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1. Blackstone launches its Asian Data center business from India (Nov. 16, 2022)

Blackstone launches Asian Data center

American multinational private equity investor **Blackstone** has started its data centre business in Asia from India. It plans to increase it to 600 MW over the next two years through presence in five locations in the country.

Blackstone launched its data center platform Lumina CloudInfra on 15 November 2022. The Lumina CloudInfra is owned and managed by Blackstone's Real Estate and Tactical Opportunities funds.

Initially the data center will be set up in **Mumbai** and **Chennai**, and later on it will be set up in **Delhi-NCR, Hyderabad** and **Pune**.

National Data Center

The government data center has been set up and managed by the National Informatics Centre (NIC). The first Data Centre was launched in **Hyderabad in 2008**, followed by NDC Pune in 2010, NDC Delhi in 2011 and NDC Bhubaneswar in 2018.

It operates 37 small Data Centres at various State Capitals to provide services to the Government at all levels.

National Data Centre (NDC) at **Bhubaneswar is a Cloud-enabled Data** Centre which has been offering cloud services to Government Departments since its inception.

The National Data Centres form the core of e-Governance Infrastructure in India by providing services to various e-Governance initiatives undertaken by the Government of India.

What is a Data Center?

A data center is a facility that centralizes an organization's shared IT operations and equipment for the purposes of storing, processing, and disseminating data and applications. Because they house an organization's most critical and proprietary assets, data centers are vital to the continuity of daily operations.

2. 5G may contribute up to 2% to India GDP by 2030: NASSCOM Report (Nov. 16, 2022)

5G may contribute up to 2% to India GDP

According to a report by **National Association of Software and Services companies (NASSCOM)** and **Arthur D Little**, the adoption of 5G network technology in India is expected to contribute about 2% to India's GDP amounting to \$180 billion by 2030.

The report titled **5G - Unfolding India's Era of Digital Convergence** says that an increasing market penetration, sectoral reforms, improvement in user experience, speedy rollout of services, among others, will contribute to the growth.

Currently, India has 1.1 billion telecom users, which is the **second highest in the world after China**. Of this, 740 million are 4G users, and they are expected to shift to 5G.

The report says that the government's **National Optical Fibre Network** plan which aims to connect all the 2.5 lakh gram panchayats in the country will help enhance India's potential to 5G adoption.

Sector to lead 5G adoption

- Among the key sectors, **energy and utilities** will be the key driver of 5G contributing about 30% of the expected \$180-billion potential, followed by **retail** at 20%, **healthcare** at 15% and **manufacturing sector** at 10%.
- According to the report, adoption of 5G smart metering, smart grid opportunities will boost the usage of 5G in the energy and utilities sector.
- In healthcare, the penetration is expected to come from online consultation, robotic surgeries, cloud-based patient profiling, and wearables.
- Digital transformation and smart factories are expected to drive 5G penetration in the manufacturing sector.

5G Launch In India

The 5th Generation mobile technology was officially launched by the Prime Minister on **1 October 2022**. [Airtel](#) was the first company to launch the service in India.

National Association of Software and Services Companies (NASSCOM)

- The National Association of Software and Services Companies(NASSCOM) was set up in 1988
- It is a non-profit organisation of IT sector companies in India
- It is a lobby group which works for the promotion of the IT sector and its companies in India and abroad.

Chairman of NASSCOM: Krishnan Ramanujam

President: Debjani Ghosh

3. 2020-2030 to be India's Decade and India to become world's 3rd largest economy and market: Morgan Stanley (Nov. 16, 2022)

India to become world's 3rd largest economy

In a report titled '**Why This Is India's Decade**' the American Investment Banking firm Morgan Stanley expects India to become the **world's third-largest economy and market** and India will account for **fifth of the global economic growth in the next decade**.

Morgan Stanley projection is in line with the [International Monetary Fund \(IMF\)](#) projection of India becoming the 3rd largest economy by **2027-28** and [SBI's](#) of India achieving this milestone in **2029**.

However the report says that these forecasts will depend on favourable domestic and global factors.

