

Current Affairs search results for tag: economyfinance

1. RBI's revised bank locker rules to come into effect from 1st of January (Dec. 26, 2022)

RBI's revised bank locker rules to come into effect from 1st of January

The **Reserve Bank of India (RBI)** has amended the **bank locker rules**, which include providing customers with updated locker agreements. The rules will take effect from **January 1, 2023**.

What are the new guidelines?

- As per the Reserve Bank of India notification, the agreements should follow the model prepared by the **Indian Banks' Association (IBA)**.
- All existing locker depositors are required to submit proof of eligibility for new locker arrangement.
- They need to sign a renewal agreement before the specified date.
- RBI has advised banks to install **CCTV cameras** at entry and exit points of strong rooms and common areas of operations.
- It will be mandatory for all banks to keep the recording of cameras safe for at least one hundred and eighty days.
- RBI has directed banks to ensure that there are no unfair provisions or conditions in bank agreements.
- As per the guidelines, if a customer makes a complaint to the bank about his locker being opened without his knowledge or any theft or security lapse, the bank will be required to preserve the CCTV recording till the completion of the police investigation and disposal of the case.

2. Railways plans to modernise 1,000 small stations under Amrit Bharat Station Scheme (Dec. 24, 2022)

"Amrit Bharat Station Scheme"

The Indian Railway will launch the "**Amrit Bharat Station Scheme**" under which **1000** small but important stations will be modernized. This scheme is different from the ongoing plan to revamp 200 railway stations.

According to the Indian Railways the stations will be selected not only on the passenger traffic but also on the cities they cater to. These stations will be redeveloped under what is called the "**Khurda model of redevelopment**".

Khurda station in Odisha was modernized for Rs 4 crore with all contemporary amenities for passengers. The main structure was renovated, the facade was redone and the number of railway tracks was also increased.

Under the “Amrit Bharat Station Scheme” the **Divisional Railway Managers** will be responsible for the redevelopment of the railway station. The DRMs have been instructed to review existing buildings in the station premises and release space for passengers near the entrances and enable relocation of rail offices to other places.

Modernisation of these stations would include improved station approaches to ensure smooth access by widening roads, removal of unwanted structures, properly designed signages, dedicated pedestrian pathways, well-planned parking areas, and improved lighting among others.

The station should also have a second entry station building and high-level platforms with a length of 600m.

Union Railway Minister: **Ashwini Vaishnaw**

3. PAN not linked with Aadhaar by end of March 2023 to be rendered inoperative: Income Tax Department (Dec. 24, 2022)

PAN not linked with Aadhaar by end of March 2023 to be rendered inoperative: Income Tax Department

The Income Tax department on 24 December 2022 issued an advisory that those permanent account numbers (PAN) which are not linked with [Aadhaar](#) by the **end of March next year** will be rendered "**inoperative**".

According to the Income Tax department "As per Income-tax Act, 1961, it is mandatory for all PAN holders, who do not fall under the exempt category, to link their PAN with Aadhaar before 31 March 2023. **From 1 April 2023**, the unlinked PAN shall become inoperative,"

Exempt category

According to a notification issued by the Union Finance Ministry in May 2017, following persons are exempt from linking their PAN with Aadhaar;

- Individuals residing in the states of **Assam, Jammu and Kashmir and Meghalaya**;
- a non-resident as per the Income-tax Act, 1961;
- Person of the age of 80 years or more at any time during the previous year and a
- Person not a citizen of India.

Consequence of a PAN becoming inoperative

A circular issued by the Central Board of Direct Taxes (CBDT) on 30 March 2022 said once a PAN becomes inoperative, an individual shall be liable to all the consequences under the I-T Act and will have to suffer a number of implications.

- The person shall not be able to file I-T return using the inoperative PAN;
- pending tax returns will not be processed;
- pending tax refunds cannot be issued to inoperative PANs;
- Pending proceedings as in the case of defective returns cannot be completed once the PAN is inoperative and tax will be required to be deducted at a higher rate.
- The taxpayer might face difficulty at various other fora like banks and other financial portals as PAN is one of the important KYC (know your customer) criteria for all kinds of financial transactions.

While the 12 digit Aadhaar is issued by the **Unique Identification Authority of India** to a resident of India, PAN is a **10-digit alphanumeric number** allotted by the Income Tax department to a person, firm or entity.

4. International Financial Corporation provides \$400 million loan to HDFC to promote green housing (Dec. 24, 2022)

International Financial Corporation provides \$400 million loan to HDFC to promote green housing

World Bank Group member **International Financial Corporation** (IFC) will provide a **\$400 million loan** to India's largest housing finance company, Housing **Development Finance Corporation (HDFC)**.

HDFC will use around 75% of the loan amount (\$300 million) to provide loans to the affordable green housing sectors in India.

Green Houses are built with sustainable, environmentally-friendly, energy-efficient, and recyclable resources. These houses are constructed in such a way that water, air, solar, and geothermal energy are optimally utilized, thus reducing energy waste. Affordable houses means that it will target Middle income groups.

