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1. Govt exempts public sector companies from minimum public float rules (Jan. 3, 2023)

The government of India has exempted public sector entities from the Minimum Public Shareholding (MPS) norm which mandates **at least 25 per cent public float for all listed companies.**

The Securities Contracts (Regulation) Amendment Rules, 2022 was notified by the government on 2 January 2023.

According to the notification “any listed entity in which the Central Government or State Government or public sector company, either individually or in any combination with others, holds directly or indirectly, majority of the shares or voting rights or control of such listed entity, are exempted from any or all of the provisions of this rule”.

Rule 19 A of the Securities Contracts (Regulation) Rules prescribes that a listed entity must have at least 25 percent of public shareholding. Public shareholding means an investor who is not the promoter of the company. The investor could be either an individual or an institution.

Listed Company means that the capital instrument of the company (shares, debenture or bonds etc) is listed on any stock exchange and it can be bought and sold in the market.

2. MOIL registers record production in December (Jan. 3, 2023)

MOIL has registered its best December production of **1,41,321 tonnes of manganese ore** in December, 2022.

Important facts

- MOIL has registered an increase of **18 percent** in production as compared to November 2022.
- Along with this, **sales of 1,64,235 tonnes** have also been done for the month of December with an increase of about **91 percent** as compared to November 2022.
- Besides this, the company has increased prices in an effective range of **2.7-15%.**

About MOIL

- It is a **Schedule-A, Miniratna category-1 Company** under the administrative control of the **Ministry of Steel**, Government of India.
- It is the largest producer of manganese ore in the country with about **45% market share**, operating eleven mines in the states of **Maharashtra and Madhya Pradesh.**
- The company aims to almost double its production to **3 million tonnes by 2030.**
- It is also looking for business opportunities in the state of **Gujarat, Rajasthan and Odisha** apart from other regions of the state of Madhya Pradesh.

3. PM Modi to launch world's longest river cruise from Varanasi to Assam on 13 January (Jan. 3, 2023)

PM Modi to launch world's longest river cruise from Varanasi to Assam on 13 January

Prime Minister **Narendra Modi** will launch the world's longest river cruise, which will travel from **Varanasi** in Uttar Pradesh to **Dibrugarh** in Assam via Bangladesh on 13 January 2023. This will be the single largest river journey by a single river ship in the world.

The cruise, which has been named '**Ganga Vilas cruise**' will cover 4000 Kilometers along 27 river systems, including Ganga-Bhagirathi-Hooghly, Brahmaputra, and West Coast Canal in 50 days.

Route of the river cruise

The Ganga Vilas cruise will start from Varanasi in Uttar Pradesh to Dibrugarh in Assam via Bangladesh. In Bangladesh it will cover an 1100 Kilometers route before entering India again.

This will be possible under the Indo-Bangladesh Protocol Route, which has already opened trade and transit channels connecting the two countries on Ganga and Brahmaputra rivers.

50 significant tourist destinations will be visited throughout the journey, including some historical monuments, the iconic Varanasi Ganga Aarti, and protected areas like **Kaziranga National Park, Assam** and the **Sundarbans Delta in West Bengal** during the cruise.

Who will operate the cruise?

The Varanasi-Dibrugarh cruise is expected to be run on a public-private partnership (PPP) model. The government's Inland Waterways Authority of India (IWAI) has signed an agreement with Antara Luxury River Cruises and JM Baxi River Cruises for the initiative. The ticket price would be decided by the operators without Centre's intervention.

Union Minister for Port, Shipping and Waterways: **Sarbananda Sonowal**

4. India's manufacturing output reaches 13-month high in December (Jan. 3, 2023)

India's manufacturing output reaches 13-month high in December

India's manufacturing sector activity rose to a **13-month high in December**, supported by healthy inflows of new business and strong demand conditions, according to a monthly survey.

Important facts

- The seasonally adjusted **S&P Global India Manufacturing Purchasing Managers' Index (PMI)** rose to **57.8 in December from 55.7** in November.
- The reason for this is that the fastest improvement is now being seen in business activities in the last 2 years.

