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1. Atal Innovation Mission collaborates with Ministries to stimulate Innovation in various sectors

(AIM) started a series of innovation demo days where start-ups, Micro, Small and Medium Enterprises (MSMEs), entrepreneurs, corporate partners and sector academics are brought together for a showcase of government-funded innovations.

A vision to bring together the stakeholders of the food processing and agriculture sector in India, Atal Innovation Mission, NITI Aayog.

The innovation demo day series aims at:

- Promoting commercialisation of technologies funded by the Ministries of Agriculture and Farmers Welfare and Food Processing and Industries.
- Connecting innovation with MSME industry and government funded research industries.
- The idea is to ensure the government is able to support start-ups better.

There is a dire need to push food processing as India is facing huge loss when it comes to recycling of food. India is facing issues related to post-harvest crop processing which needs to be addressed. The processing has to be increased in the country which presently is at an average 10 per cent compared to 50 per cent in other countries.

2. Boosting Export Competitiveness of Steel Industry

The domestic iron ore prices have increased by 15-20% in the recent past.

- As iron ore is the basic raw material for steel, increase in domestic iron ore price enhances the cost of steel production. Indian Steel Sector is a de-regulated sector. Steel companies take their own commercial decisions based on market dynamics, both for domestic as well as overseas trade.

Several steps taken by Government has taken to boost export competitiveness

- Export promotion schemes like MEIS, Market Access initiative, Export Promotion Council, Advance Authorisation, etc.
- Maintaining very low import duty on critical inputs like coking coal, iron ore, steel scrap, nickel, etc.
- Promoting multi model logistics and enhancing use of inland waterways and coastal shipping to reduce logistics cost, which is significant for the steel industry.

3. India becomes second largest steel producer of Crude Steel

- As per World Steel Association data, India became the second largest steel producer of crude steel after China in 2018 and 2019, by replacing Japan. India's crude steel production in 2018 was at 109.3 MT, an increase of 7.7 per cent from 101.5 MT in 2017.

4. Steps taken for reduction in Steel Imports

- Domestically Manufactured Iron and Steel Products Policy (DMI&SP) to encourage consumption of domestically produced steel by Government organisations.

- To meet the domestic demand for high performance steel, R&D through the establishment of Steel Research and Technology Mission of India (SRTMI).
- To address the issue of quality of steel products that are produced as well as block import of sub-standard steel.
- Anti-Dumping Duty on a number of steel products imports.
- To reduce dependence on imported steel scrap, Steel Scrap Recycling Policy has been notified.
- Steel Imports Monitoring System (SIMS) to monitor steel imports.
- Import duties on basic raw materials used by the steel industry, such as coking coal, ferro scrap, iron ore, ferro-alloys at a lower level.

5. Union Budget 2020-21 lays down roadmap for boosting economy

The sixteen action points proposed in Agriculture, Irrigation, Rural Development & Allied Sectors will provide impetus to further strengthen these sectors making it more productive and sustainable. Government's focus of developing infrastructure and its emphasis on health, education, skill development, innovations, tourism, MSMEs, agriculture and allied areas will contribute to economic growth.

- Increasing demand in the economy by making available more disposable resources for the salaried class as well as for rural areas. This is likely to have a positive impact on a consumption led economy which, in turn, will boost investment.
- Adoption of digital technologies in all spheres of life.
- Setting up Data Centre Parks throughout the country and increase the penetration of the optical fibre connections will enhance digital and data driven governance and improving the ease of living of the people.
- National Policy on Official Statistics to catalyse the Indian Statistical System for major reforms to meet the increased demands on the data systems.
- For real time monitoring of the economy and governance using emerging technologies such as Artificial Intelligence, Machine Learning, Internet of Things.
- The National Integrated Information Portal (NIIP) for data analytics will help realise these objectives.

6. Expert Committee for dispute resolution

To increase exploration activities, attract domestic, foreign investment and to promote ease of doing business. Government decided to constitute a Committee of External Eminent Persons/Experts for dispute resolution.

Salient terms and conditions of the Committee are as under

- Tenure of Members: Three years.
- Powers and Functions of Members: All powers and discharge all functions necessary for carrying out conciliation and mediation proceedings for resolution of the disputes between the parties as per the provisions of the Arbitration and Conciliation Act, 1996 and endeavour that the parties arrive at a

Settlement Agreement within three months from the date of the first meeting of the Committee.

- The Committee may take services of third party/expert agency to aid and assist it in discharge of its functions.
- Any dispute or difference arising out of a contract relating to exploration blocks/ fields of India can be referred to the Committee, if both parties to the contract agree in writing for conciliation or mediation and further agree to not invoke arbitration proceedings thereafter.
- The Committee shall conduct the conciliation/ mediation proceedings based on the principles of fairness, justice and good conscience.
- The parties will represent their case before the Committee acting as conciliators or mediators only through their employees or executives. Advocates or Consultants shall not participate in the conciliation proceedings, unless some issue of legal nature or an issue requiring highly specialised knowledge is required.
- Parties shall not claim any interest on claims and counter-claims from date of notice for conciliation or mediation till execution of the Settlement Agreement.
- All costs and expenses incurred on the conciliation or mediation proceedings before the Committee including fees of the members of the Committee, third party/expert agency shall be borne equally by the parties.
- Pendency of arbitral or judicial proceedings shall not constitute any bar on commencement of conciliation or mediation proceedings before the Committee, even if the conciliation or mediation proceedings are on the same subject matter/issue as the arbitral or judicial proceedings. Setting up of the Panel/Committee is likely to reduce the arbitration and save the cost to oil and gas sector through Conciliation or Mediation proceedings by the Committee.

7. Future of India's energy sector will be driven by new technology and business models, need to move away from the crude price as the basis for determining the LNG price

10th World PetroCoal Congress

- Seven Indian oil & gas PSUs joined with IIT Bombay to set up a Centre of Excellence in oil, gas and energy. Energy transition can become more manageable only if proactive measures are set in motion.
- Digital technologies can transform the energy sector in a profound manner.
- Industrial Revolution 4.0 is truly at our door step. Indian energy companies will have to quickly adopt and adapt these technologies at a faster pace.
- The need of the hour is to achieve the twin objectives of more energy availability at an affordable price and less carbon through a healthy mix of all commercially-viable energy sources.
- Target to transform India to a USD 5 trillion economy by 2024, requires a gradual and measured energy transition by deploying all sources of energy.
- The need to move away from the crude price as the basis for determining the LNG price.

- Global supply of LNG is increasing at a rapid pace, and globally LNG prices are coming down significantly. It is time for our companies to relook at the term-contracts with major LNG suppliers and changing the pricing formulae for purchase of LNG by India.
- India is expected to become the largest energy consumer surpassing US and China, in the next decade or so.

Initiatives in transforming India into a gas-based economy

- The biggest game changer to bring about greater environmental sustainability and flexibility in India's energy system is through rapid deployment of natural gas.
- It would serve as a transition fuel in our country.
- To increase the share of gas from 6.2% to 15% in the energy mix by 2030.
- 'One Nation One Gas Grid', cross-country pipelines, rapid expansion of the LNG infrastructure in the country, City Gas Distribution (CGD) network to cover more than 70 % of the country's population.
- Encourage use of LNG for long-haul trucking along expressways, industrial corridors, inside mining areas and marine applications.
- Making natural gas easily available at doorsteps for users through mobile dispensing.
- Target of 20% blending of ethanol in petrol and 5% blending of bio-diesel in diesel by 2030.
- Advancing collaboration with Brazil and US to improve blending technologies in transport sector. The use of Compressed Bio-Gas (CBG) can be promoted in automotive, industrial and commercial uses in the coming years.
- SATAT, an important initiative targets to setup 5000 compressed biogas plants mostly by private entrepreneurs who are assured price and off take guarantee by Oil marketing companies.
- These plants will not only help tackle the problem of agricultural waste burning but also increase farmers earnings. To achieve 175 GW by 2022 and up to 450 GW. Innovative thinking, development of new tools and technology is the need of the hour.

8. INDIA-US Summit meeting a momentous occasion for the bilateral relations. High importance attached to the energy component of bilateral engagement is rather evident from positive developments during the last three years

A new and emerging dynamic between the two countries

- US emerged as the 6th largest source for crude oil imports and India is now the 4th largest export destination for US crude.
- India is now the 5th largest destination of US exports of LNG.
- India's bilateral hydrocarbon trade has increased exponentially and it touched US $7.7 billion accounting for 11% of total two-way trade.

Vision of becoming a gas-based economy is yet another area of close collaboration between India and US.

- India-US Gas Task Force constituted in 2018 under the Strategic energy Partnership to expedite development of gas-based economy in India.
- IOCL and ExxonMobil agreed for access of LNG in Indian gas market.
- Energy sector will be a key catalyst to achieve the US$ 5 trillion economy by 2024.
- India-US collaboration in development of clean energy is important to support India's ambitious renewable and clean energy targets by supporting research and deployment of clean energy technologies.

9. 7591.99 MW of Renewable Energy commissioned in 2019-20. 34160 MW RE capacity under implementation

Most of the grid connected renewable energy projects in the country are being implemented by the private sector developers selected through a transparent competitive bidding process.

Steps being taken by the Government to boost investment in RE sector

- (FDI) up to 100 percent under automatic route.
- Strengthening of Power Purchase Agreements (PPAs).
- Mandating requirement of Letter of Credit (LC) as payment security mechanism by distribution licensees for ensuring timely payments to RE generators.
- Ultra Mega Renewable Energy Parks(UMREPs) to provide land and transmission on plug and play basis to investors.
- Waiver of Inter State Transmission System (ISTS) charges and losses for inter-state sale of solar and wind power for projects to be commissioned by 31st December, 2022.
- Standard bidding guidelines to enable distribution licensee to procure solar and wind power at competitive rates in cost effective manner. Declaration of trajectory for Renewable Purchase Obligation (RPO) up to 2022.
- Laying off transmission lines under Green Energy Corridor Scheme for evacuation of Power in Renewable rich states.
- Finalisation of manufacturing linked tender for setting up domestic manufacturing capacity.
- New schemes, such as, Pradhan Mantri Kisan Urja Suraksha Evam Utthaan Mahabhiyan (PM-KUSUM), Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, etc.

Several financial, policy and regulatory measures for incentivising deployment of renewable energy in the country

- Financial incentives for roof-top Solar PV systems and performance based incentives to the distribution companies (DISCOMs).
- Grid augmentation for absorbing increasing share of renewable energy.
- Transparent tariff based bidding for solar and wind power projects.

- Subsidy for setting up off-grid and decentralized solar systems.
- Subsidy for setting up family type biogas plants.
- Standards for deployment of solar photovoltaic system/devices.
- Priority sector lending status for loans up to a limit of Rs 15 crore.

Reasons for financial and operational inefficiencies of DISCOMs:-

- Tariffs not reflective of costs.
- Delays in tariff filings.
- Delays and non release or partial release of subsidies released by States against the supplies made to subsidised categories.
- High Aggregate Technical and Commercial (AT&C) loss levels etc.

Way forward

- Ujjwal DISCOM Assurance Yojana (UDAY) for improving the financial and operational efficiencies of DISCOMs.
- Advisory for the States to convert all existing consumer meters into smart prepaid meters to improve billing and collection efficiencies within a period of three years.
- Ensure upfront release of subsidies and conduct regular energy audits.
- The Indian Renewable Energy Development Agency Limited (IREDA), a Government Company established Non-Banking Financial Institution, has been extending short-term securitized loans to the DISCOMs at preferential rates.

10.Hunar Haat proved to be a Mega Mission of economic empowerment of needy master artisans and craftsmen. This year's theme: "Kaushal Ko Kaam"

Ministry of Minority Affairs

A Mega Mission of indigenous Craft, Cuisine & Culture and economic empowerment of master artisans, craftsmen. About 3 lakh needy master artisans, craftsmen & culinary experts have been provided employment and employment opportunities in the last 3 years. Beneficiaries also include women artisans.

- In the next 5 years, about 100 Hunar Haat will be organised across the country which will result into employment opportunities to lakhs of artisans, craftsmen and people associated with them.
- Training is being provided to master artisans, craftsmen and traditional culinary experts in these "Hunar Hubs".
- Financially beneficial for the needy artisans and craftsmen as each "Hunar Haat" generates business worth crores of rupees for indigenous handmade exquisite products of artisans and craftsmen. These artisans are receiving orders for their products not only from domestic markets but also from international markets.

- "Hunar Haat" have become "Employment and Empowerment Exchange" for master artisans and craftsmen.
- The next "Hunar Haat" will be organized at India Gate Lawns, Rajpath, New Delhi (from 13th to 23rd Feb, 2020).

"Bawarchikhana" will provide taste of traditional delicacies of several states.

11.Cluster Set Up Under Traditional Industries (SFURTI)

- Scheme of Fund for Regeneration of Traditional Industries' (SFURTI) Scheme under (MSME)
- Financial support for setting up of traditional industries clusters viz. Khadi, Coir & Village industries clusters.
- Objective of the SFURTI scheme is to organize the traditional industries and artisans into clusters to make them competitive, provide support for their long term sustainability, to provide sustained employment for traditional industry artisans & rural entrepreneurs, to enhance marketability of products etc.

The objectives of the SFURTI Scheme are

- To develop clusters of traditional industries in the country over a period of five years.
- To make traditional industries more competitive, market-driven, productive and profitable.
- To strengthen the local governance system of industry clusters, with active participation of the local stakeholders, so that they are enabled to development initiatives.
- To build up innovated and traditional skills, improved technologies, advanced processes, market intelligence and new models of public-private partnerships, so as to gradually replicate similar models of cluster-based regenerated traditional industries.

Sectors covered under SFURTI

- Khadi products.
- Honey & related products.
- Coir & related products.
- Handloom.
- Traditional dress making.
- Handicraft.
- Traditional arts like – Kalamkari, Dokra art, Aipan art, Food processing, Bamboo products etc.

Two types of clusters are set up

1. Regular Cluster: Maximum financial assistance provided is Rs. 2.50 crore (upto 500 artisans).
2. Major Cluster: Rs. 5.00 crore for (more than 500 artisans).

12.Services Offered Through MSME Global Mart Portal

Services offered through MSME Global Mart Portal developed by National Small Industries Corporation, a PSU under the Ministry of MSME.

- Online registration.
- Web store management.
- Multiple payment options.
- Customer support through Call Centre and enhanced security features.
- Ministry of Micro Small and Medium Enterprises (MSME) implements Credit Linked Capital Subsidy Scheme, Credit Guarantee Scheme (CGTMSE) and 2% Interest Subvention Scheme to support Micro, Small and Medium Enterprises.

13.KVIC Distributes 1000 Bee Boxes in Arunachal Pradesh

Khadi and Village Industries Commission (KVIC) has been continuously working to empower the farmers of North East region to help them earn an additional income through various schemes under the aegis of Ministry of MSME.

- KVIC distributed 1000 bee boxes to 100 farmers.
- Arunachal Pradesh has abundance of Flora and Fauna, and has the untapped potential of becoming a truly honey producing state.
- High altitude honey is rich in antioxidants and hence can be sold at a premium price.
- Not only honey, but products such as pollen, propolis, royal jelly and bee venom are also marketable and can greatly help the farmers who otherwise migrate to cities for menial labor.
- Increasing the number of bee colonies will not only increase the production of bee-related products but will also boost overall agricultural and horticultural productivity in the region.

For the first time since 1960's KVIC has also registered 2 new Khadi Institutions-Youth for Social Welfare, Tawang and Rural Development Society, Papum Pare for promotion of Khadi Artisans in the region.

14.MSME conducted a National Level Awareness Programme (NLAP) 2020 across the Country

The main objective of NLAP is to spread awareness about the schemes and activities undertaken by the Ministry and its attached organisations:

- Ministry and its organisations conducted the awareness programmes across the country to disseminate information amongst students of colleges and educational institutes.
- A fortnight awareness drive was conducted in more than 600 colleges covering almost 60,000 students from all parts of the country.
- An attempt by MSME to encourage students/ youth to take up entrepreneurship as their career.
- Interactive sessions held with the students.

- Solutions to the queries and doubts about the schemes and programmes.
- Along with the interactive sessions, the students were shown audio-video films and presentation on the activities of the Ministry and its organisations, as well as provided details of schemes implemented by the Ministry.

15.New Pension Schemes for Unorganised Sector

- Two voluntary and contributory Pension Schemes:
  1. Pradhan Mantri Shram Yogi Maan-dhan Yojna, (PM-SYM).
  2. National Pension Scheme for the Traders and Self Employed Persons (NPS-Traders) (for the Vyapari's)
- The schemes envisage for providing minimum assured monthly pension of Rs. 3000/- after attaining the age of 60 years.
- If the subscriber dies, the spouse of the beneficiary shall be entitled to receive 50% of the pension as family pension. Family pension is applicable only to spouse.
- The monthly contribution ranges from Rs.55-Rs.200/- depending upon the entry age of the beneficiary.

1. PM-SYM is meant for old age protection and social security of Unorganised Workers (UW) who are mostly engaged as rickshaw pullers, street vendor, mid-day meal workers, head loaders, brick kiln workers, cobblers, rag pickers, domestic workers, washermen, home-based, agricultural workers, construction workers, beedi workers, handloom workers, leather workers, audio-visual workers or in similar other occupations.
   - ✓ There are estimated 42 crore such unorganised workers in the country.
   - ✓ The entry age for the beneficiary is 18-40 years and he/she should not be a member of ESIC/ EPFO or an income tax payer.
2. The NPS-Traders scheme is meant for old age protection and social security of Vyapaaris (retail traders/ shopkeepers and self-employed persons) whose annual turnover is not exceeding Rs.1.5 Crore.
   - ✓ These retail traders / petty shopkeepers and self-employed persons are mostly working as shop owners, retail traders, rice mill owners, oil mill owners, workshop owners, commission agents, brokers of real estate, owners of small hotels, restaurants and other Vyapaaris.
   - ✓ The entry age for the scheme is 18-40 years and the Vyapaari should not be a member of ESIC/ EPFO/PM-SYM or an income tax payer.
   - ✓ The schemes are being implemented through Life Insurance Corporation (LIC) of India and Common Service Centres.
   - ✓ LIC is the Fund Manager for pension pay-out. Common Service Centre is the enrolment agency responsible for enrolment of the beneficiaries through its 3.50 lakhs Centres across India.
   - ✓ Information Education and Communication (IEC) material like pamphlets, posters, banners were provided to State /UT Governments in regional languages.

Pension Week was celebrated from 30th Nov to 06th Dec, 2019.

16.Welfare Schemes for Women Workers

A multi-pronged approach to increase the welfare of women workers.

- A strong and robust legislative framework for promoting equality at work, improving working conditions, providing social security and promoting work-family life balance.
- Special policies and schemes such as National Crèche Scheme, Working Women Hostel, Mahila Shakti Kendra Scheme, providing collateral free loan under Mudra scheme, Ujjwala Scheme for curbing trafficking etc. are being implemented for promoting women entrepreneurship, employment generation, and providing safe working condition to women workers.

In order to promote employment and welfare of women workers, a number of protective provisions have been incorporated in various labour laws like:

1. Equal Remuneration Act, 1976 which provides for same wages for same and similar nature of work and prevents discrimination.
2. Maternity Benefit Act, 1961 which provides for paid maternity leave for 26 weeks and mandatory crèche facility in the establishments having 50 or more employees.
3. The implementation of Central Labour Acts is done by both the Central and State Governments in their respective spheres.
4. Training sessions for women workers through a network of Women Industrial Training Institutes, National Vocational Training Institutes and Regional Vocational Training Institutes.
5. Special training programmes for women workers are also being conducted by Dattopant Thengadi National Board for Workers Education & Development (erstwhile Central Board of Workers Education) through which women workers are made aware about their rights, duties and various protective provisions under various labour legislations.

17.Eradication of Child Labour

The Government amended the Child Labour (Prohibition & Regulation) Act, 1986 and enacted the Child Labour (Prohibition & Regulation) Amendment Act, 2016 which came into force with effect from 1.9.2016.

- Complete prohibition of work or employment of children below 14 years of age in any occupation and process and prohibition of adolescents in the age group of 14 to 18 years in hazardous occupations and processes.
- Strict punishment for employers for violation of the Act as the offence is cognizable.
- Child Labour (Prohibition & Regulation) Amendment Rules, 2017 specifies the duties and responsibilities of State Governments and District Authorities to ensure effective enforcement of the provisions of the Act.
- Standard Operating Procedure as a ready reckoner for trainers, practitioners and enforcing and monitoring agencies.
- National Child Labour Project (NCLP) Scheme by Ministry of Labour and Employment since 1988 for rehabilitation of child labourers.

- Under the NCLP, the children in the age group of 9-14 years are rescued/withdrawn from work and enrolled in the NCLP Special Training Centres, where they are provided with bridge education, vocational training, mid-day meal, stipend, health care, etc. before being mainstreamed into formal education system.
- The children in the age group of 5-8 years are directly linked to the formal education system through a close coordination with the Sarva Shiksha Abhiyan.
- The Scheme is regularly monitored and evaluated by the Chairman, Project Director of the Society, District Nodal Officer, Labour Commissioner and Ministry of Labour and Employment.
- A dedicated online portal named PENCIL (Platform for Effective Enforcement for No Child Labour) is developed in order to make the NCLP successful through better monitoring and implementation.

The Portal connects Central Government to State Government(s), District(s), all Project Societies and the general public. Social Security Fund (SSF) is being maintained with Life Insurance Corporation of India and meant for providing only share of Central Government's contribution in respect of converged Pradhan Mantri Jeevan Jyoti BimaYojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) schemes.

18.Budget allocation for Samagra Shiksha increased by 6.69 percent in comparison to previous year's budget.Expenditure in education sector as percentage of GDP increased from 2.8% in 2014-15 to 3.1% in 2019-20

Department of Higher Education

1. Education Quality Up-gradation and Inclusion Program (EQUIP), by the Department of Higher Education, MHRD. An overarching program, which sets out to deliver further on the principles of access, inclusion, quality, excellence, and enhancing employability in higher education.
2. A provision has been made to strengthen the HEFA by infusing the additional Government Equity of Rs. 2200 Cr. This will help in meeting the increasing budget requirement of the Central Institutions for improving or augmenting their infrastructure like buildings, classrooms, hostels, laboratories, and equipment which are crucial elements of learning environments.
3. World Bank assisted Technical Education Quality Improvement Program i.e. TEQIP. The project aims at enhancing quality and equity in engineering institutes and improving the efficiency of the engineering education system in focus states
4. Interest Subsidy and Contribution to Guarantee Fund. This is for disbursal of easy and interest-free loans to students who want to pursue professional higher education.

Department of School Education & Literacy

"Pradhan Mantri Innovative Learning Programme (DHRUV)" to identify and encourage talented children to enrich their skills and knowledge has been envisaged from FY 2020-21.

- By 2030, India is set to have the largest working age population in the world. Not only do they need literacy but they need both job and life skills.

- About **150 Higher Educational Institutions will start apprenticeship embedded degree/diploma courses by March 2020-21.** This will help to improve the employability of students in the general stream (vis-a-vis services or technology stream).
- A program whereby urban local bodies across the country would provide internship opportunities to fresh engineers for a period of up to one year.
- National Skill Development Agency will give special thrust to infrastructure-focused skill development opportunities.
- **Degree level full-fledged online education programme** to provide quality education to students of deprived sections of the society as well as those who do not have access to higher education.
- However, these shall be offered only by institutions who are ranked within top 100 in the National Institutional Ranking Framework.

To make India a preferred destination for higher education."Study in India" programme, an Ind-SAT is proposed to be held in Asian and African countries for benchmarking foreign candidates who receive scholarships for studying in Indian higher education centres.

19.Performance of Fame India Scheme

Department of Heavy Industry formulated a scheme namely FAME India [Faster Adoption and Manufacturing of Hybrid & Electric Vehicles in India] for the initial period of 2 years commencing from 1st April 2015 (Phase-1)to promote manufacturing of hybrid and electric vehicles and to ensure sustainable growth.

Phase-I

- Phase-I last extension was allowed till 31st March 2019.
- The scheme is intended to support the hybrid/electric vehicle market development and its manufacturing eco-system to achieve self-subsistence.
- Four focus areas:- Technology Development, Demand Creation, Pilot Project and Charging Infrastructure.
- 500 Charging Stations/ Infrastructure in Bangalore, Chandigarh, Jaipur and NCR of Delhi.
- Specific projects under Pilot Projects, R&D/Technology Development and Public Charging Infrastructure.

Phase-II

- Phase-II of FAME India Scheme was notified on 8th March 2019, for a period of three years commencing from 1st April 2019 with a total budgetary support of Rs. 10,000 crore.
- This phase will mainly focus on supporting electrification of public & shared transportation. In addition, creation of charging infrastructure will be also supported to address range anxiety among users of electric vehicles.

Initiatives taken up by the Government to promote electric vehicles use in various part of the country:

- Under new GST regime, GST on EVS is reduced from existing 12% rate to 5% as against the 28% GST rate with Cess up to 22% for conventional vehicles.
- Ministry of Power has allowed sale of electricity as 'service' for charging of electric vehicles.
- The Government has granted exemption to the Battery Operated Transport Vehicles and Transport Vehicles running on Ethanol and Methanol fuels from the requirements of permit.
- Exemption of registration fees for battery operated/electric vehicles to promote the use of eco-friendly vehicles in the country.
- Additional income tax deduction of Rs 1.5 lakh on the interest paid on loans taken to purchase electric vehicles.

20.National Population Policy

- National Population Policy formulated in the year 2000 is a commitment towards voluntary and informed choice, target free approach and achievement of replacement level of fertility by simultaneously addressing the issues of contraception, maternal health and child survival.The National Family Planning Programme of the Ministry of Health & Family Welfare is guided by the tenets of the National Population Policy 2000 and oversees its implementation.

The achievements are enumerated below

- Total Fertility Rate (TFR) has declined from 2.9 in 2005 to 2.2 in 2017 (SRS).
- 25 out of 37 States/UTs have already achieved replacement level fertility of 2.1 or less.
- The Decadal growth rate has declined from 21.54% in 1999-2000 to 17.64 % during 2001-11.
- The Crude Birth Rate (CBR) has declined from 23.8 to 20.2 from 2005 to 2017 (SRS).
- The Teenage birth rate has halved from 16 % (NFHS III) to 8 % (NFHS IV).

21.39 Mega Food Parks and 298 Integrated Cold Chain Projects sanctioned under Pradhan Mantri Kisan Sampada Yojana (PMKSY)

The Ministry of Food Processing Industries (MoFPI) sanctioned 39 Mega Food Parks and 298 Integrated Cold Chain Projects throughout the country to fill in the gaps across the value chain and establishing the Cold Chain Grid. The MoFPI is focusing on building cold chain infrastructure across the country, for seamless transfer of perishables from production to consumption areas, through Pradhan Mantri Kisan Sampada Yojana (PMKSY), which comprises of component schemes namely:

1. Integrated Cold Chain and Value Addition Infrastructure.
2. Mega Food Park.
3. Creation of Backward & Forward Linkages.
4. Creation/ Expansion of Food Processing and Preservation Capacities.

5. Agro Processing Clusters.

6. Operation Greens.

These schemes aim at arresting post-harvest losses of horticulture and non-horticulture produce by encouraging the creation of cold storages/ primary processing/ and transportation facilities across the country.

India UAE Food security corridor

- India and UAE have been amongst each other's largest trading partners for the last several years.
- Currently UAE is the third largest trading partner with bilateral trade reaching US$ 59.909 in 2018-19.
- Food items are one of the major Indian exports to UAE. While India is rich in production of food grains, fruits, vegetables & milk but lacks in processing infrastructure, UAE has surplus funds and technology available to create such facilities but lacks in availability of raw material.
- Thus a partnership between India and UAE can ensure Food Security for the Gulf nation in the times to come.
- Food Processing Sector in India being a sunrise sector is poised for exponential growth and has emerged as a high growth sector due to its immense potential for value addition, ability to control inflation and ensure remunerative prices to farmers.
- India is a huge and promising market with 1.3 billion population, increasing purchasing power, adequate availability of raw materials, availability of young and skilled manpower and a number of fiscal incentives for encouraging investments in this sector. A number of steps have been taken to improve the environment of ease of doing business under the "Make in India".

22.Aadhaar Linkage to PDS

Public Distribution System (PDS) reforms

- Digitization of ration cards.
- Distribution of highly subsidised food grains, namely- Rice, Wheat and Coarse-grains, to targeted beneficiaries under NFSA through electronic Point of Sale (ePoS) devices, after biometric/Aadhaar authentication of beneficiaries are key objectives to improve the efficiency and transparency in the distribution process.
- Nearly 90% of total 23.4 Crore ration cards under NFSA across the country have been seeded with Aadhaar number of at least one member of the household. Linking of Aadhaar with ration cards is also dependent on enrolment/generation and delivery of Aadhaar card to beneficiaries.
- The timeline given to States/UT's for linking of Aadhaar with all ration cards has been extended up to 31/03/2020.
- Genuine beneficiaries/households shall not be denied from their entitled food grains under NFSA only on the ground of not possessing an Aadhaar number, or due to any technical failure of ePoS device including failure of biometric/Aadhaar authentication of beneficiary owing to network/connectivity/ linking issues.

- 'End-to-End Computerisation of TPDS Operations' with States/UT's is implementing another scheme namely "Integrated Management of Public Distribution System (IM-PDS).
- The main Objective of the scheme is to introduce nation-wide portability of ration card holders under National Food Security Act, 2013 (NFSA), through 'One Nation One Ration Card' system.
- This system enables the migratory ration card holders/beneficiaries to lift their entitled food grains from any Fair Price Shop (FPS) in the country by using their existing/same ration card issued in their home State/UT after biometric/Aadhaar authentication on electronic Point of Sale (ePoS). So far this facility is available in 12 States.

23.Global Hunger Index 2019

India's ranking in the Global Hunger Index (GHI) 2019 brought out by Concern World Wide is 102 a compared to 2018 Global Hunger Index (GHI) was 103.

As per GHI Report 2019 of Concern World Wide, the composite GHI scores of India have improved from 38.8 in 2000 to 30.3 in 2019. Thus, the country has shown consistent improvement over the years.

- Issue of hunger has been accorded highest priority. Foodgrains at highly subsidized prices to the targeted population through State Governments/Union Territory under National Food Security Act (NFSA), 2013 and Other Welfare Schemes (OWS).
- NFSA provides for coverage of upto 75% of the rural population and upto 50% of the urban population for receiving foodgrains under Targeted Public Distribution System (TPDS), thus covering about two-thirds of the population of the country for receiving foodgrains @ Rs 1/2/3 per kg for nutri-cereals/ wheat/rice respectively.
- Identification of beneficiaries under the Act is under two categories- Antyodaya Anna Yojana (AAY).
- Priority Households are entitled to receive 5 kg per person per month.
- AAY households which constitute the poorest of the poor, continue to receive 35 Kg of foodgrains per household per month.
- At present, the Act is being implemented in all the States/UTs covering about 80 crore persons to get highly subsidized foodgrains.
- The Act also has a special focus on the nutritional support to women and children. Pregnant women, lactating mothers and children upto 14 years of age are entitled to nutritious meals, free of cost, as per the prescribed nutritional standards.
- In case of non-supply of entitled foodgrains or meals, the beneficiaries will receive food security allowance.
- The Act also contains provisions for setting up of grievance redressal mechanism at the District and State levels. The implementation of NFSA through the Public Distribution System (PDS) is a joint responsibility of the Central and State Governments/UT Administrations, and the State Governments/ UT Administrations are responsible for the identification of beneficiaries under the NFSA.The scheme of End-to-End Computerization of the PDS has ensured rightful targeting of the beneficiaries all over the country.

24.Enhanced Insurance Cover for Exporters, Affordable and Accessible Credit, Reduction in Interest Rates. NIRVIK Scheme for Exporters

NIRVIK scheme will provide high insurance cover for exporters and reduce premium for small exporters.

- Achieve higher export credit disbursement, simplified procedures for claim and settlement.
- Also known as Export Credit Insurance Scheme (ECIS), the insurance guarantee could cover up to 90% of the principal and interest.
- Commerce and Industry Ministry proposed to subsidise the premium under the Scheme that has to be paid by exporters of certain key sectors.
- The Export Credit Guarantee Corporation (ECGC) cover will also provide additional comfort to banks as the credit rating of the borrower is enhanced to AA rated account.
- Enhanced cover will ensure that Foreign and Rupee export credit interest rates will be below 4%and 8% respectively for exporters.

25.Investment Clearance Cell to Provide "End-To-End" Facilitation and Support to Youth. Sovereign Wealth Fund of Foreign Governments in Priority Sectors to Get 100% Tax Exemption in Interest, Dividend and Capital Gains Income

Investment Clearance Cell will provide an "end to end" facilitation and support to create more opportunities to youth and remove roadblocks. Five new smart cities in collaboration with States in PPP mode and such sites would be chosen that offer the best choices in terms of aforementioned principles.

To incentivise the investment by the Sovereign Wealth Fund of foreign governments in the priority sectors:

- 100% tax exemption to their interest, dividend and capital gains income in respect of investment made in infrastructure and other notified sectors before 31st March, 2024 and with a minimum lock-in period of 3 years.
- Extended the period of concessional withholding rate of 5% for interest payment to non-residents in respect of moneys borrowed and bonds issued up to 30th June, 2023. For availability of foreign funds at a lower cost.
- Extend the period to 30th June, 2023 for lower rate of withholding of 5% for interest payment to Foreign Portfolio Investors (FPIs) and Qualified Foreign Investors (QFIs) in respect of bonds issued by Indian companies and government securities.
- Net FDI inflows have continued to be buoyant in 2019-20 (April – November) attracting USD 24.4 billion as against USD 21.2 billion.

- To achieve the twin objectives of giving impetus to the domestic medical equipment industry and also to generate resource for health services, a nominal health cess (at the rate of 5%) is imposed, by way of a duty of customs, on the imports of medical equipment keeping in view that these goods are now being significantly made in India. The proceeds from this cess shall be used for creating infrastructure for health services in the aspirational districts.

