

Daily News Monitor: 13 November 2020

1. FM' Diwali gift: Rs 1.2-trn stimulus package to boost growth, create jobs

Source: Business Standard ([Link](#))

Ahead of Diwali, Union Finance Minister Nirmala Sitharaman on 12 November rolled out 12 measures as the Atmanirbhar Bharat 3.0 stimulus package to boost the economy. She announced a package worth Rs 1.2 trillion. If Wednesday's production-linked incentive package is added, the stimulus comes to Rs 2.65 trillion. Some measures include a credit guarantee support scheme for medium and small businesses across 26 stressed sectors with a specific call-out for the health care sector; employment generation in both formal and informal segments; tax relief for real estate developers and home buyers; ease of doing business by relaxing criteria of locking up capital in infrastructure contracts; and fertiliser subsidy to farmers.

2. Enhancing connectivity with ASEAN a major priority, says PM Modi

Source: Business Standard ([Link](#))

Prime Minister Narendra Modi on 12 November said India focuses on enhancing all kinds of connectivity, including in social, digital and financial spheres, with the 10-nation Association of Southeast Asian Nations (ASEAN) grouping. Addressing a virtual summit between India and the ASEAN, he said, "Enhancing every type of connectivity between India and ASEAN — physical, economic, social, digital, financial, maritime — is a major priority for us. In the last few years, we have come close to all these areas." He said a cohesive and responsive ASEAN is needed for security and growth for all in the region. He further said there are many similarities between India's "Indo Pacific Oceans Initiative" and ASEAN's "Outlook on Indo Pacific".

3. Govt's emergency credit line 2.0 to help India Inc revive, expand

Source: Business Standard ([Link](#))

The finance ministry on 12 November announced the Emergency Credit Line Guarantee Scheme 2.0 (ECLGS 2.0) under which stressed sectors can avail themselves of debt moratoriums for up to five years, which executives said will help revive their pandemic-hit companies and encourage them to invest in building new capacities. The ECLGS 2.0 will provide collateral-free, additional credit at capped interest rates to firms in 26 stressed sectors identified by the KV Kamath panel in October. The scheme also extended the deadline of loan

moratorium from December to March next year. The stressed sectors identified by the panel include aviation, power, construction, steel, roads and real estate.

4. Govt calls for inputs on new Foreign Trade Policy

Source: The Hindu, Business Line ([Link](#))

The Commerce & Industry Ministry has called for suggestions from all stakeholders on the new five-year foreign trade policy to be implemented from the next fiscal as the one-year extension for the existing policy will expire on March 31, 2021. The call for inputs for the new FTP comes at a time when exports in the first week of November posted a high growth of 22.5 per cent to \$6.75 billion, as per figures tweeted by Commerce & Industry Minister Piyush Goyal, raising hopes of a bounce-back following an overall decline in exports so far this fiscal.

5. India opposes Singapore's proposal to exempt WFP purchases from export restrictions

Source: The Hindu, Business Line ([Link](#))

India is fighting against a proposal made by Singapore at the World Trade Organization (WTO) on exempting exports made under the World Food Programme (WFP) from export restrictions for humanitarian purposes and signing a pact next month, a Geneva-based official has said. At the WTO Committee on Agriculture meeting on Wednesday, New Delhi also proposed that the new negotiations on domestic support must be based on a "support per farmer" basis instead of being defined in aggregate terms, the official told BusinessLine. Singapore laid out its plan of submitting a draft decision for the General Council to adopt in its December meeting that would exempt WFP's non-commercial purchases for humanitarian purposes from any export restrictions.

6. Tax relief announced on select home deals

Source: The Hindu, Business Line ([Link](#))

Finance Minister Nirmala Sitharaman on 12 November announced tax relief on select home sale deals, enhanced credit guarantee programme for small businesses and provide incentives for new job creation as the government widened stimulus measures to boost the economy. The measures, that also include additional fertiliser subsidy and already announced production-linked incentive scheme for manufacturing units, totalled Rs 2.65 lakh crore, taking the cumulative stimulus package announced since the lockdown to almost Rs 30 lakh crore, or 15 per cent of the Gross Domestic Product (GDP).

7. Atmanirbhar Bharat schemes make headway

Source: Financial Express ([Link](#))

Implementation of fiscal and monetary measures announced in the first Atmanirbhar Bharat Abhiyaan package in May shows a mixed bag so far. While ration card portability has reached 28 states and union territories, out of 36, nearly Rs 2.05 lakh crore or two-thirds of the Rs 3-lakh-crore collateral-free loans planned for businesses have been sanctioned and Rs 1.52 lakh crore has been disbursed so far. As far as liquidity injection in electricity discoms is concerned, against Rs 1,18,273 crore worth of loans sanctioned to 17 states/UTs, only Rs 31,136 crore or 26.3% has been disbursed to 11 states/UTs so far.