FINANCE MINISTER ANNOUNCES SHORT TERM AND LONG-TERM MEASURES FOR SUPPORTING THE POOR, INCLUDING MIGRANTS, FARMERS, TINY BUSINESSES AND STREET VENDORS

FINANCE MINISTER ANNOUNCED MEASURES TO STRENGTHEN AGRICULTURE INFRASTRUCTURE, LOGISTICS, CAPACITY BUILDING, GOVERNANCE AND ADMINISTRATIVE REFORMS FOR AGRICULTURE, FISHERIES AND FOOD PROCESSING SECTORS

INDIA’S FOREIGN TRADE: APRIL 2020
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India’s overall exports (Merchandise and Services combined) in April 2020* are estimated to be USD 27.96 billion, exhibiting a negative growth of (-) 36.65 per cent over the same period last year. Overall imports in April 2020* are estimated to be USD 27.80 billion, exhibiting a negative growth of (-) 47.36 per cent over the same period last year.

*Note: The latest data for services sector released by RBI is for March 2020. The data for April 2020 is an estimation, which will be revised based on RBI’s subsequent release.

**EXPORTS (including re-exports)**

Exports in April 2020 were USD 10.36 billion, as compared to USD 26.07 billion in April 2019, exhibiting a negative growth of (-) 60.28 per cent. In Rupee terms, exports were Rs. 78,951.41 crore in April 2020, as compared to Rs. 1,81,021.34 crore in April 2019, registering a negative growth of (-) 56.39 per cent.

The decline in exports has been mainly due to the ongoing global slowdown, which got aggravated due to the current Covid-19 crisis. The latter resulted in large scale disruptions in supply chains and demand resulting in cancellation of orders.

Except for Iron Ore and Drugs & Pharmaceuticals which registered a growth of 17.53% and 0.25% respectively, all other commodity/commodity groups have registered negative growth in April 2020 vis-a-vis April 2019.
Major commodity groups which have recorded negative export growth during April 2020 vis-à-vis April 2019 are Gems & jewellery (-98.74%), Leather & leather products (-93.28%), Handicrafts excl. handmade carpet (-91.84%), Carpet (-91.67%), RMG of all textiles (-91.04%), Jute mfg. including floor covering (-90.61%), Man-made yarn/fabs./made-ups etc. (-84.11%), Cotton yarn/fabs./made-ups, handloom products etc. (-82.46%), Ceramic products & glassware (-76.72%), Electronic goods (-71.04%), Tea (-68.89%), Tobacco (-68.47%), Cashew (-67.55%), Petroleum products (-66.22%), Engineering goods (-64.76%), Oil seeds (-62.33%), Mica, Coal & other ores, minerals including processed minerals (-60.41%), Meat, dairy & poultry products (-60.34%), Oil meals (-50.6%), Cereal preparations & miscellaneous processed items (-48.28%), Coffee (-44.22%), Marine products (-43.94%), Organic & inorganic chemicals (-41.93%), Other cereals (-40.86%), Spices (-32.18%), Plastic & Linoleum (-25.35%), Fruits & vegetables (-9.29%) and Rice (-7.04%).

Non-petroleum and Non-Gems and Jewellery exports in April 2020 were USD9.08 billion, as compared to USD19.54 billion in April 2019, exhibiting a negative growth of (-) 53.54 per cent.

**IMPORTS**

Imports in April 2020 were USD17.12 billion (Rs. 1,30,525.08 crore), which was 58.65 per cent lower in Dollar terms and 54.59 per cent lower in Rupee terms over imports of USD41.40 billion (Rs. 2,87,432.93 crore) in April 2019.

Major commodity groups of import showing negative growth in April 2020 over the corresponding month of last year are:

- **Electronic goods** (-62.72%)
- **Petroleum, Crude & products** (-59.03%)
- **Machinery, electrical & non-electrical** (-53.91%)
- **Coal, Coke & Briquettes, etc.** (-48.83%)
- **Organic & Inorganic Chemicals** (-35.10%)

**CRUDE OIL AND NON-OIL IMPORTS:**

Oil imports in April 2020 were USD4.66 billion (Rs. 35,537.22 crore), which was 59.03 per cent lower in Dollar terms (55.01 per cent lower in Rupee terms), compared to USD11.38 billion (Rs. 78,989.46 crore) in April 2019.

