

## AIR Spotlight - Recent Cabinet Decisions

AIR Spotlight is an insightful program featured daily on the All India Radio Newsonair. In this program, many eminent panellists discuss issues of importance which can be quite helpful in [IAS exam](#) preparation. In this article, an interview discussing the “Recent Cabinet Decisions” is featured.

### Participants:

1. **Shekhar Iyer**, Political Analyst
2. **Nilav Srivastava**, Journalist

### Context

The Union Cabinet under the leadership of the Prime Minister, recently met as a part of weekly meetings to discuss various policies and take decisions. Three major decisions were taken during the meeting.

1. **Approval of sanction of ₹970 crores to SBI**

### Details

- The Cabinet approved the sanction of **₹973.74 crores** to the State Bank of India (SBI) as reimbursement related to the loan moratorium that was implemented in 2020 during the pandemic.
- Due to the pandemic, many borrowers could not pay their monthly installments that involved a portion of the principal amount and the interest.
- A scheme was introduced in March 2020, with an outlay of **₹5,500 crores** for ex-gratia payment of the difference between compound interest and simple interest for six months to borrowers in specified loan accounts.
- The State Bank of India (SBI) was made a nodal agency for reimbursement of claims.
- The entire outlay was disbursed to SBI to reimburse the lending institutions.

### Significance

S No	Date of Claim Submission by SBI	No. of lending Institutions	No. of Beneficiaries	Amount of Claim Received	Amount Disbursed	Pending Disbursement
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	443.42
3	30.11.2021	379	400,00,000	216.32	0	216.32
4	Resubmitted by SBI	101	83,63,963	314.00	-	314.00
<b>Total</b>		<b>1,612</b>	<b>2389,30,080</b>	<b>6,473.74</b>	<b>5,500.00</b>	<b>973.74</b>

Image Source: PIB

- By granting ex-gratia payments during the six-month moratorium period to distressed borrowers, the scheme equitably helped small borrowers bear the impact of the pandemic and get back on their feet.
- The Scheme covered MSME Loans, Education Loans, and Housing Loans among others covering up to **₹2 crores**
- The scheme brought relief to many vulnerable and distressed borrowers who were not able to pay monthly installments due to pandemic.
- SBI had received consolidated claims of **₹6,473.74 crores** from the lending institutions.
- As Rs. 5,500 crores was already disbursed to SBI, the Cabinet has now approved the balance amount of **₹973.74 crores**.

## 2. Cabinet approved infusion of Rs. 1500 crore to IREDA

### Details

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister, approved the equity infusion of **Rs.1500 crore** in **Indian Renewable Energy Development Agency Limited (IREDA)**.

### Indian Renewable Energy Development Agency Limited (IREDA)

- IREDA is a **mini ratna** company set up in 1987.
- IREDA works under the aegis of the **Ministry of New and Renewable Energy** as a specialized non-banking finance agency for the Renewable Energy Sector.
- IREDA plays a catalytic role in financing which gives confidence to the financial institution and banks to lend in the sector.

Read more about [IREDA](#)

### Objectives of Cabinet decision

- Enable IREDA to lend **Rs 12,000 crore** to the renewable energy sector.
- The Cabinet decision will assist IREDA to create renewable energy capacity of **3,500 to 4,000 MW**.
- To improve the capital-to-risk weighted assets ratio (CRAR) to facilitate its lending and borrowing operations.

### Significance of the decision

- The equity infusion will help in the employment generation of about **ten thousand jobs** a year.
- This also helps in the reduction of **Carbon-di-oxide (CO<sub>2</sub>) equivalent emission** of approximately **49 Million Tonnes** per year.
- Will provide additional financing to the Renewable Energy sector, thereby helping the Government **achieve its targets** for the sector.
- Considering India's commitments in various conventions, the move will enable to push more projects and programs to popularize various renewable energy sources.

### Way Forward

- India being a developing country has a lot of energy requirements, the move by the Railways to cut down emissions by electrifying traction should be extended.
- The ways of converting diesel locomotives into electric ones should be explored.
- Improve the efficiency of operations of various industries in terms of pollution control and quality of emissions.
- Green energy has the potential to create lakhs of jobs and ways of achieving it should be explored.
- Continuation of subsidies to electric vehicles, help in the shift from the use of fossil fuels to clean energy.
- Investment in research and development of various sources of clean energy.

### 3. Extension of the tenure of National Commission for Safai Karmacharis

#### Details

- The Union Cabinet approved the extension of the tenure of the **National Commission for Safai Karmacharis** (NCSK) for three more years till 2025.
- The total implication of the extension for three years would be around **43.68 crore**.
- “Safai Karmachari” means a person engaged in, or employed for, manually carrying human excreta or any sanitation work.

#### National Commission for Safai Karmacharis (NCSK)

- The NCSK was established in 1993 as a **statutory body** based on the provisions of the **NCSK Act 1993**.
- The validity of the Act initially was up to 1997. Later the validity of the Act was extended up to 2002 and thereafter up to 2004.
- The NCSK Act ceased to have effect in 2004, since then the tenure of the NCSK has been extended as a **non-statutory body** through **resolutions**.
- The tenure currently has been extended up to 2025.

Read more about [National Commission for Safai Karmacharis](#)

#### Significance

- The number of Manual Scavengers identified under the **Manual Scavengers and Their Rehabilitation Act Survey** as of December 2021 is **58,098**.
- The major beneficiaries of the extension move would be the Safai Karmacharis and identified manual scavengers in the country.
- Though the Government has taken measures for the upliftment of the Safai Karmacharis, the deprivation suffered by them in socio-economic and educational terms is far from being eliminated, in this regard the move would aim to bring relief to the workers.
- Although manual scavenging has been banned, sporadic instances do occur. Hazardous cleaning of sewer/septic tanks continues to be an area of the highest priority for the Government.

- The Government feels the need to monitor the various interventions and initiatives for the welfare of Safai Karamcharis and to achieve the goal of complete mechanization of sewer/septic tank cleaning in the country and rehabilitation of manual scavengers.

### **Way Forward**

- The installation of 2,96,000 dry toilets by the Railways should be taken as an example and be extended further in various other sectors.
- Promote the installation of Bio Vacuum Toilets, which also helps save money.
- Municipal Corporations should adopt more eco-friendly toilets to solve the problems of extension water utilization as well as the issues of manual scavenging.

### **Conclusion**

These three major decisions taken by the Cabinet in their recent meeting have huge implications on the livelihood of borrowers distressed due to the pandemic, Renewable Energy Sector and, on the lives of manual scavengers respectively. The decisions have the potential to address the current issues in the respective sectors.