- The December data showed that overall operating conditions improved for the **18th consecutive month**.

Meaning of PMI Index

- In the language of Purchasing Managers' Index (PMI), a score **above 50 means expansion**, while a figure **below 50 indicates contraction**.
- The beginning of 2022 was very good, since then the performance of the manufacturing sector has remained consistently good.
- The S&P Global India Manufacturing PMI is prepared by S&P Global on the basis of responses received from purchasing managers of **400 manufacturers**.

5. RBI retains SBI, HDFC Bank and ICICI bank in its Domestically Systemically Important Banks (D-SIB) list (Jan. 2, 2023)

The Reserve Bank of India (RBI) has retained **SBI, ICICI bank** and **HDFC bank** in the list of **Domestically Systemically Important Banks (D-SIB)** list for the year 2021. The list was released by the RBI on 2 January 2023.

The concept of the D-SIB goes back to the failure of big financial institutions in 2008 which led to a global financial crisis. D-SIBs are those interconnected entities, whose failure can impact the whole of the financial system and create instability.

Systemically important banks attract closer supervision and regulation from the country's central bank as these entities are considered to be too big-to-fail banking companies.

When it started in India

- RBI started disclosing the name of the bank in the D-SIB list from **2015** and SBI was included in the list.
- **ICICI Bank** was included in 2016 and **HDFC bank** was included in 2017.

D-SIB (Domestic Systemically Important Banks)

- The concept behind D-SIB is that there are certain banks in India which cannot be allowed to fail as its failure may badly affect the Indian economy.
- RBI selects banks on their size and their overall contribution in the Indian economy.
- In addition to the usual capital conservation buffer, D-SIBs will need to maintain additional Common Equity Tier 1 (CET1).
- SBI has to maintain an additional Common Equity Tier 1 (CET1) **of 0.60%** as a percentage of their Risk Weighted Assets.
- HDFC Bank and ICICI banks have to maintain an additional Common Equity Tier 1 (CET1) **of 0.20%** as a percentage of their Risk Weighted Assets.

Foreign Banks having branches in India are called **Global-Systemically Important Banks (G-SIB)**. At present no foreign bank has been put in the G-SIB category by RBI.

RBI governor : Shaktikanta Das

6. Coffee export increased by 1.66 % to 4 lakh tonne in 2022; Coffee Board of India (Jan. 2, 2023)

According to the Coffee Board of India data released on 2 January 2023 the total export of coffee from India rose by 1.66 per cent to **4 lakh tonnes** in 2022 mainly due to the increase in instant coffee exports and re-exports. The total export in 2021 was at 3.93 lakh tonnes.

Main points of the data

- In value terms, coffee export was higher at **Rs 8,762.47 crore** in 2022 as against Rs 6,984.67 crore in the previous year.
- **Italy**, Germany and Russia are the major export destinations for Indian coffee.
- India exports both **Robusta** and **Arabica** varieties of coffee and also instant coffee.
- According to the Board's the export of Robusta coffee declined marginally to 2, 20,974 tonnes in 2022 from 2, 20,997 tonnes in the previous year.
- Similarly, export of Arabica fell 11.43 per cent to 44,542 tonnes from 50,292 tonnes.
- However, export of instant coffee increased 16.73 per cent to 35,810 tonnes in 2022 from 29,819 tonnes in the previous year.
- About 99,513 tonnes of coffee was re-exported in 2022, higher than 92,235 tonnes in the previous year.
- The unit per value realization remained higher at Rs 2, 18,923 per tonne as against Rs 1, 77,406 per tonne in the period.

