WEEKLY

Highlights

⇒ HIGHLIGHTS OF THE SEVENTH BI-MONTHLY MONETARY POLICY STATEMENT, 2019-20

⇒ FM ANNOUNCED SEVERAL RELIEF MEASURES RELATING TO STATUTORY AND REGULATORY COMPLIANCE MATTERS ACROSS SECTORS IN VIEW OF COVID-19 OUTBREAK

⇒ GEM TAKES A NUMBER OF INITIATIVES FOR PROCUREMENT OF GOODS AND SERVICES BY GOVERNMENT DEPARTMENTS IN THE FIGHT AGAINST COVID-19 PANDEMIC
## CONTENTS

### COMMERCE AND INDUSTRY

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DON’T LET YOUR WORKERS GO AWAY, SHRI PIYUSH GOYAL TELLS THE INDUSTRY AND TRADE ASSOCIATIONS</td>
<td>3</td>
</tr>
<tr>
<td>GEM TAKES A NUMBER OF INITIATIVES FOR PROCUREMENT OF GOODS AND SERVICES BY GOVERNMENT DEPARTMENTS IN THE FIGHT AGAINST COVID-19 PANDEMIC</td>
<td>4-5</td>
</tr>
</tbody>
</table>

### FINANCE

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>FM ANNOUNCED SEVERAL RELIEF MEASURES RELATING TO STATUTORY AND REGULATORY COMPLIANCE MATTERS ACROSS SECTORS IN VIEW OF COVID-19 OUTBREAK</td>
<td>6-8</td>
</tr>
<tr>
<td>TARIFF NOTIFICATION NO. 31/2020-CUSTOMS (N.T.)</td>
<td>9-11</td>
</tr>
<tr>
<td>FM ANNOUNCED RS 1.70 LAKH CRORE RELIEF PACKAGE UNDER PRADHAN MANTRI GARIB KALYAN YOJANA FOR THE POOR TO HELP THEM FIGHT THE BATTLE AGAINST CORONA VIRUS</td>
<td>12-14</td>
</tr>
</tbody>
</table>

### RBI

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIGHLIGHTS OF THE SEVENTH BI-MONTHLY MONETARY POLICY STATEMENT, 2019-20</td>
<td>15</td>
</tr>
<tr>
<td>GUIDELINES FOR LICENSING OF SMALL FINANCE BANKS IN PRIVATE SECTOR DATED NOVEMBER 27, 2014 – MODIFICATIONS TO EXISTING NORMS</td>
<td>16</td>
</tr>
</tbody>
</table>
Don’t let your workers go away, Shri Piyush Goyal tells the industry and trade associations

The Minister of Railways and Commerce & Industry Shri Piyush Goyal has told the industry and trade associations to take care of their employees and workers in this hour of crisis and distress. Talking to representatives from various manufacturing, industry and trading associations from across the country today through video conference, he said that they are not only their assets and resources, but also could become potential carrier of COVID-19, if they are allowed to migrate en-masse throughout the country and countryside, during this pandemic. The Minister of State for Chemicals and fertilizers and Shipping (I/C) Shri Mansukh Mandaviya, who was also present in the VC, also stressed on retaining the workers and laborers on the payroll and at the same place. He said that their movement will jeopardize the nationwide lockdown, and also affect the early normalization in the post-COVID period.

Shri Piyush Goyal exhorted the associations to show the spirit of service and selflessness, and participate in protecting the nation and society. He said that the Government is fully committed to support all the sections of the society, and is taking relief and confidence-building measures. Shri Goyal called upon them to spread the message about the steps taken by the Government in containing the menace of COVID-19, with the help of their stakeholders. He said that they should also engage with various society influencers, including the leaders of different religions and faiths, to propagate all preventive measures, like washing of hands, maintaining social distance, and other health precautions.

Responding to the various issues raised in the conference, Shri Piyush Goyal said that the instructions issued by the Ministry of Home Affairs make it clear that Goods movement of any type will not be curtailed in the country. He said that essential services and activities required to sustain these services will continue, though with abundant precaution and proper social distancing. He appreciated the initiative of several industries in supporting their employees and workers in distress, and ramping up the capacity of essential commodities, particularly the Ventilators, and also some of them using their premises in running community kitchens. Shri Goyal further said that many issues raised by the associations relating to other ministries and agencies, will be expeditiously taken up by the Ministry of Commerce and Industry, and an early solution found. Referring to post-COVID scenario raised by certain participants, Shri Goyal expressed the confidence that the country will soon come out of this unprecedented crisis, and in a stronger position. He said that the situation would lead to more “Make in India” and Make in India for the world.

