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### **1. RBI to launch a pilot project on Digital Rupee in the Wholesale segment on 1 November 2022 ( Oct. 31, 2022 )**

RBI launch Digital Rupee

The Reserve Bank of India (RBI) has on 31 October 2022 announced that it will begin a pilot launch of the Digital Rupee (e₹) for specific use cases. The first pilot project of the Digital Rupee will be launched in the **Wholesale segment (e₹-W)** on November 1, 2022.

#### **Where it will be used?**

The digital rupee will be used for settlement of secondary market transactions in government securities. According to the RBI, nine banks including **State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Yes Bank, IDFC First Bank, and HSBC** will participate in the pilot project.

#### **Digital Currency in India**

Union Finance Minister Nirmala Sitharaman had earlier announced that the RBI will launch a **Central Bank Digital Currency (CBDC)** in 2022-23. According to the FM, the introduction of CBDC will boost the digital economy and will be based on Blockchain technology.

#### **What is Central Bank Digital Currency (CBDC)?**

According to the Reserve Bank of India the CBDC has the following features:

- It is a legal tender issued by a central bank in a digital form,
- It is similar to sovereign paper currency (Indian Rupee) but takes a different form. It will not be in paper form but in digital format,
- It shall be exchangeable at par with the existing currency and shall be accepted as a medium of payment, legal tender and a safe store of value,
- CBDCs would appear as liability on a central bank's balance sheet.

#### **Advantage of a CBDC**

- Unlike the paper currency, a digital currency can never be torn, burned, or physically damaged. In comparison to currency notes, the lifeline of a digital form of currency will be indefinite.
- It will promote cashless financial transactions which will reduce the cost of financial transactions.
- Central bank digital currencies would also reduce the risks of using other digital currencies like Bitcoins. Cryptocurrencies are highly volatile, with their value constantly fluctuating which could cause severe financial stress in many households and affect the overall stability of an economy.
- CBDCs, backed by a government and controlled by a central bank, would provide households, consumers, and businesses with a stable means of exchanging digital currency.

### **2. Income Tax Department launches HARIT Aaykar initiative on the occasion of the National Unity Day ( Oct. 31, 2022 )**

income tax department

The Income Tax Department on the occasion of the [National Unity Day](#) has launched the **HARIT Aaykar** initiative to increase greenery and create micro forests. National Unity day is observed in India on 31 October to commemorate the birthday of the first Home Minister and Deputy Prime Minister of Independent India Sardar Vallabhai Patel.

Under the HARIT (**Hariyali Achievement Resolution by Income Tax**) initiative, the Department resolves to increase the green cover by planting trees and creating micro-forests in and around the Income Tax Department's buildings and other public areas.

### **Income Tax in India**

Income tax is a direct tax which is imposed on the income of an Individual or Corporates.

It was first imposed in India on 24 July 1860. The first income tax was imposed in India in 1860 by Sir James Wilson.

### **Income Tax day is observed every year on 24 July .**

When the Income Tax Act 1922 was introduced it laid a proper framework for the direct tax administration in the country. After Independence the Income Tax act 1961 consolidated and replaced the 1922 Act.

### **Applicability**

It is applicable all over India. Sikkim was brought under the Income Tax act 1961 in **1989** and Jammu and Kashmir was brought under the act in **2019**.

### **Tax administration Structure in India**

In 1924, the Central Board of Revenue was constituted as a statutory body with functional responsibilities for administering the Income Tax Act.

In 1963, the Central Board of Revenue was bifurcated, and a separate Board for Direct Taxes known as Central Board of Direct Taxes (CBDT) was constituted under the Central Board of Revenue Act, 1963.

### **Who can levy Income Tax in India?**

Income tax is levied by the central government on the income of a person or a company as specified by the Income Tax act.

However **Income tax on agricultural income** is levied by the respective state government.

### **3. Maharashtra's first Electronics Manufacturing Cluster to be set up at Ranjangaon, Pune ( Oct. 31, 2022 )**

Maharashtra's first Electronics

The government of India has approved the first Electronics Manufacturing Cluster (EMC) in Ranjangaon Phase III, near Pune in Maharashtra. This was announced by the Union Minister of State for Electronics & Information Technology and Skill Development & Entrepreneurship, **Rajeev Chandrasekhar** on 31 October 2022.

The Rs 492.85 crores Greenfield project is being developed by the Maharashtra Industrial Development Corporation (MIDC) and the State government's State Industrial Agency. Government expects investment of over Rs 2000 crore from Indian and multinational companies in the Pune EMC.

