

Current Affairs search results for tag: economyfinance

1. The government imposed a tax of Rs 6 per litre on the export of petrol and aviation turbine fuel (July 1, 2022)

The Union Government has imposed a tax of 6 rupees per litre on exports of petrol and Aviation Turbine Fuel and 13 rupees per litre on exports of diesel.

- To curb the import of gold, the import duty on gold has been increased from 10.75 percent to 15 percent.
- A cess of Rs 23,250 per tonne (by way of special additional excise duty) or windfall tax has been imposed on crude oil.
- A cess of Rs 23,250 per tonne (by way of special additional excise duty) or windfall tax has been imposed on crude oil.
- **Petroleum duty changes**
 - The domestic crude producers sell crude to domestic refineries at international parity prices.
 - So, domestic crude producers are making windfall gains.
 - Keeping this in mind, a cess of Rs 23,250 per tonne has been imposed on crude oil.
 - Import of crude will not be subject to this cess.
 - Refiners export these products at globally prevailing prices, which are very high.
 - As exports are becoming highly profitable, it has been observed that some refiners are drying their pumps in the domestic market.
 - Therefore, a cess of Rs 6 per litre on petrol and Rs 13 per litre on diesel has been levied on their exports.
- **Gold import duty changes**
 - There has been a sudden jump in gold imports.
 - In May, a total of 107 tonnes of gold was imported.
 - The rise in gold imports is putting pressure on the current account deficit.
 - To curb the import of gold, the customs duty has been increased to 15% from the existing 10.75%.
 - Earlier, the basic customs duty on gold was 7.5 per cent, which will now be 12.5 per cent.
 - Along with the Agriculture Infrastructure Development Cess (AIDC) of 2.5 per cent, the effective customs duty on gold will go up to 15 per cent.

2. Equitas Small Finance Bank launched exclusive savings account for kids (June 21, 2022)

Equitas Small Finance Bank has launched a special savings account named 'ENJOI' with an aim to introduce "young children" to the financial world.

- It was launched on June 19 on the occasion of Father's Day.
- ENJOI will allow 0-18 year olds to open savings accounts under the supervision of their parents.
- Minors aged 10 years and above will also get the option of a personal debit card.
- Financial or another, ENJOI account holders will have access to exclusive deals from ed-tech and online learning providers, focusing on the theme of education and literacy.

- **About Equitas Small Finance Bank**

- Establishment- 2016
- Headquarters- Chennai, Tamil Nadu
- MD & CEO- Vasudevan Pathani Narasimhan
- Tagline- It's Fun Banking

3. Government amends guidelines for PLI Scheme for Telecom and Networking Products (June 21, 2022)

The Guidelines for Production Linked Incentive (PLI) Scheme for Telecom and Networking Products have been revised to introduce design based manufacturing with additional incentive rates.

- The PLI scheme has been amended to facilitate design-based manufacturing with an additional incentive rate of 1% over and above the existing incentive rates.
- Additional 11 telecommunications and networking products have been added to the eligible products list.
- Telecom PLI Scheme is extended by one year.
- In order to promote design-based manufacturing, the Department of Telecommunications (DoT) is inviting applications from design-based manufacturers as well as others to avail incentives under the PLI scheme for five years starting 1st April 2022.

- **Objective of the amendment**

- The Union Cabinet has approved a proposal to invite applications for 5G spectrum auction.
- With an aim to create a strong ecosystem for 5G, the Union Budget 2022-23 proposes to introduce a scheme for design-based manufacturing as part of the existing PLI scheme.
- Guidelines for PLI Scheme for Telecom and Networking products have been revised to introduce design based manufacturing with additional incentive rates.

- **Production Linked Incentives (PLI) Scheme**

- The Department of Telecommunications(DoT) had notified the Production Linked Incentive (PLI) Scheme on 24th February 2021.
- Its initial financial outlay was of ₹ 12,195 Crores.
- As on October 14, 2021, a total of 31 companies including 8 domestic and 7 global companies including 16 MSMEs and 15 non-MSMEs were approved under the scheme.
- **Objective of PLI Scheme**
- To undertake design based manufacturing as part of the existing PLI scheme, to create a strong ecosystem for 5G.
- After consultation with stakeholders, the guidelines of PLI Scheme for Telecom and Networking products have been amended to introduce design based manufacturing with additional incentive rates.

4. Net Direct Tax collections for the Financial Year 2022-23 grown at over 45% (June 17, 2022)

Net direct tax collection till mid-June of this fiscal grew by 45 per cent to over Rs 3.39 lakh crore.

