



India Fights Back COVID-19's Impact

After the unprecedented lockdown of 21 days was declared for the entire country, various measures were announced by the central and state governments in response to COVID 19 pandemic. This document highlights few of the major steps taken by the centre and select state governments.

National Level Initiatives

Government of India	<ul style="list-style-type: none"> • Pradhan Mantri Garib Kalyan Package worth INR 1.70 lakh crore announced by FM providing relieve to farmers, women, organized and unorganized sector • INR 50 lakh per person insurance cover for doctors, paramedics, healthcare workers dealing with coronavirus outbreak for six months
Reserve Bank of India	<ul style="list-style-type: none"> • All banks are being permitted to allow three months moratorium on term loan (EMIs) outstanding on 1st March Reduced Repo Rate by 75 basis points to 4.4% Reverse Repo Rate reduced by 90 basis points to 4% • CRR reduced by 100 basis points to 3%, unlocking INR 1.37 lakh crore
Banking	<ul style="list-style-type: none"> • SBI to pass 75 basis point rate cut to its retail borrowers wef 1st April 2020 • SBI also reduced the external benchmark-linked lending rate to 7.05% from 7.80%, and the repo-linked lending rate to 6.65% from 7.40% • SIDBI to provide loans up to INR 50 lakh to MSEs that are manufacturing medical supplies for fighting the novel coronavirus (Covid-19) SIDBI's SAFE scheme offering loans to MSEs at a fixed interest rate of 5%

Some State Level Initiatives

Delhi	<ul style="list-style-type: none"> • Cash support of INR 5,000/ month to all daily wagers and construction workers • Govt. has allowed establishments selling essential items or are part of their supply chain to function 24X7 Ration per person is being increased by 50%
Karnataka	<ul style="list-style-type: none"> • Two months of social security pension in advance • Release of INR 1,000 per person to about 21 lakh construction workers
Kerala	<ul style="list-style-type: none"> • Loans worth INR 2,000 crore through a self-help group 'Kudumbashree' in the nature of consumer loans to those impacted by Covid-19 • INR 2,000 crore to be distributed as village employment assurance programme for April and May
Punjab	<ul style="list-style-type: none"> • Relief of INR 3,000 to each registered construction workers through direct transfers to bank accounts. A sum of INR 96 crore earmarked for this purpose • Govt. has sanctioned INR 20 crore from the Chief Minister Relief Fund for providing free food and medicines to the needy in the state
Uttar Pradesh	<ul style="list-style-type: none"> • Financial package of over INR 353 crore to give cash handouts to an estimated 3.53 million daily wage earners and labours • INR 1,000 each to be provided to 1.5 million daily wage labours and 2.03 million construction workers across the state through direct benefit transfer • Free food grains for the months of April and May in advance to more than 8.38 million widows, old age and handicapped pensioners

We hope that the measures taken prove effective to combat the threat posed by COVID 19 on the country's economy, industries and all strata of population. Stage 3/Community Spreading of COVID 19 can be avoided in India, flattening the growth curve of new infections by taking the measures like **lock down** – implementation of absolute social distancing, **testing** – making provisions for increasing tests, and **sanitization of public places** – taking measures to sanitize public transport, roads, and other common areas on a regular basis. The government can also look to announce various relief packages for the most affected sectors such as the financial, tourism, ITeS and Oil & Gas.

Disclaimer: This document is based on information available on various published sources as on 27 March 2020