26.APEDA organizes first ever awareness programme on Agri Exports in A&N Islands

An awareness programme was organized by Agriculture and Processed Food Products Export Development Authority (APEDA) under Ministry of Commerce and Industries at Andaman & Nicobar Islands (A&N Islands) in Port Blair to examine ways to promote the exports of agri products and implementation of the Agri Export Policy in the Islands.

- Exporters from Chennai and Jharkhand elaborated on the export requirements of products from the area like fruits, vegetables and dried flowers.
- Export prospects of spices, coconut products and fisheries.
- A&N Islands have the advantage of being on the sea route to the South East Asian Nations and can directly export the agri products from the islands to these countries.
- Plans have been drawn to establish trans-shipment ports in the Islands to promote direct export from Islands.

27.DGFT portal to enable States/ UTs to develop all districts as Export Hub

Ministry of Commerce and Industry through Directorate General of Foreign Trade (DGFT) are engaging with States/ UT's to initiate a District Export Plan (DEP) specific to each district in every State/ UT through an institutional structure at the district level.

- The institutional structure set up at the district level for implementation of the District Export Plan will be headed by the Chief/ District Development Officer with other relevant District Level Officers as members.
- DGFT is developing a portal that may be accessed on the DGFT website to enable the States to upload all information related to the products with export potential of every district.
- The preliminary exercise will include an assessment of a district to identify the current export profile and its further potential in the district.
- Department of Commerce has mandated the Regional Authorities (RAs) of DGFT to work with the State Governments and District Level Officers including GM-DIC, Lead Bank Managers to promote each district as an export hub.
- The DGFT RAs will act as a facilitator in promoting each district as an export hub and has drawn up a list where the products with export potential have been identified by them.
- District Export Plan will include the support required by the local industry in boosting their manufacturing and exports with impetus on supporting the industry from the production stage to the

exporting stage.

- Informative material on various incentives provided by the Government of India and the respective State Government of exporters will be disseminated to the industry and other potential exporters.
- The DEP will also include strategy to enhance logistics and infrastructure at the district level and better utilisation of the Market Access Initiative (MAI).
- Scheme for inviting foreign buyers under reverse buyer-seller meets at the district level.
- Gathering district level commodity and services exports data including GSTN and Customs ICEGATE System and publishing District Export Matrix for each district on a quarterly basis by the State Government.
- Nine States/ UTs which have notified the SLEPC are Delhi, Uttarakhand, Tamil Nadu, Telangana, Karnataka, Himachal Pradesh, West Bengal, Tripura, Maharashtra, Goa and Gujarat.
- The products of export potential from the 750 districts in the country are leather articles, sand and stone articles, spices, garments, wool, food products, ceramics, cement, silk, carpet, glass items, metal crafts, sports goods, pharmaceuticals, engineering goods, auto parts, poultry products, vegetables, cut flowers, forest produce, bamboo products and scientific instruments.

28.Regulation of Online Retailers

Considering the potential of e-Commerce, Government of India plans to encourage it to contribute towards India's proposed USD 1 trillion digital economy.

- E-commerce entities providing marketplace will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field.
- Services should be provided by e-commerce marketplace entity or other entities in which e-commerce marketplace entity has direct or indirect equity participation or common control, to vendors on the platform at arm's length and in a fair and non-discriminatory manner.
- Such services will include but not limited to fulfilment, logistics, warehousing, advertisement/ marketing, payments and financing.
- Cash back provided by group companies of marketplace entity to buyers shall be fair and non-discriminatory.
- For the purposes of this clause, provision of services to any vendor on such terms which are not made available to other vendors in similar circumstances will be deemed unfair and discriminatory.
- Further, if any violation is reported necessary action may be taken by the competent authority.
- Competition Commission of India (CCI) has ordered investigation against FlipKart Internet Pvt. Ltd. and Amazon Seller Services Pvt. Ltd. in order to determine whether the alleged exclusive arrangements, deep-discounting and preferential listing are being used as an exclusionary tactic to foreclose competition under section 26(1) of Competition Act, 2002.

29.Industrial Parks in India

Industrial Park Scheme-2002, applicable for any undertaking which develops, develops and operates, or, maintains and operates, an Industrial Park from 1st April, 1997 till 31st March, 2006 was notified by the

Department for Promotion of Industry and Internal Trade (DPIIT) on 1st April, 2002.

The objective of the Industrial Park Scheme are

Any project, being an industrial park, shall aim at setting up of -

- Industrial Model Town for development of industrial infrastructure for carrying out integrated manufacturing activities, including research and development, by providing plots or sheds and common facilities within its precincts.
- Industrial park for development of infrastructural facilities or built-up space with common facilities in any area allotted or earmarked for the purposes of specified industrial use.
- Growth Centre under the Growth Centre Scheme of the Government of India, subject to the scheme implemented by an undertaking and the Growth Centre is distinctly developed as a separate profit centre.

The State/UT-wise number of industrial parks in the country and in particular number of such parks made since 2014 are not centrally maintained. However, Department for Promotion of Industry and Internal Trade (DPIIT) has built one centralized system of industrial park information which is available at Industrial Information System (IIS).

30.Vizag-Chennai Industrial Corridor

Asian Development Bank (ADB) prepared Conceptual Development Plan (CDP) for Vizag-Chennai Industrial Corridor (VCIC) and four nodes namely

- Visakhapatnam,
- Machilipatnam,
- Donakonda and
- Chittoor were identified for development.
- Amongst these nodes, Visakhapatnam and Chittoor have been prioritized by the Government of Andhra Pradesh (GoAP) and initial master planning of these two nodes were also completed by ADB.
- The loan has been agreed between State Government and Asian Development Bank (ADB). ADB has approved USD 631 million (in loans and grants) for VCIC, comprising a Multi-Tranche Financing Facility (MFF) as follows:
    - ✓ Two-tranche MFF of USD 500 million to build key infrastructure;
    - ✓ Two-tranche Policy Based Loan (PBL) of USD 125 million to support policy reforms and institutional development in the State
    - ✓ Grant of USD 5 million from the multi-donor Urban Climate Change Resilience Trust Fund (UCCRTF) to build climate change resilient infrastructure in Visakhapatnam
    - ✓ Technical assistance of USD 1 million to help the Andhra Pradesh local government implement policy reforms.

31.Promoting Quality Standards

The Quality Council of India (QCI) works for promotion of Quality Standards across various economic and social sectors such as manufacturing, education, health and environment.

QCI was established as a National body for Accreditation on recommendation of Expert Mission of EU. QCI was set up through a PPP model as an independent autonomous organization with the support of Government of India and the Indian Industry represented by the three premier industry associations:

- Associated Chambers of Commerce and Industry of India (ASSOCHAM).
- Confederation of Indian Industry (CII).
- Federation of Indian Chambers of Commerce and Industry (FICCI).

The QCI is the umbrella organisation of five boards:

1. NABL - National Accreditation Board for Testing and Calibration Laboratories.
2. NABH- National Accreditation Board for Hospitals & Healthcare.
3. NABET- National Accreditation Board for Education and Training.
4. NABCB- National Accreditation Board for Certification Bodies.
5. NBQP- National Board for Quality Promotion.

Besides carrying out accreditation, certification, empanelment and third-party assessment activities through its Boards, QCI is also involved in project initiation, planning & development and its successful execution for various ministries, Government departments and State Governments. It carries out such activities through its five Boards and three divisions under Special Projects namely:

1. [ZED] - ZERO DEFECT ZERO EFFECT,
2. [PADD] – Project Analysis and Documentation Division; and
3. [PPID] – Project Planning & Implementation Division.

The scope of each of the accreditation Boards of QCI is given below:

1. National Accreditation Board for Certification Bodies(NABCB)
   - ✓ National Accreditation Board for Certification Bodies provides accreditation to Certification and Inspection Bodies based on assessment of their competence as per the Board's criteria and in accordance with International Standards and Guidelines. NABCB accreditations are internationally equivalent and facilitates global acceptance of certifications / inspections by its accredited bodies.
2. National Accreditation Board for Hospitals & Healthcare Providers (NABH)
   - ✓ National Accreditation Board for Hospitals & Healthcare Providers (NABH) operates accreditation programme for healthcare organisations. The board is structured to cater to much desired needs of the consumers and to set benchmarks for progress of healthcare organizations.
3. National Accreditation Board for Education and Training (NABET)
   - ✓ National Accreditation Board for Education and Training (NABET) has set up an established mechanism for overall quality assurance in sectors such as services, education-formal and non-

formal, industry and environment.

4. National Accreditation Board for Testing and Calibration of Laboratories (NABL)

✓ National Accreditation Board for Testing and Calibration of Laboratories (NABL) grants Accreditation (Recognition) of technical competence of a testing, calibration, medical laboratory, Proficiency Testing Provider (PTP) and Reference Material Producer (RMP) for a specific scope following international standards.

32.International Seafood Show in Kochi

Theme of IISS 2020:- Blue Revolution - beyond production to value addition

The Marine Products Export Development Authority (MPEDA), under Ministry of Commerce and Industry organised the 22nd edition of India International Seafood Show (IISS) 2020 in Kochi from 7-9 February 2020.

- Over 200 exhibitors, including foreign delegates attended the three-day event at Kochi. The delegates include seafood processors, buyers and stakeholders, from other related sectors, representing firms in India and abroad.
- Buyer delegations from countries focused on mutual tie-ups in the sector of seafood processing and value addition also participated in IISS 2020.
- The biennial show returned to Kochi after 12 years and will provide a platform for Indian exporters and overseas importers of Indian marine products to interact.
- It also give an opportunity for display and sale for manufacturers and suppliers of processing machinery, packaging systems, processing ingredient dealers and cold chain systems.
- IISS 2020 highlighted the technological advances and sustainable practices followed in seafood processing sector in India.
- This will result in increase in the percentage of exports of value added products in this decade from the current level of 6 % in the total exports.
- With a multi-pronged strategy, addressing capture fisheries and aquaculture, it is expected to achieve an export turnover of USD 15 billion in next five years.
- Sustainable fishing methods, value addition and increased aquaculture production through diversification will support this target set out for export of India's marine products.
- The IISS is one of the oldest and largest seafood events in the world. It attracts seafood traders from the major markets like USA, EU, Japan, South East Asia and other countries.
- IISS has served as a platform to bring together the Indian seafood export fraternity and the overseas buyers under one roof, enabling them to interact and finalize future business dealings. The Show will pave way for Foreign Direct Investment in India and will contribute significantly to the Make in India programme.

33.Farmer Connect Portal set up for FPOs/ FDCs and Exporters by APEDA, 25 potential Agri clusters identified. APEDA National Workshop with states on Agri Export Policy and Cluster Development

Agriculture is the core of India's developmental goals and exports are the key to reforming the agriculture sector.

- States/ UTs to formulate a comprehensive plan, covering all key areas of the AEP (Agri Export Policy), across all sectors in agriculture like horticulture, fisheries, animal husbandry, dairying, food processing, floriculture and water shed development.
- The institutional framework of the AEP must be outcome oriented and all States/ UTs must provide a budget for it. States/ UTs should not only concentrate on quantitative output of agri produce but be extremely meticulous about the quality.
- Best practices must be followed at every step so that there is no compromise whatsoever in the quality of India's agri products.
- AEP should built up from the cluster level to the district and state level plan. The policy must link up with all schemes of Government of India across all Ministries and Departments and project the vision for the agriculture sector for the next five years.
- APEDA organized workshop with all States/ UTs in order to assess the progress made by them for the implementation of the AEP and development of agri clusters in districts so that farmers income may double and India's agri export may reach the target of USD 60 billion by 2022.
- States/ UTs must put in place the state agri export action plan, set up state level export monitoring committee, designate a nodal agency for agri export, identify agri clusters, set up district agri export action plan, promote farmer producer organization (FPOs) and farmer producer cooperatives (FPCs) identify infrastructure and logistics gap.
- Reforms under APMC Act and abolition of Mandi Tax for export procurements must be done urgently. District authorities must ensure control of excessive use of pesticides and sale of unauthorized pesticides and chemicals.
- An MoU was signed with National Cooperative Development Corporation (NCDC) to include cooperatives in the AEP.
- A farmer connect portal has been set up on the APEDA website for providing a platform for FPOs.
- FPCs to interact with exporters and more than 1000 FPOs have registered on the portal.
- Buyer-seller meet cum workshops between exporters and FPOs have been organized in association with state nodal agencies.
- Cluster level meetings have been held by APEDA in 25 potential clusters in the country and a market intelligence cell has been constituted to disseminate e-market intelligence report and also analyse the data received.

The Indian State of Sikkim is first to be certified as fully organic by the Food and Agriculture Organisation of the United Nations and has shown that conversion from traditional to organic agriculture is not only possible but necessary as a more profitable solution for local economies.

34.Buying of Palm Oil from Malaysia

Directorate General of Foreign Trade has amended the import policy of Refined Palm Oil (HS 15119010), Refined Palmolein (HS 15119020) and Other (HS 15119090) from 'Free' to 'Restricted'.

This is applicable on import from all countries. At present, there is no proposal to impose a restriction on import of any item from Malaysia.

- India needs 25 million tonnes of edible oils to meet its requirement at current consumption level of 19 kg per person per year.
- Out of the total requirement, 10.50 million tonnes is produced domestically from primary (Soybean, Rapeseed & Mustard, Groundnut, Sunflower, Safflower & Niger) and secondary sources (Oil palm, Coconut, Rice Bran, Cotton seeds & Tree Borne Oilseeds) and remaining 60%, is met through import.
- The oilseed production of the country has been growing impressively. Despite this, there exists a gap between the demand and supply of oilseeds, which has necessitated sizeable quantities of imports.
- The major challenges in oilseed production is largely rain-fed conditions (70% area), high seed cost (Groundnut and Soybean), small holding with limited resources, low seed replacement rate and low productivity.To increase domestic availability and reduce import dependency.

National Mission on Edible Oils (NMEO) is proposed for next five years (2020-21 to 2024-25)

NMEO covering three Sub-Missions to increase production of oilseeds and edible oils from:

1. Primary Sources (Annual Crops, Plantation Crops and Edible TBOs)
2. Secondary Sources (Rice bran oil and Cotton seed oil).

- Consumer Awareness for maintaining edible oil consumption constant at 19.00 kg per person per annum.
- The proposed mission will aim to increase production from 30.88 to 47.80 million tonnes of oilseeds from Primary Sources by 2024-25. Similarly edible oils from secondary sources will be doubled from 3.50 to 7.00 million tonnes.

The following action point will be initiated for increasing production and productivity of oilseeds and promotion of Secondary Sources of Edible oils:

- Increasing seed replacement rate and varietal replacement rate
- Promotion of oilseed in rice fallow/ potato areas
- Promotion of oilseeds through intercropping
- Extending oilseed cultivation in nontraditional area
- Targeting 100 low productivity districts
- Crop diversification in different reasons

- Promotion of community based oil extraction unit
- Value addition and promotion of export
- Promotion of rice bran and cotton seed oil
- Consumer awareness for judicious consumption of oils for good health

The above strategies will deliberate the following output by the end of 2024-25

- Oilseed production will be increased from 30.88 to 47.80 million tonnes
- Productivity will be increase from 1263 to 1587 kg per ha
- Reduction in import dependence from 60% to 45%
- Edible oil production will be 18.00 million tonne from 10.50 million tonnes.

35.India-China Trade Deficit

India's trade with China decreased from USD 89.71 billion in 2017-18 to USD 87.07 billion in 2018-19. During this period, India's imports from China declined from USD 76.38 billion in 2017-18 to USD 70.32 billion in 2018-19, and our exports grew from USD 13.33 billion in 2017-18 to USD 16.75 billion in 2018-19.

- As a result, India's trade deficit with China reduced from USD 63.05 billion to USD 53.57 billion in the said period.
- However, there are some reports of some goods of Chinese origin coming into India from other countries like Singapore and Hong Kong.

India is making consistent efforts to achieve a more balanced trade with China requesting them to lower trade barriers for Indian exports to China.

- Various protocols have been signed to facilitate export of Indian rice, rapeseed meal, tobacco and fishmeal / fish oil, and chilli meal from India to China.
- A workshop was jointly conducted by National Medical Products Administration China, and Central Drugs Standard Control Organisation India, to train Indian Pharma exporters on the updated regulatory practices of China, on 21st June 2019, at Shanghai, China.
- The Government of India has also taken various measures to extend support to exporters by facilitating Buyers Seller Meets between potential Chinese importers and Indian exporters to increase exports.

36.Anti-Dumping Duty on Chinese Products

Directorate General of Trade Remedies (DGTR) conducts anti-dumping investigations, under the Customs Tariff Act, 1975 on the basis of a duly substantiated application filed by the domestic industry alleging dumping of goods into the country causing injury to the domestic industry.

- The basic intent of anti-dumping measures is to eliminate injury caused to the domestic industry by the unfair trade practice of dumping and to create a level playing field for the domestic industry.
- Currently, anti-dumping measures are in force on 90 products imported from the People's Republic of China, including two pharmaceutical products.

37.Index Numbers of Wholesale Price in India (Base: 2011-12=100), Review for the month of January, 2020

Wholesale Price Index for 'All Commodities' (Base: 2011-12=100) for the month of January,2020 rose by 0.1 percent to 122.9 (provisional) from 122.8 (provisional) for the previous month.

Inflation

The annual rate of inflation, based on monthly WPI, stood at 3.1% (provisional) for the month of January, 2020 (over January, 2019) as compared to 2.59% (provisional) for the previous month and 2.76% during the corresponding month of the previous year.

Primary Articles (Weight 22.62%)

The index for this major group declined by 1.1 percent to 147.2 (provisional) from 148.8 (provisional) for the previous month.

Fuel and Power (Weight 13.15%)

The index for this major group rose by 1.4 percent to 102.7 (provisional) from 101.3 (provisional) for the previous month.

Manufactured Products (Weight 64.23%)

The index for this major group rose by 0.4 percent to 118.5 (provisional) from 118.0 (provisional) for the previous month.

WPI Food Index (Weight 24.38%)

The rate of inflation based on WPI Food Index consisting of 'Food Articles' from Primary Articles group and 'Food Product' from Manufactured Products group decreased from 11.05% in December, 2019 to 10.12% in January, 2020.

38.Exports from SEZs achieve USD 100 Billion mark

The Special Economic Zones (SEZs) continue to take the lead in expanding the exports for the country. Even in the midst of volatile global economy, SEZs in India have shown resilience and have achieved 100-billion-dollar worth of exports in FY 2019-20.

- SEZs achieved this land-mark of 100-billion-dollar worth of exports in 2018-19 in full financial year.
- Services segment, constituting majorly of IT &ITeS services was driver of the export growth at 23.69 %.
- There was almost 4% growth in manufacturing segment. This reflects overall expansion and interest in SEZs in the country. Number of operational SEZs have grown to 241 as against 235 at the end of FY 2018-19.
- Important sectors that saw healthy growth in this financial year include Gems & Jewelry (13.3%), Trading & Logistics (35%), Leather & Footwear (15%), Non-Conventional Energy (47%), Textiles & Garments (17.6%). Petrochemicals constitute a major segment of SEZ exports, however growth was muted in this segment; which may be attributed to softening of global crude prices.

39.Index of Eight Core Industries (Base: 2011-12=100) for January, 2020

The Eight Core Industries comprise 40.27 per cent of the weight of items included in the Index of Industrial Production (IIP)

The combined Index of Eight Core Industries stood at 137.5 in January, 2020, which increased by 2.2 percent as compared to the index of January, 2019. Its cumulative growth during April, 2019 to January, 2020 was 0.6per cent.

Coal

- Coal production (weight: 10.33per cent)increased by 8.0 per cent in January, 2020 over January,2019.

Crude Oil

- Crude Oil production (weight: 8.98per cent) declined by 5.3 per cent in January, 2020 over January,2019.

Natural Gas

- The Natural Gas production (weight: 6.88per cent) declined by9.1 per cent in January, 2020 over January,2019.

Refinery Products

- Petroleum Refinery production (weight: 28.04per cent) increased by1.9 per cent inJanuary, 2020 overJanuary,2019.

Fertilizers

- Fertilizers production (weight: 2.63 per cent) declined by 0.1 per cent in January, 2020 overJanuary,2019.

Steel

- Steel production (weight: 17.92per cent)increased by 2.2 per cent inJanuary, 2020 over January,2019.

Cement

- Cement production (weight: 5.37per cent) increased by5.0per cent inJanuary, 2020overJanuary,2019.

Electricity

- Electricity generation (weight: 19.85per cent) increased by2.8percent in January, 2020over January,2019.

40.India to stop import of thermal coal from Financial Year 2023-24

India will stop importing thermal coal from Financial Year 2023-24.

"Chintan Shivir" - a two day brainstorming session was organized to find a way forward for the coal sector - at Kevadia in Gujarat on 17th and 18th February 2020.

Highlighting key takeaways of the Shivir:

- Various ways and means discussed with key stakeholders to achieve 1 billion tonnes (BT) coal production target by Coal India Limited (CIL) by Financial Year 2023-24.
- The Ministry of Coal will coordinate with Indian Railways and Shipping Ministry and enable CIL, Captive and Commercial Miners evacuate more coal by 2030.
- CIL to come up with the state of the art pithead thermal power plants to transform it into an integrated energy company.
- CIL to generate 5 GW of solar power by FY 2023-24 and could diversify into coal gasification with a target of 50 Million Tonnes by 2030 enabling a sustainable energy mix for the country.
- Safety of workers in the Coal mining sector and has urged coal companies to achieve zero mortality rate by FY 2023-24.
- A “Coal Minister's Award” to recognise and appreciate best practices in coal production, productivity, safety, sustainability etc. by the coal companies.
- Drilling agencies like Central Mine Planning and Design Institute(CMPDI) and Geological Survey of India (GSI) should benchmark their operations to global standards by digitising their databases.

During the two day Shivir, strategies were evolved for sustainable mining, environmental conservation, use of clean coal technologies and for extending helping hand to all stakeholders in and around coal mining areas to coexist in a mutually sustainable manner.

41.Linking Farmers with Markets

The Government has taken several concrete steps to link the farmers with the markets with the aim to help the farmers in trading off their foodgrain. **Agricultural marketing is a state subject** and wholesale agricultural marketing is undertaken by the network of 6946 regulated wholesale markets, set up under the provision of respective State Agricultural Produce Market Committee (APMC) Act.

Government has released a new model in order to provide better marketing facilities to the farmers:

- The Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017. The provisions therein provide for alternative marketing channels other than APMCs to farmers in marketing their produce at competitive & remunerative prices.
- In order to optimise the use of scarce resources and mitigate the uncertainty in price and marketing, the Government formulated and released a progressive and facilitative Model Act.
- The State/ UT Agricultural Produce & Livestock Contract Farming and Services (Promotion & Facilitation) Act, 2018.
- The aforesaid Model Contract Farming Act covers the entire value and supply chain from pre-production to post harvest marketing including services contract for the agricultural produce and livestock.
- National Agriculture Market (e-NAM) scheme an online virtual trading platform to provide farmers with opportunity for transparent price discovery for remunerative prices for their produce through competitive online bidding system. So far, 585 wholesale regulated markets of 16 States and 02 UTs

have been integrated with e-NAM platform.

- Market Research and Information Network (MRIN) Scheme covering wholesale mandis across the country linked to Agmarknet portal, wherein Agricultural Produce Market Committees (APMCs) markets are reporting data on mandi arrivals and prices of their traded agricultural commodities on daily basis.
- The farmers have free access to the Agmarknet portal for getting market price information easily.
- In order to ensure remunerative prices to farmers for their produce, the Government of India has launched an umbrella scheme 'Pradhan Mantri Annadata Aay SanraksHan Abhiyan' (PM-AASHA).
- Under PM-AASHA, the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), Ministry of Agriculture & Farmers Welfare, Government of India, implements the Price Support Scheme (PSS) for procurement of pulses, oilseeds and copra.
- For oilseeds, DAC&FW also implements the Price Deficiency Payment Scheme (PDPS) and Private Procurement Stockist Scheme (PPSS).
- The Government is also providing marketing facilities to famers under the schemes of Paramparagat Krishi Vikas Yojana (PKVY) and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER).
- Price discovery and price risk management are the major objectives of futures markets. Futures contracts of various durations and on multiple commodities are available for trading on these markets/ exchanges. Futures are standardised, exchange traded contracts for buying/selling a standardised quantity of a particular commodity at a pre-decided price on a future date.
- Farmers and growers can benefit through the price signals emanating from futures markets even if they may not directly participate in the futures market. A farmer can determine the kind of crop which he would prefer to sow and plan his cultivation in advance, by taking advantage of the advance information of the future price trends of alternate crops, and probable supply and demand of various commodities in future.
- Farmers can also simultaneously enter into the futures contract of the planted crop at the prevailing futures price thereby locking-in the price at which they can sell the underlying commodity at a specific point of time in future. In a futures contract, the farmer can deliver the crop directly on the exchange platform, subject to payment of market levies charged by the respective states.

42.Society for Welfare Schemes

A National Farmer's Welfare Programme Implementation Society registered in 2019 to operate certain Central Sector Schemes related to farmers welfare, regularly monitors the progress of schemes through meetings with concerned officers of the State Governments/UTs, visits of nodal officers of the Department to the States/UTs, video conferencing, Rabi and Kharif Conferences.

- The beneficiary details of different schemes are uploaded in the Direct Benefit Transfer (DBT) portal for monitoring and tracking of beneficiaries.
- Financial assistance extended to the beneficiary is directly credited into their bank accounts through the DBT mode

43.Soil Health Card scheme

The Soil Health Card scheme launched during the financial year 2014-15 with a view to address the decline of soil nutrients, has started reaping fruit.

- In the second phase of the scheme 11.69 crore Soil Health Cards have been distributed to farmers in the last two years.
- Union Minister of Agriculture and Farmers Welfare issues the Soil Health Cards.
- This has enabled the farmers to understand the soil health parameters and improve its productivity by judicious application of soil nutrients.
- A study conducted by the National Productivity Council (NPC) says the application of Soil Health Card recommendations has led to a decline of 8-10% in use of chemical fertilisers and also raised productivity by 5-6%.
- Soil Health Card Scheme Phase-I (Years 2015 to 2017) 10.74 crore cards were distributed, while under the Phase-II 11.69 crore cards have been give away during the period 2017-19.
- For the setting up of Soil Health Laboratories under the scheme the states have been sanctioned static labs, new mobile labs, mini labs, village-level laboratories and strengthening of existing labs.
- The scheme provides for the analysis of soil composition by the State Governments once in every two years so that remedial steps can be taken to improve soil nutrients.
- Farmers can track their soil samples and also obtain their Soil Health Card report.
- While the Soil Health Management Scheme has turned out to be a blessing for the farmers, it is also creating jobs for the agrarian youth. Under the scheme village youth and farmers up to 40 years of age are eligible to set up Soil Health Laboratories and undertake testing.
- A laboratory costs up to Rupees Five Lakhs, 75% of which can be funded by the Central and State Governments.
- The same provisions apply to Self Help Groups, Farmers' Cooperative Societies, Farmers Groups and Agricultural Producing Organisations.

44.Measures adopted for MSP For Crops

Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)

- PM-AASHA is an umbrella scheme comprising of Price Support Scheme (PSS), Price Deficiency Payment Scheme (PDPS) and Private Procurement & Stockist Scheme (PPSS).
- To ensure Minimum Support Price (MSP) to farmers of notified oilseeds and pulses qualifying Fair Average Quality (FAQ) norms.
- PSS is implemented for procurement of pulses, oilseeds and copra at MSP, whereas PDPS is implemented for oilseeds.
- States/UTs may choose either PSS or PDPS in a given procurement season with respect to a particular oilseed crop for the entire State.

- PDPS does not involve any physical procurement but envisages direct payment of the difference between the MSP and the selling / modal price to pre- registered farmers selling oilseeds of prescribed FAQ norms within the stipulated period in the notified market yard through a transparent auction process.
- PPSS is also implemented for oilseeds on pilot basis and States have the option for implementation of PPSS in district/selected APMC(s) of district involving the participation of private stockist.

However, if farmers gets better price in comparison to MSP, they are free to sell their produce in open market.

45.Soil health card Scheme Completes 5 years on 19-2-2020

The International year of soils was celebrated in 2015 the same year India's unique programme of soil health card was launched on February 19 to assess the nutrient status of every farm holding in the country.

- The objectives of the Soil Health Card scheme are to issue soil health cards to farmers every 2 years so as to provide a basis to address nutritional deficiencies in fertilization practises.
- Soil testing is developed to promote soil test based on nutrient management.
- Soil testing reduces cultivation cost by application of right quantity of fertilizer.
- It ensures additional income to farmers by increase in yields and it also promotes sustainable farming.
- Soil Health Card Scheme was launched by Prime Minister Shri Narendra Modi on 19.02.2015 at Suratgarh, Rajasthan.
- The scheme has been introduced to assist State Governments to issue soil health cards to all farmers in the country.
- Soil health card provides information to farmers on nutrient status of their soil along with recommendation on appropriate dosage of nutrients to be applied for improving soil health and its fertility.
- The soil analyzing capacity has increased from 1.78 to 3.33 crore soil samples per annum in short period of 5 years.
- Soil Health Card provides two sets of fertilizer recommendations for six crops including recommendations of organic manures.
- Farmers can also get recommendations for additional crops on demand. They can also print the card as their own from SHC portal.
- SHC portal has farmers database of both the cycles and is available in 21 languages for the benefit of the farmers.

During 2019-20, a pilot project 'Development of Model Villages' has been undertaken up where soil samples collection has been done at individual farm holding with farmer's participation instead of sample collection at grids.

- Under the pilot project, one village per block is adopted for land holding based soil sampling, testing and organization of larger number of demonstrations up to a maximum number of 50 demonstrations (1 ha each) for each adopted village. This will result in acceptance of Soil Health Card by farmers.

- Awareness among farmers is being stepped up by coordinated efforts of Departments of Agriculture Cooperation and Farmers Welfare, Fertilisers backed by technology and network of KrishiVigyanKendras of Indian Council of Agriculture Research.
- Farmer can track their samples, print their Cardsetc at Common Service Centres also at the Farmers Corner of www.soilhealth.gov.in and fulfil the mantra of SwasthaDhara to Khet Hara (if the soil is healthy, the fields will be green).

46.PM-KISAN Scheme completes one year on February 24, 2020

Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)

- The scheme was started with a view to augment the income of the farmers by providing income support to all landholding farmers families across the country, to enable them to take care of expenses related to agriculture and allied activities as well as domestic needs.
- Under the Scheme an amount of Rs.6000/- per year is transferred in three 4-monthly instalments of Rs.2000/- directly into the bank accounts of the farmers, subject to certain exclusion criteria relating to higher income status.
- The Scheme was formally launched on 24th February, 2019 by the Prime Minister Shri Narendra Modi at Gorakhpur, Uttar Pradesh.
- The scheme is effective from 1.12.2018 and the cut-off date for identification of beneficiaries with regard to their eligibility is 1.2.2019.
- The entire responsibility of identification of beneficiaries rests with the State / UT Governments.
- An exclusive web-portal www.pmkisan.gov.in has been launched for the Scheme.
- The financial benefits are released to the beneficiaries on the basis of the data of farmers prepared and uploaded by them on the PM-Kisan web-portal.
- The Scheme initially provided income support to all Small and Marginal Farmers' families across the country, holding cultivable land upto 2 hectares. Its ambit was later expanded w.e.f. 01.06.2019 to cover all farmer families in the country irrespective of the size of their land holdings.
- Affluent farmers have been excluded from the scheme such as Income Tax payers in last assessment year, professionals like Doctors, Engineers, Lawyers, Chartered Accountants etc and pensioners pensioners drawing at least Rs.10,000/- per month (excluding MTS/Class IV/Group D employees).
- Special provisions have been made for the North-Eastern States where land ownership rights are community based, Forest Dwellers and Jharkhand, which does not have updated land records and restrictions on transfer of land.
- For enrolment, the farmer is required to approach the local patwari / revenue officer / Nodal Officer (PM-Kisan) nominated by the State Government.
- Farmers can also do their self-registration through the Farmers Corner in the portal. Farmers can also edit their names in PM-Kisan database as per their Aadhaar database / card through the Farmers Corner in the portal. Farmers can also know the status of their payment through the Farmers Corner in the portal.
- Village-wise details of beneficiaries are also available on the Farmers Corner.

The Common Service Centres (CSCs) have also been authorized to do registration of the farmers for the Scheme upon payment of fees.

- Beneficiaries are entitled to their benefit from the 4-monthly period in which their name is registered by the State Nodal Officer (SNO) in the PM-Kisan Portal.
- A 24x7 automated IVRS based helpline for status verification. Farmers can dial 1800-11-5526 or 155261 to know the status of their application.
- All instalments falling due on or after 1st December, 2019 are being paid only on the basis of Aadhaar authenticated bank data of beneficiaries to ensure genuine beneficiaries and avoid duplicacy in payments, except in respect of the States of Assam and Meghalaya besides the UTs of Jammu & Kashmir and Ladakh which are exempted from this requirement till 31.3.2020.

47.Finance Commission constitutes High Level Expert Group on Agriculture Exports

The Fifteenth Finance Commission has decided to constitute a High Level Expert Group on Agriculture Exports in pursuance of its ToR i.e, to recommend measurable performance incentives for States to encourage agri exports as well as to promote crops to enable high import substitution.

The Terms of Reference of the Committee are

- To assess export & import substitution opportunities for Indian agricultural products (commodities, semi processed and processed) in the changing international trade scenario and suggest ways to step up exports sustainably and reduce import dependence.
- To recommend strategies and measures to increase farm productivity, enable higher value addition, ensure waste reduction, strengthen logistics infrastructure etc. related to Indian agriculture, to improve the sector's global competitiveness.
- To identify the impediments for private sector investments along the agricultural value chain and suggest policy measures and reforms that would help attract the required investments.
- To suggest appropriate performance-based incentives to the state governments for the period 2021-22 to 2025-26, to accelerate reforms in the agriculture sector as well as implement other policy measures in this regard.

48."Formation and Promotion of Farmer Producer Organizations (FPOs)" to form and promote 10,000 new FPOs

10,000 FPOs to be formed from 2019-20 to 2023-24 to ensure economies of scale for farmers. Support to each FPO be continued for 5 years from its year of inception.