In this connection it is mentioned that the global Brent price ($/bbl) has decreased by 67.22% in April 2020 vis-à-vis April 2019 as per data available from World Bank.

Non-oil imports in April 2020 were estimated at USD12.46 billion (Rs. 94,987.86 crore) which was 58.50 per cent lower in Dollar terms (54.43 per cent lower in Rupee terms), compared to USD30.02 billion (Rs. 2,08,443.47 crore) in April 2019.

Non-Oil and Non-Gold imports were USD12.46 billion in April 2020, recording a negative growth of (-) 52.18 per cent, as compared to Non-Oil and Non-Gold imports of USD 26.05 billion in April 2019.
MINISTRY OF FINANCE

Finance Minister announces short term and long-term measures for supporting the poor, including migrants, farmers, tiny businesses and street vendors

Announcing the 2nd Tranche of measures to ameliorate the hardships faced specifically by migrant labours, street vendors, migrant urban poor, small traders self-employed people, small farmers and housing, Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman in her press conference detailed the short term and long-term measures for supporting the poor, including migrants, farmers, tiny businesses and street vendors.

Smt. Sitharaman stated that Hon’ble Prime Minister Shri Narendra Modi is always concerned about the difficulties faced by poor, including migrant workers and farmers. Farmers and workers are the backbone of this nation. They serve all of us with their sweat and toil. Migrant workers need affordable and convenient rental housing in urban areas in addition to social security. There is also a need to create employment opportunities for the poor, including migrant and unorganised workers. Farmers need timely and adequate credit support.

Smt. Sitharaman said that the Government is attentive to the needs to all the segments of economy and society. She also mentioned that small business set ups, especially those run by street vendors, support dignified livelihoods through Shishu MUDRA loans. They also need our patronage by way of business as well as caring attention in the form of social security and enhanced credit.

Following short term and long-term measures for supporting the poor, including migrants, farmers, tiny businesses and street vendors were announced:

1. **Free food grains supply to migrants for 2 months**

   For the migrant labour, additional food grain to all the States/UTs at the rate of 5 kg per migrant labourer and 1 kg Chana per family per month for two months i.e. May and June, 2020 free of cost shall be allocated. Migrant labourers not covered under National Food Security Act or without a ration card in the State/UT in which they are stranded at present will be eligible. States/UTs shall be advised to put a mechanism for targeted distribution as envisaged in the scheme. 8 Lakh MT of food-grain and 50,000 MT of Chana shall be allocated. The entire outlay of Rs. 3500 crore will be borne by Government of India.

2. **Technology system to be used enabling Migrants to access PDS (Ration) from any Fair Price Shops in India by March,2021-One Nation one Ration Card**

   Pilot scheme for portability of ration cards will be extended to 23 states. By that, 67 crore beneficiaries covering 83% of PDS population will be covered by National portability of Ration cards by August, 2020. 100% National portability will be achieved by March, 2021. This is part of PM’s Technology Driven System Reforms This scheme will enable a migrant worker and their family members to access
PDS benefits from any Fair Price Shop in the country. This will ensure that the people in transit, especially migrant workers can also get the benefit of PDS benefit across the country.

3. Scheme for Affordable Rental Housing Complexes for Migrant Workers and Urban Poor to be launched

Central Government will launch a scheme for migrant workers and urban poor to provide ease of living at affordable rent. **Affordable Rental Housing Complexes** will provide social security and quality life to migrant labour, urban poor, and students etc. This will be done through converting government funded houses in the cities into Affordable Rental Housing Complexes (ARHC) under PPP mode through concessionaire; manufacturing units, industries, institutions, associations to develop Affordable Rental Housing Complexes (ARHC) on their private land and operate; and Incentivizing State Govt agencies/Central Government Organizations on similar lines to develop Affordable Rental Housing Complexes (ARHC) and operate. The exact details of the scheme will be released by the Ministry/Department.

4. 2% Interest Subvention for 12 months for Shishu MUDRA loanees- Relief of Rs. 1,500 crore

Government of India will provide **Interest subvention of 2% for prompt payees for a period of 12 months** to MUDRA Shishu loanees, who have loans below Rs 50,000. The current portfolio of MUDRA Shishu loans is around Rs 1.62 Lakh crore. This will provide relief of about **Rs 1,500 crore** to Shishu MUDRA loanees.