The Video conference was held with the associations to assess the impact of COVID-19 and lockdown in the country, and get their feedback and suggestions in ameliorating the situation. The Ministers of State for Commerce & Industry Shri Hardeep Singh Puri and Shri Som Parkash, Commerce Secretary Dr Anup Wadhawan, and Officers of department of Commerce and DPIIT were among those present in the meeting. The Associations narrated their assessment of the impact of the lockdown and pandemic on their activities and businesses, and made a range of suggestions. Today’s meeting was attended by the representatives from ASSOCHAM, CII, FICCI, PHD Chamber of Commerce, Laghu Udyog Bharati, Eastern Chamber of Commerce, CAIT, South Indian Chamber of Commerce, IMC, NASSCOM, SIAM, IMTMA, IEMA, FISME, IEEMA, ICC.
MINISTRY OF COMMERCE & INDUSTRY

GeM takes a number of initiatives for procurement of goods and services by Government departments in the fight against COVID-19 Pandemic

Government e-Marketplace (GeM), a Special Purpose Vehicle under the Ministry of Commerce and Industry, has taken a number of initiatives in the fight against COVID-19 Pandemic. GeM, which operates a dynamic, self-sustaining and user friendly portal for procurement of goods and services by Government offices, has taken steps to enable quick, efficient, transparent and cost-effective purchases in this hour of need. Procurement on GeM has been authorized by General Financial Rules by making necessary changes in government rules. Presently more than 7400 products in about 150 product categories and hiring of transport service are available on GeM portal. GeM is a completely paperless, cashless and system driven e-market place that enables procurement of common use goods and services with minimal human interface.

The steps taken recently are as follows:

1. A dedicated page for COVID 19 related categories has been created on GeM: https://gem.gov.in/covid19
2. Following categories have been created for medical supplies in addition to the 32 existing ones and are live on GeM:
   a. Novel Coronavirus (COVID-19) Sample Collection Kit
   b. Reusable vinyl/rubber gloves (cleaning)
   c. Eye protection (visor/goggles)
   d. Disposable thermometers.
   e. Single-use towels
   f. UV tube light for sterilization.
   g. Surgical Isolation Face Shield
   h. Medical waste incinerator

3. Following categories have been created for auxiliary supplies in addition to 52 categories and 7 services that existed:
   a. General purpose tool kit
   b. Wrought aluminum utensils

4. With this, all categories recommended by NITI Ayog in medical and auxiliary supplies are now on GeM. All OEMs, resellers and suppliers for the above newly created categories are being identified for onboarding on GeM.

5. The total number of COVID-19 related categories on GeM as on date are:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>173</td>
</tr>
<tr>
<td>Medical Related</td>
<td>120</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>53</td>
</tr>
</tbody>
</table>
Detailed list of categories for medical and auxiliary supplies are enclosed at Annexure – 1 and Annexure – 2 respectively.

6. The timelines and status of various interventions for ease of procurement for COVID-19 related items are as follows-

I. Shorter duration Bids with shorter delivery period for specific categories. Bid Cycle for COVID-19 related categories has been reduced to 3 days from existing 10 days. Buyers would also be able to reduce the Delivery Period for such items to 2 days considering the time critical nature of the items. This is already live on the portal.

II. Filter for Delivery Lead Time selection by buyer in L1 buying. Will be live by 1 April 2020

III. Prioritization of Product/Brand Approval for Covid Specific Categories. Will be live by 28 March 2020

IV. New business rule for controlling price increase. Will be live by 1 April 2020

V. Allow Delivery Period Extension 30 days beyond expiry of original Delivery Period. Will be live by 28 March 2020.

VI. New business rule to stock out sellers who do not update stock within 48 hours of notification for specific categories. This is already live.