Benefits

Small and marginal farmers do not have economic strength to apply production technology, services and marketing including value addition. Through formation of FPOs, farmers will have better collective strength for better access to quality input, technology, credit and better marketing access through economies of scale for better realization of income.

Brief of the Scheme

- A new Central Sector Scheme titled "Formation and Promotion of Farmer Produce Organizations (FPOs)" to form and promote 10,000 new FPOs with a total budgetary provision of Rs. 4496.00 crore for five years (2019-20 to 2023-24) with a further committed liability of Rs. 2369.00 crore for period from 2024-25 to 2027-28 towards handholding of each FPO for five years from its aggregation and formation.
- Initially there will be three implementing Agencies to form and promote FPOs, namely Small Farmers Agri-business Consortium (SFAC), National Cooperative Development Corporation (NCDC) and National Bank for Agriculture and Rural Development (NABARD). States may also, if so desire, nominate their Implementing Agency in consultation with DAC&FW.
- DAC&FW will allocate Cluster/States to Implementing Agencies which in turn will form the Cluster Based Business Organization in the States.
- FPOs will be formed and promoted through Cluster Based Business Organizations (CBBOs) engaged at the State/Cluster level by implementing agencies. The CBBOs will have five categories of specialists from the domain of Crop husbandry, Agri marketing / Value addition and processing, Social mobilisation, Law & Accounts and IT/MIS.These CBBOs will be platform for an end to end knowledge for all issues in FPO promotion.
- National Project Management Agency (NPMA) at SFAC for providing overall project guidance, data compilation and maintenance through integrated portal and Information management and monitoring.
- Initially the minimum number of members in FPO will be 300 in plain area and 100 in North East & hilly areas.
- Priority will be given for formation of FPOs in aspirational districts in the country with at least one FPO in each block of aspirational districts.
- FPOs will be promoted under "One District One Product" cluster to promote specialization and better processing, marketing, branding & export by FPOs.
- There will be a provision of Equity Grant for strengthening equity base of FPOs.
- A Credit Guarantee Fund of up to Rs. 1,000.00 crore in NABARD with equal contribution by DAC&FW and NABARD and Credit Guarantee Fund of Rs.500.00 crore in NCDC with equal contribution by DAC&FW and NCDC for providing suitable credit guarantee cover to accelerate flow of institutional credit to FPOs by minimizing the risk of financial institutions for granting loan to FPOs.
- States/UTs will be allowed to avail loan at prescribed concessional rate of interest under Agri-Market Infrastructure Fund (AMIF) approved for set up in NABARD for developing agriculture marketing and allied infrastructure in GrAMs, by making marketing & allied infrastructure including Common Facilitation Centre / Custom Hiring Centre for FPOs as eligible category for providing assistance to States / UTs.
- Adequate training and handholding will be provided to FPOs. CBBOs will provide initial training.

Background

- The report of 'Doubling of Farmer's Income (DFI)' has emphasized this fact and recommended formation of 7,000 FPOs by 2022 towards convergence of efforts for doubling the farmers' income.

49.National Technical Textiles Mission

- The Cabinet Committee on Economic Affairs has given its approval to set up a National Technical Textiles Mission, with a view to position the country as a global leader in Technical Textiles.The Mission would have a four year implementation period from FY 2020-21 to 2023-24.
- Technical Textiles are futuristic and nice segment of textiles, which are used for various applications ranging from agriculture, roads, railway tracks, sportswear, health on one end to bullet proof jacket, fire proof jackets, high altitude combat gear and space applications on other end of spectrum.

The Mission will have four components

- Component -I (Research, Innovation and Development): This component will promote both (i) fundamental research at fibre level aiming at path breaking technological products in Carbon Fibre, Aramid Fibre, Nylon Fibre, and Composites and (ii) application based research in geo-textiles, agro-textiles, medical textiles, mobile textiles and sports textiles and development of biodegradable technical textiles.
- Component -II (Promotion and Market Development): Indian Technical Textiles segment is estimated at USD 16 Billion which is approximately 6% of the 250 Billion USD global technical textiles market. The penetration level of technical textiles is low in India varying between 5-10% against the level of 30-70% in developed countries. The Mission will aim at average growth rate of 15-20% per annum taking the level of domestic market size to 40-50 Billion USD by the year 2024; through market development, market promotion, international technical collaborations, investment promotions and 'Make in India' initiatives.
- Component - III (Export Promotion): The component aims at export promotion of technical textiles enhancing from the current annual value of approximately Rs.14000 Crore to Rs.20000 Crore by 2021-22 and ensuring 10% average growth in exports per year upto 2023-24. An Export Promotion Council for Technical Textiles will be set up for effective coordination and promotion activities in the segment.
- Component- IV (Education, Training, Skill Development): The Mission will promote technical education at higher engineering and technology levels related to technical textiles and its application areas covering engineering, medical, agriculture, aquaculture and dairy segments. Skill development will be promoted and adequate pool of highly skilled manpower resources will be created for meeting the need of relatively sophisticated technical textiles manufacturing units.
- The Mission will focus on usage of technical textiles in various flagship missions, programmes of the country including strategic sectors. The use of technical textiles in agriculture, aquaculture, dairy, poultry, etc. Jal Jivan Mission; Swachch Bharat Mission; Ayushman Bharat will bring an overall improvement in cost economy, water and soil conservation, better agricultural productivity and higher income to farmers per acre of land holding in addition to promotion of manufacturing and exports activities in India. The use of geo-textiles in highways, railways and ports will result in robust infrastructure, reduced maintenance cost and higher life cycle of the infrastructure assets.
- Promotion of innovation amongst young engineering /technology/ science standards and graduates will be taken up by the Mission; along with creation of innovation and incubation centres and promotion of 'start-up' and Ventures'.

- A sub-component of the research will focus on development of bio degradable technical textiles materials, particularly for agro-textiles, geo-texti!es and medical textiles. It will also develop suitable equipment for environmentally sustainable disposal of used technical textiles, with emphasis on safe disposal of medical and hygiene wastes.
- There is another important sub-component in the research activity aiming at development of indigenous machineries and process equipment for technical textiles, in order to promote 'Make In India' and enable competitiveness of the industry by way of reduced capital costs.
- The Mission will move into sunset phase after four years period

Background of Technical Textiles

- Technical textiles are textiles materials and products manufactured primarily for technical performance and functional properties rather than aesthetic characteristics. Technical Textiles products are divided into 12 broad categories (Agrotech, Buildtech, Clothtech, Geotech, Hometech, Indutech, Mobiltech, Meditech, Protech, Sportstech, Oekotech, Packtech) depending upon their application areas.
- India shares nearly 6% of world market size of 250 Billion USD. However, the annual average growth of the segment is 12%, as compared to 4% world average growth.
- Penetration level of technical textiles is low in India at 5-10%, against 30-70% in advanced countries. The Mission aims at improving penetration level of technical textiles in the country.

50.Revamped "Pradhan Mantri Fasal Bima Yojana (PMFBY)" and "Restructured Weather Based Crop Insurance Scheme (RWBCIS)" to address the existing challenges in implementation of Crop Insurance Schemes

Modification of certain parameters/provisions of ongoing schemes of PMFBY and RWBCIS as under:

- Allocation of business to Insurance Companies to be done for three years (Both PMFBY/RWBCIS).
- Option shall be given to States/UTs to choose Scale of Finance or district level Value of Notional Average Yield (NAY) i.e. NAY* Minimum Support Price (MSP) as Sum Insured for any district crop combination (Both PMFBY/RWBCIS). Farm gate price will be considered for the other crops for which MSP is not declared.
- Central Subsidy under PMFBY/RWBCIS to be limited for premium rates upto 30% for unirrigated areas/crops and 25% for irrigated areas/crops.
- Districts having 50% or more irrigated area will be considered as irrigated area/district (Both PMFBY/RWBCIS).
- Flexibility to States/UTs to implement the Scheme with option to select any or many of additional risk covers/features like prevented sowing, localised calamity, mid-season adversity, and post-harvest losses. Further, States/UT can offer specific single peril risk/insurance covers, like hailstorm etc, under PMFBY even with or without opting for base cover (Both PMFBY/RWBCIS).

- States not to be allowed to implement the Scheme in subsequent Seasons in case of considerable delay by States in release of requisite Premium Subsidy to concerned Insurance Companies beyond a prescribed time limit.
- Cut-off dates for invoking this provision for Kharif and Rabi seasons will be 31st March and 30th September of successive years respectively (Both PMFBY/RWBCIS).
- For estimation of crop losses/admissible claims, two-Step Process to be adopted using specific triggers like weather indicators, satellite indicators, etc. for each area along with normal ranges and deviation ranges. Only areas with deviations will be subject to Crop Cutting Experiments (CCEs) for assessment of yield loss (PMFBY).
- Smart Sampling Technique (SST) and optimization of number of CCEs to be adopted in conducting CCEs (PMFBY).
- In case of non-provision of yield data beyond cut-off date by the States to implementing Insurance Companies, claims to be settled based on yield arrived through use of Technology solution (PMFBY alone).
- Enrolment under the Scheme to be made voluntary for all farmers (Both PMFBY/RWBCIS).
- Central Share in Premium Subsidy to be increased to 90% for North Eastern States from the existing sharing pattern of 50:50 (Both PMFBY/RWBCIS).
- Provisioning of at least 3% of the total allocation for the Scheme to be made by Government of India and Implementing State Governments for administrative expenses. This shall be subject to an upper cap fixed by DAC&FW for each State (Both PMFBY/RWBCIS).
- The concerned provisions/parameters of scheme and operational guidelines of the PMFBY and RWBCIS shall be modified to incorporate the above said modifications and shall be made operational from Kharif 2020 season.

Benefits

With these changes it is expected that farmers would be able to manage risk in agriculture production in a better way and will succeed in Stabilizing the farm income. Further, it will increase coverage in north eastern region enabling farmers of NER to manage their agricultural risk in a better way. These changes will also enable quick and accurate yield estimation leading to faster claims settlement.

51.Entrepreneurial development of Tribal Women on International Day of Women (Ministry of Tribal Affairs)

Entrepreneurial development of Tribal women by providing them proper education and by enhancing their skills.

- Special campaign was launched from 1st to 7th March, 2020 in the run up to the International Women's Day on 8th March this year with Tribal Affairs being the theme on 5th March.
- During the current academic year, total number of tribal students enrolled in various Eklavya Model Residential Schools across the country is 73145 and out of which 36435 are girl students studying in different EMRSs.

- Around half of the total students studying in EMRSs are girls which clearly shows that the literacy rate among tribal girls has dramatically improved.
- National Scheduled Castes Finance and Development Corporation (NSTFNDC) provides Concessional loan under the scheme 'Aadivasi Mahila Sashaktikaran Yojna', under which Scheduled Tribe women can undertake any income generation activity.
- Loan upto 90 per cent for the scheme costing upto 1 lakh is provided at a highly concessional rate of interest of 4 per cent per annum.
- Ministry of Tribal Affairs extends its support to NGOs which are concerned with education and health of tribal girls.
- “PM Van Dhan Yojna”, is helping in livelihood generation among tribal women and ensuring maximum benefit through wealth of forest (Van Dhan) i.e. minor forest produce.
- TRIFED has taken a step forward to promote tribal handicrafts and goods by opening up of new outlets namely, TRIBES INDIA at different locations across the country. Handicraft items in these outlets are produced by tribal women, thus helping tribal women to earn their livelihood and boosting their income.

52.TRIFED launched transformational “Tech For Tribals” program in partnership with Institutes of National Importance (INIs) to develop Tribal entrepreneurship.

A game changing and unique project aimed to transform 5 crore Tribal Entrepreneurs under the name “Tech for Tribal” has been launched by TRIFED.

- Launched on 19th March 2020 by TRIFED and IIT-Kanpur along with IIT-Roorkee, IIM Indore, Kalinga Institute of Social Science, Bhubaneshwar and SRIJAN, Jaipur in the first phase of organising tribal entrepreneurship and skill development program.
- Tech for Tribals, an initiative of TRIFED aims at capacity building and imparting entrepreneurship skills to tribal forest produce gatherers enrolled under the Pradhan Mantri Van Dhan Yojana(PMVDY).
- TRIFED received overwhelming response from all leading higher education institutions in the country for strategizing to infuse best in class training and capacity building for Tribals to start their enterprise.TRIFED has drawn out a Five Year strategy for 10X impact in Tribal development and will establish 1,200 "Van Dhan Vikas Kendra (VDVK)”, across 28 States engaging 3.6 Lakhs Tribal Forest Produce gatherers.
- One typical VDVK comprises of 15 Self Help Groups, each consisting of 20 Tribal gatherers.
- The program aims at providing skill up-gradation and capacity building of VDVK lead members.
- IIT, Kanpur, Roorkee, Ranchi, Rampur, IIM Vizag, Ahmedabad, Kolkata and other reputed institutes like DRI, SRIJAN, KISS, TISS etc. have shown their keenness to partner with this programme initiated by TRIFED
- VanDhan products will be marketed through all available distribution channels.

- TribesIndia outlets are already operational at the airports of Chennai, Jaipur, Ahmedabad, Udaipur, Coimbatore, Trivandrum, Pune, Goa, Kolkata.
- TRIFED also has aggressively pursued their eCommerce strategy with their own website (www.tribesindia.com) and to push Government institutional purchases, TribesIndia has a presence in Government eMarket Place (GeM).
- National Level Tribal Festivals namely Aadi Mahotsavs, along with other exhibitions, are being organised in various cities all over the country are other efforts being taken to expand the marketing opportunities for TribesIndia products and country's tribal heritage.

53.Silk Samagra Scheme for Development of Sericulture

Sericulture is an agro-based cottage industry having huge employment and income generating potential in rural and semi-urban areas. Silkworm rearing is mainly practiced in rural areas of the country providing livelihood to weaker section of the society.

Central Sector Scheme "Silk Samagra" an Integrated Scheme for Development of Silk Industry (ISDSI) with an aim & objective to scale up production by improving the quality and productivity and to empower downtrodden, poor & backward families through various activities of sericulture in the country.

The scheme comprises four (4) major Components.

- Research & Development, Training, Transfer of Technology and I.T. Initiatives.
- Seed Organizations.
- Coordination and Market Development.
- Quality Certification Systems (QCS) / Export Brand Promotion and Technology Up-gradation.

Central Silk Board (CSB) has taken following steps to promote sericulture in the country:

- "Silk Samagra" mainly focuses on improving quality and productivity of domestic silk thereby reducing the country's dependence on imported silk.
- Under North East Region Textile Promotion Scheme (NERTPS), 38 Sericulture projects are being implemented in all North Eastern States.
- Research & Development has been focused to evolve productive silkworm/host plant hybrids and package of practices to improve quality and productivity.
- Automatic Reeling Machines (ARM)/Units have been established in the country to produce international standard silk of 3A-4A grade.
- Mobilisation of additional funds for sericulture development through convergence by availing the schemes such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and Rashtriya Krishi Vikas Yojana (RKVY) being implemented by other Ministries of Government of India to create required infrastructure at stakeholder's level.
- The basic customs duty of 10% & 20% is levied on raw silk and silk fabric import respectively to stabilize the domestic silk weaving segment and make Indian silk export sector highly competitive.

- In order to protect the domestic sericulture farmers and silk reelers, antidumping duty of US$ 1.85/kg has been imposed on Mulberry raw silk of 3A Grade & below originating in or exported from China PR.

54.New Textile Policy - 2020

A New Textile Policy for overall development of the sector with inputs from all the state governments, individuals through e-portal and different associations are being solicited under broad topics like cotton, silk, jute, wool, man-made fibre, handloom, handicrafts, powerloom, technical textiles, technology & machinery upgradation, infrastructure (spinning, weaving & processing) and human resource development.

- Textile industry is facing problems like technological obsolesce, high input cost (power & capital), poor access to credit, fragmented units, absence of fibre neutrality etc.

In order to address these issues/problems, Govt. has implemented various schemes to provide support to Textiles & Apparel Sector:-

- Knitting and Knitwear Sector scheme: A separate scheme for development of Knitting and Knitwear Sector to boost production in knitting and knitwear cluster at Ludhiana, Kolkata and Tirupur.
- Amended Technology Up-gradation Fund Scheme (ATUFS) for technology up-gradation of the textile industry to incentivize production during 2016-2022. It is expected to attract investment of Rs.1 lakh crore and generate 35.62 lakhs employment in the textile sector by 2022.
- A special package of Rs.6000 crore in 2016 to boost investment, employment and exports in the garmenting and made-ups sector with the following components viz., (i) full refund is provided under Remission of State Levies (ROSL) to the exporters for the State level taxes; (ii) production linked additional incentive of 10% is provided under the Amended Technology Up-gradation Fund Scheme (ATUFS).
- National Handloom Development Programme, Comprehensive Handloom Cluster Development Scheme, Handloom Weaver Comprehensive Welfare Scheme and Yarn Supply Schemes.
- National Handicrafts Development Programme (NHDP) and Comprehensive Handicraft Cluster Development Schemes.
- Power Tex India: A comprehensive scheme for Powerloom sector.
- Silk Samagra – An integrated Scheme for development of silk.
- Jute ICARE for increasing the income of farmers through different interventions.
- North East Region Textile Promotion Scheme (NERTPS) for promoting textiles industry.

The Government is implementing the Scheme for Integrated Textile Park (SITP) which provides support for creation of world-class infrastructure facilities for setting up of textile units.

55.Cotton Trading Policies

Cotton Corporation of India (CCI) provides Minimum Support Price (MSP) operations when prices of Fair Average Quality (FAQ) grade kapas fall below the MSP level and procures entire quantity of FAQ grade kapas offered by the cotton farmers in various Agricultural Produce Market Committee (APMC) yards at MSP rate.

- The FAQ grade cotton procured under MSP operations is superior quality which is of higher value. The cotton procured by CCI under MSP operations is made available to the industry on daily basis through e-auction.
- The system is transparent and value based. It has always been the endeavour of CCI to ensure availability of good quality cotton at competitive rates to domestic textile industry including MSME units, Co-operatives and Institutional buyers.

56.Mahatma Gandhi Bunkar Bima Yojana

Mahatma Gandhi Bunkar Bima Yojana (MGBBY) to provide social security benefits like life, accidental & disability insurance coverage to handloom weavers/workers in the age group of 51-59 years across the country, who have already enrolled under the scheme on 31.5.2017.

The annual premium of Rs.470/- is shared as under:

- Government of India Rs.290/-
- Weaver Rs.80/-
- Implementing Agency Rs.100/-
- Total Premium Rs.470/-

Benefits

- Natural Death Rs.60,000/-
- Accidental Death Rs.1,50,000/-
- Total Disability Rs.1,50,000/-
- Partial Disability Rs.75,000/-
- To provide the benefits to all handloom weavers/workers in an effective manner Hasthkala Sahyog Shivirs are being organised in handloom clusters across the country in association with State Governments and LIC for creating awareness among the weavers for enrolment under the Scheme.
- The claim benefits are provided by LIC directly into the bank account of beneficiaries through Direct Benefit Transfer (DBT). The Ministry of Textiles also regularly organizes awareness programmes and camps through its Weavers' Service Centres to facilitate enrolment of handloom weavers/workers under Government Flagship Insurance Schemes.

57.Growth in Consumption of Steel

The quantity of finished steel consumption during last three years and current year (i.e. April, 2019 – January, 2020) indicated a growth in consumption.

- With the current rate of GDP growth, the steel demand will grow around threefold to reach a demand of 230 Million Ton by 2030-31 as projected in the National Steel Policy 2017.
- Government has brought Domestically Manufactured Iron & Steel Products Procurement (DMI&SP) Policy, Steel Scrap Policy, Steel Import Monitoring System (SIMS) along with push for better infrastructure such as railways, roads, 'Housing for All by 2022', piped water to every household etc. to enhance steel demand.

- To meet increasing demand, market mechanism will operate in the deregulated steel sector.
- Steel industry is a deregulated sector and the role of the Government is that of a facilitator. The decision regarding introduction of world class latest technologies are essentially taken by the respective iron and steel companies based on techno-economic considerations. Ministry of Steel is actively promoting R&D in environment friendly technologies for steel making.

58.Rashtriya Vayoshri Yojana (Department of Social Justice and Empowerment)

A Central Sector Scheme "Rashtriya Vayoshri Yojana" (RVY) (1st April, 2017) launched with the objective to provide the senior citizens, living below poverty line and suffering from any of the age related disability/ infirmity, with assisted living devices which can restore near normalcy in their bodily functions, overcoming the disability/ infirmity manifested.

- Devices like walking sticks, elbow crutches, walkers/crutches, tripods/quadpods, hearing aids, wheelchairs, artificial dentures and spectacles are provided free of cost to senior citizens belonging to BPL category who suffer from age related disabilities/infirmities such as low vision, hearing impairment, loss of teeth and loco-motor disabilities in the camp mode.
- The Scheme is implemented through the Artificial Limbs Manufacturing Corporation (ALIMCO), (a Public Sector Undertaking under the Ministry of Social Justice and Empowerment) as the sole implementing Agency. The Scheme of RVY is entirely funded from Senior Citizens' Welfare Fund (SCWF)

59.Loan for Skill Development for Poor and Backward Classes

Skill Loan Scheme to provide loan facility to aspirants for skill development courses aligned to National Skill Qualification Framework (NSQF).

The important features of the Scheme are as follows

- Any Indian National who has secured admission in a course run by Industrial Training Institutes (ITIs), Polytechnics or in a school recognised by Central or State education Boards or in a college affiliated to recognised university, training partners affiliated to National Skill Development Corporation (NSDC) Sector Skill Councils, State Skill Mission, State Skill Corporation can avail loan for the purpose.
- No processing fee is charged by Banks.
- Amount of loan ranges from Rs. 5,000 to Rs.150, 000/- depending on the course and is having a repayment period of 3 to 7 years.
- Simple rate of interest @ 11% and 12% per annum is charged during the period of study.
- No minimum course duration.
- No specific restriction with regard to age.
- Risk of banks covered through Credit Guarantee Fund Scheme for Skill Development (CGFSSD)
- Under the scheme of CGFSSD, interest rate to be charged by Member Lending Institution (MLI) should not be more than 1.5% per annum over Base Rate.

- Borrower must enter into an agreement with National Credit Guarantee Trustee Company (NCGTC) for providing guarantee against default in repayment of the loan extended by lending institutions.
- The fund shall provide guarantee cover to the extent of 75% of the amount in default.
- The loan is sanctioned without any collateral security or third party guarantee.

60.Skill India and Start-Up India (Skill India Mission, Ministry of Skill Development and Entrepreneurship)

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) a demand driven flagship scheme under Skill India Mission, Ministry of Skill Development and Entrepreneurship.

- Objective to provide skilling to one crore people across the country in four years i.e. 2016-2020.
- 33.20 lakh candidates have been oriented under Recognition of Prior Learning (RPL) component of the scheme.
- Start-up India is intended to catalyse start-up culture and build a strong and inclusive ecosystem for innovation and entrepreneurship in India.
- The Department for Promotion of Industry and Internal Trade (DPIIT) acts as the nodal Department for the Start-up initiative.
- Under PMKVY (2016-20), to inculcate entrepreneurship in the candidates, training in English, Employability & Entrepreneurship (EEE) module of 155 hours is being imparted in addition to core curriculum of course.
- Pradhan Mantri Kaushal Kendras (PMKKs) are designated as Hand Holding Agencies for MUDRA loans on Udyamimitra Portal Small Industries Development Bank of India (SIDBI).
- Under Stand-up India, assistance to Startups includes setting up Fund of Funds for Startups' (FFS) at SIDBI for providing fund support for Startups, relaxed norms in Public Procurement for Startups, Tax incentives, Legal Support and Fast-tracking Patent examination at Lower costs, Self-Certification based Compliance Regime, Setting up of Incubators and Tinkering Labs, etc.

61.Development of Entrepreneurship in the Country (Ministry of Skill Development and Entrepreneurship MSDE)

Pradhan Mantri Yuva Udyaimta Vikas Abhiyaan (PM YUVA)

- An enabling ecosystem through entrepreneurship education, training, advocacy and easy access to entrepreneurship network.
- The scheme focuses on students/trainees and alumni coming out from skilling ecosystem {i.e. Industrial Training Institutes (ITIs), Polytechnics, Pradhan Mantri Kaushal Kendras (PMKKs) and Jan Shikshan Sansthans (JSS)}.
- It covers 10 States and 2 Union Territories:
- Uttar Pradesh, Uttarakhand, Bihar, West Bengal, Assam, Meghalaya, Maharashtra, Tamil Nadu, Telangana, Kerala, Delhi and Puducherry.

- An aim to promote a culture of entrepreneurship among India's youth and inspire them to set-up their own enterprises and create employment opportunities for others, a National Entrepreneurship Awards Scheme (NEAS) was instituted in 2016.
- Awards are conferred to aspiring first generation entrepreneurs including women and those individuals/ organizations who are working as eco-system builder in the field of entrepreneurship development.

Ministry of Skill Development and Entrepreneurship (MSDE) in collaboration with the Deutsche Gesellschaftfür Internationale Zusammenarbeit (GIZ) GmbH (Germany) has launched a pilot project called 'Economic Empowerment of Women Entrepreneurs and Start-ups by Women.

- To support aspiring and existing women entrepreneurs in India. This pilot project is being implemented in the North Eastern Region (Assam, Meghalaya and Manipur), Rajasthan and Telangana.
- In addition financial assistance is provided in form of loan to entrepreneurs under various schemes viz Micro Units Development and Refinance Agency or MUDRA and Stand Up India Scheme implemented by Department of Financial Services (Ministry of Finance).
- Start-up Village Entrepreneurship Programme implemented through Ministry of Rural Development and Rashtriya Mahila Kosh (exclusively for women) implemented through Ministry of Women and Child Development.

62.National Policy on Skill Development

National Skill Development Policy 2009 was revised and the second National Policy for Skill Development and Entrepreneurship, 2015 was notified.

The primary objective of this Policy is to meet the challenge of skilling at scale with speed, standard (quality) and sustainability. It aims to provide an umbrella framework for all skilling activities being carried out within the country, to align them to common standards and link skilling with demand centres. The Policy also seeks to coordinate and strengthen factors essential for growth of entrepreneurship across the country.

A number of initiatives have been taken by the Government to meet the objectives of the Policy:

- Launching of the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), for imparting short-term skill training to the youth;
- Notification of common norms for bringing about uniformity and standardization in implementation of various skill development schemes by different Central Ministries/Departments;
- Setting up of Sector Skill Councils (SSCs) as industry-led bodies to develop National Occupation Standards (NOSs);
- Implementation of Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP), an outcome-oriented World Bank supported project for strengthening institutional mechanisms at both national and state levels
- Implementation of Skills Strengthening for Industrial Value Enhancement (STRIVE) scheme, a World Bank assisted project launched with the objective of improving the relevance and efficiency of skills training provided through Industrial Training Institutes (ITIs) and apprenticeships;

- Launching of Skill India Portal to provide information of trainees, training providers and trainers.
- Mobilisation/ outreach activities through Kaushal/Rozgar Melas, Skills Career Counselling Scheme in making skilling aspirational.

63.Sagarmala Programme (Ministry of Shipping)

The Sagarmala programme is the flagship programme to promote port-led development in the country through harnessing India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes.

The main vision of the Sagarmala Programme is to reduce logistics cost for EXIM and domestic trade with minimal infrastructure investment.

Initiatives under Sagarmala Programme to unlock the potential of Waterways:

- Ministry of Shipping has notified licensing relaxation to foreign flag vessels for carrying transshipment containers, empty containers, fertilizers and agricultural, fisheries, animal husbandry and horticultural commodities on coastal routes.
- The licensing Relaxation for coastal shipping to special vessels such as Ro-Ro, Hybrid Ro-Ro, Ro Pure Car Carriers, Pure Car and Truck Carriers, LNG Vessels and Over-dimensional or Project Cargo is extended till 2021.
- Under coastal berth scheme, financial assistance up-to 50% of total project cost or maximum funding limit can be provided to the implementing agency for creation of infrastructure to promote movement of cargo/passengers by sea/National Waterways.
- A study has been conducted in association with Asian Development Bank to prepare a perspective plan for coastal shipping and an action plan has been formulated under the topics of policy interventions, infrastructure interventions and process interventions is being implemented by the Ministry of Shipping.
- Minimum 40% discount is offered by major ports on vessel and cargo related charges to coastal vessels.
- To promote inland water transport (IWT) in the country, 111 (including 5 existing and 106 new) National Waterways (NWs) have been declared under the National Waterways Act, 2016.
- NW-I (Ganga-Bhagirathi- Hooghly river system from Allahabad to Haldia) in Uttar Pradesh, Bihar, Jharkhand & West Bengal.
- NW-2 (River Brahmaputra from Dhubri to Sadiya) in Assam.
- NW-3(West Coast Canal from Kottapuram to Kollam along with Udyogmandal and Champakara Canals) in Kerala, have already been developed with fairway navigational aids, jetties and terminals with mechanised equipment handling facilities for loading of cargo. These water ways are operational and vessels are plying on them.
- To augment the navigational capacity on the Haldia-Varanasi stretch on NW-1(river Ganga), the Ministry of Shipping / IWAI is implementing the Jal Marg Vikas Project (JMVP) at an estimated cost of Rs. 5369.18 crore. Under JMVP construction of multimodal terminals at Varanasi, Sahibganj&Haldia, Ro-Ro terminals, fairway development navigational lock at Farakka, channel marking systems etc., are being set up.

64.Infrastructure at Ports (Ministry of Shipping)

To achieve the target of USD 5 trillion economy 58 projects have been identified as part of National Infrastructure Pipeline (NIP) for infrastructure augmentation and development at major ports upto FY 2025.

The outcome of 'Chintan Baithak' held at Mahabalipuram are :

- To improve the performance of the Major Ports, strengthening of Major Ports to directly compete with private or non-major ports, port modernisation, implementing e-governance to make ports faceless and paperless, developing India as 'trans-shipment hub' and Vision-2030 for Maritime Sector were held.
- In order to increase tonnage capacity of Indian shipping industry, Government has taken a number of steps:
- Providing Indian shipping industry cargo support through Right of First Refusal.
- Reducing GST from 18% to 5% on bunker fuel used in Indian flag vessels.
- Allowing carriage of coastal cargo from one Indian port to another Indian port via foreign ports in Sri Lanka and Bangladesh.
- Removing licensing requirement for chartering of foreign registered ships by citizens of India, companies incorporated in India and Registered Societies to encourage coastal movement of agriculture and other commodities, fertilizer, EXIM Transshipment Containers and Empty containers.
- Bringing parity in the tax regime of Indian seafarers employed on Indian flag ships vis-a vis those on foreign flag ships.
- Allowing shipping enterprises based in India to acquire ships abroad and flag them in the country of their convenience.
- Allowing use of imported Containers for carrying of domestic cargo and allowing use of locally manufactured or domesticated containers conforming to the specifications from the International Organization (ISO), for transportation of EXIM cargo.
- The revamped port community system (PCS), PCS1x, is expected to connect and provide real-time information to stakeholders on a single platform.

Other key measures for port modernisation include:

- Introduction of web-based e-forms.
- Direct port delivery and direct port entry.
- Installation of container scanners and radio frequency identification-based systems for gate automation.
- Digitalisation of land records and launch of a single-window interface for facilitating trade.

65.Discovery of Ink to Curb Fake Printing of Passports and Counterfeiting of Currency Notes

CSIR-National Physical Laboratory has developed a bi-luminescent security ink which glows in red and green colours when illuminated by two different excitation sources at 254 nano meters (nm) and 365 nm.

- The ink was prepared and given to Bank Note Press (BNP), Dewas, a unit of Security Printing Minting Corporation of India Ltd. (SPMCIL), New Delhi.
- The ink is found comparable to the standards that are in use. The formulation can be used to check the authenticity of passports, Government documents, tamper evident labels, identity cards, etc.

66.Budgetary Allocation for Road Sector

There has been a decline in the private sector participation due to various factors such as non-availability of equity with Concessionaires, difficulties in getting financing from Financial Institutions, failure of projects awarded during 2010-11 & 2011-12, etc.

- Various initiatives were undertaken to implement projects primarily on Engineering- Procurement-Construction (EPC) mode and Hybrid Annuity Model (HAM) of Contracting.
- For projects awarded on HAM, 40% of the Project Cost is paid by Government/ NHAI as contribution support / grant to the Private Developer and the balance 60% is arranged by the successful bidder in lieu of deferred Annuity Payments during Concession Period.
- Government has also taken initiatives for raising funds through monetization of completed road projects on Toll-Operate-Transfer (TOT) mode.
- NHAI has been authorized to raise funds through Infrastructure Investment Trust (InvIT) and securitization of toll revenue so as to get long term borrowing from Banks, etc. These measures have successfully enabled mobilization of additional resources.

67.PPP Model in Indian Railways (Ministry of Railways)

Various initiatives have been taken in various areas viz. network expansion, setting up of locomotive factories, induction of railway wagons, Station Re-Development etc. to attract private investment and participation.

- A Participative Policy in 2012 was formulated to encourage private investment in providing Railways connectivity.
- There is a proposal to outsource the commercial and on board services of few trains and to permit private players to induct around 150 modern rakes with the objective to induct 'state of the art' rolling stock to provide world class travel experience to passengers.
- The responsibility of train operations and safety certification rests with Indian Railways.
- Re-Development of Habibganj Station has been undertaken through Public Private Partnership (PPP). In addition, Request for Qualification (RFQ) have been invited for four more stations i.e. Nagpur, Gwalior, Amritsar and Sabarmati Stations on PPP mode.

68.Dedicated Freight Corridor (Ministry of Railways)

Dedicated Freight Corridors:

1. Eastern Dedicated Freight Corridor from Ludhiana to Dankuni (1856 km.).
2. Western Dedicated Freight Corridor from Dadri to Jawaharlal Nehru Port Trust (1504 km.).

