



PHD Research Bureau
PHD Chamber of Commerce and Industry



Decisions taken by the Union Cabinet (19th January 2022)

- **Cabinet approves infusion of Rs.1,500 crore in Indian Renewable Energy Development Agency Limited (IREDA)**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi, has approved the equity infusion of Rs.1500 crore in Indian Renewable Energy Development Agency Limited (IREDA).

This equity infusion will help in employment generation of approximately 10200 jobs-year and CO2 equivalent emission reduction of approximately 7.49 Million Tonnes CO2/year. Additional equity infusion of Rs.1500 crore by Government of India will enable IREDA:

- i. To lend Rs.12000 crore approximately to the RE sector, thus facilitate the debt requirement of RE of additional capacity of approximately 3500-4000 MW.
- ii. To enhance its networth which will help it in additional RE financing, thus contributing better to the Government of India targets for RE.
- iii. To improve the capital-to-risk weighted assets ratio (CRAR) to facilitate its lending and borrowing operations.

IREDA, a mini ratna (Category-1) company under the administrative control of MNRE was set up in 1987 to work as a specialised non-banking finance agency for the Renewable Energy (RE) sector. IREDA with more than 34 years of techno-commercial expertise, plays a catalytic role in the RE project financing which gives confidence to the FIs/banks to lend in the sector.

- **Cabinet approves Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the payment of ex-gratia amount of Rs. 973.74 crore pertaining to remaining claims submitted by Lending Institutions (LIs) under Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020).

Benefits:

By granting ex-gratia payment of difference between compound interest and simple interest during the six month moratorium period to distressed/vulnerable category of borrowers, irrespective of whether the borrower had availed of moratorium or not, the scheme would equitably help small borrowers bear the stress on account of the pandemic and get back on their feet.

Operational guidelines for the scheme are already issued with the approval of the Cabinet. The said amount of Rs. 973.74 crore will be disbursed in accordance with the said operational guidelines.

S No	Date of Clam Submission by SBI	No. of lending Institutions	No. of Beneficiaries	Amount of Claim Received	Amount Disbursed	Pend Disb
1	23.3.2021	1,019	1406,63,979	4,626.93	4,626.93	
2	23.7.2021 & 22.9.2021	492	499,02,138	1,316.49	873.07	
3	30.11.2021	379	400,00,000	216.32	0	
4	Resubmitted by SBI	101	83,63,963	314.00	-	
Total		1,612	2389,30,080	6,473.74	5,500.00	

Background:

In the context of the COVID-19 pandemic, "Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (1.3.2020 to 31.8.2020)" was approved by the Cabinet in October, 2020, envisaging therein an outlay of Rs. 5,500 crore. Following category of borrowers were eligible for ex-gratia payment under the scheme:

- i. MSME loans up to Rs. 2 crore
- ii. Education loans up to Rs. 2 crore
- iii. Housing loans up to Rs. 2 crore
- iv. Consumer durable loans up to Rs. 2 crore
- v. Credit card dues up to Rs. 2 crore
- vi. Auto loans up to Rs. 2 crore
- vii. Personal loans to professionals up to Rs. 2 crore
- viii. Consumption loans up to Rs. 2 crore

Budget allocation of Rs. 5,500 crore was made for the scheme in FY 2020-2021. Whole amount of Rs. 5,500 crore, as approved by the Cabinet, has been disbursed to SBI, the nodal agency under the scheme, for consequent reimbursement to lending institutions.

The estimated amount of Rs. 5,500 crore was arrived at by extrapolating the share of SBI and Scheduled Commercial Banks for the aforementioned category of loans. It was also

apprised to the Cabinet that the actual amount would be known once individual lending institutions submit their pre-audited account-wise claims.

Now, SBI has informed that it has received consolidated claims of Rs. 6,473.74 crore approx. from lending institutions. As Rs. 5,500 crore has already been disbursed to SBI, approval of the Cabinet is now being sought for balance amount of Rs. 973.74 crore.

- **Cabinet approves extension of tenure of the National Commission for Safai Karamcharis for three years**

The Union Cabinet chaired by the Hon'ble Prime Minister Shri Narendra Modi as approved the extension of the tenure of the National Commission for Safai Karamcharis (NCSK) for three years beyond 31.3.2022.

The total implication of the extension for three years would be approximately Rs.43.68 crore.

Impact :

The major beneficiaries would be the Safai Karamcharis and identified manual scavengers in the country since the NCSK for 3 more years beyond 31.3.2022. The number of Manual Scavengers identified under the MS Act Survey as on 31.12.2021 is 58098.

Details:

The NCSK was established in the year 1993 as per the provisions of the NCSK Act 1993 initially for the period upto 31.3.1997. Later the validity of the Act was initially extended upto 31.3.2002 and thereafter upto 29.2.2004. The NCSK Act ceased to have effect from 29.2.2004. After that the tenure of the NCSK has been extended as a non-statutory body from time to time through resolutions. The tenure of the present Commission is upto 31.3.2022.

Background:

The NCSK has been giving its recommendations to the Government regarding specific programmes for welfare of Safai Karamcharis, study and evaluate the existing welfare programmes for Safai Karamcharis, investigate cases of specific grievances etc. Also as per the provisions of the Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013, the NCSK has been assigned the work to monitor the implementation of the Act, tender advice for its effective implementation to the Centre and State Governments and enquire into complaints regarding contravention/non-implementation of the provisions of the Act. Though the Government has taken many steps for the upliftment of the Safai Karamcharis, the deprivation suffered by them in socio-economic and educational terms is still far from being eliminated. Although manual scavenging has been almost eradicated, sporadic instances do occur. Hazardous cleaning of sewer/septic tanks continues to be an area of the highest priority for the Government. Hence, the Government feels that there is a continued need to monitor the various interventions and initiatives of the Government for welfare of Safai Karamcharis and to achieve the goal of complete mechanization of sewer/septic tanks cleaning in the

country and rehabilitation of manual scavengers.

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Warm Regards,

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