7. The World Bank increased procurement threshold at GeM for COVID 19 Response Project, from $ 1 Lakh to $ 1 Million.

8. Seller Onboarding:
   a. OEMs & Sellers have been identified for eight new COVID categories
   b. Relevant medical categories were searched on GeM and outside GeM. Targeted mailers were sent to appx. 10,000 sellers including OEMs. Mail content detailed new Covid-19 categories and prioritization introduced by GeM in brand & product approval process for faster onboarding.
   c. OEMs & sellers have also been contacted telephonically. 200+ such sellers have been engaged. They have been informed about the new Covid-19 categories created by GeM and have been asked to onboard. OEMs have been asked to ask their resellers to onboard and hold sufficient inventory levels.
   d. OEMs & Sellers have been exhorted to view the current situation as an opportunity and contribute in whatever way they can to the requirements of a national health emergency.
   e. OEMs/Sellers outside GeM have also been guided on how to get in contact with regional business facilitators.
   f. OEMs are being sensitised about the orders issued by the Ministry of Home Affairs, exempted businesses and various SOPs. Online link: https://www.ndma.gov.in/en/ has also been shared.
   g. Brand approval & product approval requests from OEMs/Sellers have been accorded topmost priority and have been cleared on the same day.
MINISTRY OF FINANCE

Finance Minister announced several relief measures relating to Statutory and Regulatory compliance matters across Sectors in view of COVID-19 outbreak

The Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman today announced several important relief measures taken by the Government of India in view of COVID-19 outbreak, especially on statutory and regulatory compliance matters related to several sectors. While addressing the press conference through video conferencing, Smt. Sitharaman announced much-needed relief measures in areas of Income Tax, GST, Customs & Central Excise, Corporate Affairs, Insolvency & Bankruptcy Code (IBC) Fisheries, Banking Sector and Commerce.

The Minister of State for Finance & Corporate Affairs Shri Anurag Singh Thakur was also present besides Shri A.B. Pandey, Finance Secretary and Shri Atanu Chakraborty, Secretary, Department of Economic Affairs.

Following are the decisions with respect to statutory and regulatory compliance matters related to various sectors: —

Income Tax

3. **Vivad se Vishwas scheme** – no additional 10% amount, if payment made by June 30, 2020.
4. Due dates for issue of notice, intimation, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents and time limit for completion of proceedings by the authority and any compliance by the taxpayer including investment in saving instruments or investments for roll over benefit of capital gains under Income Tax Act, Wealth Tax Act, Prohibition of Benami Property Transaction Act, Black Money Act, STT law, CTT Law, Equalization Levy law, Vivad Se Vishwas law where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.
5. For delayed payments of advanced tax, self-assessment tax, regular tax, TDS, TCS, equalization levy, STT, CTT made between 20th March 2020 and 30th June 2020, reduced interest rate at 9% instead of 12 %/18 % per annum (i.e. 0.75% per month instead of 1/1.5 percent per month) will be charged for this period. No late fee/penalty shall be charged for delay relating to this period.
6. Necessary legal circulars and legislative amendments for giving effect to the aforesaid relief shall be issued in due course.

GST/Indirect Tax

1. Those having aggregate annual turnover less than Rs. 5 Crore Last date can file GSTR-3B due in March, April and May 2020 by the last week of June, 2020. No interest, late fee, and penalty to be charged.
2. Others can file returns due in March, April and May 2020 by last week of June 2020 but the same would attract reduced rate of interest @9 % per annum from 15 days after due date (current interest rate is 18 % per annum). No late fee and penalty to be charged, if complied before till 30th June 2020.

3. Date for opting for composition scheme is extended till the last week of June, 2020. Further, the last date for making payments for the quarter ending 31st March, 2020 and filing of return for 2019-20 by the composition dealers will be extended till the last week of June, 2020.

4. Date for filing GST annual returns of FY 18-19, which is due on 31st March, 2020 is extended till the last week of June 2020.

5. Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing of return, statements, applications, reports, any other documents, time limit for any compliance under the GST laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

6. Necessary legal circulars and legislative amendments to give effect to the aforesaid GST relief shall follow with the approval of GST Council.

7. Payment date under Sabka Vishwas Scheme shall be extended to 30th June, 2020. No interest for this period shall be charged if paid by 30th June, 2020.

**Customs**

8. 24X7 Custom clearance till end of 30th June, 2020

9. Due date for issue of notice, notification, approval order, sanction order, filing of appeal, furnishing applications, reports, any other documents etc., time limit for any compliance under the Customs Act and other allied Laws where the time limit is expiring between 20th March 2020 to 29th June 2020 shall be extended to 30th June 2020.