These corridors are targeted to be completed in phases by December 2021. In addition, Ministry of Railways has decided to undertake Detailed Project Reports (DPR) for new Dedicated Freight corridors on the following routes :

- East Coast corridor- Kharagpur to Vijayawada
- East-West Sub-corridor (i) Bhusaval-Wardha-Nagpur-Rajkharswan-Kharagpur-Uluberia-Dankuni
- East-West Sub-corridor (ii) Rajkharswan-Kalipahari-Andal
- North – South sub-corridor - Vijayawada- Nagpur-Itarsi

A Concession Agreement has been signed between Ministry of Railways (MOR) and Dedicated Freight Corridor Corporation of India Limited (DFCCIL) which enjoins DFCCIL to allow authorized Railway users including Indian Railways to run their own trains on the DFC network.

69.Recommendations of Bibek Debroy Committee

Concessioning of commercial operation of train service like Rajdhani/Shatabdi to private parties

The committee chaired by Sh. Bibek Debroy had recommended Concessioning of commercial operation of train service like Rajdhani/Shatabdi to private parties.

- Railways has planned to introduce 150 passenger trains through private operators in PPP mode.
- "Tejas" train, run by Indian Railway Catering and Tourism Corporation (IRCTC), have been introduced on two routes namely Delhi-Lucknow and Mumbai-Ahmedabad.
- Earlier in 2006, Railway unveiled a policy for running of container trains by private container operators for transportation of containerized cargo. Companies including container corporation of India Ltd. (CONCOR) are having license to run the container trains.
- These Container trains are run on demand of licensed private container train operators on payment of due haulage charge between various permitted terminals and inland container depot (ICDs) in Indian Railways.
- Outsourcing of non-core activities like running schools, hospitals etc is being done on a need basis.
- Government has notified the resolution for setting up of Rail Development Authority(RDA). RDA has been envisaged as an advisory/recommendatory body.

The role/mandate of RDA includes providing expert advice to Government to make informed decision on following issues:

- Pricing of services commensurate with costs.
- Measures for enhancement of non-fare revenue.
- Protection of consumer interests, by ensuring quality of service and cost optimization.
- Promoting competition, efficiency and economy.
- Encouraging market development and participation of stakeholders in the rail sector and for ensuring a fair deal to the stakeholders and customers.
- Promoting efficient allocation of resources in the sector.

- Benchmarking of service standards against international norms and specify and enforce standards with respect to the quality, continuity and reliability of services provided by them.
- Providing framework for non-discriminatory open access to the Dedicated Freight Corridor (DFC) infrastructure and others in future.
- Measures to absorb new technologies for achieving desired efficiency and performance standards.
- Measures for human resource development to achieve any of its stated objectives.

70.FDI in Railways

Foreign Direct Investment (FDI) in Railway Sector was restricted only to "Mass Rapid Transport System". However, FDI has now been opened up/permitted in the following activities/areas of Railway Infrastructure (100% on automatic route) under the extant FDI Policy of Government since August, 2014 Construction, Operation and Maintenance of :-

- Suburban corridors projects through PPP;
- High Speed Train Projects;
- Dedicated Freight Lines;
- Rolling Stock including train sets and locomotives/coaches manufacturing and maintenance facilities;
- Railway Electrification;
- Signaling systems;
- Freight terminals;
- Passenger terminals;
- Infrastructure in industrial park pertaining to railway line/ sidings including electrified railway lines and connectivities to main railway line; and
- Mass Rapid Transport Systems"

As per the figure compiled by Department of Promotion of Industry and Internal Trade (DPIIT) the total FDI received in Railway sector till December, 2019 is approx. 1071 million US dollars.

Additional capital investment including from FDI for augmentation modernisation of Railway's infrastructure helps to achieve the goal of Railway safety. A few representations have been received from Railway Unions regarding FDI. It has been clarified that there are inbuilt safeguards to protect interest of the existing employees of Railways.

71.Trade in Electricity (Ministry of Power)

India exports electricity to Nepal, Bangladesh and Myanmar, while India imports power from Bhutan. However, sometimes India also exports power to Bhutan during lean hydro season.

India has signed Memorandum of Understanding with Bhutan, Bangladesh, Nepal, and Myanmar to inter-alia improve power connectivity with these neighbouring countries.

Further to improve power connectivity with neighbouring countries, following interconnections are at various stages of implementation:

- Muzaffarpur (India) – Dhalkebar (Nepal) 400kV
- Baharampur (India) – Bheramara (Bangladesh) 2nd 400kV
- Alipurduar (India) – Jigmeling (Bhutan) 400kV
- Gorakhpur (India) – New Butwal (Nepal) 400kV
- Sitamarhi (India) – Dhalkebar (Nepal) – Arun-3 HEP (Nepal) 400kV.

Nepal and Bangladesh are not using Indian Transmission Grid to trade power between two countries.

- The trading arrangement for import/export of electricity with neighboring countries, including Nepal, Bhutan and Bangladesh would facilitate regional trade in power and help in meeting the requirement of power in the respective countries thereby moving towards greater energy security in the region.India already has regional power system integration with Bangladesh, Bhutan and Nepal through high voltage synchronous (Alternating Current) and asynchronous (High Voltage Direct Current) connections.
- The latest technologies like STATCOM, Voltage Source Converter based HVDC system, etc. have been deployed in the Indian grid as a continuous measure of improvement for facilitating power transfer with reliability amongst regional neighbouring countries.

72.Share of Gas in the Energy Basket

Natural Gas being an alternative cleaner fossil fuel has a major role in catering the growing energy demand in a sustainable manner.

To increase the share of gas in the primary energy mix of the country, Government is progressively taking steps to enhance domestic gas production and develop requisite gas infrastructure including gas pipelines, city gas distribution networks and import Liquefied Natural Gas (LNG) terminals.

The initiatives to develop eco-system of gas infrastructure across the country have a potential of investment of about Rs. 2.00 lakh crore in Gas Grid, LNG Terminal and City Gas Distribution (CGD) networks in next 5-8 years.

Grant of Marketing including pricing freedom, on natural gas production from High Pressure-High Temperature (HP-HT) reservoirs and deepwater and ultra deepwater areas (with ceiling), gas produced from CBM blocks, blocks awarded under Hydrocarbon Exploration and Licensing Policy (HELP) and Discovered Small Fields (DSF) Policy, commercial gas produced from North-Eastern Region (NER) on or after July 01, 2018 and also in those new gas discoveries whose Field Development Plan (FDP) have been approved.

- To incentivize additional gas production from Administered Price Mechanism (APM) fields, reduction in royalty by 10% of the applicable royalty has also been granted on the additional production over and above business-as-usual scenario.
- Major reforms in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields.
- The policy reforms aim to boost exploration activities with greater weightage to work programme, simplified fiscal and contractual terms, bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government.

- Further, reforms envisage simplified fiscal incentives and incentivizing gas production including marketing and pricing freedom.
- The policy also provides more functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields.

Streamlining approval processes and promoting ease of doing business including electronic single window mechanism is also an important aspect of policy reforms.

73.Demand and Import of Oil

The consumption of petroleum products in the year 2018-19 was 213.2 MMT. The percentage of Import Dependency on Oil based on consumption of petroleum products during the 2018-19 was about 83.8%.

Indian Strategic Petroleum Reserve Limited (ISPRL), a Government of India Special Purpose Vehicle, has established Strategic Petroleum Reserves (SPR) facilities with total capacity of 5.33 Million Metric Tonnes (MMT) at 3 locations:

1. Vishakhapatnam.
2. Mangaluru.
3. Padur.

As per the consumption pattern of 2017-18, the total capacity is estimated to provide for about 9.5 days of crude oil requirement. Oil Marketing Companies (OMCs) currently have stock for 64.5 days.Hence, total capacity storage of petroleum products is 74 days.

Government has given 'in principle' approval for establishing two additional SPR facilities with total storage capacity of 6.5 MMT at two locations:

1. Chandikhol in Odisha (4 MMT).
2. Padur in Karnataka (2.5 MMT).

As per the consumption pattern of 2017-18, 6.5 MMT SPR capacity is estimated to provide for about additional 11.57 days of India's crude oil requirement. Government has also given 'in principle' approval for exploring public private partnership model for Phase II.The petroleum products are sold by the Oil Marketing Companies (OMCs).Any profit / loss on sale of petroleum products accrues to the OMCs and not to the Government.

74.Reforms in Exploration and Licensing Policy (Ministry of Petroleum and Natural Gas)

Ministry of Petroleum and Natural Gas is working in collaboration with various Central Government Ministries/stakeholders to make efforts to achieve reduction in import dependency on oil.

The import reduction strategy broadly includes:

- Increasing domestic production of oil and gas.
- Improving energy efficiency and productivity.
- Giving thrust on demand substitution.

- Promoting biofuels and alternate fuels and renewables.
- The Roadmap has highlighted various strategies/initiatives which can be taken for reducing import dependency, for which disaggregated level targets have not been indicated.

As per Hydrocarbon Exploration and Licensing Policy (HELP)/Open Acreage Licensing Policy (OALP) policies:

- The Government, through Oil Marketing Companies (OMCs), is implementing Ethanol Blended Petrol (EBP) Programme and Biodiesel blending programme for blending of ethanol and biodiesel with Petrol and High Speed Diesel respectively.
- Further, in order to improve the availability of ethanol for blending with petrol and thereby reduce imports of petroleum products.
- Exploring the Second Generation (2G) route and allowing use of other feedstocks like grains, sugarcane juice, fruit and vegetable wastes etc. for production of ethanol.
- Promoting production of Compressed Bio Gas from various wastes / biomass sources.
- In this direction, Oil PSUs have launched 'Sustainable Alternative Towards Affordable Transportation (SATAT) initiative. Government has also notified the National Policy on Biofuels – 2018 which envisages an indicative target of 20% blending of ethanol in petrol and 5% blending of biodiesel in diesel by 2030.

Major reforms have been undertaken in exploration and licensing policy to enhance exploration activities, attract domestic and foreign investment in unexplored/unallocated areas of sedimentary basins and accelerate domestic production of oil and gas from existing fields.

- The policy reforms aims to boost exploration activities with greater weightage to work programme.
- Simplified fiscal and contractual terms.
- Bidding of exploration blocks under Category II and III sedimentary basins without any production or revenue sharing to Government.
- Early monetization of discoveries by extending fiscal incentives. Incentivizing gas production including marketing and pricing freedom, induction of latest technology and capital.
- More functional freedom to National Oil Companies for collaboration and private sector participation for production enhancement methods in nomination fields.
- Streamlining approval processes and promoting ease of doing business including electronic single window mechanism.

75.The Mineral Laws (Amendment) Bill, 2020 to transform Indian mining sector

The Mineral Laws (Amendment) Bill, 2020, will open a new era in Indian coal & mining sector specially to promote Ease of Doing Business and will transform the mining sector in the country boosting coal production and reducing dependence on imports.

- The amended provisions clearly provide that companies which do not possess any prior coal mining experience in India and/or have mining experience in other minerals or in other countries can participate in auction of coal/lignite blocks.

- This will not only increase participation in coal/lignite block auctions, but also facilitate the implementation of FDI policy in the coal sector.
- Now, the companies which are not 'engaged in specified end-use' can also participate in auctions of Schedule II and III coal mines. The removal of the end use restriction would allow wider participation in auction of coal mines for a variety of purposes such as own consumption, sale or for any other purpose, as may be specified by the Central Government.
- The Bill also allows prospecting licence-cum-mining lease (PL-cum-ML) for coal/lignite which increases the availability of coal & lignite blocks, and coal blocks of varying grades in a wide geographical distribution will be available for allocation.
- The successful bidders/allottees have now been entitled to utilize mined coal in any of its plants or plants of its subsidiary or holding company.
- Amendments also provide for allocation of the coal mine to the next successful bidder or allottee, subsequent to termination of its allocation along with the matters incidental to it.
- With the amendments, environment and forest clearances along with other approvals and clearances shall automatically get transferred to the new owners of mineral blocks for a period of two years from the date of grant of new lease.
- This will allow new owners to continue with hassle free mining operations. During the period, they may apply for the fresh licence beyond the period of two years.
- The auction of lease of mines can now be started before expiry of lease period. It will enable the state government to take advance action for auction of mineral blocks so that the new lease holder could be decided before the existing lease gets expired.This will help in seamless production of minerals in the country.
- The new provisions will also augment the exploration of the deep seated minerals and minerals of national interest by allowing Non Exclusive Reconnaissance Permit (NERP) holders to apply for composite licence or Mining Lease (PL-cum-ML).
- Various repetitive and redundant provisions of MMDR Act and CMSP Act have also been omitted for Ease of Doing Business.

76.Subsidy to Artisans under Solar Charkha Mission

Mission Solar Charkha is enterprise driven scheme and envisages setting up of 'Solar Charkha Clusters' which will have beneficiaries like (Spinners, Weavers, Stitchers and other skilled artisans).

- As part of the scheme no subsidy is given, however subsidy to the tune of Rs.9.60 crore is provided for procurement of charkha and looms to the Implementing or Promoting Agency for a full-scale Solar Charkha Cluster.
- Based on the success of a pilot project on Solar Charkha, set up at Khanwa village, Nawada District, Bihar in 2016 which benefitted about 1180 artisans, Government of India accorded approval to set up 50 such clusters.
- These solar charkhas are to be operated using solar power which is a renewable energy source.
- It will help in development of Green Economy as it is an environment friendly programme. It will also generate sustainable employment for the artisans.

77.Mission Solar Charkha

Ministry of Micro, Small and Medium Enterprises (MSME) has launched the Mission Solar Charkha in 2018-19 for implementation of 50 Solar Charkha Clusters across the country.

The aims and objectives of Mission Solar Charkha are:

- To ensure inclusive growth by generation of employment, especially for women and youth and sustainable development through solar charkha cluster in rural areas.
- To boost rural economy and help in arresting migration from rural to urban areas.
- To leverage low-cost, innovative technologies and processes for substance.

10 projects have been approved under Mission Solar Charkha. One Solar Charkha cluster has been identified in Andhra Pradesh. The scheme envisages to generate direct employment to nearly one lakh persons.

78.Export of MSME Products

In order to support Micro, Small and Medium Enterprises (MSMEs), Government has initiated various schemes for infrastructure development such as:

- Micro & Small Enterprises Cluster Development Programme (MSE-CDP).
- Promotion of MSMEs in NER & Sikkim.
- Scheme Fund for Regeneration of Traditional Industries (SFURTI). Entrepreneurship & Skill Development Programme (ESDP) and upskilling through testing/technology centres, support for tooling/technology services.

Government has also taken various initiatives to enhance MSME:

- Competitiveness by way of Credit Linked Capital Subsidy.
- Lean Manufacturing.
- Design Improvement.
- Zero Defect Zero Effect Certification.
- Support for Incubators.
- Awareness of Intellectual Property Rights & Digital Empowerment of MSMEs.
- Procurement and Marketing Scheme (PMS).
- A Scheme for Promoting Innovation.
- Rural Industry and Entrepreneurship (ASPIRE).
- Credit Guarantee Scheme (CGTMSE).
- Interest Subvention Scheme for MSMEs.

79.Credit Rating for MSMEs

RBI has deregulated the interest rate on advances and these interest rates are determined by banks with the approval of their respective Board of Directors subject to extant guidelines of RBI.Loans to Micro, Small and Medium Enterprises (MSMEs) are provided as per the interest rate structure of the bank.

- The interest rate is finalized based on various factors which include, cost of funds to the institution, credit rating of the unit, tenure of loan, purpose of loan.
- The rating of MSEs under erstwhile Performance & Credit Rating Scheme of the Ministry of Micro, Small and Medium Enterprises to provide a third party opinion on their capabilities and creditworthiness so as to create awareness amongst them about the strengths and weakness of their existing operations has been discontinued w.e.f December, 2018.
- Further, under the Interest Subventions Scheme for Incremental Credit to MSMEs 2018 offers 2% interest subvention on fresh or incremental loans upto Rs.1 crore to MSMEs.

80.Prime Minister's Employment Generation Programme

Ministry of Micro, Small and Medium Enterprises (MSME) is implementing Prime Minister's Employment Generation Programme (PMEGP), which is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth.

- The scheme is being implemented by Khadi and Village Industries Commission (KVIC), State Khadi and Village Industries Board (KVIB) and District Industries centres (DIC).
- Under the scheme, loan is being provided by all Public Sector Banks, selected Private Sector Banks and Co-operative Banks with margin money subsidy being given by Ministry of MSME through KVIC.
- Any individual above 18 years of age is eligible for applying under the scheme.
- General category beneficiaries can avail margin money subsidy of 25 % of the project cost in rural areas and 15% in urban areas.
- Beneficiaries belonging to Special Categories such as Scheduled Caste/Scheduled Tribe/OBC / Minorities/Women, Ex-serviceman, Physically handicapped, NER, Hill and Border areas can avail margin money subsidy of 35% in rural areas and 25% in urban areas.
- The maximum cost of projects can be Rs. 25 lakh in the manufacturing sector and Rs. 10 lakh in the service sector.
- Benefit can be availed under PMEGP for setting up of new units only. Further, Ministry of MSME has also introduced a new component of second financial assistance for expansion/upgrading the existing PMEGP/MUDRA units for manufacturing unit up to Rs.1.00 cr. and for service/ trading unit up to Rs.25.00 lakhs with subsidy of 15% (20% for NER and Hilly state) from the year 2018-19.

81.Revival of Khadi and Village Industries

The Ministry of Micro, Small and Medium Enterprises (MSME), through Khadi and Village Industries Commission (KVIC), has been implementing Khadi Reform and Development Programme (KRDP) scheme for revival and increase the production of Khadi, not only in Bihar, but throughout the country.

- In order to revitalize and reform the activities of Khadi and Village Industries (KVI) Sector, in terms of employment generation, enhancement in earning of artisans and ensure positioning of Khadi in consonance with the current market trend, a comprehensive reform programme namely Khadi Reform and Development Programme (KRDP), is being implemented with the assistance from Asian Development Bank (ADB).

Objectives

KRDP aims to revitalize the Khadi and Village Industries through Policy and Institutional Reforms. Specific objectives are:

- Repositioning Khadi and aligning it to market demand and trends.
- Enhancing artisan welfare and empowerment.
- Undertaking extensive capacity building of Khadi Institutions (KIs).
- Strengthening institutional mechanisms.
- Implementation of MIS at Khadi Institution level and e-Governance at KVIC.
- Strategic development of traditional village industries.

Ministry of MSME provides financial assistance in the form of grant and subsidy to KVIC for promotion and development of Khadi Programme. Khadi Vikas Yojana for the development of Khadi programme during 2019-20, under which assistance is provided under following components:

- Modified Market Development Assistance (MMDA): KVIC provides Market Development Assistance to the registered Khadi Institutions and 40% of total MMDA to the Khadi artisans engaged in production activity.
- Interest Subsidy Eligibility Certificate (ISEC) Scheme: KVIC provides interest subsidy on the working capital loan availed by Khadi Institutions for undertaking production and sales activities under Khadi programme. Under the scheme interest @ 4% per annum is to be paid by the Khadi Institution and balance i.e. actual lending rate minus 4% is to be paid by the Government as interest subsidy.
- Workshed Scheme for Khadi Artisans: Khadi artisans are provided worksheds for better work atmosphere and storing the materials, under which financial assistance up to Rs. 60000/- is provided per workshed.
- For revival of sick Khadi Institutions, assistance upto Rs. 9.90 lakh is provided to weak and problematic Khadi Institutions to bring them back to normalcy. For the renovation and modernization of sales outlets run by KVIC, Khadi Institutions and KVIBs financial assistance are being provided under 'Assistance for Marketing Infrastructure' scheme.
- Rozgar Yukt Gaon (RYG): a new component under Khadi Vikas Yojana has been introduced with objective of introducing enterprise led model replacing subsidy-led model and create an additional 12,500 direct employment opportunities in 50 villages, which are deprived of opportunities and sustainable livelihood support systems, in addition to spinning out secondary and ancillary opportunities of employment in a wider sense.

Centre of Excellence for Khadi (CoEK) in association with National Institute of Fashion Technology (NIFT), New Delhi, with Hub at New Delhi and Spokes at Shillong, Bengaluru, Kolkata & Gandhinagar. The main objective of CoEK will be to provide design input to Khadi sector to attract niche market in domestic and international.To ensure genuineness of Khadi, “Khadi Mark” regulation has been notified by Government of India.

82.10 projects worth Rs 301.54 crores sanctioned for food processing sector

Ministry of Food Processing Industries (MoFPI)

The projects were sanctioned under the ‘Agro Processing Cluster Scheme’ of Kisan SampadaYojana of MoFPI.

The Government is making all efforts to encourage investments in the business:

- 100 percent FDI is permitted under the automatic route in Food Processing Industries.
- 100 percent FDI is allowed through approval route for trading including e-commerce in respect of food products manufacture and/or produced in India.
- 100 percent Income Tax exemption from profit derived from activities such as post-harvest value addition to agriculture by FPO’s having annual turnover up to Rs.100 crores.
- IMAC approved 8 projects spread over eight districts of Tamil Nadu.
- These projects envisage the creation of direct and indirect employment for persons along with employment opportunities in rural areas to be the focus area.These projects are likely to generate employment for around 8000 people and benefit 32000 farmers in that region.
- Tamil Nadu has its own dedicated Food Processing policy, policy on FPO’s, contract farming etc, to encourage setting up of food processing industries by agro-entrepreneurs, availing financial assistance from Union government.
- The scheme aims at development of modern infrastructure and common facilities to encourage group of entrepreneurs to set up food processing units based on cluster approach by linking groups of producers/ farmers to the processors and markets through well-equipped supply chain with modern infrastructure.

83.Target of Blue Revolution

Ministry of Fisheries, Animal Husbandry and Dairying.

India, one of the major fish producing nations in the world stands 2nd in aquaculture production in the world.

Various schemes/programmes for development of fisheries sector with a view towards enhancement of fish production are given below:

- The Centrally Sponsored Scheme (CSS) on Blue Revolution: Integrated Development and Management of Fisheries since 2015-16 for development of fisheries in the country. The CSS provides financial assistance for development of fisheries and aquaculture sector including fish production and post harvest related activities like fish brood banks, hatcheries, construction of ponds, rearing ponds, installation of cages in reservoirs and open sea cages fish culture, fish feed mills, development of post-harvest infrastructure like ice plants, cold storages, ice plants-cum-cold storages and development of fish landing centre in reservoirs and fishing harbours.

- Fisheries and Aquaculture Infrastructure Fund (FIDF) for providing access to concessional finance for development of fisheries infrastructure in the country. Under the FIDF, Ministry of Fisheries, Animal Husbandry and Dairying provides interest subvention up to 3% per annum for providing the concessional finance by the Nodal Loaning Entities for development of infrastructure in the fisheries sector.
- During 2018-19 Government has extended the facility of Kisan Credit Card (KCC) to fish farmers to help them to meet their working capital needs.

84.Women Empowerment Schemes

- Stand-Up India Scheme - Stand Up India Scheme was launched on 5 April 2016 to promote entrepreneurship at grass root level for economic empowerment and job creation. This scheme seeks to leverage the institutional credit structure to reach out to the underserved sector of people such as Scheduled Caste, Scheduled Tribe and Women Entrepreneurs so as to enable them to participate in the economic growth of nation.
  - ✓ The objective of this scheme is to facilitate bank loans between Rs.10 lakh and Rs.1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch of SCBs for setting up a Greenfield enterprise.
- Pradhan Mantri MUDRA Yojana (PMMY) - PMMY was launched on April 8, 2015 for providing loans up to 10 lakh to the non-corporate, non-farm small/micro enterprises. These loans are classified as MUDRA loans under PMMY. These loans are given by Commercial Banks, RRBs, Small Finance Banks, MFIs and NBFCs.
  - ✓ Under the aegis of PMMY, MUDRA has created three products namely 'Shishu', 'Kishore' and 'Tarun' to signify the stage of growth / development and funding needs of the beneficiary micro unit / entrepreneur and also provide a reference point for the next phase of graduation / growth.
  - ✓ The Vision of MUDRA scheme is “To be an integrated financial and support services provider par excellence benchmarked with global best practices and standards for the bottom of the pyramid universe for their comprehensive economic and social development”
- Pradhan Mantri Jan-Dhan Yojana (PMJDY) - PMJDY was launched on 28th August, 2014. The scheme as extended and revised with effect from 14.08.2018 envisages universal access to banking facilities with at least one basic banking account for every adult, financial literacy, access to credit, insurance and pension.
- Atal Pension Yojana (APY) - APY was launched on 9th May, 2015. It envisages a universal social security system for all Indians, specially the poor and the under-privilege by offering guaranteed minimum monthly pension of Rs. 1000 -Rs. 5000 at the age of 60 years.
  - ✓ The scheme is open for subscription through Banks and Post Offices on-going basis.
- Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) – PMJJBY was launched on 9th May 2015. The objective of this scheme is to create a social security system for the poor and underprivileged in the age group of 18-50 years by providing a renewable life insurance cover of Rs.2 lakhs with just a premium of

Rs.330.

- Pradhan Mantri Suraksha Bima Yojana (PMSBY) – PMSBY was launched on 9th May 2015. The objective of this scheme is to provide a very affordable insurance scheme for the poor and underprivileged people in the age group of 18 to 70 years with a bank account at a premium of Rs.12 per annum; risk coverage of Rs.2 lakhs for accidental death and full disability and Rs.1 lakh for partial disability.

85.Integrated Project for Source Sustainability and Climate Resilient Rain-Fed Agriculture in Himachal Pradesh

The Government of India, Government of Himachal Pradesh and the World Bank signed a US$80 million loan agreement to improve water management practices and increase agricultural productivity in selected Gram Panchayats (Village Councils) in Himachal Pradesh.

The Integrated Project for Source Sustainability and Climate Resilient Rain-Fed Agriculture in Himachal Pradesh will be implemented in 428 Gram Panchayats in 10 districts benefiting over 400,000 smallholder farmers, women and pastoral communities.

“As we encourage climate-smart agricultural practices in India, farmers will need both technical and financial support to adapt agricultural practices relevant to their geography and climate. As a mountainous state, Himachal Pradesh is particularly vulnerable to climate change and associated risks,”

“Sustainable water management practices under this project can play a big role in doubling farmers’ incomes, a goal set by the Government of India. It is, therefore, critical that the best use is made of all available technologies and resources to increase water-use efficiency,”.

- In Himachal Pradesh, many of the lowland areas lack access to irrigation water and depend on decreasing amounts of rainfall during the critical monsoon season.
- Agricultural production and snow lines have already shifted to higher altitudes, impacting the production of fruits, including HP’s iconic apples. Climate change is also expected to increase average temperatures and decrease rainfall in the lowlands, while both temperatures and rainfall are expected to increase in the highlands, which could lead to more extreme flooding events.
- The project will improve upstream water sources in forests, pastures and grasslands and ensure sufficient water is available for sustainable agriculture both in Himachal Pradesh and in downstream states.
- Enhancing the climate resilience of agriculture and its allied activities is a key component of the project for which efficient use of water is the focal point.
- The project will set up hydrological monitoring stations to monitor the water quality and quantity. This will not only help lay the foundation for future water budgeting through better land use and agricultural investments, but also ensure more holistic catchment area treatment (CAT) plans that are based on source sustainability, carbon sequestration, and water quality.
- The investment in downstream areas will augment the use of irrigation and help farmers shift from low-value cereal production to climate-resilient crop varieties and to higher-value fruit and vegetable production.

- The focus on increasing climate resilience and water productivity will help farmers maximize their financial returns on water use.
- The project will also work in collaboration with other government programs particularly those of the agriculture, horticulture, and animal husbandry departments. Supporting institutions through training of gram panchayats will help the state better manage its water resources.
- The US$80 million loan from the International Bank for Reconstruction and Development (IBRD) has a final maturity of 14.5 years including a grace period of five years.

86.Fake Currency

As per data of National Crime Records Bureau (NCRB), there is declining trend in Fake Indian Currency Notes (FICN) seized during the years 2017, 2018 and 2019.

Various measures to check the smuggling and circulation of FICN in the country include:

- FICN Coordination Group (FCORD) has been formed by the Ministry of Home Affairs to share intelligence/information among the security agencies of the state/centre to counter the problem of circulation of fake currency cases.
- A Terror Funding and Fake Currency Cell (TFFC) has been constituted in NIA to investigate terror funding and fake currency cases.
- A Memorandum of Understanding (MoU) has been signed between India and Bangladesh to prevent and counter smuggling and circulation of fake currency notes.
- Security at the international borders has been strengthened by using new surveillance technology, deploying additional manpower for round the clock surveillance, establishing observations posts along the international border, erection of border fencing and intensive patrolling.

87.Agreement between India and Brunei for Exchange of Information

The Agreement between the Government of the Republic of India and the Government of Brunei Darussalam for the exchange of information and assistance in collection with respect of taxes was signed in New Delhi, India on 28th of February, 2019.

- The Agreement enables exchange of information, including banking and ownership information, between the two countries for tax purposes.
- It is based on international standards of tax transparency and exchange of information and enables sharing of information on request as well as automatic exchange of information.
- The Agreement also provides for representatives of one country to undertake tax examinations in the other country. Moreover, it provides for assistance in collection of tax claims.
- The Agreement will enhance mutual co-operation between India and Brunei Darussalam by providing an effective framework for exchange of information in tax matters which will help curb tax evasion and tax avoidance.

88.FDI in Defence

In May, 2001, the Defence Industry sector, which was hitherto reserved for the public sector, was opened up to 100% for Indian private sector participation, with Foreign Direct Investment (FDI) up to 26% both subject to licensing.

- Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry has allowed FDI under automatic route upto 49% and above 49% through government route wherever it is likely to result in access to modern technology or for other reasons to be recorded.
- By allowing higher FDI in the Defence sector, the global companies having high-end technologies can be encouraged to set up their manufacturing base in India in collaboration with Indian companies, thereby resulting in creation of employment opportunities, saving of foreign exchange and increasing indigenisation.
- FDI is one of the sources available for the industry to access some of the technologies required to indigenously design, develop and produce the equipments, weapon systems/platforms required for defence.

Defence Industrial licenses are issued for various defence items like tanks and other ground vehicles, defence aircraft, spacecraft and parts thereof, Unmanned Aerial Vehicles (UAVs), missiles designed for military purposes, warships of all kinds, high velocity kinetic energy weapon systems and related equipment, electronic equipments for military application, armoured or protective equipment, imaging or countermeasure equipment and other miscellaneous equipments.

Steps taken by government to boost Indian Defence sector are as shown below:-

- A new category of procurement 'Buy {Indian-IDDM (Indigenously Designed, Developed and Manufactured)}' has been introduced in DPP-2016 to promote indigenous design and development of defence equipment. It has been accorded top most priority for procurement of capital equipment. Preference has been accorded to 'Buy (Indian)', 'Buy and Make (Indian)' & 'Make' categories of capital acquisition over 'Buy (Global)' & 'Buy &Make (Global)' categories.
- FDI Policy has been revised and under the revised policy, FDI is allowed under automatic route upto 49% and beyond 49% through Government route wherever it is likely to result in access to modern technology or for other reasons to be recorded.
- An innovation ecosystem for Defence titled Innovations for Defence Excellence (iDEX) has been launched in April, 2018. iDEX is aimed at creation of an ecosystem to foster innovation and technology development in Defence and Aerospace by engaging Industries including MSMEs, Start-ups, Individual Innovators, R&D institutes and Academia and provide them grants/funding and other support to carry out R&D which has potential for future adoption for Indian defence and aerospace needs.
- The 'Make' Procedure has been simplified with provisions for funding of 90% of development cost by the Government to Indian industry and reserving Government funded 'Make-I' projects not exceeding development cost of Rs.10 crore & procurement cost Rs. 50 crore per year for MSMEs. The industry funded 'Make-II' Projects not exceeding development cost of Rs.3 crore & procurement cost of Rs. 50 crore per year have also been reserved for MSMEs.
- Separate procedure for 'Make-II' category has been notified under DPP to encourage indigenous development and manufacture of defence equipment. Number of industry friendly provisions such as relaxation of eligibility criterion, minimal documentation, provision for considering proposals

suggested by industry/individual etc. have been introduced in this procedure.

- 'Strategic Partnership (SP)' Model which envisages establishment of long-term strategic partnerships with Indian entities through a transparent and competitive process, wherein they would tie up with global Original Equipment Manufacturers (OEMs) to seek technology transfers to set up domestic manufacturing infrastructure and supply chains.
- Indigenisation of components and spares used in Defence Platforms with the objective to create an industry ecosystem which is able to indigenize the imported components (including alloys & special materials) and sub-assemblies for defence equipment and platform manufactured in India.
- Government has decided to establish two defence industrial corridors to serve as an engine of economic development and growth of defence industrial base in the country.
- A Policy on 'Utilisation of Third Party Inspection Services' for effective administration of inspection Services with involvement of third parties and promote Ease of Doing Business for MSMEs and private sector.
- Foreign Original Equipment Manufacturers (OEMs) are now allowed to provide the details of IOPs and products after signing of contracts. In order to bring more transparency and efficiency into the Offset discharge process, "Offset portal" has been created in May, 2019.
- The Ministry has instituted a new framework titled 'Mission Raksha Gyan Shakti' which aims to provide boost to the Intellectual Property Rights (IPR) culture in indigenous defence industry.
- Defence Investor Cell has been created in the Ministry to provide all necessary information including addressing queries related to investment opportunities, procedures and regulatory requirements for investment in the sector.
- Defence Products list requiring Industrial Licences has been rationalised and manufacture of most of parts or components does not require Industrial License. The initial validity of the Industrial License granted under the IDR Act has been increased from 03 years to 15 years with a provision to further extend it by 03 years on a case-to-case basis.

89.'Scheme for Pension and Medical Aid to Artistes'

"Scheme for Pension and Medical Aid to Artistes" to improve financial and socio-economic status of the old aged artistes and scholars including various Folk Artists who have contributed significantly in their specialized fields of arts, letters etc., but leading a miserable life or are in penury condition.

- An amount of maximum Rs. 4000/- per month is being given to each beneficiary, out of which minimum Rs. 500/- financial assistance from State/UT Govt. is included.
- In case of death of a beneficiary, the financial assistance may be transferred, in the name of the spouse of the beneficiary till life if such request is received in the Ministry from the spouse along with the requisite documents within the period of six months from the date of death of the beneficiary artiste.The drama artists are also covered under the Scheme.

