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1. The Indian economy grew by 13.5% in the first quarter of the financial year 22-23 (Sept. 3, 2022)

The Indian economy grew by 13.5% in the April to June (2022-23) as compared to the same period last year. However it was below the **Reserve Bank of India 16.2 % forecast** for the first quarter.

The data regarding the performance of the Indian economy in the first quarter of the fiscal year 2022-23 was released by the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation on 31st August 2022.

India still remains the **fastest growing major economy** in the world. The Chinese economy grew by 0.4% during April -June 2022.

The growth rate of the Indian economy in **2021-22 was 8.7%**.

GDP growth rate at constant price (2011-12 base year)

Sector of Economy	Growth rate of Q1(April-June) GDP in 2022-23
Agriculture	4.5%
Industry	8.5%
Service sector	17.6%
GDP	13.5%
Gross value Addition (GVA)	12.7%

GVA=GDP + subsidies on products - taxes on products.

Nominal GDP

The Nominal GDP at Current Prices in Q1 2022-23 is estimated at Rs 64.95 lakh crore against Rs 51.27 lakh crore in Q1 2021-22, showing a growth of 26.7 per cent compared to 32.4 per cent a year ago.

While calculating the nominal GDP the market price of goods and services are included. It makes no adjustment for inflation

GDP at Constant Price or Real GDP

The Real Gross Domestic Product (GDP) at Constant Price (2011-12) in Q1 2022-23 is estimated at Rs 36.85 lakh crore, as against Rs 32.46 lakh crore in Q1 2021-22, showing a growth of 13.5.

While calculating the GDP at constant price the price rise in the goods and services due to inflation is not counted. Prices are fixed to a base year (2011-12). It measures the actual increase in the production of goods and services.

GDP at constant price is the **best indicator to measure the growth of an economy.**

Expected GDP growth rate in fiscal year 2022-23

The Reserve Bank of India expects the Indian Economy to grow by 7.2% in 2022-23.

The Union Finance Secretary **T V Somanathan** said that the Finance Ministry expects the growth rate of the economy to be **7-7.5%** in the current fiscal year (2022-23).

2. RBI to launches pilot project to digitize Kisan Credit Card In MP and Tamilnadu (Sept. 3, 2022)

The Reserve Bank of India has decided to launch pilot projects to digitize Kisan Credit Cards (KCC) in Madhya Pradesh and Tamil Nadu to transform rural credit delivery systems and to improve the quality of credit delivery in the rural areas.

The Digitisation Project

- RBI will launch a pilot project for end-to-end digitalisation of Kisan Credit Card (KCC) lending, developed by the **Reserve Bank Innovation Hub (RBIH) Bengaluru.**
- The pilot project would entail automation of various processes within banks and integration of their systems with the service providers.
- The proposed digitalisation of the KCC lending process will make it more efficient, reduce costs for borrowers and reduce Turn Around Time (TAT) from loan application to disbursement significantly.

Where it will be launched

The pilot project will commence in September 2022 in select districts of **Madhya Pradesh** and **Tamil Nadu** with **Union Bank of India** and **Federal Bank**, respectively, as partner banks and with active cooperation of the state governments.

Kisan Credit Cards (KCC)

- It was introduced in India by banks in **August 1998** to meet the agricultural credit needs of the farmers.
- The model of KCC scheme was prepared by NABARD (National Bank for Agriculture and Rural Development) on the recommendations of **RV Gupta Committee.**
- RBI set up a High Level Committee on Agricultural Credit through Commercial Banks in 1997. The committee was headed by **RV Gupta.**

3. India overtakes United Kingdom to become fifth largest economy in the world: Bloomberg (Sept. 3, 2022)

According to a news report published by Bloomberg, India has overtaken the United Kingdom to become the 5th largest economy in the world.

India is now ranked behind the United States, China, Japan and Germany.

Main highlights of the Bloomberg Report :

- According to Bloomberg, the Indian economy overtook the United Kingdom economy at the end of December 2021.
- According to Bloomberg at the end of March 2022, the Indian Gross Domestic Product (GDP) was \$854.7 billion while the United Kingdom GDP was \$816 billion.

