

MAY 2022

MONTHLY
CURRENT
AFFAIRS GK
DIGEST

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MONTHLY CURRENT AFFAIRS GK DIGEST: MAY 2022

SEBI releases Easier Anchor Investor Rules

Current Context: To make the LIC IPO, the attractive Securities and Exchange Board of India has eased the rules for Anchor Investors.

Highlights

- Anchor Investors are those institutional investors whose investment in an IPO motivates others to invest. These investors boost the confidence of the retail investors. They are also called **Celebrity Investors**.
- **Lock in period** for the Anchor Investors has been reduced to **30 days** for public issues exceeding 10000 crore rupees.
- Role of Anchor Investors and NII is crucial to inspiring retail investors' confidence.
- LIC will dilute **3.5%** of her total shares. SEBI reduced the threshold to 5%, particularly for LIC.

SEBI to Join Account Aggregator Framework

Current Context: Securities and Exchange Board of India, will join the account aggregator framework for data sharing.

Key Points

- The account aggregator framework is meant to allow the customers to share information about their mutual fund and stock portfolio with the financial service providers, such as Brokers, lenders, wealth managers, etc.
- The Account Aggregator Framework is under the regulation of the **Reserve Bank of India**, therefore it would make the transactions secure. An API (Application Program Interface) is used as an interface between the market players and the regulators. The players include NSDL, CSDL, CAMS, etc.

2nd India - Nordic Summit 2022

Current Context: PM Shri Narendra Modi will visit Denmark as a part of his 3 nation tour, to attend Nordic Summit, in addition to his visit to Germany and France.

Key Facts

- Nordic Summit is one of its kind summits that allow India and the Nordic countries to negotiate terms of trade, people-to-people connections, cultural exchanges, technology transfer, and augmentation among others.
- The summit would take place in **Copenhagen**, Denmark. This summit would be attended by India and Nordic countries that including Denmark, Finland, Iceland, Norway, and Sweden.

- As of now, the Total Bilateral trade volume is **\$ 13 bn**. The Nordic countries provide technology services, particularly they have expertise in cyber security and related innovations. India on the other hand, exports cereals, steel, precious diamonds, gems, and stones. Indian Jackfruit is in popular demand there.

Metro Freight Trains

Current Context: Ministry of Railways will roll out high-speed freight trains, for faster movement of goods, to help reduce the cost of products.

Details

- 25 Trains of the design of Vande Bharat, which could run at a speed of **160 km/h**, will be manufactured by Integral Coach Factory, Chennai.
- Each train would consist of **16 coaches**, with 2 coaches meant for refrigeration. A train would cost **60 crore rupees**.
- Earlier, last year Kisan Rails were started, they however lack the speed. **DFCCIL** is a dedicated PSU meant to improve the service of the freight corridor.

India's First Ethanol Plant

Current Context: Chief Minister of Bihar, Sri Nitish Kumar, inaugurated **India's first Ethanol Plant in Purnea**.

About

- Bihar became the first state to implement Ethanol Policy. Ethanol is a liquid from the alcohol family having excellent blending potential. Ethanol is blended in petrol and diesel to help reduce the cost and also the emissions.
- The Ethanol Plant at Purnea is one of its kind with an investment of **105 crore** rupees, set up by private entrepreneurs. It will have zero liquid discharge.
- This plant is **India's first grain-based Ethanol unit**. It would run on Rice husk and maize.

Portable Desalination Unit

Current Context: Researchers at the prestigious Massachusetts Institute of Technology (**MIT**), have developed a Portable Desalination kit.

Highlights

- Based on **Ion Concentration Polarization** technology, the researchers at the biophysics laboratory have developed a Portable Desalination Unit that can turn the oceanic water into potable water.
- Professor Jongyoon Han of the electrical engineering wing and his team achieved this feat which will transform coastal tourism and help evolve similar sustainable solutions.
- The unit costs 50 USD, which is very much affordable. The kit uses ion concentration polarization to remove the impurities along with pathogens by creating an electric field.