90.One Nation, One Ration Card Scheme

Under PDS reforms, a scheme on "Integrated Management of Public Distribution System (IM-PDS)" w.e.f. April 2018 in all States/UTs.

- The main objective of the scheme is to introduce nation-wide portability of ration card holders under National Food Security Act, 2013 (NFSA), through 'One Nation One Ration Card' system.
- This system enables the migratory ration card holders to lift their entitled food grains from any Fair Price Shop (FPS) of their choice in the country by using their existing/same ration card issued in their home States/ UTs after biometric authentication on electronic Point of Sale (ePoS) devices installed at the FPSs.
- So far, the facility of inter-State/national portability under One Nation One Ration Card plan has been made functional in 12 States.
- The Targeted Public Distribution System (TPDS) is governed under the provisions of the National Food security Act, 2013 (NFSA) which is implemented in all States/ UTs.
- The NFSA provides coverage for about 81 crore persons to receive subsidised foodgrains through TPDS, which is about 2/3'd of the country's population as per census 2011.
- Further, TPDS is operated in joint responsibilities of central States/UT Govenments where in the operational responsibilities of identification of eligible households/ beneficiaries under NFSA as per the criteria evolved by them, issuance of ration cards, etc' rests with the concerned State/UTs Governments.

91.Benefits of Free Trade Agreements

Free Trade Agreements (FTAs) signed by India provide tariff concessions thereby giving opportunities for exports of products including those related to small and medium enterprises (SMEs).

- Some of the SME products on which tariff concessions have been provided by trading partners such as Japan, South Korea and some ASEAN countries fall into the category of readymade garments, leather goods, processed foods and engineering products like auto components.
- The specific export promotion schemes for micro, small and medium enterprises (MSMEs) include those for participation in international exhibitions and fairs, training programme on packaging for exports, Market Development Assistance (MDA) Scheme for MSME exporters and National Award for quality products.

Some of the other measures taken by the Government which would promote trade and benefit exports from SMEs are specific schemes under the new Foreign Trade Policy (FTP) 2015-20 such as:

- Interest Equalization Scheme on pre and post shipment rupee export credit. Merchandise Exports from India Scheme (MEIS).
- Services Exports from India Scheme (SEIS).
- Double weightage for export entitlement to SMEs for grant of one star export house.
- Electronic filing and issuance for specified FTP Schemes.
- Online platform for preferential certificates of origin.
- While a logistics division has been created in the Department of Commerce to coordinate integrated development of the logistics sector with a view to promoting trade, some of the new schemes and policies that have been launched to facilitate trade are Agriculture Export Policy, Trade Infrastructure for Export Scheme (TIES) and Transport and Marketing Assistance (TMA).

92.India's rank has gone up from 142 to 63 in 2019 in Ease of doing Business

In the latest Doing Business Report (DBR), 2020 released by the World Bank. India stands at 63rd position out of 190 countries. Since 2014, India's rank has gone up from 142 to 63 in 2019.

Department for Promotion of Industry and Internal Trade (DPIIT) started a comprehensive reform exercise, State Reform Action Plan, in States and Union Territories (UTs) in December, 2014.

The State Reforms Action Plan prepared by Department for Promotion of Industry and Internal Trade (DPIIT) requires States and UTs to have a Single Window System across various Departments with the following features:

- Allow online submission of application without the need to submit physical copies of the application.
- Eliminate physical touch-point for document submission and verification.
- Allow applicant to track status of application online.
- Ensure the applicant receives an SMS/e-mail notification as and when the application is submitted and/ or query is raised and/or application is approved/rejected.
- Mandate that all queries/clarifications related to investors' application are sought in one go and within 7 days of receipt of the application.

Under the assessment exercise of States/UTs for the year 2017-18, 21 States/UTs have designed and implemented online Single Window System. Further, the States Reform Action Plan, 2019 requires States and UTs to develop an online Information Wizard equipped with a feature to provide links to online application forms for licenses/ NOCs required by users and their relevant notifications.

Under the reform area Construction Permits Enablers, States and UTs are required to mandate timelines for grant of construction permits/NOCs and to provide these services the online single window system.

93.Features of Start Up India

Startup India initiative was announced on 15th August, 2015. The flagship initiative has an objective to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities.

The action plan comprises of 19 action items spanning across areas such as "Simplification and handholding", "Funding support and incentives" and "Industry-academia partnership and incubation". Startups across the country have been recognised by Department for Promotion of Industry and Internal Trade (DPIIT) .

Salient features of Startup India action plan

- Compliance Regime based on Self-Certification to reduce the regulatory burden on Startups thereby allowing them to focus on their core business and keep compliance cost low.
- Startup India Hub to create a single point of contact for the entire Startup ecosystem and enable knowledge exchange and access to funding.
- Rolling out of Mobile App and Portal to serve as the single platform for Startups for interacting with Government and Regulatory Institutions for all business needs and information exchange among various stakeholders.

- Legal Support and Fast-tracking Patent Examination at Lower Costs to promote awareness and adoption of IPRs by Startups and facilitate them in protecting and commercializing the IPRs by providing access to high quality Intellectual Property services and resources, including fast-track examination of patent applications and rebate in fees.
- Relaxed Norms of Public Procurement for Startups to provide an equal platform to Startups across sectors vis-à-vis the experienced entrepreneurs/ companies in public procurement.
- Faster Exit for Startups to make it easier for Startups to wind up operations.
- Providing Funding Support through Fund of Funds with a Corpus of Rs. 10,000 crores to provide funding support for development and growth of innovation driven enterprises.
- Credit Guarantee fund for Startup to catalyze entrepreneurship by providing credit to innovators across all sections of society.
- Tax Exemptions on Capital Gains to promote investments into Startups by mobilizing the capital gains arising from sale of capital assets.
- Tax Exemptions to startups for 3 Years to promote the growth of Startups and address working capital requirements.
- Tax Exemption on Investments above Fair Market Value to encourage seed-capital investment in Startups.
- Organizing Startup Fests for Showcasing Innovation and Providing a Collaboration Platform to galvanize the Startup ecosystem and to provide national and international visibility to the Startup ecosystem in India.
- Launch of Atal Innovation Mission (AIM) to serve as a platform for promotion of world-class Innovation Hubs, Grand Challenges, Startup businesses and other self-employment activities, particularly in technology driven areas.
- Harnessing Private Sector Expertise for Incubator Setup to ensure professional management of Government sponsored / funded incubators, Government will create a policy and framework for setting-up of incubators across the country in public private partnership.
- Building Innovation Centers at National Institutes to propel successful innovation through augmentation of incubation and R&D efforts.
- Setting up of 7 New Research Parks Modelled on the Research Park Setup at IIT Madras to propel successful innovation through incubation and joint R&D efforts between academia and Industry.
- Promoting Startups in the Biotechnology Sector to foster and facilitate bio-entrepreneurship.
- Launching of Innovation Focused Programs for Students to foster a culture of innovation in the field of Science and Technology amongst students.
- Annual Incubator Grand Challenge to support creation of successful world class incubators in India.

94.Promoting Domestic Manufacturing

Promoting growth of industries is a continuous and ongoing effort of the Government.

Recently, Government has taken various steps, in addition to the ongoing schemes, to boost industrial production of India.

Infrastructure

- The National Infrastructure Pipeline (NIP) was launched in December, 2019, under which expenditure of Rs 102 lakh crore is proposed as capital expenditure in infrastructure sectors in India during the fiscals 2020 to 2025.
- To reduce logistics cost in India, Budget 2020-21 announced release of a National Logistics Policy.
- Accelerated development of highways is being undertaken. This will include development of 2500 Km access control highways, 9000 Km of economic corridors, 2000 Km of coastal and land port roads and 2000 Km of strategic highways.

Reduction in Corporate Tax

- A new provision has been inserted in the Income-tax Act with effect from FY 2019-20 which allows any domestic company an option to pay income-tax at the rate of 22% subject to condition that they will not avail any exemption/incentive. For new manufacturing companies incorporated on or after 01.10.2019, the rate was brought down to 15 per cent. Budget 2020-21 announced that this reduction of corporate tax rate to 15 per cent for new manufacturing companies will be extended to new power generation companies as well.

Start-ups

- The government proposes to provide early life funding, including a seed fund to support ideation and development of early stage Start-ups. Further, time period within which Employee Stock Options (ESOPs) can be issued by Startups recognized by the Department for Promotion of Industry & Internal Trade (DPIIT) to promoters or Directors holding more than 10% of equity shares, has been enhanced from 5 years to 10 years from the date of their incorporation.

For easing Liquidity Problems of NBFCs and Banks

- Government announced capital infusion of Rs 70,000 crore into public sector banks, formulated a Partial Credit Guarantee scheme for the NBFCs after the Union Budget 2019-20, and merged 10 major Public Sector Banks into four.

Measures to promote domestic manufacturing

- Some Trade Policy measures were announced in Budget 2020-21to promote domestic manufacturing such as increasing basic customs duties (BCD) on footwear, toys and furniture; modification of Customs Act for strict enforcement of Rules of Origin norms for sensitive imports; strengthening of safeguard duties and anti-dumping duty etc.
- Domestically Manufactured Iron and Steel Products Policy (DMI&SP) has been notified with an objective to encourage consumption of domestically produced steel by Government organizations.
- The Government has notified Steel and Steel Products Quality Control (QC) Orders and introduced Steel Imports Monitoring System (SIMS) to monitor steel imports.
- The Government on the recommendation of Food Safety and Standard Authority of India, has prohibited imports of different products from various countries.
- With a view to assessing the impact of Free Trade Agreements, the Government held regular stakeholders' consultations and received inputs from the Apex Chambers of Commerce and Industry,

Industry Associations, exporters, trade experts and concerned Ministries/Departments.

- The general rule of origin under India's existing Free Trade Agreements (FTAs) and their enforcement provides for prevention of diversion of imports from non-FTA countries. This general rule includes both change in tariff classification and a value addition criteria. Moreover, new provisions have been made in the Union Budget 2020-21 for placing the onus on the importer to verify the rules of origin for imports under the FTAs. In these provisions, verification requests can be made by the customs authorities until 5 years from date of claim of preferential duty.

95.Steps Taken to Boost Export

Export promotion schemes/ policies is to refund duties and taxes levied on inputs used in production of export products, reduce cost disability by providing incentives to specified products and improve all-round ease of doing business.

- Overall thrust is on enhancing competitiveness and growth in exports of all products groups across all destinations. As a result, our export products and destinations are fairly diversified. In Financial Year 2018-19 products were exported to 233 countries/territories covering all big and small trading countries. During this period, we exported products in all the 168 principal commodity groups.

- Government is taking holistic measures to make exports competitive whether it is ensuring access to affordable credit, initiating exporter friendly schemes, promoting districts as export hubs, improving logistics and improving utilisation of Free Trade Agreements (FTAs).

In order to boost India's exports, Government has taken several steps:

- A new Foreign Trade Policy (FTP) 2015-20 was launched on 1st April 2015. The policy rationalised the earlier export promotion schemes and introduced two new schemes, namely Merchandise Exports from India Scheme (MEIS) for improving export of goods and 'Services Exports from India Scheme (SEIS)' for increasing exports of services. Duty credit scrips issued under these schemes were made fully transferable.

- Based on Mid-term Review of the FTP 2015-20 incentives for labour intensive / MSME sectors were increased by 2%.

- A new Logistics Division was created in the Department of Commerce for integrated development of the logistics sector. India's rank in World Bank's Logistics Performance Index moved up from 54 in 2014 to 44 in 2018.

- Interest Equalization Scheme on pre and post shipment rupee export credit was introduced providing interest equalisation at 3% for labour intensive / MSME sectors. The rate was increased to 5% for MSME sectors and merchant exporters were covered under the scheme with effect from 2.1.2019.

- For improving ease of doing business, online issuance of Importer Exporter Codes (IEC), has been started. India's rank in World Bank 'Ease of Doing Business' ranking improved from 142 in 2014 to 63 in 2019 with the rank in 'trading across borders' moving up from 122 to 80.

- A new scheme called "Trade Infrastructure for Export Scheme (TIES)" was launched with effect from 1st April 2017 to address the export infrastructure gaps in the country.

- A comprehensive "Agriculture Export Policy" was launched with an aim to double farmers' income by 2022 and provide an impetus to agricultural exports.

- A new scheme called "Transport and Marketing Assistance" (TMA) has been launched for mitigating disadvantage of higher cost of transportation for export of specified agriculture products.

96.Steps to boost domestic investments in India

Under the scheme of Investment Promotion, Department for Promotion of Industry and Internal Trade supports Sectoral Ministries and State Governments for organizing investment events, summits, road-shows and other promotional activities.Continuous efforts are made by Ministries and States for Facilitating investments besides handholding services to such investors.

Recently Government has taken various steps in addition to ongoing schemes to boost domestic investments in India.

These include:

- National Infrastructure Pipeline.
- Reduction in Corporate Tax.
- Easing liquidity problems of NBFCs and Banks.
- Trade policy measures to boost domestic manufacturing.

In order to protect, support and promote small enterprises as also to help them become self-supporting, a number of protective and promotional measures have been undertaken by the Government.

The various types of help extended by different support agencies of the Government are:

- Credit Support.
- Marketing Support.
- Entrepreneurship Development.
- Technology Upgradation.
- Industrial Infrastructure.
- Technical Training.
- Institutional Structure.
- Assistance Programmes.
- Special incentives for setting up of Enterprises in backward areas etc.

While most of the institutional support services and incentives are provided by the Central Government, others are offered by the State Governments in varying degrees to attract investments and promote small industries with a view to enhance industrial-production and to generate employment in their respective States.

97.WTO Ruling against India

A Dispute Settlement Panel of WTO in its report issued to members on 31 October 2019 has ruled India's export promotion schemes (e.g. Merchandise Exports from India Scheme, Export Oriented Units Scheme, Special Economic Zone Scheme, Export Promotion Capital Goods Scheme and Duty Free Imports for Exporters Scheme etc) to be export contingent and in the nature of prohibited subsidies under the

Agreement on Subsidies and Countervailing Measures and thus inconsistent with WTO norms. The Panel has given time-frame of 90-180 days for withdrawal of these schemes.

However, India has appealed the Panel Report and due to non-functioning of Appellate Body, the appeal has been kept in suspension. Till the appeal is disposed of, India is under no obligation to implement the recommendations of Panel.

Though US has claimed that India is providing subsidies on above mentioned schemes, India has taken the stand in dispute that the subsidies are not export contingent and thus consistent with WTO norms. India has filed appeal against the Panel ruling.

98.7.1% CAGR recorded in trade with India's FTA and PTA partner countries.

An internal assessment of India's bilateral Free Trade Agreements (FTAs) or Preferential Trade Agreements (PTAs) with Sri Lanka, Afghanistan, Thailand, Singapore, Japan, Bhutan, Nepal, Republic of Korea and Malaysia reveals that the cumulative average growth rate (CAGR) in trade with these partners over the last 5 financial years was 7.1%.

While there has been growth rate in both imports from and exports to these FTA partners, the utilization rate of FTAs both for India and its partners has been moderate.

The economic impact assessment of FTAs is a continuous process which is undertaken both in terms of data analysis and stakeholder consultations.

An analysis of preferential import data for some of these agreements indicates that the FTA utilization rates have been moderate to high in the case of some sectors like:

- Iron and steel for the India Korea Comprehensive Economic Partnership Agreement (CEPA) and India Japan CEPA.
- Plastics in the case of India Singapore Comprehensive Economic Cooperation Agreement (CECA).
- Auto-motives in the case of India Malaysia CECA.

The review of the trade agreements is undertaken on the basis of mutual consent of the trading partners and demand from domestic stakeholders.

Two reviews of the India Singapore CECA have been completed. The India-Bhutan Agreement on Trade Commerce and Transit was renewed in 2016 while the India-Nepal Treaty of Trade was extended in 2016.

Moreover, India has taken up the review of India Japan CEPA and India ASEAN FTA with its trading partners.

99.Invest India Business Immunity Platform launched to helping businesses withstand COVID-19

Invest India, India's national Investment Promotion & Facilitation Agency, under the Ministry of Commerce and Industry has launched The Invest India Business Immunity Platform.

- The platform, hosted on the Invest India website, is designed as a comprehensive resource to help businesses and investors get real-time updates on India's active response to COVID-19 (Coronavirus).

- This dynamic and constantly updating platform keeps a regular track on developments with respect to the virus, provides latest information on various central and state government initiatives, gives access to special provisions, and answers and resolves queries through emails and on WhatsApp.
- The Business Immunity Platform (BIP) is the active platform for business issue redressal, operating 24/7, with a team of dedicated sector experts and responding to queries at the earliest.
- Invest India has also announced a partnership with SIDBI (Small Industries Development Bank of India) for responding and resolving queries for MSMEs.

The platform also includes frequently asked questions on important aspects like locations of COVID-19 testing, special permissions and other location-specific information. The portal also maps and highlights the response mechanism put in place by leading Indian companies such as sanitation of staff vehicles, placing orders in alternate markets, disabling biometric attendance systems, setting up of medical task force, requesting trainees to go home, business continuity plan, barring entry of visitors, suspension of air travel, usage of video-conferencing and tele-conferencing, developing online solutions and other unique initiatives.

This Business Immunity Platform shall help people get access to all the information they require while staying in their comfort of their homes. With this platform, Invest India aims to bring facilitation at your doorstep!

100. Foreign Trade Policy 2015-2020 extended for one year

The Union Commerce and Industry Ministry today announced changes in the Foreign Trade Policy (FTP) of Government of India. The present Policy which came into force on 1st April, 2015, is for 5 years and has validity upto 31st March, 2020.

In view of the unprecedented current situation arising out of the pandemic Novel COVID-19, the Govt. has decided to continue relief under various export promotion schemes by granting extension of the existing Foreign Trade Policy by another one year i.e. up to 31st March, 2021.

Several other relief measures have also been announced to support trade and industry. Salient points of the changes made in the FTP are as follows:

- To provide continuity in the policy regime, the current FTP, valid till 31.03.2020 has been extended till 31.03.2021. Similar extension is made in the related procedures, by extending validity of Hand Book of Procedures.
- Benefit under all the Export Promotion Schemes (except SEIS) and other schemes, available as on date, will continue to be available for another 12 months.Decision on continuation of SEIS will be taken and notified subsequently.
- Similarly, validity period of the Status Holder Certificates is also extended. This will enable the Status Holders to continue to avail the specified facilities/benefits.
- Exemption from payment of IGST and Compensation Cess on the imports made under Advance/EPCG Authorisations and by EOUs etc. has been extended up to 31.03.2021.
- The scheme for providing “Transport Marketing Assistance on the specified Agricultural Products” is further extended for one year.
- Validity period for making imports under various duty free import authorisations (AA/DFIA/EPCG) expiring between 01.02.2020 and 31.07.2020, has been allowed automatic extension for another six

months from the date of expiry, without requirement of obtaining such endorsement on these authorisations.

- Where ever the period to make export is expiring between 01.02.2020 and 31.07.2020 under various authorisations, automatic extension in the export obligation period is allowed for another six months from the date of expiry, without payment of any composition fee.
- Last dates for applying for various duty credit Scrips (MEIS/SEIS/ROSCTL) and other Authorisations have been extended.
- Time lines for imposing late cuts, on the applications which are filed after the prescribed dates, have been relaxed.
- Validity period of Letter of Permission/ Letter of Intent as granted to EOUs, units in STPs/EHTPs/BTPs is further extended up to 31st December, 2020.
- Last date of filing applications for refund of TED/Drawback, Transport and Marketing Assistance has been extended.
- Extension in time has been allowed for filing various Reports/Returns etc. under various provisions of the FTP.

101.Debt Ridden Farmers

As per the NSSO Report, about 52 percent of the agricultural households in the country were estimated to be indebted. The average per capita income is Rs.77,112/- against the average amount of outstanding loan per agricultural household is Rs.47,000/- (approximately).

To reduce the debt burden of farmers and increase the availability of institutional credit to rural areas, the Government have taken the following major initiatives:

- To ease the burden of interest payment on farmers, the Government implements Interest Subvention Scheme so as to make short-term crop loans upto Rs.3 lakh including loans through Kisan Credit Card (KCC) for a period of one year available to farmers at the interest rate of 7% per annum and in case of timely repayment, the same gets reduced to 4%
- Interest subvention of 2% and prompt repayment incentive of 3% on restructured crop loans is also given to farmers affected by severe natural calamities for a maximum period of 5 years on the basis of report of Inter-Ministeral Central Team (IMCT) for grant of NDRF assistance and Sub-Committee of National Executive Committee (SC-NEC) is also available.
- The benefit of ISS has been extended to Animal Husbandry and Fisheries farmers' upto loan limit of Rs. 2 lakh per farmer so as to reduce the burden of interest component and to provide hassle free short term working capital loans to them.
- Collateral fee loan limit for short term agri-credit has been raised from Rs.1.00 lakh to Rs.1.60 lakh.
- To facilitate the farmers for issue of KCC, Processing fee, inspection, ledger folio charges and all other service charges for short term crop loans upto Rs.3.00 lakh have been waived off.
- To bring the maximum number of farmers under KCC in order to provide loan to them at a cheaper rate under the Interest Subvention Scheme (ISS),the Government has launched a special drive to cover all PM KISAN beneficiaries under KCC. A detailed strategy has been prepared and shared with the participating agencies to be adopted for making the campaign successful, which includes one page

application from and KCC to be issued in a time-bound manner within 14 days from the date of receiving of completed form.

- Under the Kisan Credit Card (KCC) Scheme, a flexible limit of Rs.10,000 to Rs.50,000 is provided to marginal farmers (as Flexi KCC) based on the land holding and crops grown including post harvest warehouse storage related credit needs and other farm expenses, consumption needs, etc. Plus small term loan investments without relating it to the value of land.
- NABARD Finances Joint Liability Groups (JLGs) of 'Bhoomi Heen Kisan' for augmenting flow of credit to tenant/landless farmers, extending collateral free loans to them and building natural trust and confidence between banks and JLG members.

102.Steps for Doubling Farmers Income

Agriculture being a State subject, the State Governments undertake implementation of programmes / schemes for the development of the sector. Government of India supplements the efforts of the State Governments through various schemes/ programmes.

These schemes/ programmes of the Government of India are meant for the welfare of farmers by increasing production, remunerative returns and income support to farmers.

The Government constituted an Inter-ministerial Committee in April, 2016 to examine issues relating to "Doubling of Farmers Income" and recommend strategies to achieve the same.

The Committee has identified seven sources of income growth:

- Improvement in crop productivity.
- Improvement in livestock productivity.
- Resource use efficiency or savings in the cost of production.
- Increase in the cropping intensity.
- Diversification towards high value crops.
- Improvement in real prices received by farmers.
- Shift from farm to non-farm occupations.

The Government is implementing schemes for imparting various training programmes and awareness campaigns for the benefit of farmers at Panchayat and village level under Agriculture Technology Management Agency (ATMA) Scheme, Four Farm Machinery Training & Testing Institutes (FMTTIs), Mission for Integrated Development of Horticulture (MIDH), National Food Security Mission (NFSM) etc. through its wide network of Krishi Vigyan Kendras (KVKs) under Indian Council of Agricultural Research (ICAR) and agriculture Universities.

103.Calculation of MSP

Government fixes Minimum Support Price (MSP) on the basis of recommendations of Commission for Agricultural Costs and Prices (CACP)

The Union Budget for 2018-19 had announced the pre-determined principle to keep MSP at levels of one and half times of the cost of production. Accordingly, Government has increased the MSP for all mandated Kharif, Rabi and other commercial crops with a return of atleast 50 per cent of cost of production for the agricultural year 2018-19 and 2019-20.

From time to time, some farmers and farmers' organizations have been agitating and making certain demands like increase in MSP for agricultural crops on the basis of C2 system.

- Cost of production is one of the important factors in the determination of MSPs. While recommending its price policy, the CACP considers all costs in a comprehensive manner which is based on the methodology recommended by Expert Committees from time to time.
- CACP considers both A2+FL and C2 costs while recommending MSP. CACP reckons only A2+FL cost for return. However, C2 costs are used by CACP primarily as benchmark reference costs (opportunity costs) to see if the MSPs recommended by them at least cover these costs in some of the major producing States.
- Government's price policy is to ensure remunerative prices to farmers by offering to procure their produce at MSP. However, farmers are free to sell their produce to the Government procurement agencies at MSP or in the open market whichever is advantageous to them.
- Apart from increasing MSP, Government has taken several steps to provide remunerative prices to farmers for their produce which include undertaking procurement through designated procurement agencies, implementing e-National Agriculture Market (eNAM), enacting the Model Agricultural Produce and Livestock Marketing (Promotion & Facilitation) Act, 2017 and promoting Farmer Producer Organizations (FPOs).
- The Government is working on market architecture so as to ensure that farmers get remunerative prices on their produce. These include setting up of Gramin Agricultural Markets (GrAMs) with a view to promote 22,000 number of retail markets in close proximity of farm gate; competitive and transparent wholesale trade at APMC through e-NAM.
- The recently launched Umbrella Scheme "Pradhan Mantri Annadata Aay Sanraks Han Abhiyan (PM-AASHA)" provides for a holistic arrangement for assurance of a remunerative price for farmers. This Umbrella Scheme comprises Price Support Scheme (PSS) for pulses, oilseeds and copra, Price Deficiency Payment Scheme (PDPS) and Pilot of Private Procurement & Stockist Scheme (PPSS) for oilseeds to ensure MSP to the farmers.
- MSP operations are given wide publicity through pamphlets, banners, sign boards, radio, TV and advertisements through print & electronic media. In addition to that farmers are made aware of the quality specifications and purchase system to facilitate the farmers to bring their produce conforming to the specifications.

104.Introduction of DBT in Agriculture Sector

Assistance/benefit is provided to farmers under various schemes on follows:-

- Mission for Integrated Development of Horticulture (MIDH)
- Sub Mission on Agriculture Mechanization (SMAM)
- Pradhan Mantri Krishi Sinchai Yojana (PMKSY)
- Sub Mission on Seeds and Planting Material (SMSP)
- Integrated Scheme on Agriculture Cooperation (ISAC)

- Interest Subvention Scheme (ISS)
- National Food Security Mission (NFSM)
- Pradhan Mantri Fasal Bima Yojana (PMFBY)
- Agri Clinics and Agri Business Centres Schemes (ACABC)
- Agriculture Technology Management Agency (ATMA)
- National Mission on Sustainable Agriculture-Rainfed Area and Development (NMSA-RAD)
- Mission Organic Value Chain Development for North Eastern Region (MOVCDNER)
- Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)
- Paramparagat Krishi Vikas Yojana (PKVY)

Direct Benefit Transfer in schemes like Pradhan Mantri Kisan Samman Nidhi (PM KISAN) has already been adopted by Government. Under PM-KISAN Scheme, an amount of Rs. 6000/- per year is transferred in three 4-monthly installments of Rs. 2000/- directly into the bank accounts of landholding farmers.

105.Development of Agricultural Marketing Infrastructure

In Budget 2018-19, Government of India has announced to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs). In these GrAMs, physical infrastructure will be strengthened using MGNREGS and other Government Schemes.

- The Government announced to set up of an Agri-Market Infrastructure Fund with a corpus of Rs. 2000 crore for developing and upgrading agricultural marketing infrastructure in the 22000 Gramin Agricultural Markets (GrAMs) and 585 Agricultural Produce Market Committees (APMCs).
- Ministry of Rural Development (MoRD), Government of India has been developing and up-grading physical infrastructure of rural haats under control of panchayat through States / Union Territories through Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for development of GrAMs.
- Agri-Market Infrastructure Fund (AMIF) with a corpus of Rs. 2000 crore with National Bank for Agriculture and Rural Development (NABARD) has been approved for developing and upgrading agricultural marketing infrastructure in the GrAMs and Agriculture Produce Market Committee (APMC) Markets and circulated the Scheme Guidelines to the States/Union Territories (UTs).

Since it is a demand driven scheme from the States/UTs, there is no State-wise and year-wise allocation of the fund. The Government of India has already requested States/UTs for submission of proposal for seeking assistance under AMIF.

106.“Remission of Duties and Taxes on Exported Products (RoDTEP)”

It is to boost exports Scheme for enhancing Exports to International Markets

Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) under which a mechanism would be created for reimbursement of taxes/ duties/ levies, at the central, state and local level, which are currently not being refunded under any other mechanism, but which are incurred in the process of manufacture and distribution of exported products.

- This scheme is going to give a boost to the domestic industry and Indian exports providing a level playing field for Indian producers in the International market so that domestic taxes/duties are not exported.
- An inter-ministerial Committee will determine the rates and items for which the reimbursement of taxes and duties would be provided.
- In line with "Digital India", refund under the Scheme, in the form of transferable duty credit/electronic scrip will be issued to the exporters, which will be maintained in an electronic ledger.
- The Scheme will be implemented with end to end digitization.
- The refunds under the RoDTEP scheme would be a step towards "zero-rating" of exports, along with refunds such as Drawback and IGST. This would lead to cost competitiveness of exported products in international markets and better employment opportunities in export oriented manufacturing industries.
- Various export oriented industries are being reformed and introduced to better mechanisms so as to increase their productivity, boost exports and contribute to the overall economy.

Salient features

- At present, GST taxes and import/customs duties for inputs required to manufacture exported products are either exempted or refunded. However, certain taxes/duties/levies are outside GST, and are not refunded for exports, such as, VAT on fuel used in transportation, Mandi tax, Duty on electricity used during manufacturing etc. These would be covered for reimbursement under the RoDTEP Scheme.
- The sequence of introduction of the Scheme across sectors, prioritization of the sectors to be covered, degree of benefit to be given on various items within the rates set by the Committee will be decided and notified by the Department of Commerce (DoC).
- The rebate would be claimed as a percentage of the Freight On Board (FOB) value of exports.
- A monitoring and audit mechanism, with an Information Technology based Risk Management System (RMS), would be put in to physically verify the records of the exporters. As and when the rates under the RoDTEP Scheme are announced for a tariff line/ item, the Merchandise Exports from India Scheme (MEIS) benefits on such tariff line/item will be discontinued.

107.Minimum Support Price for Copra for 2020 season

The MSP for Fair Average Quality (FAQ) of milling copra has been increased to Rs. 9,960/- per quintal for 2020 season from Rs. 9,521/- per quintal in 2019 and the MSP for ball copra has been increased to Rs. 10,300/- per quintal for 2020 season from Rs. 9,920/- per quintal in 2019. This will accrue a benefit of Rs 439/- per quintal in the milling copra and Rs 380/- increase in the Ball Copra.

- This is to ensure a return of 50 percent for milling copra and 55 percent for ball copra over the all India weighted average cost of production.
- The approval is based on recommendations of the Commission for Agricultural Costs and Prices (CACP).

- The increase in MSP for copra for 2020 season is in line with the principle of fixing the MSP at a level of at least 1.5 times the all India weighted average cost of production which was announced by the Government in the Budget 2018-19.
- It assures a minimum of 50 percent as margin of profit as one of the important and progressive steps towards making possible doubling of farmers' incomes by 2022.
- The National Agricultural Cooperative Marketing Federation of India Limited (NAFED) and National Cooperative Consumer Federation of India Limited (NCCF) will continue to act as Central Nodal Agencies to undertake price support operations at the MSP in the coconut growing states.
- Last year when there was crash in prices in Tamil Nadu, the timely intervention by Govt of India through purchase at MSP, this pushed the market sentiment upward benefitting the copra farmers.

India is number one in production and productivity of Copra in the World.

108.Recapitalization of Regional Rural Banks to improve their Capital to Risk Weighted Assets Ratio.

Recapitalise Regional Rural Banks (RRBs) by providing minimum regulatory capital to RRBs for another year beyond 2019-20, that is, up to 2020-21 for those RRBs which are unable to maintain minimum Capital to Risk weighted Assets Ratio (CRAR) of 9%, as per the regulatory norms prescribed by the Reserve Bank of India.

Benefits

- A financially stronger and robust Regional Rural Banks with improved CRAR will enable them to meet the credit requirement in the rural areas.
- As per RBI guidelines, the RRBs have to provide 75% of their total credit under PSL (Priority Sector Lending).
- RRBs are primarily catering to the credit and banking requirements of agriculture sector and rural areas with focus on small and marginal farmers, micro & small enterprises, rural artisans and weaker sections of the society.
- RRBs also provide lending to micro/small enterprises and small entrepreneurs in rural areas.
- With the recapitalization support to augment CRAR, RRBs would be able to continue their lending to these categories of borrowers under their PSL target, and thus, continue to support rural livelihoods.

Background

- Consequent upon RBI's decision to introduce disclosure norms for Capital to Risk Weighted Assets Ratio (CRAR) of RRBs with effect from March 2008, a committee was set up under the Chairmanship of Dr. K.C. Chakrabarty.
- Based on the Committee's recommendations, a Scheme for Recapitalization of RRBs was approved by the Cabinet in its meeting held on 10th February, 2011 to provide recapitalization support of Rs. 2,200 crore to 40 RRBs with an additional amount of Rs. 700 crore as contingency fund to meet the requirement of the weak RRBs, particularly in the North Eastern and Eastern Region.
- Therefore, based on the CRAR position of RRBs, as on 31st March of every year, National Bank for Agriculture and Rural Development (NABARD) identifies those RRBs, which require recapitalisation

assistance to maintain the mandatory CRAR of 9%.

- Post 2011, the scheme for recapitalization of RRBs was extended upto 2019-20 in a phased manner with a financial support of Rs. 2,900 crore with 50% Government of India's share of Rs. 1,450 crore.
- During this period, Government has also taken various initiatives for making the RRBs economically viable and sustainable institutions. With a view to enable RRBs to minimize their overhead expenses, optimize the use of technology, enhance the capital base and area of operation and increase their exposure, the Government has initiated structural consolidation of RRBs in three phase, thereby reducing the number of RRBs from 196 in 2005 to the present 45.