Gap between Indian and United Kingdom economy to grow :

Bloomberg expects the gap between the Indian and United Kingdom economy to grow in future.

The United Kingdom is facing the fastest inflation in four decades and rising risks of a recession that the Bank of England (Central Bank of the United Kingdom) says may last well into 2024.

The United Kingdom economy has contracted by 0.1% in the second quarter (April-June) of 2022.

On the contrary, India's economy is likely to grow by over 7% this year and it is expected to be one of the fastest growing economies in the world.

The International Monetary Fund (IMF) own forecast show India overtaking the UK in dollar terms on an annual basis this year.

A decade ago, India ranked 11th among the largest economies, while the United Kingdom was 5th.

Basis of Bloomberg calculation :

Bloomberg has used the GDP figures of both the countries from the International Monetary Fund database and converted them into US dollars using the latest exchange rate.

What is recession ?

When there is a negative growth in the economy for the two consecutive quarters then the economy is in recession.

Recession leads to large scale closure of factories, loss of employment, and increase in unemployment, poverty and spread in social and political unrest in the country.

Bloomberg :

Bloomberg is an American based global media and financial data and Analytics Company. It provides data service and news to financial companies and organizations.

Its Headquarters is in **New York**, United States of America.

What is the Difference between United Kingdom and Great Britain***United Kingdom***

It is an empire consisting of England, Wales, Scotland, and Northern Ireland

Great Britain :

It includes England, Wales and Scotland.

The Queen of England is the Head of both United Kingdom / Britain

The capital of the United Kingdom/Great Britain is London.

4. Bengaluru ranks second after Beijing in the list of top technology hubs in the Asia-Pacific region (Aug. 30, 2022)

Bengaluru ranks second after Beijing in the list of top technology hubs in the Asia-Pacific region, according to a report by property consultants Cushman & Wakefield.

IMPORTANT FACTS -

- Cushman & Wakefield's latest report titled '**Tech Cities: The Global Intersection of Talent and Real Estate**' identifies technology markets based on 14 criteria related to real estate and business environment.
- According to the report, **Bengaluru, Chennai, Hyderabad and Delhi** are the top technology hubs after Beijing in the Asia-Pacific region.
- Bengaluru was the leader in India with 2,30,813 technology job creation during the last financial year. It was followed by Chennai (1,12,781 jobs), Hyderabad (1,03,032 jobs) and Delhi (89,996 jobs).
- Globally, 46 top tech markets were identified from over 115 tech cities in total, and six of the 14 cities in the Asia Pacific region were in India.
- Bengaluru is one of the largest contributors to office space leasing with an average share of 25-30% in annual pan-India leasing activity between 2017 -2021.
- The technology sector accounts for an average of 38-40% of the annual leasing activity in the Bengaluru office market, which is higher than the national average of 35%.

5. Nirmala Sitharaman announces 'Millet Challenge' for startups (Aug. 30, 2022)

Union Finance Minister Nirmala Sitharaman on August 27 announced 'Millet Challenge' for startups engaged in coarse cereals.

IMPORTANT FACTS -

- Nirmala Sitharaman also announced Rs 25 crore funding for the University of Agricultural Sciences at Raichur, Karnataka under NABARD (National Bank for Agriculture and Rural Development).
- This amount will be used for value addition and capacity building to promote coarse cereals and for setting up of incubation centers for coarse cereals value chain and processing.

- She attended the Millet conclave 2022 which was held at the agricultural university, Raichur, Karnataka.

What is the 'Millet Challenge' for startups ?

- NITI Aayog will soon announce this challenge for startups related to coarse cereals.
- In this, any startup providing solutions in **innovative ways** will be able to participate.
- The names of the winners will be announced before **December**.
- A basic grant of **Rs 1 crore** each will be given to three winners, **Rs 20 lakh** each to 15 selected candidates and **Rs 10 lakh** each to other 15 selected candidates.
- The Union Finance Minister asked the major millet processing companies to focus on Karnataka to make the state a brand in this sector.