Main highlights of the Morgan Stanley report

- India's GDP is set to double from the current \$3.4 trillion to \$8.5 trillion over the next decade. It expects India to add more than \$400 billion to its GDP every year, a scale that is only surpassed by the US and China,
- Four key factors – demographics, digitalization, decarbonization and deglobalization are likely to facilitate India's rapid rise,
- Manufacturing's share of GDP will rise from **15.6% currently** to 21% by 2031, which implies nominal output jumping from \$447 billion to about \$1.49 trillion,"
- The number of households earning in excess of \$35,000 a year is likely to rise fivefold in the coming decade, to over 25 million.
- India's private consumption will more than double from \$ 2 trillion in 2022 to \$ 4.5 trillion by the end of the decade, a size that would be roughly similar to China in 2015,
- India's global export market share is expected to more than double at 4.5 per cent by 2031,
- India's services exports will almost treble to USD 527 billion (from USD 178 billion in 2021) over the next decade.
- E-commerce penetration to nearly double from 6.5 per cent to 12.3 per cent by 2031.
- Internet users in India will increase from 650 million to 960 million while online shoppers will grow from 250 million to 700 million over the next 10 years.
- Around 25 percent of incremental global car sales over 2021-2030 will be from India and it expects 30 percent of 2030 passenger vehicle sales to be electric-run.
- India should hit a "major inflection point" for the next residential property boom in 2030 - a confluence of high per-capita income, a mid-30s median age, and higher urbanization.
- India's workforce in the technology services sector will more than double from 5.1 million in 2021 to 12.2 million in 2031.
- Healthcare penetration in India can rise from 30-40 per cent now to 60-70 per cent which will lead to 400 million new entrants to the formal healthcare system.
- Over USD 700 billion in energy investments are expected over the next decade as India accelerates its energy transition.

About Morgan Stanley

Morgan Stanley is an American Multinational Investment banking firm which was set up in 1935 in New York City.

It is primarily in the business of wealth management, Investment banking, and brokerage and provides other financial services.

Headquarters: New York City, United States of America

Chairman and Chief Executive Officer: James P Gorman

4. Vivek Joshi appointed on the SBI Board as Government of India nominee (Nov. 16, 2022)

Vivek Joshi appointed on the SBI Board

The Union Ministry of Finance has nominated **Vivek Joshi** as a Director to the Board of [State Bank of India \(SBI\)](#) on 15 November 2022. He will take the place of Sanjay Malhotra as the government nominee.

Board of Directors of State Bank of India

The State Bank of India Board of Directors consists of 13 members including the Chairman.

4 Directors are the career officers of the SBI and they are designated as Managing directors. They are **C.S. Setty, Swaminathan Janakiraman, Ashwini Kumar Tewari** and **Alok Kumar Choudhary**.

4 directors are **elected by the shareholders** and 4 directors are **nominated by the Government of India**.

The Government nominated directors are : **Sanjeev Maheshwari, Prafulla P Chhajed, Anil Kumar Sharma** and **Vivek Johri**.

State Bank of India

- It is the largest commercial bank in India and is owned by the Government of India.
- It has over 22,000 branches, 71,968 Banking Correspondents outlets.
- It has 229 offices/branches in 31 foreign countries. Amongst all the Indian banks, SBI has the largest number of branches/offices outside India.

Chairman of SBI: Dinesh Kumar Khara

Headquarters: **Mumbai**

Tagline: The **banker to every Indian**

5. Union Agriculture Minister inaugurates first Greenfield Farm Machinery Plant in MP (Nov. 16, 2022)

first greenfield farm machinery plant

Union Agriculture Minister **Narendra Singh Tomar** on 15 November, 2022 inaugurated the **first greenfield farm machinery plant** of Mahindra & Mahindra at **Pithampur in Madhya Pradesh**.

Important facts

- This new farm machinery plant is capable of manufacturing affordable and accessible farm machinery equipment under the Mahindra and Swaraj brands.
- The plant will also manufacture products for export to global markets in **Asia, Africa, Europe and the America**.
- The facility is capable of manufacturing a range of new products designed at Mahindra's Global Centers of Technology Excellence in **Finland, Japan and Turkey**.

- The plant is spread over 23 acres and can manufacture **1,200 combine harvesters** and **3,300 rice transplanters** per year.
- The establishment of this plant is likely to provide employment to about 1,100 people.
- Mahindra has been one of the leading tractor manufacturing companies globally.
- In fact, in the first half of the financial year **2022-23**, the company sold **2,52,844 tractors** in the country, which was **12 percent** more than the previous one.