109.Mega Consolidation in Public Sector Banks (PSBs)

The mega consolidation of ten PSBs into four which include:

- Amalgamation of Oriental Bank of Commerce and United Bank of India into Punjab National Bank.
- Amalgamation of Syndicate Bank into Canara Bank
- Amalgamation of Andhra Bank and Corporation Bank into Union Bank of India
- Amalgamation of Allahabad Bank into Indian Bank

The amalgamation would be effective from 1.4.2020 and would result in creation of seven large PSBs with scale and national reach with each amalgamated entity having a business of over Rupees Eight lakh crore.

- The Mega consolidation would help create banks with scale comparable to global banks and capable of competing effectively in India and globally. Greater scale and synergy through consolidation would lead to cost benefits which should enable the PSBs enhance their competitiveness and positively impact the Indian banking system.
- In addition, consolidation would also provide impetus to amalgamated entities by increasing their ability to support larger ticket-size lending and have competitive operations by virtue of greater financial capacity. The adoption of best practices across amalgamating entities would enable the banks improve their cost efficiency and risk management, and also boost the goal of financial inclusion through wider reach.
- Further, with the adoption of technologies across the amalgamating banks, access to a wider talent pool, and a larger database, PSBs would be in a position to gain competitive advantage by leveraging analytics in a rapidly digitalising banking landscape.

110.Companies (Second Amendment) Bill, 2019

The Bill would remove criminality under the Act in case of defaults which can be determined objectively and which, otherwise, lack the element of fraud or do not involve larger public interest.

- This would also lead to further de-clogging of the criminal justice system in the country.
- The Bill would also further ease of living for law abiding corporates.
- Earlier, the Companies (Amendment) Act, 2015 amended certain provisions of the Act to remove difficulties faced in implementation of various provisions of the Act.

111.Direct Marketing helps decongest mandis and facilitates timely marketing of farm produce during lockdown

The States were requested to promote the concept of 'Direct marketing' to facilitate farmers/ group of farmers/FPOs/ Cooperatives in selling their produce to bulk buyers/big retailers/processors etc.

In order to decongest wholesale markets & to boost the supply chain, following two modules under National Agriculture Market (e-NAM) have been introduced:

- FPO Module: FPOs can directly trade with e-NAM portal. They can upload produce details from collection centers with picture/quality parameter and avail the bidding facility without physically reaching to the mandis.
- Warehouse Based Trading Module: Farmers can sell their produce from Warehousing Development and Regulatory Authority (WDRA) registered warehouses notified as deemed market, and do not physically bring the produce to the nearest mandis.
- Various States have adopted Direct Marketing and taken several measures:
- Karnataka exempted Cooperative Institutions and FPOs in the State for engaging in wholesale trade of agricultural produce outside the market yards;
- Tamil Nadu exempted market fee on all notified agricultural produce;
- Uttar Pradesh allowed trading in e-NAM platform from farm gate and promoted issuance of unified licence to processors for direct purchase from farmers and also allowed FPOs to undertake procurement operations of wheat;
- Rajasthan allowed direct marketing by traders, processors and FPOs. In addition to that, Primary Agriculture Credit Societies (PACS)/ Large Area Multi-purpose Cooperative Societies (LAMPS) in Rajasthan have been declared as deemed markets.
- Apart from Individuals, firms, and processing units, Madhya Pradesh has allowed to set up private purchase centres outside the market–yard to purchase directly from farmers with an application fee of Rs. 500/- only.
- Himachal Pradesh, Uttarakhand and Gujarat have also allowed direct marketing without requirement of any licence.
- Uttarakhand has declared Warehouse/Cold storage and Processing plants as sub-mandis.
- Uttar Pradesh Government has recently relaxed the rules and norms for declaring warehouses/ cold storages as Market-yards.

Impact of Direct Marketing

- Rajasthan has issued more than 1,100 direct marketing licences to processors during lockdown period wherein farmers have already started selling directly to the processors.
- Due to market fee waiver in Tamil Nadu, it was observed that traders have preferred to buy the produce from farmers from their farm gate/ villages.
- In Uttar Pradesh direct linkages have been established by FPOs with farmers and traders thereby supplying their produce to consumers in cities which saved wastages and directly benefitted the

farmers. Further, the State has facilitated in establishing linkages with FPOs and Zomato Food Delivery App thereby ensuring smooth distribution of veggies to consumers.

112.National Agriculture Market portal e-NAM to Complete four Years on 14th April 2020, helped in realizing the vision of "One Nation, One Market" for Agri-produce, e-NAM online platform to be a giant leap in reforming the agriculture market in India.

e-NAM is an innovative initiative in agricultural marketing to enhance farmers accessibility digitally to multiple number of markets & buyers and to bring transparency in trade transactions with the intent to improve price discovery mechanism, quality commensurate price realization and also to develop the concept of One Nation One Market for agriculture produce.

Keeping in view the need of making marketing of commodities easier for farmers.This online platform will prove to be a giant leap in reforming the agriculture market in India.

Farmers are free to register on e-NAM portal and they are uploading their produce for sale online to the traders across all e-NAM mandis and traders can bid for the lots available for sale on e-NAM from any location.

In order to debottleneck Logistics of Agri Produce and providing adequate and timely transportation facility to the farmers/traders during lockdown period, e-NAM platform has created an Interface with large transport aggregators like Blackbuck, Rivigo, Mavyn, Truck Suvidha, Truck Guru, Transin Logistics, Elastic Run etc. This would help traders to find and arrange timely movement of produces from mandi to various other locations.

Several steps to decongest wholesale markets & to make supply chain agile under e-NAM:

- Warehouse based trading module enabling farmers to sell their produce from WDRA registered warehouses notified as deemed market & FPO trading module, enabling FPOs to upload produce from collection centers with picture/ quality parameter and also avail bidding facility without going to mandis, which will reduce their logistic costs and hassle to sell their produce.
- e-NAM is not just a scheme but it's a journey which aims to benefit the last mile farmer and transform the way they sell their agricultural produce.
- This intervention brings immense benefits to our farmers in augmenting their incomes by enabling them to realize competitive & remunerative prices in a transparent manner without incurring additional costs.
- The online and transparent bidding system is encouraging farmers to increasingly trade on e-NAM platform.
- Initially started with 25 commodities, e-trade facilities provided on 150 commodities with tradable parameters on e-NAM portal.
- Quality assaying testing facilities is being provided in e-NAM mandis which helps famers in getting prices commensurate with quality of their produce.

- e-NAM platform/ mobile app has been further strengthened with "Farmers friendly" features such as Advance registration of the lot through app which in turn will reduce waiting time for farmers at gate entry of the mandi and will bring huge efficiency and will facilitate smooth Arrival recording at Gate. With this Farmers can now see the assaying report On The Go.
- Farmers can see the progress of bids for their lot being traded, through mobile and farmers can also get the real time information on prices in nearby mandis.
- Electronic weighing scales have been provided to accurately weigh the commodities of farmers after bidding on e-NAM platform to bring transparency in weighing
- Payment to farmers by traders now can be done through mobile phone using BHIM payment facility.

To build confidence among the traders for assaying, the Department has launched new features related to assaying like :

- 360 degree image capturing of the commodity heap through e-NAM mobile app,
- Assayer can upload 2/3 2D image of Laboratory with equipment and
- Also upload 2D image of commodity sampling process for the lot for better confidence of trader on e-NAM.

Jharkhand has initiated farm gate trading through National Agriculture Market (e-NAM) platform whereby farmers are uploading the details of their produce along with picture for online bidding without reaching to the APMC.

113.J&K sets up PMRU of NPPA

Jammu & Kashmir Union Territory has become 12th State where the Price Monitoring & Resource Unit (PMRU) has been set up by National Pharmaceutical Pricing Authority (NPPA).

- PMRUs have already been set up by NPPA in 11 States, including, Kerala, Odisha, Gujarat, Rajasthan, Punjab, Haryana, Nagaland, Tripura, Uttar Pradesh, Andhra Pradesh and Mizoram.
- The PMRU, a registered society, shall function under the direct control and supervision of State Drug Controller of Jammu & Kashmir.
- The PMRU shall help NPPA and State Drug Controller in ensuring availability and accessibility of medicines at affordable prices. It is also expected to organise seminars, training programs and other information, education and communication (IEC) activities in the areas of availability and affordability of medicines for all.
- PMRU will also collect samples of medicines, collect and analyse data and make reports with respect to availability and over-pricing of medicines for taking action under the provisions of Drug Price Control Order (DPCO).

This assumes added significance as PMRU, J&K will assist NPPA and Governments in checking overpricing and identifying causes & addressing local issues of shortages/hoarding in the current situation when country is fighting the COVID-19 pandemic.

114.Index of Eight Core Industries (Base: 2011-12=100) for March, 2020

The summary of the Index of Eight Core Industries (base: 2011-12).The Eight Core Industries comprise 40.27 per cent of the weight of items included in the Index of Industrial Production (IIP).

The combined Index of Eight Core Industries stood at 137.0 in March, 2020, which declined by 6.5per cent as compared to the index of March,2019. Its cumulative growth during April to March, 2019-20 was 0.6per cent.

Coal

- Coal production (weight: 10.33per cent) increased by 4.0 per cent in March, 2020 over March,2019.

Crude Oil

- Crude Oil production (weight: 8.98per cent) declined by 5.5 per cent inMarch,2020 over March,2019.

Natural Gas

- The Natural Gas production (weight: 6.88per cent) declined by 15.2 per cent in March, 2020 over March,2019.

Refinery Products

- Petroleum Refinery production (weight: 28.04per cent) declined by 0.5 per cent in March, 2020 over March,2019.

Fertilizers

- Fertilizers production (weight: 2.63 per cent) declined by 11.9 per cent in March, 2020 overMarch,2019.

Steel

- Steel production (weight: 17.92per cent) declined by 13.0 per cent inMarch, 2020 over March,2019.

Cement

- Cement production (weight: 5.37per cent) declined by 24.7per cent in March, 2020 over March,2019.

Electricity

- Electricity generation (weight: 19.85per cent) declined by7.2percent in March, 2020over March,2019.

Government amends the extant FDI policy for curbing opportunistic takeovers/acquisitions of Indian companies due to the current COVID-19 pandemic.

The Government of India has reviewed the extant Foreign Direct Investment(FDI) policy for curbing opportunistic takeovers/acquisitions of Indian companies due to the current COVID-19 pandemic and amended FDI policy as contained in Consolidated FDI Policy, 2017.

The present position and revised position in the matters will be as under:

Present Position

- A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, a citizen of Bangladesh or an entity incorporated in Bangladesh can invest only under the Government route.
- Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

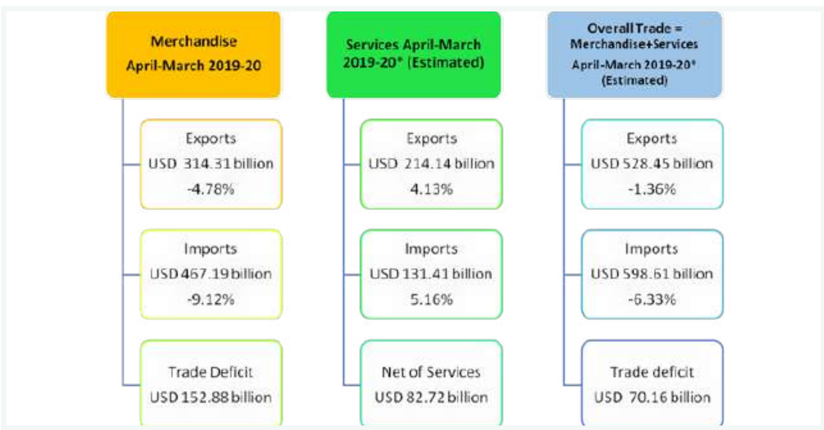
Revised Position

- A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity of a country, which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, can invest only under the Government route.
- Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.
- In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction, such subsequent change in beneficial ownership will also require Government approval.

115.India's Foreign Trade March 2020

India's overall exports (Merchandise and Services combined) in April-March2019-20* are estimated to be USD 528.45billion, exhibiting a negative growth of (-) 1.36per cent over the same period last year.

Overall imports in April-March 2019-20* are estimated to be USD 598.61billion, exhibiting a negative growth of (-)6.33per cent over the same period last year.



116.FIEO introduces Digital Certificate of Origin facility for exporters amidst Covid lockdown (Ministry of Commerce)

Responding to the challenges faced by the Exporters during lockdown to obtain Certificate of Origin (CoO), the Federation of Indian Exports Organization has introduced the facility of issuing digital certificate of origin (both non-preferential and preferential, for which it is authorized) through its online system.

- The facility is expected to reduce the transaction time and cost to exporters. Such a facility will help exporters to send CoO electronically to buyers to help them clear the consignment particularly as most of the courier companies are not operating in the country. Many of the countries are now accepting scanned /digital copies of the Certificate of Origins.

- FIEO is also updating information relating to Covid-19, having bearing on exports/imports, at its website under the banner "Updates on Covid-19". It has urged exporters/importers to access it to update themselves on a real-time basis.

117.NGOs permitted to buy food grains directly from FCI for Relief operations

NGOs and Charitable Organizations played an important role in providing cooked food to thousands of poor and needy people during this time of nationwide lockdown.

- To ensure uninterrupted supply of foodgrain to these organization Government has directed FCI to provide Wheat and Rice to such organizations at the Open Market Sale Scheme (OMSS) rates without going through the e-auction process.
- Hitherto only state governments and registered bulk users like Roller Flour Mills were allowed to buy stock from FCI under OMSS rates.
- FCI has network of more than 2000 godowns in the country and such large network of godowns ensured smooth supply of food grains to these organisations in the hour of crisis.
- The details of lifting of foodgrain by such institutions would be intimated to the concerned DMs to ensure that the foodgrain are utilised for the intended purpose.
- Maintaining the quick pace of transportation of foodgrain stocks across the country, FCI has moved 2.2 Million tonnes from the surplus states since the beginning of lockdown. It has already handed over about 1 Million Tonnes of foodgrain to the state state governments for free distribution under the PMGKAY scheme.

118.India signs $1.5 billion loan with ADB to support India's COVID-19 immediate response

The Government of India and the Asian Development Bank (ADB) signed a $1.5 billion loan that will support the government's response to the novel coronavirus disease (COVID-19) pandemic, focusing on immediate priorities such as disease containment and prevention, as well as social protection for the poor and economically vulnerable sections of the society, especially women and disadvantaged groups.

- ADB's timely assistance for the government's immediate response measures to the coronavirus pandemic to implement:
  - ✓ COVID-19 containment plan to rapidly ramp up test-track-treatment capacity.
  - ✓ Social protection for the poor, vulnerable, women, and disadvantaged groups to protect more than 800 million people over the next three months. "ADB is glad to support India's bold measures to contain the COVID- 19 pandemic outbreak while protecting the most vulnerable people affected by movement restrictions, by fast-tracking and delivering the largest ever loan to India.
- CARES Programme is provided as the first support to meet the immediate requirements of the government. Building on the CARES Programme, ADB with the government would further possibly support to stimulate the economy, support strong growth recovery, and to build resilience to future

shocks.

- This includes the support for the affected industries and entrepreneurs particularly micro, small, and medium-sized enterprises (MSMEs) by facilitating their access to finance through credit guarantee schemes, MSME integration into global and national value chains through enterprise development centers, and a credit enhancement facility for infrastructure projects.
- Strengthening of public service delivery will be another important agenda, including the extension of comprehensive primary health services in urban areas, and of secondary and tertiary health care systems through PPP modalities.
- India has taken several decisive measures to contain the outbreak of COVID-19 pandemic, including a $2 billion health sector spending programme to expand hospital facilities, ramp up test-track-treatment capacity and launched a $23 billion pro-poor package to provide direct cash transfer, provide basic consumption goods and free cooking gas cylinders to the poor, particularly to women, old and socially disadvantaged groups.
- It has also extended insurance coverage to frontline health workers engaged in COVID 19 response. The Central bank, Reserve Bank of India, slashed policy rates, eased asset quality norms, provided loan moratoriums, taken measures to support exporters and allowed states to borrow more to meet their financing requirements.
- It has also pumped in massive liquidity to support banks, non-banking financial companies, mutual funds as well as taken measures to push the flow of funds to the MSMEs and the corporate sector.

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members—49 from the region.

119.Sovereign Gold Bond Scheme 2020-21

The Government of India, in consultation with the Reserve Bank of India, has decided to issue Sovereign Gold Bonds. The Sovereign Gold Bonds will be issued in six tranches from April 2020 to September 2020

The Bonds will be sold through Scheduled Commercial banks (except Small Finance Banks and Payment Banks), Stock Holding Corporation of India Limited (SHCIL), designated post offices, and recognised stock exchanges viz., National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

The features of the Bond are as under:

S.No.	Item	Details
1	Product name	Sovereign Gold Bond 2020-21
2	Issuance	To be issued by Reserve Bank of India on behalf of the Government of India.
3	Eligibility	The Bonds will be restricted for sale to resident individuals, HUFs, Trusts, Universities and Charitable Institutions.
4	Denomination	The Bonds will be denominated in multiples of gram(s) of gold with a basic unit of 1 gram.

5	Tenor	The tenor of the Bond will be for a period of 8 years with exit option after 5thyear to be exercised on the interest payment dates.
6	Minimum size	Minimum permissible investment will be 1 gram of gold.
7	Maximum limit	The maximum limit of subscription shall be 4 KG for individual, 4 Kg for HUF and 20 Kg for trusts and similar entities per fiscal (April-March) notified by the Government from time to time. A self-declaration to this effect will be obtained. The annual ceiling will include bonds subscribed under different tranches during initial issuance by Government and those purchased from the Secondary Market.
8	Joint holder	In case of joint holding, the investment limit of 4 KG will be applied to the first applicant only.
9	Issue price	Price of Bond will be fixed in Indian Rupees on the basis of simple average of closing price of gold of 999 purity, published by the India Bullion and Jewellers Association Limited for the last 3 working days of the week preceding the subscription period. The issue price of the Gold Bonds will be ` 50 per gram less for those who subscribe online and pay through digital mode.
10	Payment option	Payment for the Bonds will be through cash payment (upto a maximum of `20,000) or demand draft or cheque or electronic banking.
11	Issuance form	The Gold Bonds will be issued as Government of India Stock under GS Act, 2006. The investors will be issued a Holding Certificate for the same. The Bonds are eligible for conversion into demat form.
12	Redemption price	The redemption price will be in Indian Rupees based on simple average of closing price of gold of 999 purity, of previous 3 working days published by IBJA Ltd.
13	Sales channel	Bonds will be sold through Commercial banks, Stock Holding Corporation of India Limited (SHCIL), designated post offices (as may be notified) and recognised stock exchanges *viz*., National Stock Exchange of India Limited and Bombay Stock Exchange, either directly or through agents.
14	Interest rate	The investors will be compensated at a fixed rate of 2.50 percent per annum payable semi-annually on the nominal value.
15	Collateral	Bonds can be used as collateral for loans. The loan-to-value (LTV) ratio is to be set equal to ordinary gold loan mandated by the Reserve Bank from time to time.
16	KYC documentation	Know-your-customer (KYC) norms will be the same as that for purchase of physical gold. KYC documents such as Voter ID, Aadhaar card/PAN or TAN /Passport will be required.Every application must be accompanied by the 'PAN Number' issued by the Income Tax Department to individuals and other entities.

17	Tax treatment	The interest on Gold Bonds shall be taxable as per the provision of Income Tax Act, 1961 (43 of 1961). The capital gains tax arising on redemption of SGB to an individual has been exempted. The indexation benefits will be provided to long term capital gains arising to any person on transfer of bond.
18	Tradability	Bonds will be tradable on stock exchanges within a fortnight of the issuance on a date as notified by the RBI.
19	SLR eligibility	Bonds acquired by the banks through the process of invoking lien/ hypothecation/pledge alone, shall be counted towards Statutory Liquidity Ratio.
20	Commission	Commission for distribution of the bond shall be paid at the rate of 1% of the total subscription received by the receiving offices and receiving offices shall share at least 50% of the commission so received with the agents or sub agents for the business procured through them.

120.Pradhan Mantri Garib Kalyan Package

A digital pipeline has been laid through linking of Jan-Dhan accounts as well as other accounts with the account holders' mobile numbers and Aadhaar [Jan Dhan-Aadhaar-Mobile (JAM)]. This infrastructure pipeline is providing the necessary backbone for DBT flows, adoption of social security/pension schemes, etc.

The Pradhan Mantri Jan Dhan Yojana (PMJDY) was launched in August, 2014 with an aim to provide bank accounts to unbanked persons.Out of around 126 crore operative CASA accounts as on 20th March 2020, more than 38 crore have been opened under PMJDY.

- Enablement of interoperable, speedy and accurate transactions
- The bank accounts are enabled to carry out both cash and digital transactions at bank branches, Business Correspondent (BC) points, merchant locations and on internet. Using biometric ID, highly cost-effective payments solutions like AePS/ Bhim Aadhaar Pay have been created both for banking services and for retail payments.

The Digital Payment Ecosystem includes the following modes:

- AePS: helps in cash withdrawal by using Aadhaar authentication at branch/BC locations.
- Bhim Adhaar Pay: enables payment to merchants using Aadhaar authentication
- RuPay debit cards: As on 31 March 2020, a total of 60.4crore RuPay cards have been issued including 29 crore issued in PMJDY accounts. These cards could be used at ATMs for cash withdrawal and at Points of Sale (PoS)& e-commerce for digital payments.
- UPI: Immediate real time payment system which helps in both person to person (P2P) and Person to Merchant (P2M) transactions.
- BBPS: helps in payment of utility bills through internet & BC locations both by using cash & digital modes.

121.MNRE gives major push towards setting up RE Equipment Manufacturing Parks in India

The Ministry of New and Renewable Energy(MNRE) is setting up new hubs for manufacturing renewable energy equipments in the country to meet both domestic and also cater to global demand. State Governments and various Port Authorities will identify land parcels of 50-500 acres for setting up such Parks. Tuticorin Port Trust, States of Madhya Pradesh and Odisha have already expressed their keen interest in setting up RE Manufacturing Parks.

- These hubs will manufacture equipments like silicon ingots & wafers, solar cells & modules, wind equipments and ancillary items like back sheet, glass, steel frames, inverters, batteries etc.
- At present, country has around 10 GW of Wind equipment manufacturing capacity. In case of Solar Cells and Modules India imports about 85 % from abroad.
- To incentivise domestic manufacturing, Government of India already announced provisions to enable levying of Basic Customs Duty on import of solar cells and modules.
- It may be stated that in a time when many companies are planning to shift their manufacturing base from China, it is opportune time for India to bring policy changes for facilitating and catalysing manufacturing in India. In tune with this, MNRE has set up RE Industry Facilitation & Promotion Board to facilitate investment in RE the sector.
- Strengthened the clauses in Power Purchase Agreements(PPAs) to boost investor confidence. The three Power and RE Sector NBFCs namely PFC, REC and IREDA have reduced their repayment charges to 2% for enhancing the fund availability for new projects in the sector. More over, IREDA has brought out a new Scheme for project specific funding to promote RE manufacturing in India.
- Special efforts to boost export of RE Services like project designing, operations and maintenance. Today, the practices adopted by RE sector in India in project & grid development and maintenance are among the best in the world and hence a huge opportunity is available for export of RE Services.

122.Surplus rice available with FCI allowed to be converted to ethanol for utilization in making alcohol-based hand-sanitizers and for blending in Petrol

National Policy on Biofuels, 2018 envisages that during an agriculture crop year when there is projected over supply of food grains as anticipated by the Ministry of Agriculture & Farmers Welfare, the policy will allow conversion of these surplus quantities of food grains to ethanol, based on the approval of National Biofuel Coordination Committee (NBCC).The surplus rice available with Food Corporation of India (FCI) may be converted to ethanol for utilization in making alcohol-based hand-sanitizers and in blending for Ethanol Blended Petrol (EBP) programme.

123.Consumer Price Index Numbers on Base 2012=100 for Rural, Urban and Combined for the Month of March 2020

The National Statistical Office (NSO), Ministry of Statistics and Programme Implementation released CPI (Rural, Urban, Combined) on Base 2012=100 for the month of March 2020 (Provisional) and February 2020

(Final).

- In addition to this, corresponding Consumer Food Price Index (CFPI) for all India Rural, Urban and Combined are also being released.
- All India Inflation rates (on point to point basis i.e. current month over same month of last year, i.e., March 2020 over March 2019), based on General Indices and CFPIs are given as follows:

All India Inflation rates (%) based on CPI (General) and CFPI

Indices	Mar. 2020 (Prov.)			Feb. 2020 (Final)			Mar. 2019		
	Rural	Urban	Combd.	Rural	Urban	Combd.	Rural	Urban	Combd.
CPI (General)	6.09	5.66	5.91	6.67	6.57	6.58	1.80	4.10	2.86
CFPI	8.88	8.59	8.76	10.37	11.51	10.81	-1.46	3.47	0.30

124.Modifications in the existing "Partial Credit Guarantee Scheme (PCGS)”. Portfolio Guarantee for purchase by PSBs of Bonds or Commercial Papers (CPs) with a rating of AA and below

The Union Cabinet approved the Sovereign portfolio guarantee of up to 20% of first loss for purchase of Bonds or Commercial Papers (CPs) with a rating of AA and below (including unrated paper with original/ initial maturity of up to one year) issued by NBFCs/ MFCs/Micro Finance Institutions (MFIs) by Public Sector Banks (PSBs) through an extension of the Partial Credit Guarantee Scheme (PCGS).

Modifications in the existing PCGS on purchase of pooled assets, increasing its coverage by

- Making NBFCs/HFCs reported under SMA-1 category on technical reasons alone during the last one year period prior to 1.8.2018 eligible. Earlier NBFCs/HFCs reported as SMA-1 or SMA-2 during this period were ineligible under the Scheme.
- Relaxing the net profit criteria to the extent that the concerned NBFC/HFC should now have made a profit in at least one of the financial years of FY2017-18, FY 2018-19 and 2019-20. Earlier, the NBFC/ HFC should have made a net profit in at least one of the financial years of FY 2017-18 and2018-19.
- Relaxing the criteria regarding date of origination of assets to include new assets originating up to at least six months prior to the date of initial pool rating. Earlier, only assets originated up to 31.3.2019 were eligible under the Scheme.
- Extending the Scheme from 30.6.2020 to 31.3.2021 for purchase of pooled assets.

Impact

COVID-19 crisis and consequent lockdown restrictions will have a negative impact on both collections and fresh loan disbursements, besides a deleterious effect on the overall economy. This is anticipated to result not only in asset quality issues for the NBFC/ HFC/ MFI sector, but also low loan growth as well as higher borrowing costs for the sector, with a cascading effect on Micro, Small and Medium Enterprises (MSMEs) which borrow from them.

- While the RBI moratorium provides some relief on the assets side, it is on the liabilities side that the sector is likely to face increasing challenges. The extension of the existing Scheme will address the liability side concerns.
- In addition, modifications in the existing PCGS will enable wider coverage of the Scheme on the asset side also. Since NBFCs, HFCs and MFIs play a crucial role in sustaining consumption demand as well as capital formation in small and medium segment, it is essential that they continue to get funding without disruption, and the extended PCGS is expected to systematically enable the same.

125.Formalisation of Micro Food Processing Enterprises (FME)

Centrally Sponsored Scheme - For Formalisation of Micro food processing Enterprises (FME)" for the Unorganized Sector on All India basis with an outlay of Rs.10,000 crore. The expenditure will be shared by GOI and the States in ratio of 60:40.

Objectives:

- Increase in access to finance by micro food processing units.
- Increase in revenues of target enterprises.
- Enhanced compliance with food quality and safety standards.
- Strengthening capacities of support systems.
- Transition from the unorganized sector to the formal sector.
- Special focus on women entrepreneurs and Aspirational districts.
- Encourage Waste to Wealth activities.
- Focus on minor forest produce in Tribal Districts.

Salient features

- Centrally Sponsored Scheme. Expenditure to be shared by Government of India and States at 60:40.
- 2,00,000 micro-enterprises are to be assisted with credit linked subsidy.
- Scheme will be implemented over a 5 year period from 2020-21 to 2024-25.
- Cluster approach.
- Focus on perishables.

Support to Individual micro units

- Micro enterprises will get credit linked subsidy @ 35% of the eligible project cost with ceiling of Rs.10 lakh.
- Beneficiary contribution will be minimum 10% and balance from loan.
- On-site skill training & Handholding for DPR and technical upgradation.

Support to FPOs/SHGs/Cooperatives

- Seed capital to SHGs for loan to members for working capital and small tools.

- Grant for backward/ forward linkages, common infrastructure, packaging, marketing & branding.
- Skill training & Handholding support.
- Credit linked capital subsidy.

Implementation schedule

- The scheme will be rolled out on All India basis.
- Back ended credit linked subsidy will be provided to 2,00,000 units.
- Seed capital will be given to SHGs (@Rs. 4 lakh per SHG) for loan to members for working capital and small tools.
- Grant will be provided to FPOs for backward/forward linkages, common infrastructure, packaging, marketing & branding.

Administrative and Implementation Mechanisms

- The Scheme would be monitored at Centre by an Inter-Ministerial Empowered Committee (IMEC) under the Chairmanship of Minister, FPI.
- A State/ UT Level Committee (SLC) chaired by the Chief Secretary will monitor and sanction/ recommend proposals for expansion of micro units and setting up of new units by the SHGs/ FPOs/ Cooperatives.
- The States/ UTs will prepare Annual Action Plans covering various activities for implementation of the scheme, which will be approved by Government of India.
- A third party evaluation and mid-term review mechanism would be built in the programme.

State/ UT Nodal Department & Agency

- The State/ UT Government will notify a Nodal Department and Agency for implementation of the Scheme.
- State/ UT Nodal Agency (SNA) would be responsible for implementation of the scheme at the State/ UT level including preparation and validation of State/ UT Level Upgradation Plan, Cluster Development Plan, engaging and monitoring the work of resource groups at district/ regional level, providing support to units and groups, etc.

National Portal & MIS

- A National level portal would be set-up wherein the applicants/ individual enterprise could apply to participate in the Scheme.
- All the scheme activities would be undertaken on the National portal.

Convergence Framework

- Support from the existing schemes under implementation by the Government of India and State Governments would be availed under the scheme.
- The Scheme would attempt to fill in the gaps, where support is not available from other sources, especially for capital investment, handholding support, training and common infrastructure.

Impact and employment generation

- Nearly eight lakh micro- enterprises will benefit through access to information, better exposure and formalization.
- Credit linked subsidy support and hand-holding will be extended to 2,00,000 micro enterprises for expansion and upgradation.
- It will enable them to formalize, grow and become competitive.
- The project is likely to generate nine lakh skilled and semi-skilled jobs.
- Scheme envisages increased access to credit by existing micro food processing entrepreneurs, women entrepreneurs and entrepreneurs in the Aspirational Districts.
- Better integration with organized markets.
- Increased access to common services like sorting, grading, processing, packaging, storage etc.

Background

- There are about 25 lakh unregistered food processing enterprises which constitute 98% of the sector and are unorganized and informal. Nearly 66 % of these units are located in rural areas and about 80% of them are family-based enterprises.
- This sector faces a number of challenges including the inability to access credit, high cost of institutional credit, lack of access to modern technology, inability to integrate with the food supply chain and compliance with the health &safety standards.
- Strengthening this segment will lead to reduction in wastage, creation of off-farm job opportunities and aid in achieving the overarching Government objective of doubling farmers' income.

126.Pradhan Mantri Matsya Sampada Yojana

Pradhan Mantri Matsya Sampada Yojana (PMMSY) - A scheme to bring about Blue Revolution through sustainable and responsible development of fisheries sector in India under two components namely, Central Sector Scheme (CS) and Centrally Sponsored Scheme (CSS) at a total estimated investment of Rs. 20,050 crore comprising of (i) Central share of Rs. 9,407 crore, (ii) State share of Rs. 4,880 crore and (iii) Beneficiaries' share of Rs. 5,763 crore.

The Scheme will be implemented during a period of 5 years from FY 2020-21 to FY 2024-25.

The PMMSY will be implemented as an umbrella scheme with two separate Components namely

- 1. Central Sector Scheme (CS)
- 2. Centrally Sponsored Scheme (CSS)

The Centrally Sponsored Scheme (CSS) Component is further segregated into Non-beneficiary oriented and Beneficiary orientated subcomponents/activities under the following three broad heads:

- Enhancement of Production and Productivity
- Infrastructure and Post-Harvest Management
- Fisheries Management and Regulatory Framework

Funding Pattern: PMMSY will be implemented with the following funding pattern

Central Sector Scheme (CS)

- The entire project/unit cost will be borne by the Central government (i.e. 100% central funding).
- Wherever direct beneficiary oriented i.e. individual/group activities are undertaken by the entities of central government including National Fisheries Development Board (NFDB), the central assistance will be up to 40% of the unit/project cost for General category and 60% for SC/ST/Women category.

Centrally Sponsored Scheme (CSS)

For the Non-beneficiary orientated sub-components/activities under CSS component to be implemented by the States/UTs, the entire project/unit cost will be shared between Centre and State as detailed below:

- North Eastern & Himalayan States: 90% Central share and 10% State share.
- Other States: 60% Central share and 40% State share.
- Union Territories (with legislature and without legislature): 100% Central share.

For the Beneficiary orientated i.e. individual/group activities subcomponents/activities under CSS component to be implemented by the States/UTs, the Government financial assistance of both Centre and State/UTs governments together will be limited to 40% of the project/unit cost for General category and 60% of the project/unit cost for SC/ST/Women. The Government financial assistance will in turn be shared between Centre and State/UTs in the following ratio:

- The North Eastern & the Himalayan States: 90% Central share and 10% State share.
- Other States: 60% Central share and 40% State share.
- Union Territories (with legislature and without legislature): 100% Central share (No UT Share).