Production of Coffee in 2022

- Coffee was introduced by a Sufi saint **Baba Budan** who brought the coffee beans from Arabia and planted them in his garden in **Chikmagalur**, Karnataka during the 17th Century.
- **Karnataka** is the largest coffee producing state in India followed by Kerala and Tamil Nadu. These states are called **traditional coffee growing** areas in India.
- The other areas where coffee is grown are Andhra Pradesh, Odisha and North Eastern region. These states are called **non-traditional coffee** growing areas in India.
- India is the **third largest producer** and exporter of coffee in Asia. Vietnam is the largest producer of coffee in Asia followed by Indonesia.
- **Brazil** is the world's largest producer of coffee, followed by Vietnam, Colombia and Indonesia.
- In India coffee is mainly produced in the shaded region of Eastern and Western Ghats regions.

Coffee Board of India

The Coffee Board is a statutory organization constituted under Section (4) of the Coffee Act, 1942 and functions under the administrative control of the Union **Ministry of Commerce and Industry**, Government of India.

The Board has a **Central Coffee Research Institute** at **Balehonnur** (Karnataka) with a Sub-Station at Chettalli (Karnataka) and Regional Coffee Research Stations at Chundale (Kerala), Thandigudi (Tamil Nadu), Narasipatnam (Andhra Pradesh) and Diphu (Assam).

Chief Executive Officer: **Dr. K.G. Jagadeesha, IAS**

Headquarters: **Bengaluru**

7. In 4:1 majority verdict, Supreme Court finds no flaw in demonetisation process (Jan. 2, 2023)

On January 02, 2023, a **Constitution Bench of the Supreme Court by a 4:1 majority** upheld the central government's decision to **demonetise currency notes** of Rs 500 and Rs 1,000 denominations six years ago in 2016.

Judgement of the Court

- Justices **S Abdul Nazeer, BR Gavai, AS Bopanna, V Ramasubramanian** held that the Centre's notification dated November 8, 2016 was valid and satisfied the test of proportionality.
- **Justice BV Nagaratna**, in his **dissenting opinion**, said that though demonetisation was well-intentioned, it should be declared illegal on legal grounds (and not on objective grounds).
- Justice Nagaratna said the decision to demonetise Rs 500 and Rs 100 notes should have been made through legislation and not through notification.
- The Supreme Court **dismissed 58 petitions** challenging demonetisation, saying that this decision related to the economic policy of the government cannot be withdrawn.
- Along with this, the Supreme Court said that there was no flaw in this entire process of decision making.
- The Supreme Court accepted the government's view that there were consultations between the **Center and the RBI** before demonetisation.

About demonetization

- Demonetization refers to the decision of the government to revoke the **legal tender status of a currency note**.
- All the currencies issued by RBI are used as a legal tender because the value they bear is assured by the RBI.
- Once a currency note is demonetised, it **cannot be used**.
- On 8 November 2016, the Government of India announced the demonetisation of all **500 and 1,000 notes**.
- The government also announced the issuance of new **500 and 2,000 banknotes** in exchange for the demonetised notes.

Objective of 2016 demonetisation

- **Curb Corruption** - Corruption can also be controlled by reducing cash circulation.
- **Tackle Terrorism** - High denomination notes like Rs 500 and Rs 1000 are often used in terrorist/naxalite activities, drug and human trafficking.

- **Eliminating Fake Currency** - According to the annual report of RBI, during the year 2016-'17, fake notes worth Rs 41.5 crore were detected in the banking system in the form of old Rs 500 and Rs 1,000 notes.
- **Eradicate Black Money** - Black money refers to cash that is not accounted for in the banking system or cash for which tax has not been paid to the state.

8. Ajay Kumar Srivastava to take over as the MD and CEO of the Indian Overseas Bank (Dec. 31, 2022)

Ajay Kumar Srivastava to take over as the MD and CEO of the Indian Overseas Bank

Ajay Kumar Srivastava will take over as the Managing Director (MD) and Chief Executive Officer (CEO) of the Public sector Indian Overseas Bank from 1 January 2023. Prior to taking up the new role, Srivastava was serving as an executive director in the bank.

He will replace Partha Pratim Sengupta whose tenure ends on 31 December 2022.

