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A BIG PUSH

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The first tranche came as breather amid corona crisis as the MSME sector received a big push. The announcements made aim to infuse liquidity and ease the functioning of the MSME. By tweaking the definition of MSMEs the benefits will extend to a lot of units. Along with this, the collateral-free automatic loan for MSMEs worth Rs 3 lakh crore for four years coupling it with a no repayment of principal amount for the first 12 months will give a big relief to almost 45 lakh units. The 50,000 crore equity infusion through Fund of Fund will help the MSME units in leveraging it at daughter-fund levels and in expanding their size. By disallowing global tenders from the project worth Rs 200 crore, the government has eased out the competition for the MSMEs. This will give more opportunities to them and therefore, enormous growth can be expected in time to come. By increasing the liquidity flow in the MSME sector, the government also addressed the job losses caused due to corona scare. This directly would help in improving the market sentiment as the demand will not go for a toss. The real estate also got a lifeline as the government announced a suo moto relief of six months for RERA completion timelines coupling it with additional three months window which can be granted by the state authorities. However, the real estate sector was also expecting for a bigger chunk as the government failed to address the larger liquidity and cashflow challenge