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1. Union Cabinet allows procurement by Cooperatives through Government e-Marketplace (June 2, 2022)

The Union Cabinet on June 1 approved a proposal allowing cooperatives to sell products on the Government-e-Marketplace (GeM) platform.

- Currently , registration of cooperative societies as buyers was not included in the existing mandate of Government e-Marketplace (GeM).
- The Ministry of Cooperative will decide on the valid list of cooperatives to be included on GeM.
- GeM will provide a dedicated onboarding process for cooperatives.
- **Significance of the move**
- This move will help 8.54 lakh registered cooperative societies like Amul and IFFCO and their 27 crore members, as they will get products from GeM portal at competitive rates.
- Micro and medium small scale industries will get buyers and it will boost the prospects of Vocal for Local and Self-reliant India.
- With the opening of the GeM portal, Self Help Groups, MSMEs and small businesses have benefited greatly.
- **About Government-e-Marketplace (GeM) platform**
- Launch - 9 August 2016
- Purpose - to bring transparency and efficiency in the government buying process
- Nodal Ministry - Ministry of Commerce and Industry
- GeM works on inclusion, transparency and efficiency
- Who registered on GeM - Artisans, weavers, SHGs, startups, women entrepreneurs & MSMEs are registered on GeM
- The portal is open for - all government buyers, Central and State Ministries, departments, public sector enterprises, autonomous institutions, local bodies, etc
- Private buyers cannot buy on the platform but private people can sell products to government bodies by the portal.

2. New Guidelines of Micro & Small Enterprises Cluster Development Programme (MSE-CDP) approved (May 27, 2022)

The government has approved the new guidelines of Micro and Small Enterprises Cluster Development Program (MSE-CDP).

- It will be implemented during the 15th Finance Commission Cycle(2021-22 to 2025-26).

- The objective of this scheme is to increase the competitiveness and productivity of micro and small enterprises such as -

1. Common Facility Centers (CFCs)

The Central Government grant will be limited to Rs.5 crore to Rs.10 crore, 70% of the project cost and 60% of the project cost from Rs.10 crore to Rs.30 crore.

In case of NE & Hill States, Island territories, Aspirational Districts, government grant will be 80% of the cost of project from Rs 5 crore to Rs 10 crore and 70% of the cost of project from Rs 10 crore to Rs 30 crore.

1. Infrastructure Development

Central Government grant will be limited to 60% of the project cost for setting up new industrial estate/flatted factory complex from Rs.5.00 crores to Rs.15.00 crores and 50% of the project cost from Rs.5.00 crores to Rs.15.00 crores.

In case of North Eastern and Hilly States, Island areas, Aspirational Districts, the grant will be 70% of the project cost, ranging from Rs.5 crore to Rs.15 crore and 60% of the cost for setting up of new industrial estate/flat factory complex.

• Objectives of MSE-CDP

- To support the sustainability and growth of MSEs by addressing common issues like technology, skill and quality improvement, market access etc.
- To build the capacity of MSEs for common support action through self-help groups, formation of associations, up-gradation of associations etc.
- Creation and upgradation of infrastructure facilities in new and existing industrial areas and clusters of MSEs.
- To set up common facility centres for testing, training centre, raw material depot, effluent treatment etc.

3. Govt calls off BPCL's strategic disinvestment (May 27, 2022)

The Government has decided to end the current Expression of Interest (EoI) process for strategic disinvestment of Bharat Petroleum Corporation Limited, BPCL.

- The Department of Investment and Public Asset Management (DIPAM) said that the multiple wave of COVID-19 and geopolitical conditions affected several industries globally, especially the oil and gas industry.
- DIPAM said that most of the Qualified Interested Parties (QIPs) expressed their inability to continue the current process due to the prevailing conditions in the global energy market.
- The transition to green and renewable fuels has made privatisation difficult in the current context.

- DIPAM had issued a Global Invitation in March, 2020 for expression of interest for strategic disinvestment of approximately 53 per cent equity share capital of the Government in Bharat Petroleum Corporation Limited.

- **What Is Disinvestment?**

- Disinvestment means selling a stake in a company, subsidiary or other investments.
- Governments often sell stakes in public sector companies to raise revenue.
- In the early 1990s, in the wake of changes in economic policy, the Indian government began disinvestment of its stake in public sector companies.
- This is commonly known as liberalisation, privatisation and globalisation.
- The NDA government in its first term under Prime Minister Atal Bihari Vajpayee undertook strategic disinvestment in major PSBs such as Bharat Aluminium Company (Balco) and Hindustan Zinc (Sterlite Industries), Indian Petrochemicals Corporation Limited (for Reliance Industries) and VSNL (for Tata).