First Semiconductor Fabrication Unit in India

Current Context: The government of Karnataka has signed a MoU with ISMC for the first semiconductor fabrication unit in India.

Key Points

- In a major success of the National Semiconductor Mission, the Government of Karnataka has entered into a Memorandum of Understanding with **Israel-based ISMC Analog fabrication private limited**, to inaugurate the first semiconductor fabrication unit in India.
- The fabrication unit would see an investment worth 3 bn USD, which is roughly 22,900 crore Indian Rupees. It would attract 1500 jobs directly. The project would take 7 years to be implemented completely.
- This MoU comes after SEMICON INDIA SUMMIT 2022, held in Bengaluru, which saw the presence of eminent personalities from the semiconductor domain, entrepreneurs, students, academia, and many others. The ambitious National Semiconductor Mission has been launched with a corpus of 76,000 crore Rupees.

India - UAE Trade Pact

Current Context: India and UAE Trade pact has come into force and is bound to give thrust to increased bilateral trade and investment.

Key Facts

- Signed in February this year, the ambitious India -UAE Trade pact has come into force. It would boost bilateral trade from **60 bn USD to 100 bn USD in the next five years**.
- The Comprehensive Economic Partnership Agreement (CEPA), would see duty-free trade of goods and services on both sides. UAE has been able to diversify its economy beyond fuel.
- India - UAE Cooperation has been strengthened all these years. Recently, UAE has roped in India for opening an IIT Campus there and the government of India has agreed to open the first overseas campus of IIT there.

Farmer Distress Index

Current Context: NABARD has come up with an index dedicated to the hardships that farmers face.

Details

- The agricultural sector lender NABARD has developed the farmer Distress Index, based on certain parameters. **NABARD** conducted an extensive field study in cooperation with **Bharat Krishak Samaj**.
- The parameters are rainfall variation, soil moisture, dry spells, temperature, pest, and weed management among others.

- The index will help the lending institutions to take a holistic view of crop insurance as they will be able to gauge the expected crop damage.
- The rate of distress has been found to be more among the marginal farmers. These are such farmers who have landholding less than 1.1 acres and unfortunately, **86%** of the farmers fall under the category of marginal farmers.

National Open Access Registry

Current Context: Ministry of power has developed the National open Access Registry.

About

- Launched by the Union Ministry of Power, NOAR will serve as an integrated single-window clearance Platform. The platform will also act as a repository of information on short-term inter-state electricity transmission.
- National Load Despatch Center (NLDC) will act as the nodal agency for implementing the NOAS. NLDC is under the purview of POSOCO.
- National Open Access Registry will act as the key facilitator to help with enabling the integration of Renewable energy resources into the grid. Now, it would encourage the consumers to take up renewable energy production at in-house facilities and transfer the surplus electricity to the grid. Solar on-grid has been very successful.

Indo - German Relationship

Current Context: Honorable Prime Minister of India, Shri Narendra Modi is on a 3-day tour to Europe and he will be visiting Germany, Denmark, and France.

Highlights

- An Indo-German **Green Hydrogen climate task force** has been constituted following PM Modi's visit. It paved the way for pledging **10 bn Euros**, to attain the Sustainable Development Goals (17 SDGs set up by UNO).
- The 10 bn Euros fund will continue until 2030. India has become able to extend its National Green Hydrogen Mission and attract stakeholders from across the world.
- There is already an existing NITI-BMZ Dialogue mechanism present that facilitates cooperation on development issues. India and Germany have also agreed to have **encrypted connections** between the foreign offices of the two nations. It will help to foster exchange and mutual protection of classified documents.

PK2: A Treatment against Diabetes

Current Context: A molecular medicine PK2 has been developed by the researchers at IIT Mandi.

Key Points

- Researchers at IIT Mandi, have been able to develop PK2 which is capable of triggering the release of **INSULIN** by the Pancreas. It can be orally administered to the targeted patients.
- It will be a unique panacea for Diabetic patients because it would replace the need for external insulin to be injected to maintain the blood sugar level.
- A blood sugar level in the range of 90-160 is assumed to be safe. Administering PK2 helps in augmenting many biochemical processes.