5. Rs 5,000 crore Credit facility for Street Vendors

A **special scheme will be** launched within a month to facilitate easy access to credit to Street vendors, who are amongst the most adversely impacted by the present situation for enabling them to restart their businesses. Under this scheme, bank credit facility **for initial working capital up to Rs. 10,000 for each enterprise** will be extended. This scheme will cover urban as well as rural vendors doing business in the adjoining urban areas. Use of digital payments and timely repayments will be incentivized through monetary rewards. It is expected that **50 lakh street vendors** will be benefitted under this scheme and credit of Rs. 5,000 crore would flow to them.

6. Rs 70,000 crore boost to housing sector and middle income group through extension of Credit Linked Subsidy Scheme for MIG under PMAY(Urban)

The Credit Linked Subsidy Scheme for Middle Income Group (annual Income between Rs 6 and 18 lakhs) will be extended up to March 2021. This will benefit 2.5 lakhs middle income families during 2020-21 and will lead to investment of over **Rs 70,000 crore** in housing sector. This will create significant number of jobs by giving boost to Housing sector and will stimulate demand for steel, cement, transport and other construction materials.
7. **Rs 6,000 crore for Creating employment using CAMPA funds**

Approximately Rs 6,000 crore of funds under Compensatory Afforestation Management & Planning Authority (CAMPA) will be used for **Afforestation and Plantation works, including in urban areas**, Artificial regeneration, assisted natural regeneration, Forest management, soil & moisture conservation works, Forest protection, forest and wildlife related infrastructure development, wildlife protection and management etc. Government of India will grant immediate approval to these plans amounting to Rs 6000 crore. This will create job opportunities in urban, semi-urban and rural areas and also for Tribals (Adivashis).

8. **Rs 30,000 crore Additional Emergency Working Capital for farmers through NABARD**

NABARD will extend additional re-finance support of **Rs 30,000 crore** for meeting crop loan requirement of **Rural Cooperative Banks and RRBs**. This refinance will be front-loaded and available on tap. This is over and above Rs 90,000 crore that will be provided by NABARD to this sector in the normal course. This will benefit around **3 crore farmers**, mostly small and marginal and it will meet their **post-harvest Rabi and current Kharif requirements**.

9. **Rs 2 lakh crore credit boost to 2.5 crore farmers under Kisan Credit Card Scheme**

A special drive to provide concessional credit to PM-KISAN beneficiaries through Kisan Credit Cards. Fisherman and Animal Husbandry Farmers will also be included in this drive. This will inject **additional liquidity of Rs 2 lakh crore** in the farm sector. 2.5 crore farmers will be covered.
Finance Minister announced measures to strengthen Agriculture Infrastructure Logistics, Capacity Building, Governance and Administrative Reforms for Agriculture, Fisheries and Food Processing Sectors

Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman in her press conference announced the 3rd Tranche of measures to strengthen Infrastructure Logistics, Capacity Building, Governance and Administrative Reforms for Agriculture, Fisheries and Food Processing Sectors.

Giving details, Smt. Sitharaman said that out of these 11 measures, 8 measures are for improving agricultural infrastructure and 3 measures are for administrative and governance reforms, including removing restrictions on sale and stock limits of farm produce.

In her opening remarks, the Union Finance Minister said that two significant Agriculture-related measures were also announced yesterday to support farmers, Rs 30,000 crore as Additional Emergency Working Capital facility through NABARD to enable RRBs and Cooperative Banks extending farm loans for Rabi post-harvest and Kharif expenses. And second was a mission-mode drive to enable Rs 2 lakh crore credit boost to the farm sector by covering 2.5 crore PM-KISAN beneficiaries under Kisan Credit Card Scheme by December 2020.

Outlining what the Government has done over the last 2 months, the Finance Minister said that during lockdown period Minimum Support Price (MSP) purchases of amount more than Rs 74,300 crore, PM Kisan fund Transfer of Rs 18,700 crore and PM Fasal Bima Yojana claim payment of Rs 6,400 crore have been made.

Further, during Lockdown, Demand of Milk reduced by 20-25%. Accordingly, 560 Lakh litre per day (LLPD) were procured by cooperatives against daily sale of 360 LLPD. Total 111 crore litres of milk extra procured ensuring payment of Rs 4,100 crore.

Further, a new scheme to provide interest subvention @2% per annum to dairy cooperatives for 2020-21 has been launched, also providing additional 2% p.a interest subvention on prompt payment/interest servicing. This scheme will unlock Rs 5,000 crore additional liquidity, benefitting 2 crore farmers.