- **Department of Investment and Public Asset Management (DIPAM)**

- It was set up under the Union Ministry of Finance on December 10, 1999.
- It was established to manage the disinvestment work of the Central Government in Public Sector Undertakings.
- The Department of Disinvestment was renamed as 'Department of Investment and Public Asset Management (DIPAM)' on April 14, 2016.

4. Govt imposes restrictions on sugar exports from June 1 (May 25, 2022)

The government on May 24 restricted the export of sugar with effect from June 1, aimed at increasing the availability of sugar in the domestic market and curbing price rise.

- As per notification of the Directorate General of Foreign Trade (DGFT) Export of sugar (raw, refined and white sugar) is placed under restricted category from June 1, 2022 onwards.
- These restrictions will not apply to sugar being exported to the EU and US under CXL and TRQ.
- A certain amount of sugar is exported to these regions under TRQ and CLX.
- The government has also decided to allow export of sugar up to 100 LMT (Lakh Metric Tonnes) during the sugar season 2021-22 (October-September) for maintaining domestic availability and price stability.
- With the specific permission of the Directorate of Sugar, Food and Public Distribution Department, export of sugar will be allowed.
- **Exports of the sugar**
- About 70 lakh metric tonnes have been exported against the target of 60 lakh metric tonnes in the sugar season 2020-21.

- In the current sugar season 2021-22, contracts for export of about 90 LMT have been signed, about 82 LMT sugar has been dispatched from sugar mills for export and about 78 LMT have been exported.
- Sugar exports are historically highest in the current sugar season 2021-22.
- This decision will ensure that the closing stock of sugar at the end of the sugar season is 60 to 65 LMT, which is the required 2 to 3 months stock for domestic use.
- **Important facts**
- Uttar Pradesh is the largest sugar producing state in India, followed by Maharashtra.
- Sugarcane is grown during Kharif season.
- Brazil is the world's largest sugar producer.
- India has second place in sugar production in the world.
- The first cooperative sugar factory was established in the year 1957 in district Nainital (presently in district Udham Singh Nagar).

5. FDI inflow hits all-time high of USD 83.57 billion in 2021-22 (May 21, 2022)

India recorded the highest annual foreign direct investment of \$83.57 billion in FY 2021-22.

- In FY 2020-21, the FDI inflows were \$81.97 billion. FDI equity inflows in manufacturing rose 76% in FY22.
- The FDI inflows registered a growth of 85 per cent in the last financial year. India has received over US\$ 301 billion in the last four financial years.
- According to data from the Ministry of Commerce and Industry, the country's FDI inflows have increased 20-fold since the financial year 2003-04, when FDI inflows were only US\$4.3 billion.
- As against FDI inflows of \$141.10 billion in the pre-COVID period from February 2018 to February 2020, FDI from March 2020 to March 2022 grew by almost 22% to \$171.84 billion.
- India is fast emerging as a preferred country for foreign investment in the manufacturing sector.
- Liberal and transparent policy for FDI and several other measures have resulted in record FDI inflows.
- **Topmost investor**
- Singapore was the largest investor in India in the last financial year.
- It accounted for 27% in FDI, followed by the US at 18% and Mauritius at 16%.

- Computer software and hardware emerged as the top recipient sector of FDI with an around 25% share.
- It is followed by the services and automobile sectors with a share of 12%.
- **Top FDI recipient state**
- Karnataka was the top recipient state with 38% share in the total FDI equity inflows during 2021-22.
- Maharashtra (26%) and Delhi (14%) were second and third.

S. No.	Financial Year	Amount of FDI inflows (in USD billion)
1.	2018-19	62.00
2.	2019-20	74.39
3.	2020-21	81.97
4.	2021-22	83.57

6. The Centre has extended the wheat procurement season till 31st May, 2022. (May 16, 2022)

The Centre has extended the wheat procurement season till May 31, 2022.

- The Centre has asked states and union territories to continue procurement till the end of May.
- Farmers are expected to benefit from the extended period of wheat procurement.
- The decision has been taken in view of the request by the state governments to continue the procurement process.
- Procurement of wheat under central pool in Rabi marketing season 2022-23 is going on smoothly.
- The central government has also decided to ban the export of wheat to check the high prices of wheat.
- Till May 14, 180 lakh tonnes of wheat has been procured, due to which about 16.83 lakh farmers have benefited from the MSP price of Rs 36,208 crore.
- **Why did India ban the export of wheat?**

- Record retail inflation has dashed India's export hopes.
- While the prices of wheat have increased by about 20%, the prices of essential food items like flour have increased by about 15% last year.
- Apart from bread and biscuits, there has also been an increase in the prices of other food items in which wheat is used.
- In late March, the heatwave affected the production of food grains, especially in Northwest India.

7. PM reviews various aspects of wheat supply, stock and exports (May 6, 2022)

Prime Minister Narendra Modi chaired a meeting to review various aspects of wheat supply, stock and exports.