The Minister said that these EMCs in India will prove to be the pivot points around which the electronics manufacturing and design ecosystem will flourish. It will help **achieve the target of US \$300 Billion of electronics manufacturing by 2025/26.**

### **Electronics Manufacturing Cluster scheme**

The Electronics Manufacturing Cluster scheme was launched by the government of India in 2012 to make India a global player in the field of Electronics Manufacturing.

The EMC provides for creation of world-class infrastructure for attracting investments in the Electronics Systems Design and Manufacturing (ESDM) Sector.

## **4. Government of India extends ban on sugar export to 2022-23 season ( Oct. 30, 2022 )**

ban on exports of sugar

The Government of India has extended the ban on exports of sugar including raw, refined and white for one more year starting 31 October 2022 till 31st of October 2023. The sugar season in India is from October to September. As per the notification, the restriction is not applicable to Sugar being exported to the European Union and the USA, This has been done by the government to increase the availability of sugar in India and control its prices.

In the 2021-22 sugar season government has allowed the export of 10 million tonnes of sugar

### **Sugar in restrictive list**

In a notification issued by the Directorate General of Foreign Trade(DGFT), Sugar has been kept in the restricted category and not in Open General License(OGI). It means that sugar can be exported from India with the permission of the government of India . If a commodity is put in the OGI list then it can be freely imported or exported without the need of government permission .

### **Sugar production and buffer stock**

The government of India maintains a buffer stock of around 6 million tonnes .The buffer stock is used by the government to increase the supply of the sugar in the market when its prices shoot up .

According to Indian Sugar Mills Association (ISMA), the total production of sugar in the 2022-23 season is expected to be 41 million tonnes of which 4.5 million tonnes is expected to be diverted for making ethanol. These ethanol are blended with petrol to create biofuels . The consumption of sugars in India is expected to be around 27.5 million tonnes. India is expected to have a surplus of around 9 million tonnes.

Sugar exporters expect the government of India to allow export of the surplus sugar from India as prices of sugar are very high in the international market.

### **Sugar Export from India**

- India is the largest producer and consumer of sugar in the world and second largest exporter of sugar in the world after Brazil.
- In the current 2021-22 season the government has allowed the export of 10 million tonnes of sugar .
- Uttar Pradesh, Maharashtra and Karnataka account for nearly 80 percent of the total sugar production in the country.

## **5. SEBI reduces the face value on debt securities to Rs 1 Lakh ( Oct. 29, 2022 )**

SEBI reduces face value of debt

The Capital and Commodity markets regulator Securities Exchange Board of India (SEBI) on 28 October 2022, reduced the face value of **debt security** and **non-convertible redeemable preference shares** issued on **private placement** basis to **Rs 1 lakh** from the current Rs 10 lakh.

The new guidelines will be applicable from **1 January 2023**.

According to SEBI this has been done to increase the participation of investors and which will also enhance the liquidity in the corporate bond market.

### **What is a Debt securities?**

Debt securities is a type of financial document which is issued by a company to borrow money from the market .The issuers of the debt securities promise that it will return the money after a certain time period and will also pay mentioned interest on the borrowed money . Some of the examples of the debt securities are bonds, debentures etc.

### **What is the face value, tenure and coupon rate of a securities?**

**Face value** is the nominal value which is written on the securities issued by a company. For example a company issues a bond of Rs 100 for a period of 5 years and with an interest rate of 10%.

Here the **face value** of the bond will be Rs 100.

The time period for which it is borrowed is called **tenure**. Here in the example the tenure of the bond will be 5 years.

Rate of Interest mentioned on the bond is called the **coupon rate**. In this example the coupon rate is 10%.

### **What is Public and Private Placement of securities?**

There are two options for a company which wants to raise capital from the market by selling its securities (shares, bonds, etc). The company can either go for Public offer or can opt for Private placement of its securities.

**Public offer** means that the company will have to come out with an Initial Public offerings (IPO). The company has to hire a merchant banker which handles the sale of the company's securities to the general public.

IPO refers to the sale of securities of the company for the first time to the public and after the IPO the company's securities are listed on a stock exchange. Public offering is a time consuming process and also costly for the company.

### **Private Placement**

There is another option for the company. The company can directly approach select investors like Banks, Mutual funds, High Net worth Investors (HNI) and sell the company securities to them. The company does not need to list security on a stock exchange after the private placement.