For fisheries Sector, all 4 COVID related announcements made on 24th March for fisheries have been implemented. Further, Registration of 242 Registered Shrimp hatcheries and Nauplii Rearing Hatcheries expiring on 31.03.2020 extended for 3 months and Operations of Marine Capture Fisheries and Aquaculture relaxed to cover Inland Fisheries.

Smt. Sitharaman said that the announcements made will provide long-term and sustained impact on lives of farmers, fishermen, food processing micro enterprises.
The Finance Minister announced the following measures to strengthen Infrastructure Logistics and Capacity Building for Agriculture, Fisheries and Food Processing Sectors:

1. **Rs 1 lakh crore Agri Infrastructure Fund for farm-gate infrastructure for farmers**

   Financing facility of Rs. 1,00,000 crore will be provided for funding Agriculture Infrastructure Projects at farm-gate & aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organizations, Agriculture entrepreneurs, Start-ups, etc.). Impetus for development of farm-gate & aggregation point, affordable and financially viable Post Harvest Management infrastructure. Fund will be created immediately.

2. **Rs 10,000 crore scheme for Formalisation of Micro Food Enterprises (MFE)**

   A Scheme promoting vision of Prime Minister Shri Narendra Modi: ‘Vocal for Local with Global outreach’ will be launched to help 2 lakh MFEs who need technical upgradation to attain FSSAI food standards, build brands and marketing. Existing micro food enterprises, Farmer Producer Organisations, Self Help Groups and Cooperatives to be supported. The focus will be on women and SC/ST owned units and those in Aspirational districts and a Cluster based approach (e.g. Mango in UP, Tomato in Karnataka, Chilli in Andhra Pradesh, Orange in Maharashtra etc.) will be followed.

3. **Rs 20,000 crore for fisherman through Pradhan Mantri Matsya Sampada Yojana (PMMSY)**

   The Government will launch the PMMSY for integrated, sustainable, inclusive development of marine and inland fisheries. Rs 11,000 crore for activities in Marine, Inland fisheries and Aquaculture and Rs. 9000 crore for Infrastructure - Fishing Harbours, Cold chain, Markets etc shall be provided. Cage Culture, Seaweed farming, Ornamental Fisheries as well as New Fishing Vessels, Traceability, Laboratory Network etc. will be key activities. There will be provisions of Ban Period Support to fishermen (during the period fishing is not permitted), Personal & Boat Insurance. This will lead to Additional Fish Production of 70 lakh tones over 5 years, Employment to over 55 lakh persons and double the exports to Rs 1,00,000 crore. The focus will be on Islands, Himalayan States, North-east and Aspirational Districts.

4. **National Animal Disease Control Programme**

   National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis launched with total outlay of Rs. 13,343 crore to ensure 100% vaccination of cattle, buffalo, sheep, goat and pig population (total 53 crore animals) for Foot and Mouth Disease (FMD) and for brucellosis. Till date, 1.5 crore cows & buffaloes tagged and vaccinated.
5. **Animal Husbandry Infrastructure Development Fund - Rs. 15,000 crore**

An Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crore will be set up, with an aim to support private investment in Dairy Processing, value addition and cattle feed infrastructure. Incentives will be given for establishing plants for export of niche products.

6. **Promotion of Herbal Cultivation: Outlay of Rs. 4,000 crore**

The National Medicinal Plants Board (NMPB) has supported 2.25 lakh hectare area under cultivation of medicinal plants. 10,00,000 hectare will be covered under Herbal cultivation in next two years with outlay of Rs. 4,000 crore. This will lead to Rs. 5,000 crore income generation for farmers. There will be network of regional Mandis for Medicinal Plants. NMPB will bring 800-hectare area by developing a corridor of medicinal plants along the banks of Ganga.

7. **Beekeeping initiatives – Rs 500 crore**

Government will implement a scheme for:

a. Infrastructure development related to Integrated Beekeeping Development Centres, Collection, Marketing and Storage Centres, Post Harvest & value Addition facilities etc;

b. Implementation of standards & Developing traceability system

c. Capacity building with thrust on women;

d. Development of quality nucleus stock and bee breeders.

This will lead to increase in income for 2 lakh beekeepers and quality honey to consumers.