**Financial Services**

1. Relaxations for 3 months
   - Debit cardholders to withdraw cash for free from any other banks’ ATM for 3 months
   - Waiver of minimum balance fee
   - Reduced bank charges for digital trade transactions for all trade finance consumers

**Corporate Affairs**

1. No additional fees shall be charged for late filing during a moratorium period from 01st April to 30th September 2020, in respect of any document, return, statement etc., required to be filed in the MCA-21 Registry, irrespective of its due date, which will not only reduce the compliance burden, including financial burden of companies/ LLPs at large, but also enable long-standing non-compliant companies/ LLPs to make a ‘fresh start’;

2. The mandatory requirement of holding meetings of the Board of the companies within prescribed interval provided in the Companies Act (120 days), 2013, shall be extended by a period of 60 days till next two quarters i.e., till 30th September;

3. Applicability of Companies (Auditor’s Report) Order, 2020 shall be made applicable from the financial year 2020-2021 instead of from 2019-2020 notified earlier. This will significantly ease the burden on companies & their auditors for the year 2019-20.
4. As per Schedule 4 to the Companies Act, 2013, Independent Directors are required to hold at least one meeting without the attendance of Non-independent directors and members of management. For the year 2019-20, if the IDs of a company have not been able to hold even one meeting, the same shall not be viewed as a violation.

5. Requirement to create a Deposit reserve of 20% of deposits maturing during the financial year 2020-21 before 30th April 2020 shall be allowed to be complied with till 30th June 2020.

6. Requirement to invest 15% of debentures maturing during a particular year in specified instruments before 30th April 2020, may be done so before 30th June 2020.

7. Newly incorporated companies are required to file a declaration for Commencement of Business within 6 months of incorporation. An additional time of 6 more months shall be allowed.

8. Non-compliance of minimum residency in India for a period of at least 182 days by at least one director of every company, under Section 149 of the Companies Act, shall not be treated as a violation.

9. Due to the emerging financial distress faced by most companies on account of the large-scale economic distress caused by COVID 19, it has been decided to raise the threshold of default under section 4 of the IBC 2016 to Rs 1 crore (from the existing threshold of Rs 1 lakh). This will by and large prevent triggering of insolvency proceedings against MSMEs. If the current situation continues beyond 30th of April 2020, we may consider suspending section 7, 9 and 10 of the IBC 2016 for a period of 6 months so as to stop companies at large from being forced into insolvency proceedings in such force majeure causes of default.

10. Detailed notifications/circulars in this regard shall be issued by the Ministry of Corporate Affairs separately.

Department of Fisheries

1. All Sanitary Permits (SIPs) for import of SPF Shrimp Broodstock and other Agriculture inputs expiring between 01.03.2020 to 15.04.2020 extended by 3 months

2. Delay upto 1 month in arrival of consignments to be condoned.

3. Rebooking of quarantine cubicles for cancelled consignments in Aquatic Quarantine Facility (AQF) Chennai without additional booking charges

4. The verification of documents and grant of NOC for Quarantine would be relaxed from 7 days to 3 days

Department of Commerce

Extension of timelines for various compliance and procedures will be given. Detailed notifications will be issued by Ministry of Commerce.
MINISTRY OF FINANCE

Tariff Notification No. 31/2020-CUSTOMS (N.T.)

In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs, being satisfied that it is necessary and expedient so to do, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely: -

```
**TABLE-1**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Chapter/ heading/ sub-heading/tariff item</th>
<th>Description of goods</th>
<th>Tariff value (US $Per Metric Tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>1511 10 00</td>
<td>Crude Palm Oil</td>
<td>670 (i.e. no change)</td>
</tr>
<tr>
<td></td>
<td>1511 90 10</td>
<td>RBD Palm Oil</td>
<td>695 (i.e. no change)</td>
</tr>
<tr>
<td></td>
<td>1511 90 90</td>
<td>Others – Palm Oil</td>
<td>683 (i.e. no change)</td>
</tr>
<tr>
<td>4</td>
<td>1511 10 00</td>
<td>Crude Palmolein</td>
<td>698 (i.e. no change)</td>
</tr>
<tr>
<td>5</td>
<td>1511 90 20</td>
<td>RBD Palmolein</td>
<td>701 (i.e. no change)</td>
</tr>
<tr>
<td>6</td>
<td>1511 90 90</td>
<td>Others – Palmolein</td>
<td>700 (i.e. no change)</td>
</tr>
<tr>
<td>7</td>
<td>1507 10 00</td>
<td>Crude Soya bean Oil</td>
<td>733 (i.e. no change)</td>
</tr>
<tr>
<td>8</td>
<td>7404 00 22</td>
<td>Brass Scrap (all grades)</td>
<td>3283 (i.e. no change)</td>
</tr>
<tr>
<td>9</td>
<td>1207 91 00</td>
<td>Poppy seeds</td>
<td>3623 (i.e. no change)</td>
</tr>
</tbody>
</table>
```
**TABLE-2**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Chapter/ heading/ sub-heading/tariff item</th>
<th>Description of goods</th>
<th>Tariff value (US $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>71 or 98</td>
<td>Gold, in any form, in respect of which the benefit of entries at serial number 356 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed</td>
<td>517 per 10 grams</td>
</tr>
<tr>
<td>2.</td>
<td>71 or 98</td>
<td>Silver, in any form, in respect of which the benefit of entries at serial number 357 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed</td>
<td>402 per kilogram (i.e. no change)</td>
</tr>
</tbody>
</table>
| 3.     | 71                                       | (i) Silver, in any form, other than medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92;  
(ii) Medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92, other than imports of such goods through post, courier or baggage.  
Explanation. - For the purposes of this entry, silver in any form shall not include foreign currency coins, jewellery made of silver or articles made of silver. | 402 per kilogram (i.e. no change)                                                   |
| 4.     | 71                                       | (i) Gold bars, other than tola bars, bearing manufacturer’s or refiner’s engraved serial number and weight expressed in metric units;  
(ii) Gold coins having gold content not below 99.5% and gold findings, other than imports of such goods through post, courier or baggage.  
Explanation. - For the purposes of this entry, “gold findings” means a small component such as hook, clasp, clamp, pin, catch, screw back used to hold the whole or a part of a piece of Jewellery in place. | 517 per 10 grams                                                                    |
### TABLE-3

