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1. Cochin Shipyard, IIM-Kozhikode Sign Agreement To Boost Start-Ups In Maritime Sector (July 25, 2022)

Cochin Shipyard Limited (CSL) has signed an agreement with IIM, Kozhikode (IIM-K), business incubator of the Laboratory for Innovation Ventures and Entrepreneurship (LIVE) to support start-ups in the maritime sector.

Important facts

- The idea of such a framework is to develop an ecosystem in India for start-ups in the maritime sector from a technical, regulatory, financial and marketing perspective.
- IIM-K Executive Director Rajesh Upadhyay and CSL General Manager Dipu Surendran signed the agreement in the presence of IIM-K Director Debashish Chatterjee and CSL Chairman and Managing Director Madhu S Nair.
- Under this initiative, start-ups can get Rs 50 lakh as initial grant, Rs 1 crore as prototype grant and equity funding for start-ups at scale up stage.
- IIM-K will act as the implementation partner of the initiative and provide incubation, mentorship and training to the start-ups selected under the programme.

Indian Institute of Management Kozhikode

- Indian Institute of Management Kozhikode (IIM Kozhikode or IIMK) is an autonomous public business school located in Calicut (Kozhikode), Kerala.
- It was established in 1996 by the Government of India in collaboration with the Government of Kerala State.
- It was the fifth IIM to be established in India.
- Director - Debashish Chatterjee

2. Reserve Bank of India imposes restrictions on four cooperative banks (July 23, 2022)

In view of the deteriorating financial condition of the four co-operative banks, the Reserve Bank of India has imposed some other restrictions including withdrawal.

Bank names on which sanctions have been imposed

1. Saibaba Janata Sahakari Bank in Maharashtra
2. The Suri Friends' Union Co-operative Bank Ltd at Suri in West Bengal
3. United India Co-operative Bank Limited, Uttar Pradesh
4. National Urban Co-operative Bank Ltd, Bahraich, Uttar Pradesh

What are the restrictions imposed by the RBI?

- A depositor of Saibaba Janata Sahakari Bank cannot withdraw more than Rs 20,000 from the bank, while the withdrawal limit for Suri Friends Union Co-operative Bank has been fixed at Rs 50,000.
- In the case of National Urban Co-operative Bank, the withdrawal limit has been capped at Rs 10,000 per customer.
- RBI has also imposed several restrictions on United India Co-operative Bank Ltd Bijnor, including restrictions on withdrawal of funds by customers.
- The directions issued by RBI to these four co-operative banks under the Banking Regulation Act, 1949 will remain in force for six months.

About Reserve Bank of India

- Established on April 1, 1935 as per the provisions of the Reserve Bank of India Act, 1934.
- The central office of the Reserve Bank was initially established in Calcutta but was permanently shifted to Mumbai in 1937.
- In the Central Office the Governor sits and policies are formulated.
- The affairs of the Reserve Bank are handled by a central board of directors.

3. India became World's Largest Recipient of Remittances (July 22, 2022)

India has recently become the largest recipient of remittances across the world. According to the World Bank, it received USD 87 billion in 2021.

Important facts

- India is followed by China and Mexico, each with USD 53 billion in remittances.
- According to the central bank survey, the share of remittances from Gulf Cooperation Council (GCC) inward remittances in India has declined from over 50% in 2016-17 to 30 per cent in 2020-21.
- Migration from India to the GCC region, strict labour laws, high work permit renewal fees, slowing oil prices and taxes have led to a decline in remittances from Gulf countries to India.
- The share of Kerala, Tamil Nadu and Karnataka has come down to half in 2020-2021. Previously, these states dominated the GCC region and were major contributors to remittances. These states account for 25% of the total remittances since 2016-17.
- Maharashtra has become the largest recipient state, surpassing Kerala.

4. The India Bio Economy Report 2022 (July 22, 2022)

Biotechnology Industry Research Assistance Council (BIRAC) released India's Bioeconomy Report 2022.