- The net direct tax collection of over ₹3.39 lakh crore includes Corporation Tax at over Rs 1.70 lakh crore and Personal Income Tax, including Security Transaction Tax, at over Rs 1.67 lakh crore.
- Advance tax collection in the first quarter of the current fiscal stood at Rs 1.01 lakh crore as against Rs 75,783 crore in the corresponding period of the previous fiscal, showing a growth of over 33 per cent.
- This comprises corporation tax at ₹78,842 crore and Personal Income Tax at ₹22,175 crore.

• What Is a Direct Tax?

- Direct tax is a tax that is paid by an individual or company directly to the implementing entity.
- An individual taxpayer pays direct taxes to the government for various purposes.
- The Central Board of Direct Taxes deals with matters relating to the levy and collection of direct taxes.
- A taxpayer pays direct taxes to the government for various purposes, including real wealth tax, personal wealth tax, income tax, gift tax, capital gains tax, etc.

5. Anand Mahindra, Venu Srinivasan nominated to join RBI board (June 15, 2022)

The central government has nominated three industrialists – Anand Gopal Mahindra, Venu Srinivasan, and Pankaj Ramanbhai Patel and an educationist (Ravindra H. Dholakia) as part-time non-official directors on the central board of the Reserve Bank of India.

- Anand Gopal Mahindra is chairman of Mahindra Group.
- Venu Srinivasan is chairman of TVS Motor Company Ltd.
- Pankaj Ramanbhai Patel is chairman of Zydus Lifesciences.
- Ravindra H. Dholakia is a retired professor of IIM, Ahmedabad. He is a former member of the Monetary Policy Committee.
- The appointment of new part-time non-official directors is for a period of four years with effect from June 14 or until further orders, whichever is earlier.
- After the above appointments, the Central Board of RBI now has 15 members, in which five official members and 10 non-official members.
- The tenure of non-official part-time directors is four years.
- **Central board of the Reserve Bank of India**
 - The central government appoints the Board in accordance with the RBI Act, 1934.
 - The total strength of the board is 21, consisting of governors and a maximum of four deputy governors.
 - The Board is required to meet at least six times a year and at least once in every quarter.
 - The board usually meets at least once in Delhi when the finance minister addresses the entire board after presenting the budget for the coming year.
 - Apart from Delhi and Mumbai, the board usually meets in various state capitals.
 - The governor takes the advice of the board, but ultimately his decision is unanimous.
 - Deputy governors and government nominees may attend any or all meetings of the Central Board, but are not entitled to vote.
- **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.

6. India's coal imports may drop by 11% to 186 MT in FY23 (June 14, 2022)

India's coal import is likely to decline by 11.4% to 186 million tonnes (MT) in the current financial year.

- India imported 210 MT of coal in 2021-22.
- According to the Coal Ministry, in the current financial year, the company is expected to import 186 MT of coal of which 130 MT is non-coking coal and 56 MT is coking coal.
- Non-coking coal is abundantly used as thermal coal for power generation.
- India imported 215 MT of coal in FY'21 and 249 MT of coal in FY'20.
- India will import 172 MT of coal in 2024-25, 173 MT in 2027-28 and 170 MT in 2029-30.
- Coal India last week floated its first tender for import of 2.416 million tonnes of coal and also floated two international competitive bidding e-tenders for 3 million tonnes.

- **Coal India Limited (CIL)**

- It is an Indian government's owned coal mining and refining corporation.
- It is owned by the Ministry of Coal, Government of India.
- It was established in November 1975
- Headquartered - Kolkata, West Bengal
- Coal India is the largest producer of coal in the world.
- It contributes around 82% to the total coal production in India.

7. Retail inflation eases to 7.04% in May (June 14, 2022)

Retail inflation has come down to 7.04% in the month of May. At the same time, it had reached a record 7.79% in April.

- Food price inflation, which hit a 17-month high of 8.31% in April, eased slightly to 7.97% in May.
- Rural food inflation has come down to 7.76% from 8.5 percent.
- However, the Consumer Food Price Index surged further for urban India from 8.09% in April to 8.2% in May.
- A rise in tomato prices as well as a rise in potato prices pushed up inflation in vegetables, with wheat and rice prices also rising, keeping grain inflation high.
- Food continued to be the main inflation driver, contributing around 50%.
- Inflation is expected to hover in the 6.75%-7% range in June as well.
- Inflation in vegetables rose to 18.26 per cent in May from 15.41 per cent in April, while that of meat and fish rose to 8.23 per cent from 6.97 per cent.
- The pace of increase in the prices of milk and related products was 5.64% in May from 5.47% in April.