8. **From ‘TOP’ to TOTAL - Rs 500 crore**

“Operation Greens” run by Ministry of Food Processing Industries (MOFPI) will be extended from tomatoes, onion and potatoes to ALL fruit and vegetables. The Scheme would provide 50% subsidy on transportation from surplus to deficient markets, 50% subsidy on storage, including cold storages and will be launched as pilot for the next 6 months and will be extended and expanded. This will lead to better price realisation to farmers, reduced wastages, affordability of products for consumers.

**During the press conference, the Union Finance Minister also announced following measures for Governance and Administrative Reforms for Agriculture Sector:**

1. **Amendments to Essential Commodities Act to enable better price realisation for farmers**

The *Government will amend Essential Commodities Act*. Agriculture food stuffs including cereals, edible oils, oilseeds, pulses, onions and potato shall be deregulated. Stock limit will be imposed under very exceptional circumstances like national calamities, famine with surge in...
prices. Further, No such stock limit shall apply to processors or value chain participant, subject to their installed capacity or to any exporter subject to the export demand.

2. Agriculture Marketing Reforms to provide marketing choices to farmers

A Central law will be formulated to provide -

• adequate choices to the farmer to sell their produce at remunerative price;
• barrier free Inter-State Trade;
• a framework for e-trading of agriculture produce.

3. Agriculture Produce Pricing and Quality Assurance:

The Government will finalise a facilitative legal framework to enable farmers to engage with processors, aggregators, large retailers, exporters etc. in a fair and transparent manner. Risk mitigation for farmers, assured returns and quality standardisation shall form integral part of the framework.
MINISTRY OF FINANCE

Finance Minister announced new horizons of growth; structural reforms across Eight Sectors paving way for Aatma Nirbhar Bharat

In her opening remarks, the Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman said that structural reforms are the focus for the press conference. She said that many sectors need policy simplification, to make it simpler for people to understand what sector can give, participate in activities & bring transparency. Once we decongest the sectors, we can boost the sector, for growth, the Finance Minister added.

The Finance Minister further said that Prime Minister Shri Narendra Modi has very strong record in taking up deep systemic reforms citing Direct Benefit Transfer enabled giving money directly to people, GST brought in One Nation, One Market, Insolvency & Bankruptcy Code (IBC) resolved insolvency issues and steps taken for Ease of Doing Business.

During her press conference, Smt. Sitharaman outlined the need for Policy reforms to fast track investments and the steps taken by the Government in this regard. She stated that fast track clearance is being done through Empowered Group of Secretaries, a Project Development Cell would be set up in each Ministry to prepare investable projects and coordinate with investors and Central and State governments.

The Finance Minister announced following policy reforms to fast track investment in an effort towards Aatma Nirbhar Bharat:

a. There will be fast tracking of investment clearance through Empowered Group of Secretaries.
b. Project Development Cell will be constituted in each Ministry to prepare investible projects, coordinate with investors and Central/State Governments.
c. There will be ranking of States on investment attractiveness to compete for new investment.
d. Incentive schemes for promotion of new champion sectors will be launched in sectors such as solar PV manufacturing; advanced cell battery storage etc.

Smt. Sitharaman also announced that a scheme will be implemented in States through challenge mode for Industrial Cluster Upgradation of common infrastructure facilities and connectivity. There will be availability of industrial land/land banks for promoting new investments and making information available on Industrial Information System (IIS) with GIS mapping. 3376 Industrial Parks/Estates/SEZs in five lakh hectares are mapped on IIS. All Industrial Parks will be ranked during 2020-21.

The Finance Minister announced the following structural reforms in the eight sectors of Coal, Minerals, Defence production, Civil Aviation, Power Sector, Social Infrastructure,
Space and Atomic energy. The details are as follows:

A. COAL SECTOR

1. Introduction of Commercial Mining in Coal Sector

The Government will introduce competition, transparency and private sector participation in the Coal Sector through:

a. A revenue sharing mechanism instead of regime of fixed Rupee/tonne. Any party can bid for a coal block and sell in the open market.

b. Entry norms will be liberalised. Nearly 50 Blocks will be offered immediately. There will not be any eligibility conditions, only upfront payment with a ceiling will be provided.

c. There will be exploration-cum-production regime for partially explored blocks against earlier provision of auction of fully explored coal blocks. This will allow private sector participation in exploration.

d. Production earlier than scheduled will be incentivized through rebate in revenue-share.