Key findings of the Report

- India's bio-economy is expected to exceed USD 150 billion by 2025 and over USD 300 billion by 2030.
- India's bio-economy is expected to exceed USD 80 billion in 2021, showing a growth of 14.1 per cent from USD 70.2 billion in 2020.
- India generated a bio-economy of USD 219 million per day by adding USD 80.12 billion in 2021.
- On average, at least three biotech startups were established every day in 2021 (a total of 1,128 biotech startups were established in 2021).
- Bio-tech industry crossed USD 1 billion in research and development spending.
- India administered nearly 4 million doses of Covid-19 vaccines per day (total 1.45 billion doses given in 2021).
- India conducted 1.3 million Covid-19 tests each day in 2021 (total of 506.7 million tests).
- India has the second largest number of USFDA approved manufacturing plants outside the US.

What is Bioeconomics?

- Bioeconomics is a subject arising out of the synthesis of biology and economics.
- According to the Bio-economy Council the bio-economy is the knowledge-based production and use of biological resources to provide products, processes and services in all economic sectors within the frame of a sustainable economic system.
- Sustainable agriculture, Sustainable Fishing, Forestry and aquaculture, Food and feed manufacturing, Bioplastics, Biodegradable clothing are example of bio-economics.

5. NITI Aayog's India Innovation Index 2021 -Karnataka, Manipur and Chandigarh on Top (July 21, 2022)

NITI Aayog's India Innovation Index (third edition) released on 21 July by NITI Aayog Vice Chairman Suman Bery.

Important facts

- Karnataka has topped the India Innovation Index.
- Telangana and Haryana are second and third in the ranking, respectively.
- Karnataka has again topped the 'Major States' category.
- Manipur tops the category of 'Northeast and Hill States' followed by Uttarakhand and Meghalaya.

Chandigarh tops the 'Union Territories' category, followed by Delhi.

Why is Karnataka on top in the ranking?

- Karnataka tops the list for attracting FDI and having a large number of venture capital deals.
- Karnataka is also the top 'performer' in terms of information and communication technology exports and Geographical Indication registration.

What is the India Innovation Index?

- The Index is released by NITI Aayog and the Institute for Competitiveness every year.
- It is a comprehensive tool for the evaluation and development of the country's innovation ecosystem.
- The first and second editions were launched in 2019 and 2021 respectively.
- Under this, the states and union territories are ranked on their innovation performance to create healthy competition among them.
- This time 66 indicators have been included as compared to 36 indicators used in the previous edition.

Significance of the Index

- The latest report is based on the framework of the Global Innovation Index (GII), which strengthens the scope of innovation analysis in the country.
- Innovation is at the forefront of India's 'Make in India' and 'Atmanirbhar Bharat' initiatives.
- By emphasizing on innovation, India can increase its manufacturing and develop its export competitiveness.
- It showcases the innovative capabilities of the states, highlights their strengths and weaknesses.

6. SBI launches WhatsApp Banking Services for its customers (July 21, 2022)

India's largest public sector bank, State Bank of India has launched its WhatsApp banking services to make banking easier for its customers.

Important facts

- SBI customers can avail certain banking services using WhatsApp, which can come in handy for many as they no longer need to download the app or visit an ATM.
- SBI customers can get their account balance and view mini statements on WhatsApp.

What is SBI WhatsApp banking service?

- Customers must first register on the number 919022690226 to use this service through SBI WhatsApp Banking.
- The text message is to be sent from the same phone number that is linked to your SBI account.
- After successfully registering for SBI WhatsApp Banking, a message from SBI will be sent to your WhatsApp phone.
- SBI offers WhatsApp-based services to customers with credit cards.
- SBI credit card holders can use it to check their account summary, reward points, outstanding balance and other information.

About SBI

- The history of the State Bank of India begins in the first decade of the 18th century, when the Bank of Calcutta, later renamed the Bank of Bengal, was established on June 2, 1806.
- The Bank of Bengal was one of the three Presidency banks, the other two being the Bank of Bombay (established on 15 April 1840) and the Bank of Madras (established on 1 July 1843).
- On January 27, 1921, the Presidency Banks were merged and the reorganised banking entity was known as 'Imperial Bank of India'.
- After independence, as per the provisions of the State Bank of India Act 1955, the Reserve Bank of India acquired the control of 'Imperial Bank of India'.
- On July 1, 1955, the name of 'Imperial Bank of India' was changed to 'State Bank of India'.
- Headquarters - Mumbai
- Chairman - Dinesh Kumar Khara

7. 2, 877 Electric Vehicle Charging Stations sanctioned under Phase-2 of FAME India scheme (July 20, 2022)

The Ministry of Heavy Industries has approved 2,877 Electric Vehicle Charging Stations in 68 cities across 25 States/UTs under Phase II of FAME India.