LIC IPO: Anchor Investors

Current Context: LIC went for an IPO, where Anchor Investors made a substantial investment today.

Key Facts

- Anchor Investors, who are considered to generate confidence among the retail investors, have invested **5,600 crore rupees** since the IPO was first opened for them.
- The Securities market regulator SEBI had eased the norms for conducting the IPO of LIC by allowing below threshold liquidation of company shares (i.e 3.5%, instead of 5%).
- Major foreign investors who contributed under the Anchor Investors category are - CPPIB, CDPQ, Brookfield, KIA, NORGES, etc, in addition to the domestic investors. The share price has been kept at **949 rupees per issue**.

Joint Declaration on Forest Landscape Restoration

Current Context: India's Environment Minister Shri Bhupendra Yadav and Her German counterpart have signed a joint declaration on forest Landscape Restoration.

Details

- India's total forest cover is 24.71%, as per the Forest Survey of India Report 2021. This percentage is much less than the stipulated goal of 33 % forest cover as per the National Forest Policy 1988. Therefore, in order to restore more land under forest cover, India has sought German assistance.
- The joint declaration is intended to facilitate the sharing of technology, for holistic landscape management of forests. Forest is an important ecosystem that helps mitigate the ill impacts of climate change.
- Land degradation is another issue and India has signed the pledge to bring 3,30,000 km² of land under restoration, on the sidelines of UNCCD, held in New Delhi in 2020.

New Ex-Officio Member of MPC

Current Context: The Reserve Bank of India has approved the appointment of **Shri Rajiv Ranjan** as an ex-officio member of the monetary policy committee.

About

- The Executive Director of RBI has been cleared for being appointed as a member (ex officio) of the monetary policy committee, by the Central board of directors.
- The 6-member MPC is a key committee of RBI that decides the policy rates viz Repo, Bank rate, SLR, CRR, etc. The MPC came into existence in 2016 on the recommendation of the **Urjit Patel committee**.

World Press Freedom Index

Current Context: The RSF released the 20th version of the World press freedom Index 2022.

Highlights

- The Paris-based NGO Reporters without Borders has come up with the 20th edition of the world press freedom index, which is compiled based on 6 broad parameters.
 1. Media Independence
 2. Media environment and self-censorship
 3. Legislative Framework
 4. Transparency
 5. Quality of Infrastructure for media production
 6. Pluralism
- The three Nordic countries only Norway, Denmark, and Sweden have bagged the first three spots, in the repetition of the past trends.
- India has slipped to 8 spots further, from 142nd to 150th. RSF has registered serious concerns about the UAPA laws being used to silence the media.

India - Denmark Relations

Current Context: Honorable Prime Minister Shri Narendra Modi is on a country tour to Europe.

Key Points

- PM Modi met his Danish counterpart Frederiksen and concluded the following.
 1. Review of Green Strategic Partnership, which was established in September 2020.
 2. A smart laboratory to be established on clean river water in Varanasi.
 3. A center of excellence in Smart water Resource Management is to be established.
 4. A center of excellence in Dairy technology will also be established.
- Denmark will also host the 2nd India -Nordic Summit in Copenhagen. Nordic countries form a significant pearl of India's foreign policy in Europe.

Maharashtra Government Launches JIVHALA Loan Scheme

Current Context: The government of Maharashtra, has come up with a credit facility for Jail inmates, called JIVHALA.

Key Facts

- In a unique approach to improving the conditions of Prisoners, the Maharashtra Government has launched a credit scheme for prisoners, with assistance from a Cooperative bank.
- The loan will be disbursed to those who have served a minimum of **three** years of the term. The scheme has been launched on a pilot basis from **Yerwada Jail of Pune**.
- 50,000 rupees, is to be lent to the prisoners charged at a rate of interest of 7 % per annum. The Bank will contribute 1% of its earnings to the **Prisoner's Welfare Fund**.
- The scheme will help erosion of the family's source of income because a large chunk of the family income is directed to litigation and maintenance of the jailed accused.