About Millets :

- Millets are **high nutrient cereal crops** and are classified as small seeded grasses.
- They include **jowar (sorghum), ragi (finger millet), korra (foxtail millet), arke (kodo millet), sama (little millet), bajra (pearl millet), chena/barr (proso millet) and sanwa (barnyard millet)**.
- India is one of the major producers of millets in the world with an estimated share of about **41%** in the global production.
- Major producers of millets are **Rajasthan, Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, Maharashtra, Gujarat and Haryana**.
- Millet has been notified as a **nutritional cereal** by the government in April 2018.
- They are a rich source of **protein, fiber, minerals, iron, and calcium and have a low glycemic index**.
- The production of millets in India has increased by **16 % to 17.26 million tonnes (MT)** in the 2019-20 crop year (July-June) from 14.5 MT in 2015-16.
- In March 2021, India led a UN General Assembly resolution to declare **2023 as the International Year of Millets**.
- India's proposal was supported by **72 countries**.
- India is the **5th largest** exporter of Millets globally.

6. Three govt entities join hands for development of multi-modal logistics parks (Aug. 25, 2022)

Three public sector entities under various ministries of the central government have signed an MoU for the development of multi-modal logistics parks under the Bharatmala project.

Parties of the agreement :

- MoU has been signed between National Highway Logistics Management Limited (NHLML), Inland Waterways Authority of India (IWAI) and Rail Vikas Nigam Limited (RVNL) for rapid development of Modern Multi Modal Logistics Park (MMLP).
- NHLML is a special purpose vehicle of the National Highway Authority (NHAI) and IWAI is a statutory authority under the Ministry of Ports, Shipping and Waterways.
- RVNL is a wholly-owned public sector enterprise under the railway ministry.

Objective of the agreement :

- Centralise freight movement and reduce logistics cost from 14 percent of GDP to less than 10 per cent in line with international standards.

IMPORTANT FACTS -

- The agreement was signed in the presence of Union Ministers Nitin Gadkari and Sarbananda Sonowal.
- This will provide seamless modal shift, MMLP will ensure that cargo is swapped or moved by waterways, dedicated freight corridors and road transport.
- MMLPs will ensure that cargo is moved through waterways, dedicated freight corridors and road transport hubs.
- MMLP will focus on technology driven implementation for a state-of-the-art freight management system.

Bharatmala Pariyojana :

- It is a centrally-sponsored and funded Road and Highways project of the Government of India.
- It was launched in July 2015.
- Under the project the government intends to develop 83,677 km of highways and roads at an investment of around Rs 7 lakh crore over the next five years.

ADDITIONAL INFORMATION -***Components of Bharatmala Project :***

- Feeder Route or Inter Corridor
- Economic Corridor
- National Corridor Efficiency Improvement
- Border Road and International Connectivity
- Green Field Expressway

Balance NHDP Works

7. Adani group makes bid to take over NDTV (Aug. 24, 2022)

Adani Group's subsidiary AMG Media Networks has bought 29.1 percent indirect stake in New Delhi Television (NDTV).

IMPORTANT FACTS -

- Gautam Adani Group will also launch an open offer to buy more 26% stake.
- At the same time, in a notice sent to the Securities and Exchange Board (SEBI), NDTV said that the information about the acquisition has not been given to it.
- NDTV claimed that there was neither any discussion nor consent was taken with its founders – Prannoy Roy and Radhika Roy.
- The promoter entity RRPR Holding, at the centre of the acquisition, has been asked to transfer its shares to the acquirer Vishvapradhan Commercial (VCPL) in two days.
- Adani Group has made an open offer for up to 26 per cent stake in NDTV at a price of Rs 294 per share.

What is a Takeover Bid ?

- A takeover bid is a type of corporate action in which one company makes an offer to buy another company.
- In a takeover bid, the company making the offer is known as the acquirer.
- The acquiring company typically provides cash, stock, or a combination of both in an effort to acquire the company.
- There are four types of takeover bids - friendly, hostile, reverse, or backflip.

ADDITIONAL INFORMATION -

What is Hostile bid ?