This method is less time consuming and less costly for the company .

### **SEBI**

Securities Exchange Board of India (SEBI) was set up on 12 April 1988 and it was given statutory status by the SEBI Act 1992 on 30 January 1992.

- It comes under the Ministry of Finance, Government of India.
- It is the regulator of the Capital market and Commodities market in India.
- The first SEBI chairman was Dr S A Dave (1988-90)
- **Madhabi Puri Buch** is the current and 10th Chairperson of the SEBI.
- Headquarters: Mumbai

## **6. India to double the output of crude steel in the next 10 years: PM Modi ( Oct. 28, 2022 )**

crude steel in the next 10 years

Addressing a gathering on the occasion of expansion of ArcelorMittal Nippon Steel plant at Hazira in [Surat](#), Gujarat on 28 October 2022 via video message, Prime Minister Narendra Modi said that his government has set a target to double the production of crude steel from the present 154 million tonnes per annum to 300 MT production capacity in the next 9-10 years.

ArcelorMittal Nippon Steel India (AM/NS India) is a joint venture between Luxembourg based ArcelorMittal and Nippon Steel of Japan .

The company is investing Rs 60,000 crores to expand crude steel capacity at its Hazira plant from 9 million tonnes per annum (MTPA) to 15 MTPA.

Underlining the growing role of the steel industry in goals of moving towards a developed India by 2047, he said that a strong steel sector leads to a robust infrastructure sector.

### **Steel and India**

India was the **largest producer** of Sponge Iron in the world in 2021.

India was the **second largest consumer** of steel in the world in 2021 after China .

India is the **second largest producer of crude steel** in the world after China .

India has set a target to increase the crude steel production to 300 million tonnes per annum by 2030.

India has set the target to increase per capita steel consumption to the level of **160 Kgs by 2030**.

### **7. Nirmala Sitharaman inaugurates new IIFT campus at Kakinada, Andhra Pradesh ( Oct. 28, 2022 )**

new IIFT campus at Kakinada

Union Finance and Corporate Affairs minister **Nirmala Sitharaman** inaugurated the new campus of the Indian Institute of Foreign Trade (IIFT), at **Kakinada** in Andhra Pradesh. The campus has been set up with the help of Andhra Pradesh government and it will be temporarily hosted in the Jawaharlal Nehru Technological University , Kakinada.

Speaking on the occasion the Union Minister for Commerce and Industries, Consumer Affairs, Food, Public Distribution and Textiles **Piyush Goyal** said that at present, the Indian economy is worth 3.5 trillion US dollars. With continuous efforts Indian economy will reach tenfold in the next 25 years, by 2047, when we mark the 100th year of independence. The development can be achieved by making available expert human resources to the maximum extent.

#### **Indian Institute of Foreign Trade (IIFT)**

The Indian Institute of Foreign Trade (IIFT) was established in 1963 as an autonomous body under the Union Ministry of Commerce & Industry to contribute in the skill building for the external trade sector of India..

It is one of the top business schools of India with a special focus on Trade and Finance.

The Institute was granted “Deemed to be University” status in 2002.

It has campuses at **Delhi, Kolkata** and **Kakinada** .

Vice Chancellor : **Manoj Pant**

### **8. Elon Musk finally acquires the micro blogging site Twitter ( Oct. 28, 2022 )**

micro blogging site Twitter

South African born American billionaire Elon Musk on 28 October 2022 completed the acquisition of the microblogging site Twitter for \$44 billion.

As part of the agreement, the world’s richest man will pay \$54.20 per share to common shareholders and will consequently operate the social media giant as a private entity henceforth.

Billionaire and Chief Executive officer (CEO) of Tesla Elon Musk is now the new owner of Twitter and has fired the social media company’s four top executives, including Indian-origin CEO **Parag Agrawal** and legal executive Vijaya Gadde.

The 51-year-old has promised to transform Twitter by loosening the service's content moderation rules, making its algorithm more transparent and nurturing subscription businesses, as well as laying off employees.

**Background to the deal**

On 14 April 2022 Twitter revealed in a securities filing that Musk has offered to buy the company outright for about \$44 billion.

On July 8, Musk says he will abandon his offer to buy Twitter after the company failed to provide enough information on the number of fake accounts.

Twitter sued Musk on July 12 to force him to complete the deal.

A court in Delaware, United States asked Musk to close the deal by 28 October 2022.