French Opt Out of India Project for Submarines

Current Context: France's Naval Group has opted out of India's ambitious Project 75 I, following RFP norms.

Details

- The France Naval group is opposed to the **AIP Technology**, being demanded by India. AIP (Air Independent Propulsion) is a technology that allows submarines to stay underwater for a longer period of time.
- Project P75 I was approved by the cabinet committee on security, in June 1999. It was planned to have indigenous production of **24 submarines by 2030**. Two lines of production under P75 and P75I were commenced.
- As of now, India has 16 conventional Diesel-electric submarines. However, with the induction of INS VELA and VAGASHEER, the total fleet would be 18.
- 4 under shishumar class, 4 under kalvari, and 8 under kilo (SINDHU VEER) are presently there with the Indian Navy.

RBI Hikes the Key Policy Rates

Current Context: The Central bank (RBI), held a surprise meeting of the Monetary Policy Committee and brought about key changes in policy rates.

Highlights

- Looking at the consistently growing inflation, which crossed the 4+/- 2% threshold this quarter at 6.95%, the Reserve Bank of India hiked the key policy rates. The increase is meant to contain inflation in the long term.

	CRR	Repo	SDF	MSF
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Earlier	4.0%	4.0%	-	-
Now	4.50%	4.40%	4.15%	4.65%

Impact on the Indian Economy

- Increased rate of interest thus a dip in demand
- Rise in monthly EMIs
- Debt investments will become more attractive
- Consumer Loans are expensive

CEA Estimates the Indian Economy to Grow 7- 8.5%

Current Context: Chief Economic Advisor in a recent meeting projected the Indian economy to grow at 7 -8.5%.

Key Points

- The Chief Economic Advisor Dr. V Anantha Nageswaran, in a recent meeting with the credit agencies, forecasted the Indian economy to grow at 7 to 8.5%. His observations are based on current developments in Europe (Ukraine Conflict), which has led to supply chain disruption and a rise in prices.
- He also emphasized the CPI crossing the 6% threshold, breaching the inflation target. To contain inflation, the government's push to increase capital expenditure, is what he conceives right.
- The projections by key institutions are as follows.

Institution/Publication	Projected growth rate for FY 2022 -23
IMF	8.2%
RBI	7.2%
Economic Survey	8 - 8.5%

Services Export at an All Time High

Current Context: The services Export has reached **254.4 bn USD**, this fiscal.

Key Facts

- India's Services sector export grew by **23.4%**, in 2021-22 to touch above 250 bn USD mark despite the pandemic causing serious restrictions on trade. With this, India's total export including merchandise has reached 676.2 bn USD.
- This is a result of India's forward-looking trade policy and subsequent FTAs, PTAs, CEPA, etc with the countries. India's approach to UAE and Australia through the FTA window. Reaped many opportunities for her.
- Today, UAE has surpassed China to become India's 2ns largest trade partner. India's services export is expected to touch the 1 trillion USD mark.

US Federal Reserve Rates Raised

Current Context: The US Fed Reserve has introduced a hike in the key policy rates.

Details

- In a move to contain the inflation that is affecting the global markets the US **Federal Open Market Committee (like MPC in India)**, raised the interest rates by **0.5%**.
- The change in the position of the US currency has a ripple effect on the global economies, including India. The US Fed is led by **Jerome Powell**.
- Impacts on the Indian Economy
 - Foreign Portfolio Investments will be poorly hit as they would find it better to park their funds in the US Market. FPI of the volume 1.67 lakh crore has been pulled out so far, which is a matter of great concern.

5 Trillion USD by 2029

Current Context: The IMF has projected that India would achieve the 5 Trillion USD mark by the year 2029.

About

- India is a 3 trillion USD economy and stands as the 6th largest in the world. The Government of India had put forth her ambitious target of achieving 5 Trillion USD by 2024. However, COVID 19 pandemic created havoc on all sectors of the economy by forcing the markets to close.
- Meanwhile, the International Monetary Fund has projected that India would be able to achieve the 5 Trillion mark by 2029, in her World Economic Outlook Report 2022, released recently.
- IMF projects India to grow at 8.2 % per annum in FY 2022. The report also finds that the Indian rupee will depreciate further to 94.4 rupees per dollar by 2029.