Important facts

- In addition, 1576 charging stations have also been sanctioned on 9 expressways and 16 highways under the second phase of the FAME India scheme.
- Under Phase-I of FAME India Scheme, 479 charging stations have been installed as on 1 July, 2022.
- One thousand crore rupees have been allocated for the development of charging infrastructure for a period of five years with effect from April 1, 2019, under the second phase of the FAME-India scheme.

FAME India Scheme

- To improve the infrastructure required for the large-scale use of electric vehicles, the Government formulated a Scheme namely FAME India (Faster Adoption and Manufacturing of Hybrid and Electric Vehicles) in 2015.
- Under this scheme, by the year 2022, 60-70 lakh hybrid and electric vehicles are targeted to be put on the roads across the country.
- This will reduce the consumption of about 950 crore litres of petrol and diesel, which will also save Rs 62 thousand crores spent on this.
- The main objective of this scheme is to reduce pollution and reduce greenhouse gas emissions.
- Phase-II of FAME India Scheme is being implemented for a period of 3 years from April 1, 2019.
- The Phase-I of this Scheme was launched for a period of 2 years from 1st April 2015, which was extended from time to time and the last extension was allowed up to 31st March 2019.

Initiatives taken by the Government

- The Ministry of Housing & Urban Affairs amended the Model Building Byelaws 2016 to establish charging stations and infrastructure in private and commercial buildings.
- The Ministry of Power has issued a notification regarding the infrastructure standard allowing private charging in residences and offices.
- From 11 June, 2021 the demand incentive under Phase II of FAME India Scheme has been increased.
- In addition, on June 25, 2021, the second phase of the FAME India scheme was extended for a period of 2 years till March 31, 2024.
- The government on 12 May 2021 approved the Production Linked Incentive (PLI) scheme for manufacturing of Advanced Chemistry Cell (ACC) in the country.
- Electric Vehicles are covered under Production Linked Incentive (PLI) scheme for Automobile and Auto Components.
- GST on electric vehicles has been reduced from 12% upto 5%.

What are Electric Vehicles?

- Electric Vehicles are vehicles that are partially or fully powered on electric power.
- They have low running costs and are also very environmentally friendly as they use little or no fossil fuels (petrol or diesel).
- These vehicles can solve the problems of increasing pollution, global warming, depleting natural resources etc.

8. Banks recover NPAs worth Rs 8.6 lakh crore in last 8 financial years (July 19, 2022)

Minister of State for Finance Bhagwat Karad said in writing in Parliament on July 18 that the RBI helped banks to recover over Rs 8.6 lakh crore of bad loans (NPAs) in the last eight financial years.

Factors of recovery of NPAs

- Prevailing macroeconomic conditions, sectoral issues, global business environment, delayed recognition of stress by banks, aggressive lending during upturns, improper risk pricing and poor credit underwriting etc.
- Regular issuance of guidelines by Government and RBI and initiation of several initiatives aimed at resolution of long stressed assets.
- Statutory provisions like Recovery of Debts and Bankruptcy Act, 1993, Securitization and Reconstruction of Financial Assets and Security Interest Act, 2002 and Insolvency and Bankruptcy Code, 2016 were also helpful for recovery of NPAs.

What is Non-Performing Asset (NPA)?

- Non-performing assets mean debts whose return is doubtful.
- The loan which the bank gives to its customers, records it as an asset in its account, but if the bank fears that the customer will not be able to repay the loan, then such assets are called non-performing assets.
- Non-performing assets (NPA) are a burden for any economy. They make the country's banking system sick.