2. Diversified Opportunities in Coal Sector

a. Coal Gasification / Liquefication will be incentivised through rebate in revenue share. This will result in significantly lower environment impact and also assist India in switching to a gas-based economy.

b. Infrastructure development of Rs. 50,000 crore will be done for evacuation of enhanced Coal India Limited’s (CIL) target of 1 billion tons coal production by 2023-24 plus coal production from private blocks. This will include Rs 18,000 crore worth of investment in mechanised transfer of coal (conveyor belts) from mines to railway sidings. This measure will also help reduce environmental impact.

3. Liberalised Regime in Coal Sector

a. Coal Bed Methane (CBM) extraction rights will be auctioned from Coal India Limited’s (CIL) coal mines.

b. Ease of Doing Business measures, such as Mining Plan simplification, will be taken. This will allow for automatic 40% increase in annual production.

c. Concessions in commercial terms given to CIL’s consumers (relief worth Rs 5,000 crore offered). Reserve price in auctions for non-power consumers reduced, credit terms eased, and lifting period has been enhanced.
B. MINERAL SECTOR

1. Enhancing Private Investments in the Mineral Sector

There will be structural reforms to boost growth, employment and bring state-of-the-art technology especially in exploration through:


b. 500 mining blocks would be offered through an open and transparent auction process.

c. Joint Auction of Bauxite and Coal mineral blocks to enhance Aluminum Industry’s competitiveness will be introduced to help Aluminum industry reduce electricity costs.

2. Policy reforms in Mineral Sector

The distinction between captive and non-captive mines to allow transfer of mining leases and sale of surplus unused minerals, leading to better efficiency in mining and production shall be removed. Ministry of Mines is in the process of developing a Mineral Index for different minerals. There will be rationalisation of stamp duty payable at the time of award of mining leases.

C. DEFENCE SECTOR

1. Enhancing Self Reliance in Defence Production

a. ‘Make in India’ for Self-Reliance in Defence Production will be promoted by notifying a list of weapons/platforms for ban on import with year wise timelines, Indigenisation of imported spares, and separate budget provisioning for domestic capital procurement. This will help reduce huge Defence import bill.

b. Improve autonomy, accountability and efficiency in Ordnance Supplies by Corporatisation of Ordnance Factory Board.

2. Policy Reforms in Defence Production

a. FDI limit in the Defence manufacturing under automatic route will be raised from 49% to 74%.

b. There will be time-bound defence procurement process and faster decision making will be ushered in by setting up of a Project Management Unit (PMU) to support contract management; Realistic setting of General Staff Qualitative Requirements (GSQRs) of weapons/platforms and overhauling Trial and Testing procedures.
D. CIVIL AVIATION SECTOR

1. Efficient Airspace Management for Civil Aviation

Restrictions on utilisation of the Indian Air Space will be eased so that civilian flying becomes more efficient. This will bring a total benefit of about Rs 1,000 crore per year for the aviation sector. This will lead to optimal utilization of airspace; reduction in fuel use, time and will have positive environmental impact.

2. More World-Class Airports through PPP

6 more airports have been identified for 2nd round bidding for Operation and Maintenance on Public-Private Partnership (PPP) basis. Additional Investment by private players in 12 airports in 1st and 2nd rounds is expected to bring around Rs. 13,000 crore. Another 6 airports will be put out for the third round of bidding.

3. India to become a global hub for Aircraft Maintenance, Repair and Overhaul (MRO)

Tax regime for MRO ecosystem has been rationalized. Aircraft component repairs and airframe maintenance to increase from Rs 800 crore to Rs 2,000 crore in three years. It is expected that major engine manufacturers in the world would set up engine repair facilities in India in the coming year. Convergence between Defence sector and the civil MROs will be established to create economies of scale. This will lead to maintenance cost of airlines to come down.

E. POWER SECTOR

1. Tariff Policy Reform

Tariff Policy laying out the following reforms will be released:

(i) Consumer Rights

a. DISCOM inefficiencies not to burden consumers
b. Standards of Service and associated penalties for DISCOMs
c. DISCOMs to ensure adequate power; load-shedding to be penalized

(ii) Promote Industry

a. Progressive reduction in cross subsidies
b. Time bound grant of open access
c. Generation and transmission project developers to be selected competitively
(iii) Sustainability of Sector

a. No Regulatory Assets
b. Timely payment of Gencos
c. DBT for subsidy; Smart prepaid meters

2. Privatization of Distribution in UTs

Power Departments / Utilities in Union Territories will be privatised. This will lead to better service to consumers and improvement in operational and financial efficiency in Distribution. This will also provide a model for emulation by other Utilities across the country.

