced



Necessary amendments to law will be brought about



# MSME Definition



## Realising the Dream of Self-Reliant India



Global tenders to be disallowed in Govt procurement tenders upto ₹200 crores



Necessary amendments of General Financial Rules will be effected



This will be a step towards self-reliance & boost Make in India



Will also help MSMEs to increase their business







## Other Interventions for MSMEs



MSME receivables from Gov and CPSEs\* to be released in 45 days

\*CPSEs: Central Public Sector Enterprises



E-market linkage for MSMEs to be promoted to act as a replacement for trade fairs & exhibitions



Fintech to be used to enhance transaction based lending using the data generated by e-marketplaces



Govt has been continuously monitoring settlement of dues to MSME vendors from Govt & Central Public Sector Undertakings





## ₹2500 Crore EPF Support for Business & Workers for 3 more months



Under Pradhan Mantri Garib Kalyan Package (PMGKP), payment of 12% each of employer & employee contributions made into EPF accounts



This was provided earlier for salary months of March, April and May 2020



Support will be extended by another 3 months to salary months of June, July & August 2020



To provide liquidity relief of ₹2500 cr to 3.67 lakh establishments & for 72.22 lakh employees





## ₹6750 Crores Liquidity Support for Reduced EPF Contribution for Business & Workers



Statutory PF contribution of both employer & employee to be reduced to 10% each from existing 12% for all establishments for next 3 months



CPSEs\* & State PSUs\* will continue to contribute 12% as employer contribution



Scheme to be applicable for workers who are not eligible for 24% EPFO\* support under PMGKY



Provide relief to about 6.5 lakh establishments covered under EPFO & to benefit about 4.3 crore employees

\*CPSEs: Central Public Sector Enterprises

\*PSUs: Public Sector Undertakings

\*EPFO: Employees' Provident Fund Organisation







## ₹30,000 Crore Special Liquidity Scheme for NBFCs/HFCs/MFIs



Investment to be made in both primary & secondary market transactions in investment grade debt paper of NBFCs/HFCs/MFIs



Securities to be fully guaranteed by Govt. of India



Will supplement RBI/Govt measures to augment Liquidity



To provide liquidity support for NBFCs/HFC/MFIs & mutual funds and further create confidence in the market

\*NBFCs: Non Banking Financial Company

\*HFCs: Housing Finance Company \*MFIs: Microfinance Institutions



## ₹45,000 Crore Partial Credit Guarantee Scheme (PCGS) 2.0 for NBFCs



Existing PCGS scheme extended to cover borrowings such as primary issuance of Bonds/CPs (liability side of balance sheets)



First 20% of loss to be borne by Govt of India



AA paper & below including unrated paper eligible for investment (relevant for many MFIs)



Scheme to result in liquidity of Rs 45,000 crores

\*NBFCs: Non Banking Financial Companies

\*CPs: Commercial Papers \*MFIs: Microfinance Institutions





## ₹90,000 Cr. Liquidity Injection for DISCOMs



DISCOM payables to Power Generation & Transmission Companies is currently - ₹94,000 cr



PFC/REC to infuse liquidity of ₹90,000 Cr to DISCOMs against receivables



Loans to be given against State guarantees



Digital payments facility by Discoms for consumers, liquidation of outstanding dues of State Govts, plan to reduce financial & operational losses



Central Public Sector Generation Companies to give rebate to Discoms to be passed on to the final consumers (industries)







## Relief to Contractors



Extension up to 6 months (without costs to contractor) to be provided by all Central Agencies (like Railways, CPWD etc)



Covers construction/works and goods & services contracts



Covers obligations like completion of work, intermediate milestones etc. & extension of concession period in PPP contracts



Govt agencies to partially release bank guarantees, to the extent contracts are partially completed, to ease cash flows





## ₹50,000 crores Liquidity through TDS/TCS Rate Reduction



Rates of TDS & TCS are reduced by 25% of the existing rates



Payment for contract, professional etc. eligible for this reduced rate of TDS



The deduction to be applicable from 14<sup>th</sup> May 2020 to 31<sup>st</sup> March 2021





## Extension of Registration & Completion Date of Real Estate Projects under RERA

Ministry of Housing & Urban Affairs to advise States/UTs & their Regulatory Authorities to the following effect:



Treat COVID-19 as an event of 'Force Majeure' under RERA



Extend registration & completion date by 6 months for all registered projects expiring on or after 25th March, 2020 without individual applications



Regulatory Authorities to extend this for another period of upto 3 months, if needed



Issue fresh 'Project Registration Certificates' automatically with revised timelines



Extend timelines for various statutory compliances under RERA concurrently







## Extension of Registration & Completion Date of Real Estate Projects under RERA



Measures will de-stress real estate developers & ensure completion of projects



Homebuyers will get delivery of their booked houses with new timelines



## Other Direct Tax Measures



Pending refunds to charitable trusts & noncorporate businesses, professions including proprietorship, LLP & Co-operatives to be issued



Due date of all Income-tax returns for FY 2019-20 to be extended till 30th November'2020 & Tax audit to 31st October, 2020



Date of assessments getting barred on 30th Sep extended to 31st Dec,2020 & those on 31st March,2021 to be extended till 30th September, 2021



Period of Vivad se Vishwas Scheme without additional amount extended to 31st December, 2020





## Other Important Relief Measures (1/2)



### ₹18,000 crore disbursed under

- Issuance of pending IT refund up to ₹5 lakh, to 14 lakh taxpayers
- Implemented Special Refund & Drawback Disposal Drive



₹15,000 crores for Emergency Health Response Package



Last date for Income Tax Returns extended to June 30, 2020; filing GST returns extended to end of June 2020



24\*7 custom clearance till 30th June, 2020





## Other Important Relief Measures (2/2)



Allowing Extraordinary General Meetings through VC with e-voting/simplified voting facility; mandatory board meetings extended till 30 Sep



RBI raised the Ways & Means advance limits of states by 60% & enhanced overdraft duration limits



Relaxation for 3 months for debit cardholders to withdraw cash free from any ATMs, etc



Allowing payment before 15 May, 2020 for Motor Vehicle & Health Insurance Policies