Benefits

- Address the critical gaps in the fisheries sector and realise its potential.
- Augmenting fish production and productivity at a sustained average annual growth rate of about 9% to achieve a target of 22 million metric tons by 2024-25 through sustainable and responsible fishing practices.
- Improving availability of certified quality fish seed and feed, traceability in fish and including effective aquatic health management.
- Creation of critical infrastructure including modernisation and strengthening of value chain.
- Creation of direct gainful employment opportunities to about 15 lakh fishers, fish farmers, fish workers, fish vendors and other rural/urban populations in fishing and allied activities and about thrice this number as indirect employment opportunities including enhancement of their incomes.
- Boost to investments in fisheries sector and increase of competitiveness of fish and fisheries products.
- Doubling of fishers, fish farmers and fish workers incomes by 2024
- Social, physical and economic security for fishers and fish workers.

127.Additional funding of up to Rupees three lakh crore through introduction of Emergency Credit Line Guarantee Scheme (ECLGS)

- To enable additional funding of up to Rs. three lakh crore to eligible MSMEs and interested MUDRA borrowers by way of "Emergency Credit Line Guarantee Scheme."
- Under the Scheme, 100% guarantee coverage to be provided by National Credit Guarantee Trustee Company Limited (NCGTC) for additional funding of up to Rs. three lakh crore to eligible MSMEs and interested MUDRA. borrowers, in the form of a Guaranteed Emergency Credit Line (GECL) facility.

For this purpose, corpus of Rs. 41,600 crore shall be provided by Government of India spread over the current and the next three financial years.

The Cabinet also approved that the Scheme would be applicable to all loans sanctioned under GECL Facility during the period from the date of announcement of the Scheme to 31.10.2020, or till an amount of Rs 3,00,000 crore is sanctioned under the GECL, whichever is earlier.

Details

- The Emergency Credit Line Guarantee Scheme (ECLGS) has been formulated as a specific response to the unprecedented situation caused by COVID-19 and the consequent lockdown, which has severely impacted manufacturing and other activities in the MSME sector.
- The Scheme aims at mitigating the economic distress being faced by MSMEs by providing them additional funding of up to Rs. 3 lakh crore in the form of a fully guaranteed emergency credit line.
- The main objective of the Scheme is to provide an incentive to Member Lending Institutions (MLIs), i.e., Banks, Financial Institutions (FIs) and Non-Banking Financial Companies (NBFCs) to increase access to, and enable availability of additional funding facility to MSME borrowers, in view of the economic distress caused by the COVID-19 crisis, by providing them 100 per cent guarantee for any losses suffered by them due to non-repayment of the GECL funding by borrowers.

The salient features of the Scheme include

- All MSME borrower accounts with outstanding credit of up to Rs. 25 crore as on 29.2.2020 which were less than or equal to 60 days past due as on that date, i.e., regular, SMA 0 and SMA 1 accounts, and with an annual turnover of up to Rs. 100 crore would be eligible for GECL funding under the Scheme.
- The amount of GECL funding to eligible MSME borrowers either in the form of additional working capital term loans (in case of banks and FIs), or additional term loans (in case of NBFCs) would be up to 20% of their entire outstanding credit up to Rs. 25 crore as on 29th February, 2020.
- The entire funding provided under GECL shall be provided with a 100% credit guarantee by NCGTC to MLIs under ECLGS.
- Tenor of loan under Scheme shall be four years with moratorium period of one year on the principal amount.
- No Guarantee Fee shall be charged by NCGTC from the Member Lending Institutions (MLIs) under the Scheme.

- Interest rates under the Scheme shall be capped at 9.25% for banks and FIs, and at 14% for NBFCs.

Implementation schedule

The Scheme would be applicable to all loans sanctioned under GECL during the period from the date of announcement of the Scheme to 31.10.2020, or till an amount of Rs three lakh crore is sanctioned under the GECL, whichever is earlier.

Impact

The Scheme has been formulated as a specific response to the unprecedented situation caused by COVID-19 and the consequent lockdown, which has severely impacted manufacturing and other activities in the MSME sector. In view of the critical role of the MSME sector in the economy and in providing employment, the proposed Scheme is expected to provide much needed relief to the sector by incentivizing MLIs to provide additional credit of up to Rs.3 lakh crore to the sector at low cost, thereby enabling MSMEs to meet their operational liabilities and restart their businesses. By supporting MSMEs to continue functioning during the current unprecedented situation, the Scheme is also expected to have a positive impact on the economy and support its revival.

128.Methodology for auction of coal and lignite mines/blocks for sale of coal / lignite on revenue sharing basis and tenure of coking coal linkage

A paradigm shift in the approach from being oriented to maximum revenue from coal to making maximum coal available in the market at the earliest. A move away from fixed rupees per tonne basis auction methodology to a more market oriented revenue share auction methodology
Methodology enables adequate competition which will allow discovery of market prices for the blocks and faster development of coal blocks. Permitting commercial exploitation of Coal Bed Methane in the mining lease area.

Rebates in revenue share payments in the event of early production of coal from the coal mine
Clean coal options - Rebates for consumption or sale of coal for gasification or liquefaction
Higher investment will create direct and indirect employment. Tenure of Coking Coal linkage in the non-regulated sector linkage auction increased upto 30 years.

The Cabinet Committee on Economic Affairs, approved the methodology for auction of coal and lignite mines/blocks for sale of coal / lignite on revenue sharing basis and increasing the tenure of coking coal linkage.

- This methodology provides that bid parameter will be revenue share. The bidders would be required to bid for a percentage share of revenue payable to the Government.

- The floor price shall be 4% of the revenue share. Bids would be accepted in multiples of 0.5% of the revenue share till the percentage (%) of revenue share is up to 10% and thereafter bids would be accepted in multiples of 0.25% of the revenue share.

- There shall be no restriction on the sale and/or utilization of coal from the coal mine.

- The methodology is oriented to make maximum coal available in the market at the earliest and it also enables adequate competition which will allow discovery of market prices for the blocks and faster development of coal blocks.

- Higher investment will create direct and indirect employment in coal bearing areas especially in mining sector and will have an impact on economic development of these regions.

Successful Bidder shall be required to make monthly payments which shall be determined as product of

- Percentage (%) of revenue share (final bid)
- Quantity of coal on which the statutory royalty is payable during the month.
- Notional price or actual price whichever is higher.

It also permits commercial exploitation of the CBM present in the mining lease area.

- This methodology provides incentives to the successful bidder by way of offering rebates in revenue share in events of early production of coal from the coal mine and the total quantity of coal consumed or sold or both for gasification or liquefaction on an yearly basis from the coal mine.
- As the entire revenue from the auction/allotment of coal mines would accrue to the coal bearing States, this methodology shall incentivise them with increased revenueswhich can be utilised for the growth and development of backward areas and their inhabitants including tribals. States in Eastern part of the country will be especially benefited.
- Tenure of coking coal linkage in the non-regulated sector linkage auction has been increased upto 30 years.

129.Various steps taken by the FCI to ensure availability of food grains across the country

As per the Food Corporation of India report, FCI currently has 271.27 LMT rice and 400.48 LMT wheat. Hence, a total of 671.75 LMT food grain stock is available (excluding the ongoing purchase of wheat and paddy, which have not yet reached the godown).

About 60 LMT food grains is required for a month under NFSA and other welfare schemes.

Open Market Sales Scheme

During the lockdown, NGOs and social institutions running relief camps can purchase wheat and rice directly from FCI Depots at Open Market Sales Scheme (OMSS) rate. The State Governments can also purchase food grains directly from FCI.

- State Governments can also provide rice / wheat to non-NFSA families who have been issued ration cards by the State Governments, for the next three months. Under the OMSS, the rates of Rice is fixed at Rs.22/kg and Wheat- Rs.21/kg.Meanwhile, FCI has sold4.68 LMT wheat and 6.58 LMT rice through OMSS during the lockdown period.

Pradhan Mantri Garib Kalyan Ann Yojana

Foodgrain (Rice/Wheat) A total of 79.75 LMT has been lifted. The Government of India is bearing 100% financial burden of approximately Rs. 46,000 crores under this scheme.Wheat has been allocated to 6 States/UTs, - Punjab, Haryana, Rajasthan, Chandigarh, Delhi and Gujarat and rice has been provided to the remaining States/UTs.

EC Act

The Department of Consumer Affairs has notified face masks and sanitizers under the Essential Commodities Act in view of their increased demand due to COVID-19. Prices of masks, sanitizers and ingredients used in their manufacturing have also been capped. States were given guidelines to ensure there is no obstruction in supply-chain management due to lockdown and check prices of all essential items. The Centre has delegated all powers to the State Governments to take decisions under the EC Act.

End-to-End Computerization

Total 90% FPS automation has been done through e-PoS,while in total 20 states/UTs, it has been done100%. Aadhar seeding of 90% ration cards havebeen achieved, while in 11 states/UTs, it has been done 100% .

130.Instant PAN through Aadhaar based e-KYC

Instant allotment of PAN (on near to real time basis).

This facility is available for those PAN applicants who possess a valid Aadhaar number and have a mobile number registered with Aadhaar. The allotment process is paperless and an electronic PAN (e-PAN) is issued to the applicants free of cost.

The process of applying for instant PAN.

- The instant PAN applicant is required to access the e-filing website of the Income Tax Department to provide her/his valid Aadhaar number and then submit the OTP received on her/his Aadhaar registered mobile number.
- On successful completion of this process, a 15-digit acknowledgment number is generated.
- If required, the applicant can check the status of the request anytime by providing her/his valid Aadhaar number and on successful allotment, can download the e-PAN. The e-PAN is also sent to the applicant on her/his email id, if it is registered with Aadhaar.
- The launch of the Instant PAN facility is yet another step by the Income Tax Department towards Digital India, thereby creating further ease of compliance to the taxpayers.

131.Reforms across Seven Sectors under Aatma Nirbhar Bharat Abhiyaan

Key Highlights

- Rs 40,000 crore increase in allocation for MGNREGS to provide employment boost
- Increased investments in Public Health and other health reforms to prepare India for future pandemics
- Technology Driven Education with Equity post-COVID
- Further enhancement of Ease of Doing Business through IBC related measures
- Decriminalisation of Companies Act defaultsEase of Doing Business for Corporates
- Public Sector Enterprise Policy for a New, Self-reliant India
- Increase borrowing limits of States from 3% to 5% for 2020-21 only & promoting State level reforms.

5th and last Tranche of measures towards Government Reforms and Enablers:

Measures for providing employment, support to businesses, Ease of Doing Business, and State Governments as well sectors such as Education and Health.

- Rs 40,000 crore increase in allocation for MGNREGS to provide employment boost. The Government will now allocate an additional Rs 40,000 crore under MGNREGS. It will help generate nearly 300 crore person days in total addressing need for more work including returning migrant workers in Monsoon season as well. Creation of larger number of durable and livelihood assets including water conservation assets will boost the rural economy through higher production.

- Health Reforms & Initiatives. Public Expenditure on Health will be increased by investing in grass root health institutions and ramping up Health and Wellness Centres in rural and urban areas. Setting up of Infectious Diseases Hospital Blocks in all districts and strengthening of lab network and surveillance by Integrated Public Health Labs in all districts & block level Labs & Public Health Unit to manage pandemics. Further, National Institutional Platform for One health by ICMR will encourage research. And implementation of National Digital Health Blueprint under the National Digital Health Mission.

- Technology Driven Education with Equity post-COVID. PM eVIDYA, a programme for multi-mode access to digital/online education to be launched immediately. Manodarpan, an initiative for psycho-social support for students, teachers and families for mental health and emotional well-being to be launched immediately as well. New National Curriculum and Pedagogical framework for school, early childhood and teachers will also be launched. National Foundational Literacy and Numeracy Mission for ensuring that every child attains Learning levels and outcomes in grade 5 by 2025 will be launched by December 2020.

Further enhancement of Ease of Doing Business through IBC related measures

Minimum threshold to initiate insolvency proceedings has been raised to Rs. 1 crore (from Rs. 1 lakh, which largely insulates MSMEs). Special insolvency resolution framework for MSMEs under Section 240A of the Code will be notified soon.

- Suspension of fresh initiation of insolvency proceedings up to one year, depending upon the pandemic situation. Empowering Central Government to exclude COVID 19 related debt from the definition of “default” under the Code for the purpose of triggering insolvency proceedings.

Decriminalisation of Companies Act defaults

Decriminalisation of Companies Act violations involving minor technical and procedural defaults such as shortcomings in CSR reporting, inadequacies in Board report, filing defaults, delay in holding of AGM.

- The Amendments will de-clog the criminal courts and NCLT. 7 compoundable offences altogether dropped and 5 to be dealt with under alternative framework.

Ease of Doing Business for Corporates

Key reforms include:

- Direct listing of securities by Indian public companies in permissible foreign jurisdictions.

- Private companies which list NCDs on stock exchanges not to be regarded as listed companies.

- Including the provisions of Part IXA (Producer Companies) of Companies Act, 1956 in Companies Act, 2013.

- Power to create additional/ specialized benches for NCLAT

- Lower penalties for all defaults for Small Companies, One-person Companies, Producer Companies & Start Ups.

Public Sector Enterprise Policy for a New, Self-reliant India

Government will announce a new policy whereby -

- List of strategic sectors requiring presence of PSEs in public interest will be notified
- In strategic sectors, at least one enterprise will remain in the public sector but private sector will also be allowed
- In other sectors, PSEs will be privatized (timing to be based on feasibility etc.)
- To minimise wasteful administrative costs, number of enterprises in strategic sectors will ordinarily be only one to four; others will be privatised/ merged/ brought under holding companies.

Support to State Governments

Centre has decided to increase borrowing limits of States from 3% to 5% for 2020-21 only. This will give States extra resources of Rs. 4.28 lakh crore. Part of the borrowing will be linked to specific reforms (including recommendations of the Finance Commission). Reform linkage will be in four areas: universalisation of 'One Nation One Ration card', Ease of Doing Business, Power distribution and Urban Local Body revenues. A specific scheme will be notified by Department of Expenditure on the following pattern:

- Unconditional increase of 0.50%
- 1% in 4 tranches of 0.25%, with each tranche linked to clearly specified, measurable and feasible reform actions
- Further 0.50% if milestones are achieved in at least three out of four reform areas

132.Highlights of Stimulus Package

Structural reform measures aimed at helping various growth sectors.

- Policy reforms initiated to fast track investment
- Fast track investment clearance through Empowered Group of Secretaries.
- Project Development Cell in each Ministry to prepare investible projects and coordinate
- Incentive scheme for promotion of new champion sectors
- Ranking of states on investment attractiveness.

8 Sectors have been identified where structural reforms will be brought in. They are coal, minerals, defence production, airports and airspace management, MRO, power distribution of companies in UTs, space and atomic energy.

Coal

- Commercial mining of coal on a revenue sharing basis is being introduced. Government will introduce competition, transparency and private sector participation through revenue sharing mechanism instead of the current fixed rupee per tonne.

- Coal Bed Methane will also be auctioned.

Mineral

- To enhance private investments in the mineral sector, a seamless composite exploration -cum-mining – cum production regime will be introduced.
- Joint auction of bauxite and coal mineral blocks will be introduced to enhance aluminium industry's competitiveness.
- 500 mining blocks will be offered through an open and transparent auction process immediately.

Make in India for Defence Production

- To promote self reliance in Defence production, Government will notify list of weapons and platforms which shall not be allowed to be imported.
- Time bound defence procurement process will be introduced.
- Foreign Direct Investment limit in defence manufacturing under automatic route is being raised from 49% to 74% to boost indigenous defence production.
- Ordnance Factory Board will be corporatized to improve autonomy, accountability and efficiency.

Airports and airspace

- Restrictions on utilisation of the Indian Air Space will be eased so that civilian flying becomes more efficient.
- Another 6 airports will be put up for bidding by the Airports Authority of India for operation and maintenance on PPP mode.

MRO

- India has the capacity - manpower and skills, to become the Maintenance- Repairs and Operations (MRO) hub.
- Tax regime for MRO ecosystem has been rationalised.
- Convergence between defence sector and the civil MROs will be established to create economies of scale
- Self reliance in MRO field will bring down maintenance costs for airlines.

Power Sector

- Power distribution companies in Union Territories will be privatised.
- A tariff policy with reforms focused on consumer rights, promotion of industry and sustainability of sector will be introduced.

Social Infrastructure Projects

- Boosting private sector investment in social infrastructure projects through revamped viability gap funding scheme of Rs 8,100 crore.
- The govt will enhance the quantum of viability gap funding up to 30 per cent each of total project cost as VGF by Centre and state

Space & Atomic Energy

- Private sector will be allowed to use ISRO facilities and other relevant assets to improve their capacities
- Future projects for planetary exploration, outer space travel, etc. to be open for the private sector
- India to establish a research reactor in PPP mode for production of medical isotopes. This will promote welfare of humanity through affordable treatment for cancer and other diseases:

133.Atal Pension Yojana (APY) – Completion of 5 years

The flagship social security scheme of Government of India 'Atal Pension Yojana' (APY) has completed five years of successful implementation. Launched on 9th May 2015 by Hon'ble Prime Minister Shri Narendra Modi with an objective of delivering old age income security particularly to the workers in the unorganised sector and Government providing guarantee of minimum pension after 60 years of age, the scheme even after garnering 2.23 crores workers under the ambit of pension still remains unequivocally relevant for addressing the challenges of rapidly increasing aging population of India.

- The scheme has been implemented comprehensively across the country covering all states and Union Territories with male to female subscription ratio of 57:43.
- During the first two years of its launch, almost 50 lacs subscribers were enrolled which doubled to 100 lacs in the third year and the milestone of 1.50 crore was achieved in the 4th year. In the last financial year, almost 70 lacs subscribers were enrolled under the scheme.
- APY can be subscribed by any Indian citizen in the age group of 18-40 years having a bank account and its uniqueness is attributable to three distinctive benefits.
- It provides a minimum guaranteed pension ranging from Rs 1000 to Rs 5000 on attaining 60 years of age.
- The amount of pension is guaranteed for lifetime to spouse on death of the subscriber and lastly, in the event of death of both the subscriber and the spouse, entire pension corpus is paid to the nominee.

About PFRDA

Pension Fund Regulatory and Development Authority (PFRDA) is the statutory Authority established by an enactment of the Parliament, to regulate, promote and ensure orderly growth of the National Pension System (NPS) and pension schemes to which this Act applies. NPS was initially notified for central government employees recruits wef 1st Jan 2004 and subsequently adopted by almost all State Governments for its employees. NPS was extended to all Indian citizens (resident/non-resident/overseas) on a voluntary basis and to corporates for its employees.

134.INR - USD Futures and Options contracts in the International Exchanges at GIFT-IFSC

INR-USD Futures and Options contracts on the two International Exchanges, BSE's India INX and NSE's NSE-IFSC, at GIFT International Financial Services Centre at Gandhinagar. Over the last decade or so a significant market share in financial services related to India has moved to other international financial centres.

- Bringing this business to India is clearly beneficial in terms of economic activity and employment gains for India. The launch of INR-USD contracts at the exchanges in GIFT-IFSC is a step in this direction. This will be available 22 hours across all time zones for all global participants from GIFT IFSC.
- Given the world class business environment and competitive tax regime at GIFT-IFSC, it is expected that trading of INR-USD contracts may bring volumes to India. This would also bring larger global participation in India through IFSC and connect India's IFSC globally.

135.CHAMPIONS Portal.

A Technology driven Control Room-Cum-Management Information System

MSME has launched CHAMPIONS portal a Technology driven Control Room-Cum-Management Information System.The system utilising modern ICT tools is aimed at assisting Indian MSMEs march into big league as National and Global CHAMPIONS.

The CHAMPIONS stands for- Creation and Harmonious Application of Modern Processes for Increasing the Output and National Strength. Accordingly, the name of the system is CHAMPIONS.

The portal is basically for making the smaller units big by solving their grievances, encouraging, supporting, helping and handholding. It is a real one-stop-shop solution of MSME Ministry.

An ICT based system will be set up to help the MSMEs in present difficult situation and also to handhold them to become national and international champions. Accordingly, a comprehensive system known as CHAMPIONS was trial launched on 9th May, 2020.

- It is a technology packed control room-cum-management information system. In addition to ICT tools including telephone, internet and video conference, the system is enabled by Artificial Intelligence, Data Analytics and Machine Learning.
- It is also fully integrated on real time basis with GOI's main grievances portal CPGRAMS and MSME Ministry's own other web based mechanisms.
- The entire ICT architecture is created in house with the help of NIC in no cost. Similarly, the physical infrastructure is created in one of ministry's dumping rooms in a record time.
- As part of the system a network of control rooms is created in a Hub & Spoke Model. The Hub is situated in New Delhi in the Secretary MSME's office. The spokes will be in the States in various offices and institutions of Ministry.

136.Van Dhan for Jaan and Jahaan: The Story of Shahapur's Katkari Tribe

Adivasi Ekatmik Samajik Sanstha" of Shahapur in Thane, markets Giloy and other products. Giloy is a medicinal plant with huge demand from pharmaceutical companies.

Sunil Pawar, a youth from Katkari (कातकरी) community, and his team of 10 -12 friends started facilitating various works of Katkari tribals at revenue offices in his native place. Katkari is one of the 75 Particularly Vulnerable Tribal Groups, as per the classification by Ministry of Home Affairs.

There are certain tribal communities who use a pre-agricultural level of technology, face stagnant or declining population growth, and are equipped with only an extremely low level of literacy and a subsistence level of economy. 75 such groups of tribals in 18 States and one Union Territory have been identified and categorized as Particularly Vulnerable Tribal Groups (PVTGs).

Pradhan Mantri Van Dhan Yojana provides working capital for these SHGs. So they don't have to sell their produce in distress, moreover they can immediately pay tribals for produce they have picked up, this greatly helps tribals in having steady income,

Background

Pradhan Mantri Van Dhan Yojana (PMVDY) is a retail marketing led value addition plan for Minor Forest Produce (MFP), meant for forest-based tribes to optimize the tribal income, locally. Under the program, MFP-based tribal groups / enterprises of around 300 members are formed for collection, value addition, packaging & marketing of Minor Forest Produces (MFPs).

These tribal enterprises will be in the form of Van Dhan SHGs which will be a group of 15-20 members and such 15 SHG groups will further be federated into a larger group of Van Dhan Vikas Kendras (VDVKS) of around 300 members.

TRIFED will support the VDVKs through providing them with model business plans, processing plans & tentative list of equipment for carrying out the value addition work of MFPs

137.2% Interest Subvention approved on prompt repayment of Shishu Loans under Pradhan Mantri MUDRA Yojana for a period of 12 months

Scheme for interest subvention of 2% for a period of 12 months, to all Shishu loan accounts under Pradhan Mantri Mudra Yojana (PMMY) to eligible borrowers.

- The scheme will be extended to loans which meet the following criteria - outstanding as on 31st March, 2020 and not in Non-Performing Asset (NPA) category, as per Reserve Bank of India (RBI) guidelines, on 31st March 2020 and during the period of operation of the Scheme.
- The interest subvention would be payable for the months in which the accounts are not in NPA category including for the months that the account becomes a performing asset again, after turning NPA. The scheme will incentivize people who will make regular repayments of loans.

Background

This Scheme is for implementation of one of the measures relating to MSMEs, announced under the Atma Nirbhar Bharat Abhiyan.

- Under PMMY, loans for income generating activities up to Rs. 50,000 are termed as Shishu loans. PMMY loans are extended by Member Lending Institutions viz. Scheduled Commercial Banks, Non Banking Finance Companies and Micro Financial Institutions, registered with Mudra Ltd.
- The ongoing COVID-19 crisis and the consequent lockdown has led to severe disruption of business for micro and small enterprises which are funded through Shishu Mudra loans.
- Small businesses typically function on thin operating margins, and the current lockdown has had a severe impact on their cash flows, jeopardizing their ability to service their loans. This could lead to default in repayment and have a resultant impact on access to institutional credit in future.

Implementation strategy

The Scheme will be implemented through the Small Industries Development Bank of India (SIDBI) and will be in operation for 12 months.

- For borrowers, who have been allowed a moratorium by their respective lenders, as permitted by RBI under the 'COVID 19 Regulatory Package', the Scheme would commence post completion of the moratorium period till a period of 12 months i.e. from September 01, 2020 till August 31, 2021. For other borrowers, the scheme would commence w.e.f. June 01, 2020 till May 31, 2021.

Major Impact

The Scheme has been formulated as a specific response to an unprecedented situation and aims to alleviate financial stress for borrowers at the 'bottom of the pyramid' by reducing their cost of credit.

- The Scheme is expected to provide much needed relief to the sector, thereby enabling small businesses to continue functioning without laying off employees due to lack of funds.
- By supporting small businesses to continue functioning during these times of crisis, the Scheme is also expected to have a positive impact on the economy and support its revival, which is necessary for employment generation in future.

138.Landmark decisions to benefit farmers and transform the agriculture sector

Several landmark and historic decisions were taken in the meeting, which will go a long way in helping India's farmers while also transforming the agriculture sector.

Historic Amendment to Essential Commodities Act

This is a visionary step towards transformation of agriculture and raising farmers' income.

Background

India has become surplus in most agri-commodities, farmers have been unable to get better prices due to lack of investment in cold storage, warehouses, processing and export as the entrepreneurial spirit gets dampened due to hanging sword of Essential Commodities Act.

- Farmers suffer huge losses when there are bumper harvests, especially of perishable commodities. With adequate processing facilities, much of this wastage can be reduced.

Benefits

- With the amendment to Essential Commodities Act, commodities like cereals, pulses, oilseeds, edible oils, onion and potatoes will be removed from list of essential commodities.
- This will remove fears of private investors of excessive regulatory interference in their business operations.
- The freedom to produce, hold, move, distribute and supply will lead to harnessing of economies of scale and attract private sector/foreign direct investment into agriculture sector.
- It will help drive up investment in cold storages and modernization of food supply chain.

Safeguarding interest of consumers

- It has been provided in the Amendment, that in situations such as war, famine, extraordinary price rise and natural calamity, such agricultural foodstuff can be regulated.
- However, the installed capacity of a value chain participant and the export demand of an exporter will remain exempted from such stock limit imposition so as to ensure that investments in agriculture are not discouraged.
- The amendment announced will help both farmers and consumers while bringing in price stability. It will create competitive market environment and also prevent wastage of agri-produce that happens due to lack of storage facilities.

Barrier-free trade in agriculture produce

- 'The Farming Produce Trade and Commerce (Promotion and Facilitation) Ordinance, 2020'.

Background

- Farmers in India today suffer from various restrictions in marketing their produce.
- There are restrictions for farmers in selling agri-produce outside the notified APMC market yards.
- The farmers are also restricted to sell the produce only to registered licensees of the State Governments.
- Barriers exist in free flow of agriculture produce between various States owing to the prevalence of various APMC legislations enacted by the State Governments.

Benefits

- The Ordinance will create an ecosystem where the farmers and traders will enjoy freedom of choice of sale and purchase of agri-produce.
- It will also promote barrier-free inter-state and intra-state trade and commerce outside the physical premises of markets notified under State Agricultural Produce Marketing legislations.
- This is a historic-step in unlocking the vastly regulated agriculture markets in the country.
- It will open more choices for the farmer, reduce marketing costs for the farmers and help them in getting better prices. It will also help farmers of regions with surplus produce to get better prices and consumers of regions with shortages, lower prices.
- The ordinance also proposes an electronic trading in transaction platform for ensuring a seamless trade electronically.
- The farmers will not be charged any cess or levy for sale of their produce under this Act. Further there will be a separate dispute resolution mechanism for the farmers.

One India, One Agriculture Market

- The ordinance basically aims at creating additional trading opportunities outside the APMC market yards to help farmers get remunerative prices due to additional competition.
- This will supplement the existing MSP procurement system which is providing stable income to farmers.

- It will certainly pave the way for creating One India, One Agriculture Market and will lay the foundation for ensuring golden harvests for our hard working farmers.

Farmers empowered to engage with processors, aggregators, wholesalers, large retailers, exporters 'The Farmers (Empowerment and Protection) Agreement on Price Assurance and Farm Services Ordinance, 2020'.

Background

Indian Agriculture is characterized by fragmentation due to small holding sizes and has certain weaknesses such as weather dependence, production uncertainties and market unpredictability. This makes agriculture risky and inefficient in respect of both input & output management.

Benefits

- The ordinance will empower farmers for engaging with processors, wholesalers, aggregators, wholesalers, large retailers, exporters etc., on a level playing field without any fear of exploitation.
- It will transfer the risk of market unpredictability from the farmer to the sponsor and also enable the farmer to access modern technology and better inputs.
- It will reduce cost of marketing and improve income of farmers.This Ordinance will act as a catalyst to attract private sector investment for building supply chains for supply of Indian farm produce to global markets.
- Farmers will get access to technology and advice for high value agriculture and get ready market for such produce.
- Farmers will engage in direct marketing thereby eliminating intermediaries resulting in full realization of price. Farmers have been provided adequate protection. Sale, lease or mortgage of farmers' land is totally prohibited and farmers' land is also protected against any recovery. Effective dispute resolution mechanism has been provided for with clear time lines for redressal.

Government committed to the cause of farmer welfare

- A series of steps were announced as part of the Atmanirbhar Bharat Abhiyaan to provide a boost to those engaged in agriculture and allied activities.
- These include provision of concessional credit through Kisan Credit Cards, financing facility for agri-infra projects, Pradhan Mantri Matsya Sampada Yojana and other measures to strengthen fisheries, vaccination against Foot & Mouth Disease and Brucellosis, Herbal Cultivation promotion, boost to beekeeping, Operation Green etc.
- These steps are only the latest in a series of measures taken by the government, which shows its continuous commitment to championing the cause of welfare of the hardworking farmers of India.

139.Animal Husbandry Infrastructure Development Fund

Animal Husbandry Infrastructure Development Fund (AHIDF) worth Rs. 15000 crore.

- There are several schemes for incentivizing the investment made by dairy cooperative sector for development of dairy infrastructure. However, even MSMEs and Private companies also need to be promoted and incentivized for their involvement in processing and value addition infrastructure.

- AHIDF would facilitate much needed incentivisation of investments in establishment of such infrastructure for dairy and meat processing and value addition infrastructure and establishment of animal feed plant in the private sector.
- The eligible beneficiaries under the Scheme would be Farmer Producer Organizations (FPOs), MSMEs, Section 8 Companies, Private Companies and individual entrepreneur with minimum 10% margin money contribution by them.
- The balance 90% would be the loan component to be made available by scheduled banks.
- Government of India will provide 3% interest subvention to eligible beneficiaries. There will be 2 years moratorium period for principal loan amount and 6 years repayment period thereafter.
- Government of India would also set up Credit Guarantee Fund of Rs. 750 crore to be managed by NABARD. Credit guarantee would be provided to those sanctioned projects which are covered under MSME defined ceilings. Guarantee Coverage would be upto 25% of Credit facility of borrower.

The INR 15,000 cr. AHIDF and the interest subvention scheme for private investors will ensure availability of capital to meet upfront investment required for these projects and also help enhance overall returns/ pay back for investors.

- Such investments in processing and value addition infrastructure by eligible beneficiaries would also promote export of these processed and value added commodities.
- Since, almost 50-60% of final value of dairy output in India flows back to farmers, therefore, growth in this sector can have significant direct impact on farmer's income.
- Size of dairy market and farmers' realization from milk sales is closely linked with development of organized off-take by cooperative and private dairies. Thus, investment incentivization in AHIDF would not only leverage 7 times private investment but would also motivate farmers to invest more on inputs thereby driving higher productivity leading to increase in farmers income.

140.Revision of MSME definition

Upward revision of MSME definition and modalities/ road map for laying down effective implementation mechanism:

The following table provides the details of revised limits:

Category	Old Capital	Old Turnover	New Capital	New Turnover
Micro	25 Lakh	10 Lakh	1 Crore	5 Crore
Small	5 Crore	2 Crore	10 Crore	50 Crore
Medium	10 crore	5 Crore	50 Crore	250 Crore

- Provisioning of Rs 20,000 crore as subordinate debt to provide equity support to the stressed MSMEs.
- Equity infusion of Rs. 50,000 crore for MSMEs through Fund of Funds (FoF). This will establish a framework to help MSMEs in capacity augmentation and will also provide an opportunity to get listed in stock exchanges. This will help in attracting investments and creating more jobs in the MSME sector.

- MSMEs formed a very prominent part of the announcements made under the Atmanirbhar Bharat Abhiyaan. Under this package, the MSME sector has not only been given substantial allocation but has also been accorded priority in implementation of the measures to revive the economy.

To provide immediate relief to MSME sector.

- Rupees Three lakh crore collateral-free automatic loans for MSMEs to meet operational liabilities, buy raw material and restart businesses.
- Revision of MSME definition to render maximum benefits to the sector;
- Disallowing global tenders in procurements uptoRs. 200 crores- to create more opportunities for domestic players,
- And clearing of MSME dues by the Government and Public Sector Units within 45 days.

To manage all this, a robust ICT based system called CHAMPIONS has also been launched by the Ministry of MSME. The portal is not only helping and handholding MSMEs in the present situation, but is also providing guidance to grab the new business opportunities and in the long run, become national and international Champions.

All efforts are being made to encourage MSMEs to take benefit of the initiatives under the Atmanirbhar Bharat package and our other schemes.

Background

- Micro, small and Medium Enterprises (MSMEs) popularly called as MSMEs are the backbone of Indian economy. More than 6 crore MSMEs have a crucial role to play in building a stronger and self-reliant India. These small economic engines have a huge impact on the country's GDP-making a contribution of 29 percent.
- They contribute to almost half of exports from the country. Additionally, more than 11 crore people are employed in the MSME sector.

141.Minimum Support Price for Mature Dehusked Coconut

Minimum Support Price for mature dehusked coconut for the season 2020 at Rs. 2700/- per quintal, thus hiking the MSP by 5.02% from Rs. 2571/- per quintal during season 2019.

- The hike in the MSP for mature dehusked coconut facilitates procurement of fresh coconut thereby ensuring that the benefit of MSP reaches the millions of smallholder coconut farmers.
- Coconut being a small holder’s crop, aggregation and arranging copra making facility at farmer’s level is not common. Even though MSP for milling copra is Rs. 9960/- per quintal for 2020 crop season, declaration of higher MSP for dehusked coconut ensures immediate cash to the small farmers, who are unable to hold the product and who are having insufficient facility for copra making.
- This will be a relief to the coconut farmers who are already affected by the pandemic and the consequent disruption in the supply chain.

