



Covid Situtuation in INDIA & Action Taken

by NEDFi

COVID Situation in India

- ✓ Presently, India is the third most COVID-19 affected country in the world in terms of total number of cases while incremental daily growth is the highest.
- ✓ Domestic macro-economic outlook of India is severely impacted in terms of decelerating economic activities, slowdown in consumption, investment, and exports , disruption in supply chains, migration of workforce and shortage of labour.
- ✓ India is expected to be the most affected emerging economies in terms of contraction of GDP.
- ✓ Aviation, Tourism & Hospitality, Entertainment, Real Estate, Automobiles, Retail Business, Education and Transport are the most affected sectors.
- ✓ North Eastern part of India where NEDFi operates witnessed reduction in production and other economic activities and breakdown in supply chain.
- ✓ Hotels and Tourism, Microfinance, Real estate, Iron and Steel are the affected portfolios of NEDFi.

Steps taken up to revive economy

A. Government of India announced slew of measures to combat the pandemic /boost up the economy:

- INR 20,000 billion under "Self-Reliant India Mission "and INR 1,700 billion relief package.
- INR 1,000 billion Agri Infrastructure Fund and Special refinance facilities of INR 500 billion for sectorial credit needs.
- Emergency Credit Line Guarantee Scheme /Equity Infusion for MSMEs.
- Special liquidity scheme /Partial Credit Guarantee Scheme for NBFCs/ HFCs/MFIs.
- Policy Repo Rate cut of 115 bps by Reserve Bank of India since March 2020.
- Resolution Framework/Restructuring of Advances for stress in MSMEs .

B. Steps taken by NEDFi :

- Assessment of impact on its portfolio for timely remedial measures.
- Moratorium benefits to 54.2% of total units (1233 in number) amounting to Rs.4.7 billion.
- Additional financial assistance amounting INR 400 million to 113 numbers of MSME units.
- Restructuring / Reschedulement extended to 50 MSME units.