9. Centre sets up MSP panel (July 19, 2022)

On July 18, the Centre constituted a committee under the chairmanship of former Union Agriculture Secretary Sanjay Agarwal to look into the issues of Minimum Support Price (MSP) promised to the United Kisan Morcha (SKM) in January 2022.

Important facts

- The government has made a provision to include three members from the United Kisan Morcha (SKM) in the committee, but the agriculture organization is yet to announce any names to be part of the panel.
- Under the umbrella of the United Kisan Morcha, thousands of farmers had agitated on the borders of Delhi for almost a year and forced the government to withdraw farm laws.
- Announcing the repeal of three agriculture laws in November last year, Prime Minister Narendra Modi had promised to set up a committee to discuss farmers' demand for a legal guarantee on MSP.

Who will be part of the panel?

- Niti Aayog member Ramesh Chand
- Agri-economists CSC Shekhar from Indian Institute of Economic Development
- Sukhpal Singh from IIM- Ahmedabad
- Senior member of Commission for Agricultural Costs and Prices (CACP) Naveen P Singh

Farmer representatives of the panel

- National award-winning farmer Bharat Bhushan Tyagi
- Three members from SKM
- Five members - from other farmer organisations include Gunwant Patil, Krishnaveer Choudhary, Pramod Kumar Choudhary, Guni Prakash and Sayyed Pasha Patel.
- Kisan Sahakari and two members of the group include IFFCO Chairman Dilip Sanghani and CNRI General Secretary Binod Anand will also be part of the committee.
- Senior members from agricultural universities, five central government secretaries and chief secretaries of Karnataka, Andhra Pradesh, Sikkim and Odisha will also be part of the committee.

What will the panel do?

- Will suggest measures to make MSP available to farmers by making them effective and transparent.
- To give more autonomy to the Commission for Agricultural Costs & Prices (CACP).
- Strategise to turn Krishi Vigyan Kendras and other research institutes into knowledge centres for natural farming.
- Suggesting setting up of laboratory chain for organic certification
- To suggest a system that ensures remunerative prices to farmers for the sale of the new crop.
- Mapping of existing cropping patterns of producer and consumer states.

What is Minimum Support Price (MSP)?

- MSP is the rate at which the government buys food grains from farmers.
- This is based on the calculation of at least one and a half times the cost of production incurred by the farmers.
- The Government of India fixes the MSP for 24 items twice a year.
- When the market price falls below the declared MSP, the government buys food grains from the farmers at the MSP rate.

10. Only 50% farmers benefited from farm loan waivers - SBI (July 18, 2022)

According to a study by the State Bank of India, only half of the intended beneficiaries of farm loan waivers announced by nine states since 2014 have actually received loan waivers.

Important facts

- The worst implementation of farm loan waiver schemes till March 2022 was in Telangana (5%), Madhya Pradesh (12%), Jharkhand (13%), Punjab (24%), Karnataka (38%) and Uttar Pradesh (52%).
- In contrast, farm loan waivers implemented by Chhattisgarh in 2018 and Maharashtra in 2020 were received by 100% and 91% of eligible farmers, respectively.
- Since 2014, out of about 3.7 crore eligible farmers, only about 50% farmers have received the loan waiver amount by March 2022.

Major findings of the study

- The study is based on the primary data of SBI agri-portfolio across states.
- It analyzes the change in the income of farmers in the last five years.
- The study noted that the increase in income of farmers engaged in cash crops has been higher than those growing non-cash crops.
- Along with agricultural income, most states saw a significant increase of 1.4-1.8 times in allied/non-farm income over the same period.
- The average farmer's income grew 1.3 to 1.7 times between FY 2018 and 2022.
- In some crops like soybean in Maharashtra and cotton in Karnataka, farmers' income has doubled during this period.
- The Kisan Credit Card (KCC) scheme should be tweaked to make it a Livelihood Credit Card (LCC).
- Self-Help Groups have around 10 per cent NPA across India.

Reasons for less reach to farm loan waiver

- The following three factors have been identified in the report as possible reasons for the low implementation rate of loan waivers -

1. Rejection of farmers' claims by State Governments
2. Limited or low fiscal space to meet promises
3. Change in Governments in subsequent years