What is a Greenfield Project?

- It refers to an investment in a building, office, or other physical company-related structure or group of structures where no prior facilities exist.

6. Odisha Govt announces Rs 200 crores relief for drought hit distressed farmers (Nov. 15, 2022)

Odisha Govt announces Rs 200 crores relief for drought hit distressed farmers

Odisha Chief Minister **Naveen Patnaik** on 15 November 2022 announced an input Assistance of **Rs 200 crores** for the distressed farmers of the drought-affected areas of the state. The entire expenditure would be borne by the State Government.

About 2,63560 hectares of cropland in 12 districts have suffered crop loss of 33 percent and above due to the drought in the state . According to the Odisha government many affected farmers have not yet received their Crop Insurance dues from the Insurance companies.

To help the farmers of the state the Chief Minister has decided to provide assistance out of the state's own resources.

Pradhan Mantri Fasal Bima Yojana (PMFBY)

- The Government of India launched Pradhan Mantri Fasal Bima Yojana (PMFBY) in **2016** to provide a comprehensive insurance cover against the failure of the crops.
- The scheme has replaced the National Agricultural Insurance Scheme and Modified National Agricultural Insurance Scheme.
- The scheme is being administered by the **Union Ministry of Agriculture and Family Welfare.**
- The insurance facilities to the farmers are provided by approved Insurance companies .
- The scheme has been made optional to the farmers since the 2020 Kharif season.

Premium to be paid for crop insurance by the farmers

Government has fixed the premium which has to be paid by the farmers. They are as follows:

- For the **Kharif crops** (all food grains and oil seeds) the farmer has to pay **2% of the premium.**
- For the **Rabi crops** (all food grains and oil seeds) the farmers will pay **1.5% of the premium.**

- For the annual (Rabi and Kharif) **horticulture** and **commercial crops** the farmers will pay **5% of the premium**.
- The rest of the premium amount is shared by the Central government and the concerned state government.

7. Jeff Bezos Amazon Company becomes the first company in history to lose \$1 trillion market capitalisation (Nov. 15, 2022)

Amazon lose \$1 trillion market capitalisation

Jeff Bezos's company [Amazon](#) has become the first publicly listed company in the world to lose a trillion dollars in market value as a combination of fear of recession, rising inflation, tightening monetary policies and slowdown in the earnings updates triggered a historic selloff in the stock.

Shares in the e-commerce and cloud company have been declining in October and November month pushing its market value to about \$879 billion from a record close at \$1.88 trillion in July 2021.

The **Big five Tech** companies of America, **Intel, Microsoft, Alphabet (owner of Google), Meta (formerly Facebook)** and **Amazon** share prices are falling in the United States as their growth prospects look uncertain in an economy plagued by fear of recession.

The top five US technology companies by revenue have lost nearly \$4 trillion in market value this year.

In October 2022, Amazon projected the slowest revenue growth for a holiday quarter in the company's history as shoppers reduce their spending in the face of economic uncertainty. That sent its market value below \$1 trillion for the first time.

What is Market capitalisation or M-cap?

Market capitalisation refers to the total number of **free floating shares of a company in the market** multiplied by the **current market price of each share**.

Explanation

Suppose there is a company called Tata motors and its promoter is Mr Ratan Tata. The company has 100 shares and all the shares of the company are with Ratan Tata. Ratan Tata decides that he needs money. He decided to sell 20 shares of Tata motors to the public through the Tata Motors Initial Public offering (IPO) at Rs 10 per share. People will buy the shares and the Tata motors company will be listed on an Indian Stock Exchange like BSE after the completion of the process.

Now Ratan Tata has only 80 shares of the company.

Keep in mind only 20 shares of the company will be listed on BSE as the company has sold only 20 shares to the public. In Stock market language it will be said that the Tata motors **free float is 20 shares** not 100.

Now suppose the price of the Tata motors in the market is Rs 100 then the Market capitalization of the Tata Motors will be: **Free floating share of the company X market price of the company's single share.**

Thus it will be $20X \text{ Rs } 100 = \text{Rs } 2000$

Types of Market capitalisation

In India on the basis of market capitalization companies are classified into Large Cap, Mid-Cap and Small Cap. Here cap means **capitalisation.**

Publicly listed companies which have a market capitalization of **Rs 20,000 crore or more** are called as **Large Cap companies.**

Mid-Cap: Publicly listed companies which have a market capitalization of **less than Rs 20,000 crores** and **up to Rs 5000 crore.**

Small Cap: Publicly listed companies which have a market capitalization of less than Rs 5,000 crores.