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Chapter/ heading/ sub-heading/tariff item</th>
<th>Description of goods</th>
<th>Tariff value (US $ Per Metric Tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>080280</td>
<td>Areca nuts</td>
<td>3782 (i.e. no change)</td>
</tr>
</tbody>
</table>

MINISTRY OF FINANCE

Finance Minister announced Rs 1.70 Lakh Crore relief package under Pradhan Mantri Garib Kalyan Yojana for the poor to help them fight the battle against Corona Virus

The Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman today announced Rs 1.70 Lakh Crore relief package under Pradhan Mantri Garib Kalyan Yojana for the poor to help them fight the battle against Corona Virus. While addressing the press conference, Smt. Sitharaman said “Today’s measures are intended at reaching out to the poorest of the poor, with food and money in hands, so that they do not face difficulties in buying essential supplies and meeting essential needs.”

The Minister of State for Finance & Corporate Affairs Shri Anurag Singh Thakur was also present besides Shri Atanu Chakraborty, Secretary, Department of Economic Affairs and Shri Debashish Panda, Secretary, Department of Financial Services. Following are the components of the Pradhan Mantri Garib Kalyan Package: —

PRADHAN MANTRI GARIB KALYAN PACKAGE

I. Insurance scheme for health workers fighting COVID-19 in Government Hospitals and Health Care Centres

- Safai karamcharis, ward-boys, nurses, ASHA workers, paramedics, technicians, doctors and specialists and other health workers would be covered by a Special insurance Scheme.
- Any health professional, who while treating Covid-19 patients, meet with some accident, then he/she would be compensated with an amount of Rs 50 lakh under the scheme.
- All government health centres, wellness centres and hospitals of Centre as well as States would be covered under this scheme approximately 22 lakh health workers would be provided insurance cover to fight this pandemic.

II. PM Garib Kalyan Ann (अन्न) Yojana

- Government of India would not allow anybody, especially any poor family, to suffer on account of non-availability of foodgrains due to disruption in the next three months.
- 80 crore individuals, i.e, roughly two-thirds of India’s population would be covered under this scheme.
- Each one of them would be provided double of their current entitlement over next three months.
- This additionality would be free of cost.
Pulses:

- To ensure adequate availability of protein to all the above mentioned individuals, 1 kg per family, would be provided pulses according to regional preferences for next three months.
- These pulses would be provided free of cost by the Government of India.

III. Under Pradhan Mantri Garib Kalyan Yojana,

Benefit to farmers:

- The first instalment of Rs 2,000 due in 2020-21 will be front-loaded and paid in April 2020 itself under the PM KISAN Yojana.
- It would cover 8.7 crore farmers

IV. Cash transfers Under PM Garib Kalyan Yojana:

Help to Poor:

- A total of 20.40 crores PMJDY women account-holders would be given an ex-gratia of Rs 500 per month for next three months.

Gas cylinders:

- Under PM Garib Kalyan Yojana, gas cylinders, free of cost, would be provided to 8 crore poor families for the next three months.