**Twitter Company**

The microblogging site was founded in 2006 in California, United States by **Jack Dorsey, Evans Williams, Biz Stone and Noah Glass.**

The social site provides an online microblogging service that distributes short messages of no more than 280 characters—called tweets.

Headquarters of Twitter: **San Francisco, California, United States**

**9. Government of India extends license of Vedanta's Barmer oil block by 10 years ( Oct. 28, 2022 )**

Vedanta's Barmer oil block by 10 years

The government of India has extended the production sharing contract license of the Barmer oil block owned by Cairns Oil and Gas, a unit of Vedanta limited, till **14 May 2030**. This information was given by the Anil Agarwal owned company in a stock exchange filing on 27 October 2022. The initial licence to explore and produce oil and gas from the Barmer block expired on May 14, 2020.

**Barmer oil field**

The Barmer block, with 38 discoveries, till date, has a reserve of hydrocarbons of 5.9 billion barrels of oil equivalent. The block has cumulatively produced more than 700 million barrels of oil in the last decade.

The main oil producing wells have been named by Cairns as **Mangala, Bhagyam and Aishwarya.**

On 21 February 2022, Cairns announced the fresh discovery of oil in the Barmer oil block of Rajasthan the oil well was named as "**Durga**".

Government of India Company **ONGC holds a 30%** stake in the block while Cairn Oil & Gas, a unit of Vedanta Ltd., is the operator with a **70% stake.**

**Fact files Oil**

- Edwin L. Drake drilled the world's first oil well in 1859 at Titusville, Pennsylvania, USA, in 1866,
- The first oil well to be dug in India was at Digboi field in Assam in September 1889-1890 by Assam Railways and Trading Company Limited registered in London.
- In 1901, Asia's first oil refinery was set up at Digboi, Assam. It is still functional and the world's oldest operating refinery.

- The first oil discovery in independent India was made in 1953 in Naharkatia and then in Moran in 1956 both in Upper Assam.
- Within a year of being formed, Oil and Natural Gas Corporation (ONGC) discovered oil at Cambay (Gujarat), the giant Ankleshwar field in the state of Gujarat in 1960, Kalol (Gujarat) in 1961, Lakwa (Assam) in 1964, Geleki (Assam) in 1968.
- However, the biggest discovery of oil in India was made by ONGC in Mumbai High in 1974. It is an offshore oilfield 176 km off the west coast of Mumbai, in the Gulf of Cambay region of India, in about 75 m of water.

**Source : Directorate General of Hydrocarbons (Ministry of Petroleum and Natural Gas, Government of India)**

## **10. Record horticulture production in 2021-22 ( Oct. 28, 2022 )**

Record horticulture production in 2021-22

India's production of **horticultural crops** consisting of **fruits, vegetables, spices and medicinal plants** increased to a record **342.3 million tonnes (mt)** in the crop year 2021-22 (July-June) as against **334.6 million tonnes** recorded in 2020-21.

### **Important facts**

- According to the **third advance estimate** released by the agriculture ministry on October 27, the increase in production over the previous year was due to growth in the cultivation area.
- The area under horticultural crops was **28 million hectare** in 2021-22 compared to **27.4 million hectare** in the previous year.
- The horticultural crops production continues to be higher than the foodgrain production.
- According to the fourth advance estimate of **foodgrain production** released in August, India's production of rice, wheat and pulses in the crop year 2021-22 was estimated at a record 315.7 million tonnes.
- **Vegetable production** is estimated to increase by 2.1% to 204.8 million tonnes in 2021-22 as compared to 200.4 million tonnes as per the final estimates for 2020-21.
- **Onion production** is estimated to increase by 17% to 31.2 million tonnes in 2021-22 from 26.6 million tonnes in the previous year.
- At the same time, **potato production** is estimated to decline by 5% to 53.3 million tonnes in the 2021-22 crop year, from 56.1 million tonnes in 2020-21.
- **Tomato production** is estimated to decline by 4% to 20.3 million tonnes as compared to 21.1 million tonnes as per the final estimates for 2020-21.
- The third advance estimate of **fruit production** is estimated to be 107.2 million tonnes in 2021-22 as compared to 102.5 million tonnes in the 2020-21 crop year.
- **Production of Banana** is estimated to increase by more than 32.45 million tonnes (2%) in 2021-22 over the previous year, while Mango production is estimated to be 20.3 million tonnes in 2021-22 which is the same level as compared to the previous year.