142.Initiatives of Coal Ministry to improve efficiency and promote ease of doing business

Various initiatives to re-visit old laws with an aim to improve efficiency, ease of doing business and to open up coal sector which would result in improving domestic coal production and reduce imports.

- In the present scenario of coal sector, there has been dominance of public sector companies both in exploration and mining of coal.
- Considering the long gestation period of coal mines due to complexity of multiple laws, restrictive rules affecting entry of potential investors in the coal sector, the following changes have been brought into the system for freedom of operations for improving coal production and to facilitate adoption of technology.

1. Mineral Laws (Amendment) Act, 2020: Salient features

   ✓ Allocation of coal blocks for composite Prospecting License-cum-Mining Lease ("PL-cum-ML") to help in increasing the available inventory of coal/ lignite blocks for auction.

   ✓ Provisions for any company selected through auction/ allotment to carry on coal mining operation for own consumption, sale without possessing any prior coal mining experience in India.

   ✓ FDI Policy in Coal Sector allowing 100% FDI through automatic route for sale of coal, coal mining activities including associated processing infrastructure.

   ✓ Provisions to remove the requirement of previous approval in cases where the allocation or reservation of coal/ lignite block is made by the Central Government

   ✓ Entitlement to an allottee to utilize mined coal in any of its plants or plants of its subsidiary or holding company.

2. Amendment in Mineral Concession Rule 1960: Salient features.

   ✓ Registration of Qualified Persons for Mining Plan preparation is no longer required. Project proponent's declaration in this regard will suffice.

   ✓ Empowering block allocatee to make minor changes in mining plan and reducing requirement of repeated approvals thus giving flexibility in operation.

   ✓ An option is now available to Coal Block allocatee to engage an Accredited Prospecting Agency for conduct of prospecting operation and preparation of Geological Report (GR) with a view to expedite exploration, bringing technology and faster growth of coal sector.

   ✓ Additional option is also made available to Project Proponent through accreditation system for Mining Plan Preparing Agency for preparation. Similarly, a peer review of Mining Plan to improve quality of mine planning and fast tracking approval system has also been introduced.

   ✓ Provision for regulating grant of PL-cum-ML in light of the Mineral Laws (Amendment) Act, 2020.

3. Amendment in the guidelines of preparation, processing and approval of Mining Plan

- With a view to remove repetition of provisions from the Mining Plan which are now covered in other statutory documents, the Mining Plan structure has been simplified. Following introduction of other laws, such as Environment and Forest Conservation etc, many overlapping information sought in mining plan has been deleted. Simplified guidelines issued.

- Processing of mining plan for approval has been simplified with an aim to reduce time in grant of approval. Power to approve Mining Plan delegated to subordinate authority in CCO with an interim arrangement for the interregnum. System of appeal introduced to bring transparency.
- Process has been made compatible to online approval so as to formulate an online single window clearance system.

143.Information about Country of Origin by the sellers made mandatory on GeM to promote Make in India and Aatmanirbhar Bharat

Government e-Marketplace (GeM), a Special Purpose Vehicle under the Ministry of Commerce and Industry, has made it mandatory for sellers to enter the Country of Origin while registering all new products on GeM.

- Sellers, who had already uploaded their products before the introduction of this new feature on GeM, are being reminded regularly to update the Country of Origin, with a warning that their products shall be removed from GeM if they fail to update the same.
- GeM has taken this significant step to promote 'Make in India' and 'Aatmanirbhar Bharat'.
- GeM has also enabled a provision for indication of the percentage of local content in products. With this new feature, now, the Country of Origin as well as the local content percentage are visible in the marketplace for all items.
- More importantly, the 'Make in India' filter has now been enabled on the portal.
- Buyers can choose to buy only those products that meet the minimum 50% local content criteria.
- GeM is continuously working towards promotion of 'Make in India' initiative. The Marketplace has facilitated entry of small local sellers in Public Procurement, while implementing 'Make in India' and MSE Purchase Preference Policies of the Government in the true sense.
- GeM is enabling quick, efficient, transparent and cost-effective procurement, especially in this hour of need when government organizations require products and services urgently to fight against the Covid-19 pandemic.

144.Loan Agreements between Government of India and the World Bank for First Tamil Nadu Housing Sector Strengthening Programme and Tamil Nadu Housing and Habitat Development Project

The Government of India, the Government of Tamil Nadu and the World Bank yesterday signed legal agreements to help low-income groups in the state of Tamil Nadu get access to affordable housing. The legal agreements were signed for two projects – $200 million First Tamil Nadu Housing Sector Strengthening Programme and $50 million Tamil Nadu Housing and Habitat Development Project – to strengthen the state's housing sector policies, institutions, and regulations.

- The $200 million First Tamil Nadu Housing Sector Strengthening Programme supports the government's ongoing efforts to increase the availability of affordable housing by gradually shifting the role of the state from being the main provider to an enabler.
- It will also aim to unlock regulatory barriers and incentivise private sector participation in affordable housing for low-income families.

145.Floating Rate Savings Bonds, 2020 (Taxable)

The New Floating Rate Savings Bonds, 2020 (Taxable)Scheme in place of 7.75 percent Savings (Taxable) Bonds, 2018 Scheme.The broad features of the new Floating Rate Savings Bonds, 2020 (Taxable) scheme are given below:

Sr. No.	Item	Details
1	Scheme name	Floating Rate Savings Bonds, 2020 (Taxable)
2	Issuance	To be issued by Reserve Bank India on behalf of the Government of India.
3	Eligibility	The Bonds may be held by - (i) a person resident in India,- (a) in his individual capacity, or (b) in individual capacity on joint basis, or (c) in individual capacity on any one or survivor basis, or (d) on behalf of a minor as father/mother/legal guardian (ii) a Hindu Undivided Family. Explanation: For the purpose of this paragraph, the "person resident in India" shall have the same meaning as defined in clause (v) of Section 2 of the Foreign Exchange Management Act 1999(42 of 1999)
4	Issue price/ Denomination/ Minimum Subscription	The Bonds will be issued at parat Rs.100/-for a minimum amount of Rs.1000/- (nominal value) and in multiples thereof.
5	Date of Issue	The Bonds, in the form of Bonds Ledger Account, will be opened (issued) from the date of tender of cash (up to Rs.20,000/- only), or date of realization of cheque/draft/funds.
6	Maximum limit	There will be no maximum limit for investment in the Bonds.
7	Forms/Certificate	The Bonds will be issued only in the form of Bond Ledger Account and may be held at the credit of the holder in an account called Bond Ledger Account (BLA). The investors will be issued a Certificate of Holding for the same.
8	Payment option	Subscription to the Bonds will be in the form of Cash(uptoRs.20,000 only)/drafts/ cheques or any electronic mode acceptable to the Receiving Office.Cheques or drafts should be drawn in favour of the Receiving Office and payable at the place where the applications are tendered.
9	Repayment/Tenor	The Bonds shall be repayable on the expiration of 7 (Seven) years from the date of issue. Premature redemption shall be allowed for specified categories of senior citizens.
10	Receiving Offices	Applications will be received at the branches of SBI, Nationalised banks and specifiedprivate sector banks, either directly or through their agents.
11	Interest Rate(Floating)	The interest on the bonds is payable semi-annually on 1st Jan and 1st July every year.The coupon on 1st January 2021 shall be paid at 7.15%. The Interest rate for next half-year will be reset every six months, the first reset being on January 01, 2021. There is no option to pay interest on cumulative basis.

12	Tax treatment	Interest on the Bonds will be taxable under the Income-tax Act, 1961as amended from time to time and as applicable according to the relevant tax status of the Bonds holder.
13	Transferability	The Bonds in the form of Bond Ledger Account shall not be transferableexcept transfer to a nominee(s)/legal heir in case of death of the holder of the bonds
14	Nomination	A sole holder or all the joint holders of Bonds, being individual/s, may nominate in Form C or as near thereto as may be, one or more persons who shall beentitled to the Bonds and the payment there on, in the event of his/their death.
15	Tradability /Advances	The Bonds shall not be tradable in the secondary market and shall not be eligible as collateral for loans from banks, financial Institutions and Non-Banking Financial Company (NBFC) etc.
16	Brokerage/Commission	Brokerage at the rate of 0.5% of the amount mobilized will be paid to the Receiving Offices and they shall share at least 50% of the brokerage so received with brokers/sub brokers registered with them.

146.Direct Tax Reforms

The net direct tax collection for the FY 2019-20 was less than the net direct tax collection for the FY 2018-19. But this fall in the collection of direct taxes is on expected lines and is temporary in nature due to the historic tax reforms undertaken and much higher refunds issued during the FY 2019-20.

Reduction in corporate tax rate for all existing domestic companies: In order to promote growth and investment, a concessional tax regime of 22% for all existing domestic companies from FY 2019-20 if they do not avail any specified exemption or incentive. Further, such companies have also been exempted from payment of Minimum Alternate Tax (MAT).

Incentive for new manufacturing domestic companies: In order to attract investment in manufacturing sector, the Taxation Laws (Amendment) Ordinance 2019 has drastically reduced the tax rate to 15% for new manufacturing domestic company if such company does not avail any specified exemption or incentive. These companies have also been exempted from payment of Minimum Alternate Tax (MAT).

Reduction in MAT rate: In order to provide relief to the companies which continue to avail exemption/ deduction and pay tax under MAT, the rate of MAT has also been reduced from 18.5% to 15%.

Exemption from income-tax to individuals earning income up to Rs. 5 lakh and increase in standard deduction: To provide complete relief from payment of income-tax to individuals earning taxable income up to Rs. 5 lakh, the Finance Act, 2019 exempted an individual taxpayer with taxable income up to Rs. 5 lakh by providing 100% tax rebate. Also, to provide relief to the salaried taxpayers, the Finance Act, 2019 enhanced the standard deduction from Rs. 40,000 to Rs. 50,000.

The assertion that in-spite of the tax reforms, the investment has not been picking up is not correct and is without appreciation of the reality of the business world. The setting up of new manufacturing facilities requires various preliminary steps like acquisition of land, construction of factory sheds, setting up of offices and other infrastructures, etc. These activities cannot be completed in just a few months and the manufacturing plants cannot start manufacturing goods from the next day of the announcement of reforms.

- The tax reforms were announced in September, 2019 and the results are expected to be visible in the next few months and in years to come. The outbreak of COVID-19, may further delay this process but the growth in production due to these tax reforms is bound to happen and cannot be stopped.

A hassle free direct tax environment with moderate tax rate and ease of compliance to the taxpayers and to stimulate the growth by reforming the direct taxes system.

Some of the recent steps taken in this direction, are as under:

- Personal Income Tax - In order to reform Personal Income Tax, An option to individuals and co-operatives for paying income-tax at concessional rates if they do not avail specified exemption and incentive.
- Abolition of Dividend Distribution Tax (DDT) - In order to increase the attractiveness of the Indian Equity Market and to provide relief to a large class of investors in whose case dividend income is taxable at the rate lower than the rate of DDT, the Finance Act, 2020 removed the Dividend Distribution Tax under which the companies are not required to pay DDT with effect from 01.04.2020. The dividend income shall be taxed only in the hands of the recipients at their applicable rate.
- Vivad se Vishwas - A large number of disputes related to direct taxes are pending at various levels of adjudication from Commissioner (Appeals) level to Supreme Court. These tax disputes consume a large part of resources both on the part of the Government as well as taxpayers and also deprive the Government of the timely collection of revenue. Direct Tax Vivad se Vishwas Act, 2020 under which the declarations for settling disputes are currently being filed.
- Faceless E-assessment Scheme - The E-assessment Scheme, 2019 provides for a new scheme for making assessment by eliminating the interface between the Assessing Officer and the assessee, optimizing use of resources through functional specialization and introducing the team-based assessment.
- Faceless appeals - In order to take the reforms to the next level and to eliminate human interface, the Finance Act, 2020 empowered the Central Government to notify Faceless Appeal Scheme in the appellate function of the department between the appellant and the Commissioner of Income-tax (Appeals).
- Document Identification Number (DIN) - In order to bring efficiency and transparency in the functioning of the Income Tax Department, every communication of the Department whether it is related to assessment, appeals, investigation, penalty and rectification, among other things, issued from 1st October, 2019 onwards are mandatorily having a computer-generated unique document identification number (DIN).
- Pre-filling of Income-tax Returns - In order to make tax compliance more convenient, pre-filled Income Tax Returns (ITR) have been provided to individual taxpayers. The ITR form now contains pre-filled details of certain incomes such as salary income. The scope of information for pre-filling is being continuously expanded by pre-filling more transactions in the ITR.
- Encouraging digital transactions - In order to facilitate the digitalisation of the economy and reduce unaccounted transactions, various measures have been taken which include reduction in rate of presumptive profit on digital turnover, removal of MDR charges on prescribed modes of transactions, reducing the threshold for cash transactions, prohibition of certain cash transactions, etc.
- Simplification of compliance norms for Start-ups - Start-ups have been provided hassle-free tax environment which includes simplification of assessment procedure, exemptions from Angel-tax, constitution of dedicated start-up cell etc.

- Relaxation in the norms for Prosecution: The threshold for launching prosecution has been substantially increased. A system of collegium of senior officers for sanction of prosecution has been introduced. The norms for compounding have also been relaxed.
- Raising of monetary limit for filing of appeal - To effectively reduce taxpayer grievances/ litigation and help the Income Tax Department focus on litigation involving complex legal issues and high tax effect, the monetary thresholds for filing of departmental appeals have been raised from Rs. 20 lakh to Rs. 50 lakh for appeal before ITAT, from Rs. 50 lakh to Rs. 1 crore for appeal before the High Court and from Rs. 1 crore to Rs. 2 crore for appeal before the Supreme Court.
- Expansion of scope of TDS/TCS - For widening the tax base, several new transactions were brought into the ambit of Tax Deduction at Source (TDS) and Tax Collection at Source (TCS). These transactions include huge cash withdrawal, foreign remittance, purchase of luxury car, e-commerce participants, sale of goods, acquisition of immovable property, etc.

147.PM SVANidhi Portal

- An integrated IT platform (pmsvanidhi.mohua.gov.in) to provide an end-to-end solution for scheme administration is being developed by SIDBI, which is the scheme implementation partner for PM SVANidhi.
- The portal will facilitate multiple scheme functions viz. loan application flow, Mobile App, e-KYC of applicants, integration with UIDAI, Udyamimitra, NPCI, PAiSA, lenders, States, ULBs and other stakeholders, calculation of digital incentives and payment of interest subsidy etc.
- One of the important features of the scheme is to nudge the beneficiaries towards digital transactions by engaging with the Digital Payment Aggregators.
- In addition to the banks already onboarded, 15 MFIs have been onboarded on the portal and many more are expected to join in the coming weeks. The portal shall be continuously upgraded to add functionalities.
- The PM SVANidhi Portal shall start accepting loan applications from Street Vendors who can apply directly or with the help of CSCs/ ULBs/ SHGs.
- The Mobile App facilitated with e-KYC module and loan application flow, to be used by lenders and their agents for application origination, shall be released during this week.
- The Portal integration with various lenders shall commence during this week and over next few weeks we hope to complete this integration with all the major lenders.
- The module for enabling street vendors to apply directly for Letter of Recommendation (LoR) to the concerned ULB will be ready by July 10, 2020.
- This portal will not only enable the implementation of the scheme during next 21 months but also play a very important role in years to come for helping meet the expectations and aspirations of street vendors who play very important role in our urban eco-system.

148.Statistics Day, 2020 celebrated on 29th June, 2020

Theme: Sustainable Development Goals (SDGs).

The Government has been celebrating the Statistics Day, to popularize the use of Statistics in everyday life and sensitize public on how Statistics helps shaping and framing policies for the welfare of people.

- It is celebrated every year on the birth anniversary of Prof. P C Mahalanobis, on 29th June, in recognition of his invaluable contribution in establishing the National Statistical System.
- Theme of Statistics Day, 2020 was Sustainable Development Goal (SDG)- 3 (Ensure healthy lives and promote well-being for all at all ages) & SDG- 5 (Achieve gender equality and empower all women and girls).
- MoSPI has instituted a new award 'Prof. P. C. Mahalanobis National Award in Official Statistics' for recognizing outstanding achievement of official statisticians in Central Government, State/UT Governments and institutions.
- Prof. P. C. Mahalanobis National Award in Official Statistics'2020 was conferred upon Dr. Chakravarthi Rangarajan, Former Governor, Reserve Bank of India in recognition of his outstanding contributions to the National Statistical System in India.
- Dr Arvind Pandey, former Director National Institute of Medical Statistics (NIMS), Indian Council of Medical Research (ICMR) and Dr. Akhilesh Chandra Kulshreshtha, Ex-Addl. Director General, MoSPI, Government of India were jointly given the Prof. P.V. Sukhatme National Award in Statistics 2020 for their life time contribution in the field of Statistics.

149.Central Sector Scheme of financing facility under 'Agriculture Infrastructure Fund'

A new pan India Central Sector Scheme-Agriculture Infrastructure Fund.

The scheme shall provide a medium - long term debt financing facility for investment in viable projects for post-harvest management Infrastructure and community farming assets through interest subvention and financial support.

- Under the scheme, Rs. One Lakh Crore will be provided by banks and financial institutions as loans to Primary Agricultural Credit Societies (PACS), Marketing Cooperative Societies, Farmer Producers Organizations (FPOs), Self Help Group (SHG), Farmers, Joint Liability Groups (JLG), Multipurpose Cooperative Societies, Agri-entrepreneurs, Startups, Aggregation Infrastructure Providers and Central/State agency or Local Body sponsored Public Private Partnership Project
- Loans will be disbursed in four years starting with sanction of Rs. 10,000 crore in the current year and Rs. 30,000 crore each in next three financial years.
- All loans under this financing facility will have interest subvention of 3% per annum up to a limit of Rs. 2 crore. This subvention will be available for a maximum period of seven years.
- Credit guarantee coverage will be available for eligible borrowers from this financing facility under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme for a loan up to Rs. 2 crore. The fee for this coverage will be paid by the Government.

- In case of FPOs the credit guarantee may be availed from the facility created under FPO promotion scheme of Department of Agriculture, Cooperation & Farmers Welfare (DACFW).
- Moratorium for repayment under this financing facility may vary subject to minimum of 6 months and maximum of 2 years.
- The Project by way of facilitating formal credit to farm and farm processing-based activities is expected to create numerous job opportunities in rural areas.
- Agri Infra fund will be managed and monitored through an online Management Information System (MIS) platform. It will enable all the qualified entities to apply for loan under the fund.
- The online platform will also provide benefits such as transparency of interest rates offered by multiple banks, scheme details including interest subvention and credit guarantee offered, minimum documentation, faster approval process as also integration with other scheme benefits.

The duration of the Scheme shall be from FY2020 to FY2029 (10 years)

150.EPF contribution 24% (12% employees share and 12% employers share) to be extended for another three months from June to August

As part of the package announced by the Government under Pradhan Mantri Garib Kalyan Yojana (PMGKY)/ Aatmanirbhar Bharat in the light of COVID-19, a Pandemic.

The period has further extended for the contribution both 12% employees' share and 12% employers' share under Employees Provident Fund, totalling 24% for another 3 months from June to August, 2020.

Salient Features

- For the wage months of June, July and August, 2020, the scheme will cover all the establishments having upto 100 employees and 90% of such employees earning less than Rs. 15,000 monthly wage.
- About 72.22 lakh workers working in 3.67 lakh establishments will be benefited and would likely to continue on their payrolls despite disruptions.
- Budgetary Support of Rs.4800 crore for the year 2020-21 for this purpose.
- The beneficiaries entitled for 12% employers' contribution for the months of June to August, 2020 under Pradhan Mantri Rozgar Protsahan Yojana (PMRPY) will be excluded to prevent overlapping benefit.
- Due to prolonged lockdown, businesses continued to face financial crisis as they get back to work. Therefore, as part of Aatmanirbhar Bharat, the EPF support for business and workers was extended by another 3 months viz. for the wage months of June, July, and August, 2020.

151.Developing Affordable rental housing Complexes for urban migrants/poor

Affordable Rental Housing Complexes (AHRCs) for urban migrants/poor as a sub-scheme under Pradhan Mantri Awas Yojana – Urban (PMAY – U)

- Existing vacant government funded housing complexes will be converted in ARHCs through Concession Agreements for 25 years. Concessionaire will make the complexes liveable by repair/ retrofit and maintenance of rooms and filling up infrastructure gaps like water, sewer/ septage, sanitation, road etc.
- States/UT's will select concessionaire through transparent bidding. Complexes will revert to ULB after 25 years to restart next cycle like earlier or run on their own.
- Special incentives like use permission, 50% additional FAR/FSI, concessional loan at priority sector lending rate, tax reliefs at par with affordable housing etc. will be offered to private/ public entities to develop ARHCs on their own available vacant land for 25 years.
- A large part of workforce in manufacturing industries, service providers in hospitality, health, domestic/ commercial establishments, and construction or other sectors, labourers, students etc. who come from rural areas or small towns seeking better opportunities will be the target beneficiary under ARHCs.
- ARHCs will create new ecosystem in urban areas making housing available at affordable rent close to the place of work.
- Investment under ARHCs is expected to create new job opportunities. ARHCs will cut down unnecessary travel, congestion and pollution.
- Government funded vacant housing stock will be converted into ARHCs for economically productive use. The scheme would create a conducive environment for Entities to develop AHRCs on their own vacant land which will enable new investment opportunities and promote entrepreneurship in rental housing sector.

Background

Ministry of Housing & Urban Affairs (MoHUA) has initiated an Affordable Rental Housing Complexes (ARHCs) for urban migrants/poor as a sub-scheme under Pradhan Mantri Awas Yojana (Urban). The scheme was announced on 14 May, 2020, seeks to fulfil the vision of 'Atma Nirbhar Bharat.

- COVID-19 pandemic has resulted in massive reverse migration of workers/ urban poor in the country who come from rural areas or small towns for seeking better employment opportunities in urban areas. Usually, these migrants live in slums, informal/unauthorized colonies or peri-urban areas to save rental charges. They spend lot of time on roads by walking/ cycling to workplaces, risking their lives to cut on the expenses.

152.Consumer Protection Act, 2019 comes into force

CONSUMER PROTECTION ACT- CP Act1986 provided for a three-tier consumer dispute redressal machinery at the National (NCDRC), State (State Commissions) and District levels (District Fora)

Salient Features of CP Act 2019

- Consumer Protection Councils
- Central Consumer Protection Authority (CCPA) Simplified Dispute Resolution Process Mediation
- Product Liability
- Rules on e-commerce and direct selling
- Penalty for adulteration of products/spurious goods

Central Consumer Protection Authority (CCPA)

- To provide relief to a class of consumers, empowered to Conduct investigations into violations of consumer rights and institute Complaints / Prosecution
- Order recall of unsafe goods and services
- Order discontinuance of unfair trade practices and misleading advertisements
- Impose penalties on Manufacturers/Endorsers/Publishers of Misleading Advertisements

Simplified Dispute Resolution Process

- Deemed admissibility after 21 days of filing
- Empowerment of Consumer Commissions to enforce their orders
- State Commission & District Commission can now review their own orders
- Appeals only on question of law after second stage
- Ease of approaching Consumer Commissions
- Filing from place of residence/work- E-filing
- Video-conferencing for hearing

Mediation

- An Alternate Dispute Resolution (ADR) mechanism
- Reference to mediation by Consumer Commissions wherever scope for early settlement exists and parties agree for it.
- Mediation Cells to be attached to Consumer Commissions
- Panel of mediators to be selected by selection committee consisting of the President and a member of Consumer Commission.
- Mediation to be held in consumer mediation cell
- No appeal against settlement through mediation

Product Liability

A manufacturer or product service provider or product seller to be responsible to compensate for injury or damage caused by defective product or deficiency in services

Basis for product liability action -

- Manufacturing defect
- Design defect
- Deviation from manufacturing specifications ➢ Not conforming to express warranty
- Failing to contain adequate instructions for correct use ➢ Service provided-faulty, imperfect or deficient

Benefits to Consumers

- The CP Act 1986- was a single point of access to justice, which is time consuming. Additional swift executive remedies provided through CCPA
- Deterrent punishment to check misleading advertisements and adulteration of products
- Product liability provision to deter manufacturers and service providers from delivering defective products or deficient services
- Ease of approaching Consumer Commissions and Simplification of adjudication process
- Scope for early disposal of cases through mediation
- Provision for rules for new age consumer issues: e-commerce & Direct selling.

153.New Form 26AS is the Faceless hand-holding of the Taxpayers

The new Form 26AS is the faceless hand-holding of the taxpayers to e-file their income tax returns quickly and correctly.

- Form 26AS would carry some additional details on taxpayers' financial transactions as specified in the Statement of Financial Transactions (SFTs) in various categories.
- The earlier Form 26AS used to give information regarding tax deducted at source and tax collected at source relating to a PAN, besides certain additional information including details of other taxes paid, refunds and TDS defaults. But now, it will have SFTs to help the taxpayers recall all their major financial transactions so that they have a ready reckoner to enable them while filing the ITR.
- The Form 26AS from now onwards, will display in part E of the Form, different fields such as, type of transaction, name of SFT filer, date of transaction, single/joint party transaction, number of parties, amount, mode of payment and remarks etc.

154.Special Liquidity Scheme for NBFCs and HFCs

A Special Liquidity Scheme of Rs. 30,000 crore for NBFCs and HFCs.

Funding

RBI will provide funds for the Scheme by subscribing to government guaranteed special securities issued by the Trust.

- Government of India will provide an unconditional and irrevocable guarantee to the special securities issued by the Trust.
- The Scheme launched on July 1, 2020 through a Special Purpose Vehicle in the form of SLS Trust set up by SBI Capital Markets Limited (SBICAP).

Any NBFC including Microfinance Institutions registered with RBI under the Reserve Bank of India Act, 1934 and any HFC registered with the National Housing Bank (NHB) under the National Housing Bank Act, 1987 which is complying with the following broad conditions will be eligible to raise funding from the said facility:

- Compliance with RBI regulations on Capital adequacy
- Net NPA should be less than 6% as on 31.03.2019

- Net profit in at least one of the two preceding financial years
- Rated as investment grade by a rating agency
- Is not reported under SMA-1 or SMA-2 category by any bank for their borrowing during the period one year prior to 01.08.2018

The Scheme will remain open for 3 months for making subscriptions by the Trust. The period of lending (CPs/NCDs of NBFCs/HFCs for short duration of upto 90 days) by the Trust shall be for a period of upto 90 days.

- The financing would be used by the NFBCs/HFCs only to repay existing liabilities and not to expand assets. Those market participants who are looking to exit their standard investments with a residual maturity of 90 days may also approach the SLS Trust.
- This facility is a part of the Government of India and RBI's efforts to alleviate the concerns of the market participants on the availability of funds to the sector. Those wishing to avail liquidity under the Scheme can apply at info@slstrust.in. Details of the Scheme can be viewed on the website of SBI Capital Markets.

155.Pradhan Mantri Jan-Dhan Yojana (PMJDY) - National Mission for Financial Inclusion, completes six years of successful implementation

Pradhan Mantri Jan-Dhan Yojana (PMJDY) is National Mission for Financial Inclusion to ensure access to financial services:

Banking/ Savings & Deposit Accounts, Remittance, Credit, Insurance, Pension in an affordable manner.

Objectives

- Ensure access of financial products & services at an affordable cost
- Use of technology to lower cost & widen reach.

Basic tenets of the scheme

- Banking the unbanked - Opening of basic savings bank deposit (BSBD) account with minimal paperwork, relaxed KYC, e-KYC, account opening in camp mode, zero balance & zero charges
- Securing the unsecured - Issuance of Indigenous Debit cards for cash withdrawals & payments at merchant locations, with free accident insurance coverage of Rs. 2 lakh.
- Funding the unfunded - Other financial products like micro-insurance, overdraft for consumption, micro-pension & micro-credit

Initial Features

- The scheme was launched based upon the following 6 pillars:
- Universal access to banking services – Branch and BC
- Basic savings bank accounts with overdraft facility of Rs. 10,000/- to every household
- Financial Literacy Program– Promoting savings, use of ATMs, getting ready for credit, availing

insurance and pensions, using basic mobile phones for banking

- Creation of Credit Guarantee Fund – To provide banks some guarantee against defaults
- Insurance – Accident cover up to Rs. 1,00,000 and life cover of Rs. 30,000 on account opened between 15 Aug 2014 to 31 January 2015
- Pension scheme for Unorganized sector

Important approach adopted in PMJDY based on past experience

- Accounts opened are online accounts in core banking system of banks, in place of earlier method of offline accounts opening with technology lock-in with the vendor.
- Inter-operability through RuPay debit card or Aadhaar enabled Payment System (AePS).
- Fixed-point Business Correspondents.
- Simplified KYC / e-KYC in place of cumbersome KYC formalities

Extension of PMJDY with New features – The Government decided to extend the comprehensive PMJDY program beyond 28.8.2018 with some modifications

- Focus shift from 'Every Household' to Every Unbanked Adult'
- RuPay Card Insurance - Free accidental insurance cover on RuPay cards increased from Rs. 1 lakh to Rs. 2 lakh for PMJDY accounts opened after 28.8.2018.

Enhancement in overdraft facilities -

- OD limit doubled from Rs 5,000/- to Rs 10,000/-; OD upto Rs 2,000/- (without conditions).
- Increase in upper age limit for OD from 60 to 65 years

Jan Dhan Darshak App

- A mobile application, was launched to provide a citizen centric platform for locating banking touch points such as bank branches, ATMs, Bank Mitras, Post Offices, etc. in the country.
- Over 8 lakh banking touchpoints have been mapped on the GIS App. The facilities under Jan Dhan Darshak App could be availed as per the need and convenience of common people.
- The web version of this application could be accessed at the link http://findmybank.gov.in.
- This app is also being used for identifying villages which are not served by banking touchpoints within 5 km. these identified villages are then allocated to various banks by concerned SLBCs for opening of banking outlets.

Pradhan Mantri Garib Kalyan Package (PMGKP) for PMJDY women beneficiaries.

PM Garib Kalyan Yojana:

- An amount of Rs. 500/- per month for three months (April'20 to June'20), was credited to the accounts of women account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY).

Towards ensuring smooth DBT transactions:

- About 8 crore PMJDY accountholders receive direct benefit transfer (DBT) from the Government under various schemes.

The road ahead

- Endeavour to ensure coverage of PMJDY account holders under micro insurance schemes. Eligible PMJDY accountholders will be sought to be covered under PMJJBY and PMSBY. Banks have already been communicated about the same.
- Promotion of digital payments including RuPay debit card usage amongst PMJDY accountholders through creation of acceptance infrastructure across India.
- Improving access of PMJDY account holders to Micro-credit and micro investment such as flexi-recurring deposit etc.

156.Ranking of states based on implementation of Business Reform Action Plan for the year 2019

4th edition of Business Reform Action Plan (BRAP) ranking of states. Ranking of States is based on the implementation of Business Reform Action Plan started in the year 2015. Till date, State Rankings have been released for the years 2015, 2016 and 2017-18.

- The Business Reform Action Plan 2018-19 includes 180 reform points covering 12 business regulatory areas such as Access to Information, Single Window System, Labour, Environment, etc.
- The larger objective of attracting investments and increasing Ease of Doing Business in each State was sought to be achieved by introducing an element of healthy competition through a system of ranking states based on their performance in the implementation of Business Reform Action Plan.
- State rankings will help attract investments, foster healthy competition and increase Ease of Doing Business in each State.
- The Ease of Doing Business rankings are a reflection of the efforts made by states, the rankings are competitive. India is among the very few nations which has state-specific rankings, which will in turn help the nation improve its ranking.

The top ten states under State Reform Action Plan 2019 are:

1. Andhra Pradesh
2. Uttar Pradesh
3. Telangana
4. Madhya Pradesh
5. Jharkhand
6. Chhattisgarh
7. Himachal Pradesh
8. Rajasthan
9. West Bengal
10. Gujarat

157.Suspension of Insolvency and Bankruptcy Code

The Union Cabinet has cleared the proposal to suspend the Insolvency and Bankruptcy Code (IBC) for 6 months, and it can be extended up to a year.

IBC

- Insolvency and bankruptcy code 2016 was introduced to resolve the bankruptcy crisis in corporate sector.
- Under IBC, either the creditor (banks) or the loaner (defaulter) can initiate insolvency proceedings.
- It is done by submitting a plea to the adjudicating authority, the National Companies Law Tribunal (NCLT).
- According to IBC, a financial creditor holds an important role in the corporate insolvency process.
- The Committee of Creditors (CoC) under IBC includes all financial creditors of a corporate debtor.
- The CoC will appoint and supervise the Insolvency Professional.
- It has the power to either approve or reject the resolution plan to revive the debtor, or to proceed to liquidate the debtor.

COVID-19 scenario

- Companies are facing significant disruption due to the nationwide lockdown among other COVID-19-related measures.
- The government is also working on a special resolution framework for micro, small, and medium enterprises (MSMEs).
- The threshold for triggering the insolvency process has been increased substantially for these.
- The RBI has also allowed a moratorium on all term loan instalments till August 2020-end.
- All the above measures are designed to extend relief to businesses in these extraordinary times.
- However, policy-makers would do well to account for the unintended consequences as well.
- E.g. banks are worried that the moratorium on repayment of loans could affect the credit culture
- It might well lead to higher non-performing assets (NPAs).

Uncertainties with IBC suspension

- In the context of the IBC, it is important that the government involve the RBI and large banks.
- They will have to collectively decide on the ground rules with utmost care and clarity.
- E.g. if the cut-off date is March 1, 2020 what would happen to companies that might have defaulted before that should be clarified.
- Also, criteria for differentiating borrowers hurt by COVID-19 from those impacted by other factors should be specified.
- Economic indicators suggest that businesses started facing difficulties much before the lockdown was announced.

- The resolution of such accounts will help unlock funds, which can be used by banks for further lending.
- In all, resolution might become a bit difficult because of economic uncertainty.
- A blanket suspension would not work as firms facing difficulties may themselves want to file for bankruptcy resolution.

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