Russia Seeks Revival of LC

Current Context: The government of Russia has asked the Indian government to revive the Letter of Credit.

Highlights

- Amid sanctions by most of the European countries, led by the United States of America, It has become difficult for Russia to carry out transactions as Russia has been banned from using SWIFT.
- SWIFT stands for **Society for World Interbank Financial telecommunications**. This code is mandatory for carrying out international transactions. An 8 to 11-digit code is assigned which has to be verified on both ends. Following the ban from using the SWIFT network, Russia is finding it difficult to carry out transactions.
- Russia has therefore asked India to use the **letter of credit** once in use decades ago, which comes with the **guarantee of payment**, despite any changes in the market structure. Indian and Russian central banks are working on this keeping in mind the sanctions imposed.

- Indian exports will see a boost following the approval of the Letter of Credit. So far, India has exported 2.358 bn USD of goods and services this financial year, whereas imports from Russia have crossed 10 bn USD.

Delimitation of UT of J&K

Current Context: The Delimitation Commission has released the list of new constituencies.

Key Points

- As ordered by the President of India, under **Article 82** of the Indian Constitution, the Delimitation Commission has demarcated new legislative and parliamentary constituencies in the UT of J&K.
- The Delimitation Commission headed by Retd. Justice Ranjana Prakash Desai has assigned **43 legislative constituencies to Jammu and 47 legislative constituencies to Kashmir respectively**, considering their corresponding population of 44% and 56%.
- The Commission which has 3 members including the chairman, Chief election commissioner, and state election commissioner, assigned **6 Lok Sabha constituencies to Jammu, while 1 Lok Sabha constituency to Kashmir**.
- The basis for Delimitation is Census 2011.

Banks Follow RBI's Policy Stance

Current Context: Following RBI's announcement of policy rates, the Banks are aligning their interest rates to RBI.

Key Facts

- The Reserve Bank of India, in an unprecedented move, held an emergency meeting of MPC and announced new policy rates to contain the inflation which had soared past the 6% threshold.
- The Reserve Bank of India has been mandated to maintain inflation in the range of 2 to 6%. RBI hiked the repo by 40 bps following which ICICI Bank, Bank of Baroda, and Bank of India made corresponding hikes in their interest rates too.
- As of now, 53% of the lent amount is linked to MCLR, 25% to the External Benchmark rates (Repo and G Sec), and 22% to the fixed rates.
- Banks following the suit will help contain the inflation as of now an estimated 1.68 lakh crore rupees of excess liquidity exists in the market.

Services PMI Grows to 5 Months High

Current Context: A five months surge has been reported in the services sector PMI released by S&P.

Details

- Purchasing Managers Index is an index of goods and services sector growth expansion. It categorizes countries below and above 50 indicating contraction and expansion respectively.
- India's Services sector PMI has jumped to 57.9 indicating robust demand in her services sector. The services sector contributes 54% of gross value added (GVA), currently.
- The PMI hike is indicative of rising employment opportunities and market expansion of India's services sector. PMI measures both goods and services sectors separately and then adds them to collate the combined PMI score.

RIL becomes 1st Indian Company to Cross the 100 bn USD Mark

Current Context: Reliance India Ltd recently crossed the **100 bn USD** in terms of gross revenue.

Highlights

- Mukesh Ambani led by Reliance Industries Ltd has become the first Indian conglomerate to cross the 100 bn USD gross revenue. The RIL has ventured across Refining, Telecom, and Retail business. The lion's share of their revenue comes from Refining at about 44%, while retail accounts for 45%.
- The consolidated revenue of RIL stands at 7.92 lakh crore Indian rupees. During the last fiscal RIL generated 2.1 lakh new jobs.
- Becoming a 102 bn USD company makes RIL, a significant player in the nation's growth story. Mukesh Ambani is the 2nd richest individual in the country, behind Gautam Adani.