- A Hostile bid involves the bidding target going directly to the shareholders.
- Hostile bidders issue a tender offer, giving shareholders the opportunity to sell their stock to the acquirer at a substantial premium within a specified time frame.

8. No charges will be levied on UPI services - Finance Ministry (Aug. 22, 2022)

The Finance Ministry on August 21 said that the United Payments Interface (UPI) is a useful digital service for the people and the government does not intend to levy any charges on it.

IMPORTANT FACTS -

- This statement of the Finance Ministry allays the apprehensions arising out of the discussion paper of the Reserve Bank of India (RBI) on charges in the UPI payment system.
- The discussion paper suggests that UPI payments may be charged with different amount categories.
- In this paper, there was talk of levying a special charge (Merchant Discount Rate) on UPI transactions.
- This charge depends on the amount transferred.
- Currently, there are no charges for transactions through UPI.

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 2 August.

9. Centre bars 13 states from power exchange over dues (Aug. 20, 2022)

Power System Operation Corporation (POSOCO), the national grid operator under the Ministry of Power, has barred 12 states and one Union Territory of Jammu and Kashmir from buying/selling electricity due to non-payment of dues.

IMPORTANT FACTS -

- These states include Andhra Pradesh, Tamil Nadu, Telangana, Karnataka, Bihar, Jharkhand, Madhya Pradesh, Maharashtra, Chhattisgarh, Jammu and Kashmir, Rajasthan, Manipur and Mizoram.

- This is the first time that the grid operator has invoked the Electricity (Delay Payment Surcharge and Related Matters) Rules, 2022, to not allow discoms to buy power from alternative short-term sources.
- The total outstanding dues of non-payment discoms is Rs 5,000 crore, of which Telangana has the highest dues of Rs 1,380 crore.
- Under the new Late Payment Surcharge (LPS) rules, it will be implemented from August 19.
- As per the LPS rule, if the discoms do not clear the pending dues to Genco within seven months, their power exchange is suspended.

Power System Operation Corporation (POSOCO) :

- It is a wholly owned Government of India Enterprise under the Ministry of Power, Gov of India.
- Earlier it was a wholly owned subsidiary of Power Grid Corporation of India Limited (POWERGRID).
- It was set up in March 2009 to handle the power management functions of PGCIL.
- It is responsible for ensuring the integrated operation of the grid in a reliable, efficient and safe manner.
- It consists of 5 Regional Load Despatch Centers and one National Load Despatch Center (NLDC).

10. CBIC revises guidelines on arrest, prosecution for Customs violations (Aug. 18, 2022)

The Central Board of Indirect Taxes and Customs (CBIC) has issued revised guidelines for prosecution, arrest and bail under the Customs Act.

IMPORTANT FACTS -

- CBIC has increased the limit of fine for violation of these rules.
- Smuggling of high value goods such as gold and unauthorized import of goods, the market value of which is more than Rs 50 lakh, can lead to prosecution and arrest.
- Cases of wrong declaration or evasion of duty of goods worth Rs 2 crore or more will also face similar action.
- Arrest will also be made if the amount of fraudulent duty refund or duty exemption in export of goods exceeds Rs.2 crore.
- However, the above limit of value will not apply to certain items like ammunition, antiquities, art treasures, wildlife and endangered species.

What is Custom Duty?

- Customs duty refers to the tax levied on goods when they are transported across an international border.
- It is a tax that is levied on the import and export of goods.
- The government uses this duty to increase its revenue, protect domestic industries and control the movement of goods.

Types of custom duty :

- Basic Customs Duty (BCD)
- Countervailing Duty (CVD)
- Additional Customs Duty or Special CVD
- Protective Duty,
- Anti-dumping Duty

Central Board of Indirect Taxes and Customs (CBIC) :

- It is a subsidiary board of the Department of Revenue under the Union Ministry of Finance.
- It mainly deals with the functions of policy formulation and implementation relating to levy and collection of Customs Duty, Central Excise Duty and Goods and Services Tax.
- It also works for the prevention of smuggling.
- CBIC is headed by a Chairman and consists of 6 members.
- Present Chairman - Vivek Johri