8. Central government releases Rs 13,000 crore from Contingency Fund for Pradhan Mantri Awas Yojana -Gramin (Nov. 15, 2022)

Pradhan Mantri Awas Yojana -Gramin

The Union Finance Ministry has authorized release of **Rs 13,000 crore** from the Contingency Fund of India to meet the additional financial demand for implementing the Government of India's flagship **Pradhan Mantri Awas Yojna-Gramin (PMAY-G) programme** in 2022-23. This amount is in addition to the **Rs 20,000 crore allocated** for the programme in the Union Budget 2022-23.

Reason for such unusual step

The Government of India under the PMGY-G has set a target of building **52.78 lakh houses** under the scheme in 2022-23.

In the first seven months (April-October 2022), the Union Rural Development Ministry has utilized Rs 16,785 crore which is about 84 per cent of the Rs 20,000 crore under the PMAY-G scheme.

With several states demanding extra funds for construction of rural houses, the Union Rural Development Ministry had approached the Ministry of Finance way back in June for additional allocation

Funding pattern of the PMAY-G and Central government share

Under the PMAY-G scheme, the government provides financial assistance of **Rs 1.20 lakhs** per beneficiary for construction of houses in rural areas in **plain areas** and in the **North East and Hilly areas** the assistance amount is **Rs 1.30 lakhs per beneficiary.**

The financial assistance shared between the Center and the States are as follows:

- In the plain areas the ratio of the Center and States is **60:40**.
- In the hilly areas (8 Northeastern states, Himachal Pradesh and Uttarakhand) the ratio of the Center and States is **90:10**.
- In the Union Territories the centre's share is **100%**.

PMAY-G and financial obligation of the Central Government for the remaining period

- The Narendra Modi government when it came to power in 2014 changed the name of the **Indira Awas Yojana** to Pradhan Mantri Awas Yojna-Gramin (PMAY-G) and it was re-launched on **20 November 2016**.
- It set a target of providing "Housing to All" for rural areas to eligible beneficiaries by 2022 which was later extended to **2024**. A total of 2.95 crore houses were to be constructed under the scheme.
- According to the government a total of 2.02 crore houses have been built till 15 August 2022.
- The government has set a target to build **52.78 lakh houses in 2022-23** and **57.34 lakh houses in 2023-24**.
- According to the estimates of the Union Ministry of Rural Development which is **implementing the scheme**, a Central share of **Rs 48,422 crore** would be required to complete the target of 52.78 lakh houses in 2022-23.
- However only Rs 20,000 crore was allocated in the Budget 2022-23. Thus the Union Rural Development Ministry asked the Union Finance Ministry to release the additional fund otherwise it will not be able to release the Centre's share of the fund to the state government and the scheme will not be able to achieve the target.

Why Release of Funds from Contingency Fund?

- In the Union Budget the government mentions how much money is allocated to a Union Ministry and for which purpose. If the ministry's need for funds is more than those allocated in the budget then permission of the Parliament is needed.
- For this purpose a supplementary demand for grants is brought before the Parliament requesting for extra funds. The Parliament authorizes the extra expenditure by passing the supplementary grants.
- In this case the Parliament's next winter session is expected to start in December 2022. The Rural development ministry wanted the extra fund now so that the scheme can achieve its target in time. The Finance Ministry agreed and released the fund from the
- Contingency fund of India.

What is the Contingency Fund of India?

- **Article 267** of the constitution provides for a Contingency Fund of India for the central government and for each state government. Parliament can set the fund for the Government of India and the concerned state legislature set up for its state government.
- The Contingency fund of India was set up under the **Contingency Fund of India act 1950**.
- Its corpus was increased from Rs 500 crore to **Rs 30,000 crore** in 2021-22. This fund is used to meet unforeseen expenditure like natural calamities etc.
- The **Secretary, Ministry of Finance** manages this fund on behalf of the **President of India**. There is no need for prior approval from the Parliament to spend the money from the Contingency Fund of India.