According to the IFC "around 275 million people in India, which is 22 percent of the population, do not have access to adequate housing and rural housing shortage is twice that of urban areas." The loan will support the government effort to provide Housing for All.

Mumbai based HDFC is the first specialized housing finance company in India. Incorporated in 1997, it provides finance to individuals and developers for the purchase, construction, development and repair of houses and commercial properties.

Current chairman: **Deepak Parekh**

International Finance Corporation

It is a part of the World Bank Group and was set up in 1956.

It does not provide loans to the government but **invests in the private sector companies** of the member countries. It invests in the shares and the debt instruments of private companies.

Headquarters: **Washington DC, United States of America.**

Director General: Makhtar Diop

Member Countries: **186**

5. CCEA increases the Minimum Support prices for copra for 2023 season (Dec. 23, 2022)

Cabinet Committee on Economic Affairs(CCEA)

The **Cabinet Committee on Economic Affairs(CCEA)** chaired by the **Prime Minister Narendra Modi** on 23 December 2022 has approved an increase in the [Minimum Support Prices \(MSPs\)](#) for copra for 2023 season. The approval is based on recommendations of the Commission for Agricultural Costs and Prices (CACP).

The MSP for Fair Average Quality of milling copra has been fixed at Rs. **10860/- per quintal** and for ball copra at **Rs. 11750/- per quintal** for 2023 season. This is an **increase** of Rs. 270/- per quintal for milling copra and Rs. 750/- per quintal for ball copra over the previous season.

The announced MSP of copra for 2023 season is in line with the principle of fixing the MSP at a level of at least 1.5 times all India weighted average cost of production as announced by the Government in the Budget 2018-19.

National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) and **National Cooperative Consumers' Federation (NCCF)** will continue to act as Central Nodal Agencies for procurement of copra and de-husked coconut under **Price Support Scheme (PSS)**.

Price Support Scheme

- It has been launched by the government of India.
- Under this scheme when the prices of commodities fall below the Minimum Support price (MSP) , state and central notified procurement nodal agencies purchase commodities directly from the farmers at MSP under specified Fair Average Quality,
- This helps and protects the farmers against the economic loss in farming.

6. Reliance Retail to buy Metro's cash and carry business for Rs 2850 crore (Dec. 23, 2022)

Reliance Retail to buy Metro's cash and carry

Reliance Retail Ventures, a subsidiary of Mukesh Ambani's Reliance Industries Limited (RIL) said on 22 December 2022 that it had agreed to buy German retailer Metro Indian unit for **Rs 2850 crore (USD 344 million)**.

However the deal is subject to approval by the various regulatory body in India.

The deal includes 31 wholesale distribution centers, land banks and other assets owned by METRO Cash & Carry in India.

METRO AG, which operates in 34 countries, entered the Indian market in 2003.

Cash and carry business model is a type of wholesale trading where the customer pays in full for the goods it purchases and no credit is extended by the seller to the purchaser. The purchasers are small businesses, kirana stores etc.

METRO also operated in the wholesale B2B(Business to Business) market which includes retailers and kirana stores, hotels, restaurants and caterers (HoReCa), corporates, Small and Medium enterprises, companies and institutions as its customers.

The B2B segment is considered to be a low-margin business and multinationals such as French Carrefour have exited from the country in 2014.

Reliance Retail is the subsidiary company of RIL which operates the retail business of Reliance and is the largest retail company in India.

Reliance Industries Limited (RIL)

Reliance Industries Limited was founded by Dhirubhai Ambani in 1973

It is the largest private sector company in India

Headquarters: **Mumbai**

Chairman: **Mukesh Ambani.**

7. Alok Singh appointed head of Air India's low cost airline business (Dec. 22, 2022)

Tata Group has appointed **Alok Singh** as the chief of its low cost airline business from 1 January 2023. The Low Cost Carrier business will comprise **AirAsia India** and **Air India Express**.

Currently the Tata group operates four air lines. They are **Air India, Air India Express, AirAsia India** and **Vistara**. Vistara is a joint venture of Tata with Singapore Airlines.

On 29 November 2022, Tata group announced the merger of [Vistara with Air India](#) under a deal wherein Singapore Airlines will also acquire a 25.1 per cent stake in Air India. The deal, which will make Air India the **country's largest international carrier** and second-largest **domestic airline**, is expected to be completed by March 2024, subject to regulatory approvals.

The Tata group intends to merge budget carrier AirAsia India with Air India Express and the merger is likely to be completed by the end of 2023.

After Merger the company will be called **Air India Express**.

AirAsia India was launched in 2014 while Air India Express started operations back in 2005.

Low cost airlines or budget airlines or no-frill airlines do not provide traditional services like food, drinks or other premium services and their fares are also usually low. Some of the major low cost airlines operating in India are Go Air, Indigo, Air India Express, and Spice Jet.

Air India Managing Director and Chief Executive Officer: **Campbell Wilson**

8. IDEX sets record with signing its 150th contract (Dec. 21, 2022)

iDEX sets record with signing its 150th contract

Innovation for Defense Excellence (IDEX), a flagship initiative of the **Department of Defense Production**, has set a milestone with the signing of its **150th contract** on December 21, 2022 in New Delhi.