Sagarmala Project gets a New Target

Current Context: The government of India has recently revised the total investment to be made under the Sagarmala Project, launched in 2015.

Key Facts

- Sagarmala, an ambitious project that aims to ensure last-mile coastal connectivity, has seen a revision in the **Investment target from 1 Trillion Rupees to 6.5 Trillion Rupees.**
- These projects include port modernization, coastal shipping, and inland waterways development among others. As of now, **202 projects worth 99,281 crore Rupees have been completed. Another 200 projects worth 2.2 trillion are underway.**
- The inter-ministerial committee has approved 735 new projects, taking the total projects to 1735 which will augment the total investment to 6.5 trillion rupees.
- The Sagarmala Project is similar to the Golden Quadrilateral that saw connecting India through One road. The project has taken care of environmental clearances and the safety of coastal zones as suggested by **Shailesh Nayak Committee.**

India has 100 Unicorns worth 333 billion USD

Current Context: As per Ministry of commerce data, India has a total of 100 Unicorns.

Key Points

- India has added 44 unicorns in fiscal 2021-22, worth 93 billion USD. As per the Dept for Promotion of Industry and Internal Trade, as many as **66,000 startups** have come.
- DPIIT recognizes startups across **56 sectors**, the majority of which have come from the services sector. This is a result of the government of India's **simplification of labour laws into 4 labour codes**. **The government has also done away with 25,000 odd compliances** which were a major bottleneck for the startups.
- Schemes like Startup India and stand up India have helped to create a conducive atmosphere of innovation and investment.

Urban Unemployment Dips to 8.7%

Current Context: NSO, released the urban Unemployment data for the last quarter of Dec 2021.

Details

- As per the labour force participation survey conducted by the National statistical office, the urban Unemployment has improved to 8.7%, from 9.8% last quarter (Sept 2021).
- Labour force participation survey is conducted for people above the age of 15 years, obeying the mandate of Article 24 of the Indian Constitution that prohibits employing children below 14 years of age.
- Following COVID 19 pandemic, India saw industries shutting down on a massive scale thus contributing to huge job loss.

Govt to Privatisise United India Insurance

Current Context: The Government of India is considering to Privatisise United India Insurance Ltd.

About

- Out of three general insurers, the government of India is considering to Privatisise the United India Insurance. The task of identification of such government entities for disinvestment is entrusted to NITI AAYOG.
- The government has infused 100 crore rupees into United Insurance this fiscal to improve the health of the insurer. The insurance company had reported a net loss of 1,485 crore rupees in 2019-20.
- The task of disinvestment is carried out by DIPAM, which is under the Ministry of Finance.

NGT Imposes Fine

Current Context: The National Green Tribunal has imposed a fine on Singareni collieries in Telangana.

Highlights

- Singareni collieries have been punished with a **penalty of 41.21 crore** rupees for violating the environment clearances and mining excess coal, in Telangana. It is a state-owned unit of Telangana under the Ministry of Energy Resources.
- The colliery has been directed to pay the penalty to the state pollution control Board within three months' time and in case of nonpayment within the given time, the district administration would take action to recover the revenue.
- NGT was established to expedite the environment-related cases and has expertise in the arena of environmental justice. It works on the **principle of Natural justice**. India is the third country after Australia and New Zealand to have a specialized court for environmental justice. The current chairman is Justice Adarsh. Goel.

Vehicle Scrapping Facility

Current Context: The union transport ministry has given nod to the vehicle scrapping units within **150 km of the city centers**.

Key Points

- The vehicle scrapping policy that was introduced in the **Budget 2021-22**, mandates that **Private vehicles older than 15 years and commercial vehicles older than 10 years** will have to be scrapped.
- As per the policy, the vehicle scrapping units would fetch around **35,000 fresh jobs** and would add more than 6.5 lakh crore to the automobile industry of India which is worth 4.5 lakh crore, as of now.
- The setup of scrapping units within 150 km of the city centers would be very beneficial, looking at the transportation cost.