- pulses and eggs recorded negative inflation of 0.42% and 4.64%, compared to 0% and 1.86% in April, respectively.
- Food inflation eased slightly from 5.96% in April to 5.33% in May.
- The highest inflation rates in states are as follow-**
 - Telangana (9.45%), Maharashtra (8.52%), Andhra Pradesh (8.49%), West Bengal (8.27%), Jharkhand (7.51%) and Gujarat (7.48%).
- The lowest inflation rates in states are as follow-**
 - Kerala (4.82%), Delhi (5.57%), Himachal Pradesh (5.63%), Tamil Nadu (5.72%) and Punjab (5.77%).
- Rates above RBI's fixed rate**
 - The government has asked the RBI to keep retail inflation at 4 to 2 per cent. In such a situation, the rate recorded in May is much higher than the margin of RBI.
- What is CPI based inflation or retail inflation?**
 - CPI (Consumer Price Index) monitors retail prices at a certain level for price movement of a particular commodity, goods and services at rural, urban and all India levels.
 - The change in the price index over a period of time is known as CPI-based inflation, or retail inflation.
- CPI formula** - $(\text{Price of basket in current period} / \text{Price of basket in base period}) \times 100$

8. Tata Steel unveils 7 mn pound green investment plan for UK steel tube mill (June 13, 2022)

Tata Steel has unveiled a 7-million pound investment plan for its Hartlepool Tube Mill in north-east England.

- It will cut carbon emissions, improve capacity and reduce costs to strengthen its UK business.
- The investment will allow the Hartlepool site to process coils of steel delivered from Tata's Port Talbot steel making site in South Wales.
- The all-steel product manufacturing on site employs approximately 300 people to produce 200,000 tons of steel tubes a year.
- These are 100 percent recyclable.
- This will improve efficiency and reduce overall CO2 emissions from steel processing as well as reducing the total costs across the business.
- The new project is expected to take more than a year to complete.
- It is the second major investment announced by the Indian company in the UK this year after an investment plan for its site at Corby in the north-eastern England region.

- Tata Steel's ambition in the UK is to produce net-zero steel by 2050 and reduce CO2 emissions by 30 per cent by 2030.

- **What is Green Investment?**

- The business practices that have a favourable impact on the natural environment are called green investment.
- Green investing focuses on companies or projects committed to the conservation of natural resources, pollution reduction, or other environmentally conscious business practices.

9. Nirmala Sitharaman inaugurates CPSEs exhibition in Gandhinagar (June 9, 2022)

Union Finance Minister Nirmala Sitharaman on 9 June inaugurated a Mega exhibition on Nation Building and Central Public Sector Enterprises (CPSEs) at Mahatma Mandir in Gandhinagar Gujarat.

- The event has been organised as part of the ongoing celebrations of the Azadi Ka Amrit Mahotsav.
- During this, the Finance Minister was apprised about the various major initiatives of CPSEs and their contribution in nation building.
- During this four day exhibition all the participating CPSEs will showcase their contribution in the development of the country to achieve self-reliant India.
- About 75 CPSEs are participating in this exhibition.
- Some CPSEs including NTPC and BEL will inaugurate the activity related to converting their townships into mini smart cities at Solapur and Bengaluru.
- These townships will be part of 27 townships belonging to 15 CPSEs which are being converted into mini smart cities.

- **Central Public Sector Enterprises (CPSEs)**

- These are those companies in which the direct holding of the Central Government or other CPSEs is 51% or more.
- As on 31 March 2020, there were 366 CPSEs (excluding insurance companies).

- **Objectives of Setting up CPSEs**

- generate better quality of employment
- creation of an industrial base in the country
- development of basic infrastructure in the country
- promotion of exports and reduction of imports
- providing resources to the government

- To reduce inequalities and accelerate the economic growth and development of the country.

10. RBI proposes to link credit cards with UPI (June 9, 2022)

The Reserve Bank of India has proposed to allow linking of credit cards with Unified Payments Interface (UPI).

- RBI Governor Shaktikanta Das said that the integration will first start with the indigenous RuPay credit card.
- Both RuPay and UPI are managed by the same organisation, National Payments Corporation of India (NPCI).

• Significance of this move

- The linkage of UPI and credit cards may result in increased usage of credit cards in India.
- It also opens the way to build credit on UPI through credit cards in India.
- As of now, UPI has been linked only with debit cards and bank accounts.
- This will provide additional convenience to the users and widen the scope of digital payments.

• About UPI

- Unified Payments Interface (UPI) is a single platform that integrates various banking services and facilities under one umbrella.
- It is developed by National Payments Corporation of India (NPCI).
- The names of the top UPI apps currently are – PhonePe, Paytm, Google Pay, Amazon Pay and BHIM.
- NPCI launched UPI in 2016 with 21 member banks.
- **for more update please visit news of 23 april**