

# NEWS TODAY

## CABINET APPROVES "SCHEME FOR FORMALISATION OF MICRO FOOD PROCESSING ENTERPRISES (FME)

- It is a Centrally Sponsored Scheme for **unorganized Sector** with an outlay of Rs.10,000 crore for over a 5-year period from 2020-21 to 2024-25.
  - Expenditure will be shared by Centre and States in ratio of 60:40.
  - This is in line with vision to **promote "Vocal for Local"** with global outreach.
- It would be monitored at Centre by an **Inter-Ministerial Empowered Committee** under the chairmanship of Food Processing Industry Minister.
- Under the scheme:**
  - 2,00,000 micro-enterprises** will be assisted with **credit linked subsidy**
  - Seed capital** to SHGs for loan to members,
  - Grant to Farmer Producer Organizations** for backward & forward linkages, common infrastructure, packaging, marketing & branding
  - Skill training**
  - Cluster approach** with **focus on perishables**
- There are **about 25 lakh unregistered food processing enterprises** which constitute 98% of the sector and are unorganized & informal.
- This **sector faces challenges** like inability to access credit, lack of access to modern technology, compliance with health & safety standards etc.

### CABINET DECISIONS

### Scheme for formalisation of Micro Food Processing Enterprises (FME)

#### 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.
- Encourage Waste to Wealth activities.
- Strengthening capacities of support systems.
- Transition from the unorganized sector to the formal sector.
- Special focus on women entrepreneurs and Aspirational districts
- Focus on minor forest produce in Tribal Districts.

## CABINET APPROVES PRADHAN MANTRI MATSYA SAMPADA YOJANA FOR BOOSTING FISHERIES SECTOR

- With **total investment of Rs. 20,050 crores** (Central share of Rs. 9,407 crore, State share of Rs 4,880 crore and Beneficiaries contribution of Rs. 5,763 crore), it will be implemented from FY 2020-21 to FY 2024-25.
  - Rs. 11,000 crore for activities in marine, inland fisheries & aquaculture.
  - Rs. 9,000 crore for infrastructure- fishing harbours, cold chains, markets etc.
- It envisages**
  - promotion of high-value species,
  - establishing a national network of Brood Banks for all commercially important species,
  - genetic improvement and establishing Nucleus Breeding Center,
  - organic aquaculture promotion and certification,
  - end to end traceability from 'catch to consumer',
  - Global Standards and Certification,
  - Accreditation of Brood banks, Hatcheries, Farms, etc.
- It will be implemented as an umbrella scheme with **two separate Components-** Central Sector Scheme (100% central funding) and Centrally Sponsored Scheme (CSS).
- CSS Component** is further segregated into **Non-beneficiary oriented** and **Beneficiary orientated subcomponents** under following three broad heads:
  - Enhancement of Production and Productivity
  - Infrastructure and Post-Harvest Management
  - Fisheries Management and Regulatory Framework

### PRADHAN MANTRI MATSYA SAMPADA YOJANA - A scheme to bring about Blue Revolution through sustainable and responsible development of fisheries sector in India



#### Objectives:

- Harnessing of fisheries potential
- Enhancing fish production and productivity
- Modernizing value chain, post-harvest management and quality improvement
- Doubling fishers and fish farmers' incomes and generation of employment
- Robust fisheries management and regulatory framework

## VARIOUS CREDIT AND LIQUIDITY SCHEMES APPROVED BY CABINET

- Special Liquidity Scheme for Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs)**
  - It aims to improve their liquidity positions.
  - Under this **Special Purpose Vehicle** would be set up to manage a **Stressed Asset Fund** whose special securities would be guaranteed by Government and purchased by RBI only.
  - Proceeds of sale of such securities would be used to acquire **short-term debt of NBFCs/HFCs**.
  - Scheme will be administered by the **Department of Financial Service**, Ministry of Finance.
- Emergency Credit Line Guarantee Scheme (ECLGS)**
  - ECLGS will enable **additional funding of up to Rs. 3 lakh crores** to eligible MSMEs and MUDRA borrowers in form of a Guaranteed Emergency Credit Line (GECL) facility.
  - Under this Scheme, 100% guarantee coverage is provided by **National Credit Guarantee Trustee Company Limited (NCGTC)** to Banks, Financial Institutions and NBFCs for any losses suffered by them due to **non-repayment of GECL funding by borrowers**.
  - Tenor of loan to be 4 years** with moratorium period of 1 year and interest rates are capped at 9.25% for banks & FIs and 14% for NBFCs.
- Modifications approved to "Partial Credit Guarantee Scheme (PCGS)**
  - PCGS** was launched in 2019 offering **sovereign guarantee** (promise by **Government** to discharge liability in case of default) of up to 10% of first loss to PSBs for purchasing assets rated BBB+ or above worth up to Rs. 1,00,000 crores, from financially sound NBFCs/ MFCs.
  - Now, it is **extended to NBFCs/HFCs under SMA-1 category** on technical reasons. (Earlier applicable to only SMA-0 category).
  - Scheme is **extended** from 30.6.2020 to 31.3.2021.

# CABINET APPROVES EXTENSION OF PRADHAN MANTRI VAYA VANDANA YOJANA (PMVVY)

• PMVVY is a **pension Scheme exclusively for senior citizens aged 60 years and above** which was available till 31st March 2020. Scheme is **now extended up to 31st March 2023**.