Srivastava commenced his banking career as a probationary officer in Allahabad Bank in 1991. After serving over 27 years, he joined Indian Overseas Bank in October 2017.

Indian Overseas Bank

It is a public sector bank owned by the government of India

The Indian Overseas bank was founded by M. Chidambaram Chettyar in 1937.

It was nationalized by the government of India in 1969.

It has four branches and offices in Singapore, Hongkong, Thailand and Sri Lanka.

Headquarters: **Chennai**

Tagline of the bank: **Good People to Grow With**

9. RBI launches Utkarsh 2.0 for the period 2023-2025 (Dec. 31, 2022)

The Reserve Bank of India (RBI) Governor **Shaktikanta Das** on 30 December 2022 launched the second phase of the central bank's medium term strategy for strengthening regulatory and supervisory mechanisms called **Utkarsh 2.0**.

The **first strategy framework (Utkarsh 2022)** covering the period 2019-2022 was launched in July 2019. It became a medium-term strategy document guiding the Bank's progress towards realization of the identified milestones.

Utkarsh 2.0 like the Utkarsh 2022 has six Vision statements as well as Core Purpose, Values, and Mission statements. Collectively, they create a strategic guiding path.

The Vision in Utkarsh 2.0 that will guide the Reserve Bank of India over the period 2023-25 are:

- Excellence in performance of its statutory and other functions,

- Strengthened trust of citizens and Institutions in the RBI;
- Enhanced relevance and significance in national and global roles;
- Transparent, accountable and ethics-driven internal governance;
- Best-in-class and environment-friendly digital and physical infrastructure; and
- Innovative, dynamic and skilled human resources.

Reserve Bank of India (RBI)

Reserve Bank of India was set up under the Reserve Bank of India act 1934. It started functioning from **1 April 1935**.

It was **nationalized in 1949** and now the government of India is the owner of RBI.

It has the power to regulate Banks under the **Banking Regulation Act 1949**.

It has the power to regulate the Non-Banking Financial Company (NBFC) under the **RBI act 1934**.

RBI is also the regulator of the digital payment system under the **Payment and settlement act 2007**.

Headquarters of RBI: **Mumbai**

Governor of RBI : **Shaktikanta Das**

10. Government hikes interest rates on Kisan Vikas Patra scheme by 0.20% for January-March 2023 (Dec. 30, 2022)

Government hikes interest rates on Kisan Vikas Patra scheme by 0.20% for January-March 2023

The Union Ministry of Finance in an order released on 30 December 2022 has increased the interest rates on the Kisan Vikas Patra by 0.2% for the January -March 2023 quarter. It has also increased the interest rates of some small saving schemes 20 to 110 basis points for the January-March quarter. **100 basis points is equal to 1%.**

The interest rates on the small savings scheme are revised after **every quarter by the government**.

Small Saving Schemes are deposit schemes of the **government of India** where the people are assured of safety and return and the government uses the money for development purposes. These schemes are operated through **Post offices in India**.

Unlike Banks where interest rates are decided by the banks, the interest **rates in the small saving scheme are decided by the government of India**.

New Interest rates on Small Saving Schemes

Name of the Scheme	Interest Rates (from 1 January 2023)
Senior Citizens Savings Scheme	8 % (earlier 7.6%)

Kisan Vikas Patra	7.2 % (earlier 7%). The amount will double in 120 months.
Monthly Income Schemes	7.1 % (earlier 6.7%)
One year Term deposit (fixed deposit) with Post Office	6.6 % (earlier 5.5 %)
Two year Term deposit (fixed deposit) with Post Office	6.8 % (earlier 5.7%)
Three year Term deposit (fixed deposit) with Post Office	6.9 % (earlier 5.8%)
National Savings Certificate (NSC)	7.0% (earlier 6.8 %)

No Change in Interest rates of the following Small Saving Scheme

Scheme	Interest rates
Public Provident Fund (PPF)	7.1%
Sukanya Samridhdhi Yojana	7.6%
Post Office Saving Account	4%