- PM Modi was briefed about the effect of high temperatures in the months of March to April on crop production.
- The position of procurement and export of wheat was also reviewed.
- The Prime Minister directed that all steps be taken to ensure quality norms and standards so that India can develop as an assured source of food grains and other agricultural products.
- Modi also asked the officials to ensure maximum help to the farmers.
- The officials informed the Prime Minister about the prevailing market rates which are beneficial for the farmers.
- **Status of procurement of wheat in India**
- The procurement of food grains at the Minimum Support Price (MSP) by the government will hit a 13-year low this year.
- In 2010-11, wheat procurement was 22.5 MT and in 2016-17, it was 22.96 MT.
- MSP purchases of wheat stood around 17 MT as on 5 May, down 42% from the year-ago level.
- India is aiming to export more than 10 metric tonnes of wheat in 2022-23.
- According to the revised guideline, during the remaining five months of phase VI of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), FCI will allocate 3.5 million tonnes (MT) of wheat to states.
- Launched in 2020 as part of COVID19 relief measure, 5 kg of grain under PMGKAY are provided free each month besides highly subsidised foodgrain to beneficiaries under National Food Security Act.

8. The Reserve Bank of India has increased the cash reserve ratio (CRR) for banks (May 4, 2022)

The Reserve Bank of India has increased the cash reserve ratio (CRR) for banks by 0.50 percent to 4.5 percent.

- On May 4, 2022, in the meeting of the Monetary Policy Committee (MPC) of the Reserve Bank of India, Reserve Bank Governor Shaktikant Das announced an increase in the CRR.
- In the meeting of the Monetary Policy Committee (MPC), it was decided to increase the repo rate by 0.40 percent to 4.4 percent.
- The new rates will be applicable from May 21.
- **What is Cash Reserve Ratio (CRR)?**
- CRR refers to the bank deposits that banks need to keep with the central bank in cash.
- **What is the repo rate?**
- Repo rate is the rate at which the central bank of a country (RBI in India's case) lends money to commercial banks when they are short of funds. Here the central bank buys securities.
- **What will be the effect of the hike in repo rate?**
- The increase in the repo rate by the RBI will increase the EMI of other loans like home and car loans.
- An increase in the repo rate can help bring down inflation. The Reserve Bank believes that due to the costlier interest rate, the inflation rate will be controlled.
- The impact of increasing the repo rate will also affect the savings bank account and FD. Banks can increase the interest rate on your savings account and fixed deposits.

9. GeM reaches all-time high of over Rs 15,000 crore for Financial Year 2021-22 (May 2, 2022)

The purchase orders by the Defence Ministry through the Government e-Market (GeM) portal have reached an all-time high of Rs 15,047.98 crore for the financial year 2021-22.

- This is a jump of over 250 per cent as compared to the previous financial year.
- **Government e-Market (GeM) portal**
- GeM is an acronym for One Stop Government e-Market Place hosted by DGS&D where common user goods and services can be procured.
- GeM is a dynamic, self-sustaining and user-friendly portal for procurement by government officials.
- Public procurement is a very important part of government activity and reform of public procurement is one of the top priorities of the present government.
- The Government e-Marketplace originated in January 2016 based on the recommendations of two Groups of Secretaries.

- Apart from reforms in DGS&D, they recommended setting up of a dedicated e-market for various goods and services bought or sold by the Government/PSUs.
- Subsequently, the Finance Minister in his budget speech for the financial year 2016-17 announced the setting up of a technology driven platform to facilitate procurement of goods and services by various ministries and agencies of the government.
- DGS&D with technical support from the National e-Governance Division (Ministry of Electronics & Information Technology) has developed a GeM portal for procurement of both products and services.
- The portal was launched on 9 August 2016 by the Minister of Commerce and Industry.

10. GST Revenue collection for April 2022 highest ever at Rs 1.68 lakh crore (May 2, 2022)

According to the data released by the Union Finance Ministry, the highest level of collection recorded since the implementation of GST in July 2017 rose to Rs 1.68 lakh crore in April.

- The gross GST revenue collected in the month of April, 2022 is-
- CGST is Rs 33,159 crore
- SGST is Rs 41,793 crore
- IGST is Rs 81,939 crore (including Rs 36,705 crore collected on import of goods).
- Cess is Rs 10,649 crore (including Rs 857 crore collected on import of goods).
- Gross GST collection in April 2022 is the highest ever, an increase of Rs 25,000 crore over the previous month's highest collection of Rs 1,42,095 crore.
- The revenue for the month of April 2022 is 20% more than the GST revenue in the corresponding month of last year.
- During April, revenues from import of goods were 30% higher and the revenues from domestic transactions were 17% higher than the revenues from during the same month last year.