Help to low wage earners in organised sectors:

- Wage-earners below Rs 15,000 per month in businesses having less than 100 workers are at risk of losing their employment.
- Under this package, government proposes to pay 24 percent of their monthly wages into their PF accounts for next three months.
- This would prevent disruption in their employment.

Support for senior citizens (above 60 years), widows and Divyang:

- There are around 3 crore aged widows and people in Divyang category who are vulnerable due to economic disruption caused by COVID-19.
- Government will give them Rs 1,000 to tide over difficulties during next three months.
MNREGA

- Under PM Garib Kalyan Yojana, **MNREGA wages would be increased by Rs 20 with effect from 1 April, 2020.** Wage increase under MNREGA will provide an additional Rs 2,000 benefit annually to a worker.
- This will benefit approximately 13.62 crore families.

V. Self-Help groups:

- Women organised through 63 lakhs Self Help Groups (SHGs) support 6.85 crore households.
  
a. Limit of collateral free lending would be increased from Rs 10 to Rs 20 lakhs.

VI. Other components of PM Garib Kalyan package

**Organised sector:**

- Employees’ Provident Fund Regulations will be amended to include Pandemic as the reason to **allow non-refundable advance of 75 percent of the amount or three months of the wages, whichever is lower, from their accounts.**
- Families of four crore workers registered under EPF can take benefit of this window.

**Building and Other Construction Workers Welfare Fund:**

- Welfare Fund for Building and Other Constructions Workers has been created under a Central Government Act.
- There are around 3.5 Crore registered workers in the Fund.
- State Governments will be given directions to utilise this fund to provide assistance and support to these workers to protect them against economic disruptions.

**District Mineral Fund**

- The State Government will be asked to utilise the funds available under District Mineral Fund (DMF) for supplementing and augmenting facilities of medical testing, screening and other requirements in connection with preventing the spread of CVID-19 pandemic as well as treating the patients affected with this pandemic.
RESERVE BANK OF INDIA

Highlights of the Seventh Bi-monthly Monetary Policy Statement, 2019-20

On the basis of an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) at its meeting decided to:

- reduce the policy repo rate under the liquidity adjustment facility (LAF) by 75 basis points to **4.40 per cent from 5.15 per cent** with immediate effect;
- accordingly, the marginal standing facility (MSF) rate and the Bank Rate stand reduced to **4.65 per cent from 5.40 per cent**;
- further, consequent upon the widening of the LAF corridor as detailed in the accompanying Statement on Developmental and Regulatory Polices, the reverse repo rate under the LAF stands reduced by **90 basis points to 4.0 per cent**.
- The MPC also decided to continue with the accommodative stance as long as it is necessary to revive growth and mitigate the impact of coronavirus (COVID-19) on the economy, while ensuring that inflation remains within the target.

A Soft copy of the Seventh Bi-monthly Monetary Policy Statement, 2019-20 is linked below. [Seventh Bi-monthly Monetary Policy Statement, 2019-20.PDF]
RESERVE BANK OF INDIA

‘Guidelines for Licensing of Small Finance Banks in Private Sector’ dated November 27, 2014 – Modifications to existing norms

Please refer to the ‘Guidelines for Licensing of Small Finance Banks in Private Sector’ dated November 27, 2014 under which licenses were issued to 10 Small Finance Banks (SFBs) and the ‘Guidelines for ‘on-tap’ Licensing of Small Finance Banks in Private Sector’ released by Reserve Bank on December 5, 2019.

2. To harmonise the instructions for existing SFBs with those SFBs to be licensed under ‘Guidelines for ‘on-tap’ Licensing’, it has been decided to:

a) Grant general permission to all existing SFBs to open banking outlets subject to adherence to Unbanked Rural Centre norms as per RBI circular on ‘Rationalisation of Branch Authorisation Policy - Revision of Guidelines’ dated May 18, 2017, as amended from time to time.

b) Exempt all existing SFBs from seeking prior approval of Reserve Bank for undertaking such non-risk sharing simple financial service activities, which do not require any commitment of own fund, after three years of commencement of business of SFB.

3. Further, in case of existing SFBs, it is clarified that:

a) Whether a promoter could cease to be a promoter or could exit from the bank after completion of a period of five years, would depend on the RBI’s regulatory and supervisory comfort / discomfort and SEBI regulations in this regard at that time (Reference: Response to query number 101 of ‘Clarifications to queries on guidelines for licensing of Small Finance Banks in the Private Sector’ dated January 1, 2015).


4. The provisions of this circular shall come into force with immediate effect.

Yours faithfully,

(Shrimohan Yadav)
Chief General Manager