Important facts

- The contract was signed by Joint Secretary (Defence Industries Production) & Additional CEO/DIO **Anurag Bajpai** with CEO, Altair Infrasec Pvt Ltd **Anil Anand** in the presence of Defence Secretary **Giridhar Aramane**.
- iDEX achieved this milestone within five months of signing its **100th contract** on July 26, 2022.
- The contract relates to an Indian Navy project of the **Defence India Start-up Challenge (DISC 7) SPRINT edition**.
- The challenge was titled '**Expendable Mobile Anti-Submarine Warfare (ASW) Training Target (EMATT)** capable of simulating the sound and movement of a submarine' and the winner was Altair Infrasec Pvt Ltd, Pune.
- It envisaged the development of a training target capable of being deployed on platforms from **P8I aircraft, MH60R helicopters, ships** with speeds of up to 10 knots and other remotely operated aircraft, requiring EMATT to be launched.

About iDEX framework

- It was launched by the Prime Minister in **2018** with the objective to provide a platform of co-creation and co-development in the defence sector, engage start-ups and develop defence and aerospace set up in the country.
- It is being implemented by the **Defence Innovation Organisation (DIO)**, established under the **Department of Defence Production**.
- Till date, iDEX has received over **6,500 applications** from individual innovators, MSMEs and start-ups under DISC, PRIME and OC.
- It has also been able to create thousands of jobs and attract India's talent back to the country.
- It has also been awarded the prestigious **Prime Minister Award for Public Policy in Innovation Category** for the year 2021.
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9. Government set a target of 205 lakh tonnes Nutri Cereals production for the year 2022-23 (Dec. 21, 2022)

205 lakh tonnes of Nutri Cereals in the country by 2022-23

The Government of India has set a target of production of **205 lakh tonnes of Nutri Cereals in the country by 2022-23**. This information was given by the Union Minister of State for Consumer Affairs, Food and Public Distribution, Ms. **Sadhvi Niranjana Jyoti** in a written reply to a question in Lok Sabha on 21 December 2022.

Nutri-cereals refers to a group of crops comprising **sorghum** (Jowar), **pearl millet (Bajra)**, **finger millet (Ragi/Mandua)**, and small millets like **little millet (Kutki)**, **kodo millet (Kodo)**, **barnyard millet (Sawa/Jhangora)**, **foxtail millet (Kangni/Kakun)**, and **proso millet (Cheena)**. They are highly nutritious and government is trying to promote the usage and productions of millets as Nuti Cereals.

Effort to increase the production of Nutri- Cereals in India

India declared **2018 as the National Year for Millets** to promote millets for nutrition security.

The Government of India has launched NFSM-Nutri Cereals, a sub scheme under the National Food Security Mission. It is being implemented from the year 2018-19 in 212 districts of 14 states.

Rajasthan is the largest producer of nutri-cereals in India followed by Maharashtra and Karnataka.

According to the Food and Agriculture Organisation (FAO), India is the largest producer of millet in the world followed by Niger and China.

The United Nations has declared 2023 as the International Year of the Millets.

10. SEBI extends suspension on futures trade in key Agricultural commodities by a year (Dec. 21, 2022)

SEBI extends suspension on futures trade in key Agricultural commodities by a year

The Capital and Commodity Market regulator Securities and Exchange Board of India (SEBI) has extended the suspension of trading in derivative contracts of Agricultural commodities until **December 20, 2023**. Last year SEBI had banned the futures trading in key farm commodities till 20 December 2022.

In a notification issued by SEBI on 21 December 2022, SEBI said the suspension of trading in futures contracts would continue for a year on **soybean** and its derivatives, **crude palm oil**, **wheat**, **paddy rice**, **chickpea**, **green gram** and **mustard**.

The **government fears** that the speculation in the future trading in these agricultural commodities will lead to rise in the prices of the agricultural commodities which will further increase food inflation in India.

Future Trading

- A futures contract is an agreement between two parties to buy or sell an asset at a future date at a price agreed upon by both.
- Futures trading with the means of futures contracts can be done with any asset traded in a financial market. These could be stocks, currency, bonds, commodities or market index.

Commodity Exchange

- Commodities exchanges are those exchanges where commodities derivatives contracts are traded. They are different from normal stock markets where shares or bonds of a company are traded.
- Commodities are mostly used as inputs in the production of other goods or services. Grains, Gold, Crude Oil, Copper, and Natural Gas are some examples of commodities.
- Generally, the commodities traded in commodity derivatives market are classified into two broad categories viz. **Agricultural Commodities** (as chana, cotton, guar seed, maize, soybean, sugar, etc) and **Non-Agricultural Commodities** (gold, silver, oil, aluminium, copper etc).

Commodity Exchanges in India

There are two national level commodities exchange in India

- Multi Commodity Exchange. Headquarters , **Mumbai**
- National Commodity & Derivatives Exchange Ltd. (NCDEX) Headquarters, Mumbai.

SEBI Chairperson: Madhabi Puri Buch