F. SOCIAL INFRASTRUCTURE: BOOSTING PRIVATE SECTOR INVESTMENT THROUGH REVAMPED VIABILITY GAP FUNDING SCHEME - Rs 8,100 CRORE

The Government will enhance the quantum of Viability Gap Funding (VGF) upto 30% each of Total Project Cost as VGF by the Centre and State/Statutory Bodies. For other sectors, VGF existing support of 20 % each from Government of India and States/Statutory Bodies shall continue. Total outlay is Rs. 8,100 crore. Projects shall be proposed by Central Ministries/ State Government/ Statutory entities.

G. SPACE SECTOR: BOOSTING PRIVATE PARTICIPATION IN SPACE ACTIVITIES

There shall be level playing field provided to private companies in satellites, launches and space-based services. Predictable policy and regulatory environment to private players will be provided. 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 shall also be open for private sector. There will be liberal geo-spatial data policy for providing remote-sensing data to tech-entrepreneurs.

H. ATOMIC ENERGY RELATED REFORMS

Research reactor in PPP mode for production of medical isotopes shall be established to promote welfare of humanity through affordable treatment for cancer and other diseases. Facilities in PPP mode to use irradiation technology for food preservation – to compliment agricultural reforms and assist farmers shall also be established. India’s robust start-up ecosystem will be linked to nuclear sector and for this, Technology Development-cum- Incubation Centres will be set up for fostering synergy between research facilities and tech-entrepreneurs.
The Reserve Bank of India released monthly data on India’s international trade in services with a lag of around 45 days.

The value of exports and imports of services during the month of March 2020 are given in the following Table:

<table>
<thead>
<tr>
<th>Month</th>
<th>Receipts (Exports)</th>
<th>Payments (Imports)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January - 2020</td>
<td>18,985</td>
<td>12,001</td>
</tr>
<tr>
<td>February - 2020</td>
<td>17,725</td>
<td>11,067</td>
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<td>March - 2020</td>
<td>18,163</td>
<td>11,112</td>
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</tbody>
</table>

Note: Data are provisional.

Monthly data on services are provisional and would undergo revision when the Balance of Payments (BoP) data are released on a quarterly basis.

Ajit Prasad
Director
RBI released ‘Quarterly BSR-1: Outstanding Credit of Scheduled Commercial Banks for December 2019’

The Reserve Bank released its web publication entitled ‘Quarterly Basic Statistical Returns (BSR)-1: Outstanding Credit of Scheduled Commercial Banks (SCBs), December 2019’, along with quarterly data for September 2019, on its Database on Indian Economy (DBIE) portal (web-link: https://dbie.rbi.org.in/DBIE/dbie.rbi?site=publications#!12). It captures various characteristics of bank credit such as occupation/activity and organisational sector of the borrower, type of account, and interest rates. Data covering 1,24,359 branches of 97 SCBs (excluding Regional Rural Banks) are presented for bank groups, population groups and states.

Highlights:

- Bank credit growth (Y-o-Y) decelerated for the fourth successive quarter in December 2019 as industrial credit growth (-0.8 per cent) moved to negative terrain for the first time after September 2017; personal loans segment continued to grow at robust pace (17.1 per cent).
- Private sector banks led the credit expansion; their share in the total credit has successively expanded to 35.7 per cent in December 2019 from 32.2 per cent a year ago and 30.0 per cent two years ago.
- Credit growth (Y-o-Y) by metropolitan branches decelerated to 5.2 per cent in December 2019 from 14.7 per cent a year ago, whereas bank branches in rural, semi-urban and urban areas maintained double-digit credit growth.
- The share of private non-financial companies in total credit declined to 25.8 per cent (28.4 per cent a year ago) whereas, for individual borrowers, it increased to 40.3 per cent (37.3 per cent a year ago); the share of female borrowers in total loans also increased marginally.
- Branches in northern, western and southern states account for nearly 84 per cent of the total credit.
- Weighted average lending rate (WALR) for outstanding credit declined by 15 basis points (bps) during the quarter ended December 2019: the decline was significant for industry (28 bps) and trade (29 bps) sectors.

Ajit Prasad
Director