Union Minister for Finance: Nirmala Sitharaman

Union Minister for Rural Development: Giriraj Singh

9. Government announces Framework for issuance of Sovereign Green Bonds (Nov. 14, 2022)

Government announces Framework for issuance

The Central government has issued a framework for its proposed Sovereign Green Bonds .Nirmala Sitharaman in her budget speech had proposed the issuance of Sovereign Green Bond in the 2022-23 financial year. The government said later it proposes to issue Rs 16,000 crore worth of bonds in the second half of the current financial year.

What is a Sovereign Green Bond?

Sovereign means Government of India. **Bond** means that it is a debt instrument which is issued to raise capital or fund and it creates debt on the issuer. Here **Green** means that the fund raised from the sale of the bonds will be used for environment friendly projects.

Main features of the Sovereign Green Bond

Committee to select eligible project

The government will set up a '**Green Finance Working Committee**' headed by the Chief Economic Advisor **Dr V. Anantha Nageswaran**. The committee will select eligible projects for financing.

The committee will meet at least twice a year and will include members from relevant ministries, the Ministry of Environment, Forests and Climate Change, NITI Aayog, and the Budget Division of the finance ministry's Department of Economics and others.

Projects to be financed

The projects eligible to be financed or re-financed by the proceeds of Green Bond issuances fall under the following nine categories:

- renewable energy,
- energy efficiency,
- clean transportation,
- climate change adaptation,
- sustainable water and waste management,
- pollution prevention and control,
- green buildings,
- Sustainable management of living natural resources and land use, and terrestrial and aquatic biodiversity conservation.

Projects which are not eligible

- The funds raised through the green bonds, however, won't be used to finance hydropower plants that are larger than 25 MW,
- nuclear projects and

- Any biomass-based power generation with biomass originating from protected areas.

Which type of government spending will qualify for the Green sovereign bonds?

Spending that will qualify for the green financing includes government expenditure in the form of investment, subsidies, grant-in-aids, or tax foregone or select operational spending and R&D expenditures in public-sector projects for reducing the carbon intensity of the economy. Investment in equity, by using the green bond proceeds, is allowed only in case of metro projects.

Expenditures directly related to fossil fuel won't qualify for green financing. However investment or spending aimed at a relatively cleaner Compressed Natural Gas (CNG) is allowed if it's used in public transportation projects only.

The Framework has been rated Medium Green

According to the Finance Ministry the framework has been termed "**medium green**" by CICERO.

CICERO is a leading global independent reviewer of green bond investment architecture.

This is the best grade after "dark green", assigned by CICERO for a green bond that aligns with a low-carbon climate resilient future.

Points to remember

First **Green bond** in the world was issued by the **European Investment Bank** in 2007.

The World Bank issued green bonds for the first time in 2008.

India's **first** green bond was issued by **Yes Bank** in 2015.

10. India International Trade Fair begins at Pragati Maidan in New Delhi (Nov. 14, 2022)

41st India International Trade Fair

The **41st India International Trade Fair (IITF)** began on **November 14, 2022** at **Pragati Maidan** in New Delhi.

Important facts

- Commerce and Industry Minister **Piyush Goyal** inaugurated the fair, which will run till November 27.
- The theme of the year 2022 trade fair is '**Vocal for Local, Local to Global**'.
- This **14 day** mega event has a special significance as it coincides with the celebration of '**Azadi Ka Amrit Mahotsav**'.
- Twenty nine states and union territories are participating in this program. Bihar, Jharkhand and Maharashtra are the partner states in the fair while Uttar Pradesh and Kerala are participating as focus states.

- Twelve countries including **Afghanistan, Bangladesh, Bahrain, Belarus, Iran, Nepal, Thailand, Turkey, UAE and UK** are participating in the fair.
- Around 2500 domestic and foreign exhibitors are participating in the trade fair to showcase their products and services.
 - The first five days (November 14-18) of the trade fair are exclusively reserved for **business days**.
 - '**General public day**' is reserved from 19 to 27 November.

About India International Trade Fair

- It is an annual fair organised by **India Trade Promotion Organization (ITPO)** at Pragati Maidan, Delhi.
- This fair was first organised in Delhi in the **year 1980** and since then, it is an annual event which is much awaited by the people all over the country.
- The fair provides a platform to the manufacturers, traders, exporters and importers of the country to showcase their products.