

Reactions over Union FM Nirmala Sitharaman's announcements on economic package of Rs.20 lakh crore

Industry leaders give mixed reactions to announcements made today



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Various reactions have been received over Union FM Nirmala Sitharaman's announcements made at a press conference in Delhi today regarding measures for relief and credit support related to businesses, especially MSMEs to support Indian Economy's fight against COVID-19.

Highlights:

- **Rs 3 lakh crore Emergency Working Capital Facility for Businesses, including MSMEs**
- **Rs 20,000 crore Subordinate Debt for Stressed MSMEs**
- **Rs 50,000 crore equity infusion through MSME Fund of Funds**
- **New Definition of MSME and other Measures for MSME**
- **No Global tenders for Government tenders of upto Rs 200 crore**
- **Extending the Employees Provident Fund Support for business and organised workers for another 3 months for salary months of June, July and August 2020**
- **EPF Contribution to be reduced for Employers and Employees for 3 months to 10% from 12% for all establishments covered by EPFO for next 3 months**
- **Rs. 30,000 crore Special Liquidity Scheme for NBFC/HFC/MFIs**
- **Rs. 45,000 crore Partial credit guarantee Scheme 2.0 for Liabilities of NBFCs/MFIs**
- **Rs 90,000 crore Liquidity Injection for DISCOMs**
- **Relief to Contractors given by extension of up to six months for completion of contractual obligations, including in respect of EPC and concession agreements**
- **Relief to Real Estate Projects the registration and completion date for all registered projects will be extended up to six months.**
- **Tax relief to business as pending income tax refunds to charitable trusts and non-corporate businesses and professions to be issued immediately**
- **Reduction in Rates of 'Tax Deduction at Source' and 'Tax Collected at Source' by 25% for the remaining period of FY 20-21**
- **Due Dates for various tax related compliances extended**

INDUSTRY REACTIONS

Manoj Gaur, MD, Gaurs Group and Chairman Affordable Housing Committee CREDAI National

"Ever since the imposition of lockdown economic activities undertook a hit and construction activities also got stalled across the country. Some construction work has now resumed, but faced with migration of labourers, it may take some time for it to gather full steam. In this context, six month extension in completion deadline is a welcome move."