## Salient features of PMVVY

- It was launched by **Ministry of Finance** to provide an **assured pension based on a guaranteed rate of return of 8% for 10 years**, with an option to opt for pension on a monthly/quarterly/half yearly and annual basis.
- Subscribers get an assured pension ranging from Rs 1000/- per month to Rs. 10,000/- per month, based on contribution.
- **Loan facility is available** after completion of 3 policy years. Maximum loan that can be granted shall be 75% of the Purchase Price.
- **Allows premature exit** under exceptional circumstances like treatment of any critical/terminal illness of self or spouse.
- **Maximum Investment limit:** Rs 15 lakh per senior citizen
- Implemented through **Life Insurance Corporation of India**.
- **Tax benefits:** Returns will be taxed as per existing income tax laws. It is **exempted from GST**.

## Other modifications to PMVVY



- Assured rate of return at **7.40% per annum** for 2020-21 and to be reset every year
- Annual reset of assured rate of interest wef April 1st in line with revised rate of returns of Senior Citizens Saving Scheme **upto 7.75%**
- Finance Minister to approve annual reset rate of return at the beginning of every financial year.
- Capping Management expenses at **0.5% p.a.** for first year and thereafter **0.3% p.a.** for 2nd year onwards for next 9 years
- Minimum investment revised to **₹1,56,658** for pension of **₹12,000/-** per annum **₹1,62,162/-** for min pension of **₹1000/-** per month

## ALSO IN NEWS

<b>Methodology for auction of coal and lignite mines/blocks</b>	<ul style="list-style-type: none"> <li>• Cabinet recently approved methodology for auction of coal and lignite mines/blocks for sale of coal / lignite on <b>revenue sharing basis</b> and <b>increasing the tenure of coking coal linkage</b>.</li> <li>• Bidders would be required to bid for a percentage share of revenue payable to the Government.</li> <li>• There shall be <b>no restriction on the sale and/or utilization of coal</b> from the coal mine.</li> <li>• It also <b>permits commercial exploitation of the Coal Bed Methane</b> present in mining lease area.</li> </ul>
<b>India rejects Nepal's new map</b>	<ul style="list-style-type: none"> <li>• Nepal unveiled a new political map that claimed <b>Kalapani, Limpiyadhura</b> and <b>Lipulekh</b> of Uttarakhand as part of its sovereign territory.</li> <li>• After the reorganisation of Jammu and Kashmir, India had published a new map on November 2, 2019, which showed the region of Kalapani as part of the Indian territory.</li> <li>• <b>Nepal claims all territories east of the Kali river</b>, including Limpiyadhura, Kalapani and Lipulekh, under the <b>Treaty of Sugauli</b> that it signed with the erstwhile British administration in 1816.</li> </ul>
<b>Kudankulam Nuclear Power Plant (KKNPP)</b>	<ul style="list-style-type: none"> <li>• KKNPP, located in Tirunelveli, Tamil Nadu, is <b>India's biggest nuclear power station</b>, with a current installed capacity of 2GW (planned 6GW).</li> <li>• It is <b>owned and operated by</b> state-run Nuclear Power Corporation of India.</li> <li>• It is <b>first and only Indian NPP</b> to use <b>pressurised water reactor (PWR)</b> technology.</li> <li>• It is <b>Indo-Russian</b> joint venture.</li> </ul>
<b>National Crisis Management Committee (NCCM)</b>	<ul style="list-style-type: none"> <li>• NCCM reviewed rescue and relief operations in cyclone Amphan that hit West Bengal and Odisha.</li> <li>• NCCM has been <b>constituted in the Cabinet Secretariat</b> for effective implementation of relief measures in the wake of a natural calamity.</li> <li>• It is a multi-member body <b>headed by Cabinet Secretary</b>. Other members include- Secretary to Prime Minister, Secretary (MHA), Director (IB) etc.</li> </ul>
<b>Agappe Chitra Magna</b>	<ul style="list-style-type: none"> <li>• It is a <b>magnetic nanoparticle-based RNA extraction kit</b> for detection of COVID-19.</li> <li>• It works by isolating RNA using magnetic nanoparticles to capture RNA from patient sample.</li> <li>• It is developed by <b>Sree Chitra Tirunal Institute for Medical Sciences and Technology</b>, Trivandrum, an Institute of National Importance of Department of Science and Technology.</li> </ul>
<b>Coir Geotextiles</b>	<ul style="list-style-type: none"> <li>• It is a <b>permeable and highly durable fabric</b> which is resistant to moulds and microbial attacks.                             <ul style="list-style-type: none"> <li>&gt; Geotextile is any permeable textile material used to increase soil stability, provide erosion control or aid in drainage. (Coir is <b>natural fibre extracted from coconut</b>).</li> </ul> </li> <li>• Ministry of Rural Development allowed its use in construction of rural roads under the Pradhan Mantri Gram Sadak Yojana -III.                             <ul style="list-style-type: none"> <li>&gt; 5% length of the rural roads under PMGSY-III will be constructed using Coir Geo textiles.</li> </ul> </li> </ul>
<b>Konark sun temple</b>	<ul style="list-style-type: none"> <li>• It was built in the middle of 13th century, by <b>King Narasimhadeva I of Ganga dynasty</b>.</li> <li>• Temple is representation of <b>sun god Surya's chariot with 24 wheels</b>.</li> <li>• It is <b>UNESCO world heritage site</b>.</li> <li>• It is also <b>known as 'Black Pagoda'</b> due to its dark color.</li> <li>• Ministry of New and Renewable Energy has taken up the <b>Complete Solarisation of Konark sun temple and Konark town</b> in Odisha to develop it as 'Surya Nagri'.</li> </ul>

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