Toyota to Invest 4800 crore Rupees

Current Context: Toyota will invest 4800 crore rupees for manufacturing electric vehicle components in India.

Key Facts

- An **MoU** has been signed between **Toyota Kirloskar Motors and Toyota Kirloskar auto parts to invest 4100 crore** Indian rupees and the rest **700 crores** will be invested by **Toyota Industries Engine India**.
- The plant would be set up in Karnataka and is bound to give Phillip to the electric vehicle industry. It is a part of the **Go Green, Go Local initiative**.
- The Government of India has approved the **FAME 2.0** which has an outlay of **10,000 crore** rupees. Therefore this investment would help in faster adoption of electric vehicle technology. It would also make the price of the electric Vehicle parts competitive, making the industry more lucrative for buyers.

NSDL Investor Awareness Program for Boosting Investment

Current Context: The Union finance minister Smt. Nirmala Sitharaman inaugurated the Investor Awareness program.

Details

- The Investor awareness program has been named **Market ka Eklavya**, it has been introduced to raise awareness among the investors for boosting the investment atmosphere in India.
- As per the **USTR data, less than 2 % of Indians, make investments in money and capital market together**, whereas this data in the **United States of America is close to 35%**, thus allowing the market to make domestic borrowings with more sovereignty.
- This investment awareness program is an online initiative available in Hindi and other regional languages too. Initiatives like these are targeted to boost the investment atmosphere.
- The finance minister also released a new publication **my stamp**, to honor the contribution of NSDL.

CAPF PUNARVAS

Current Context: The Ministry of Home Affairs has launched a new initiative for retired CAPF Personnel.

Highlights

- In a new move to help the retired CAPF Personnel secure reemployment post-retirement, the Ministry of Home Affairs has come up with the initiative CAPF PUNARVAS. This would be implemented through the **Welfare and Rehabilitation Board (WARB)**.
- This portal allows both job seekers and job providers to come together and fulfill their mutual needs.
- The Ministry of Home Affairs also runs a portal under the **private agencies regulation Act**, for the registration of private security agencies.

Mission Basundhara 2.0

Current Context: The Assam Government has launched Mission Basundhara 2.0.

Key Facts

- The purpose is to solve the land issues and provide for quicker mitigation under a governance framework.
- The chief minister Shri Himanta Biswa Sharma also launched the composite land transfer service, aimed at resolution of the No objection certificate of the land, mutation, registration, and partition of land.
- The Government of Assam had also launched Project Sadhbhawna which is aimed at improving governance in the state.

Release of Taxes from Central Pool

Current Context: The Central Government has released 7813.42 crore rupees as a part of the central pool of taxes.

Key Points

- As recommended by the Finance committee, the central government has released this sum as a grant against the Revenue Deficit.
- As per the 15th finance commission report, the states have a share of 41 % in the central pool of taxes. 1% tax has been kept separate for the development of UT Jammu and Kashmir and UT of Ladakh.
- The finance commission has called for devolution of 86,201 crore rupees for meeting Revenue Deficit grants. Under Article 275, the central government is mandated to issue money for R.D Grants.

Cyclone Asani

Current Context: Cyclone Asani is about to hit the Bay of Bengal adjoining states.

Details

- A tropical cyclone emanates when the average sea surface temperature exceeds 27 degrees celsius. The Bay of Bengal is a cyclone hotspot following climate change.
- Cyclone Asani is about to make landfall as per IMD, however, its speed would be as low as 25 km/h.
- It has been named so by Srilanka as per the convention. The cyclone would hit coastal Andhra Pradesh and Odisha.

Banks Considering a Database of Frauds

Current Context: As directed by the **Reserve Bank of India**, Banks are considering constituting a database of frauds, for better credit penetration.

Highlights

- A database readily available to the banks would help them to provide genuine credit and the worthy borrowers would not suffer.
- On the lines of the **Central Fraud Registry**, the Indian public and private sector banks are also mulling having a similar database that would record even attempted fraud.
- This database would include both the corporate and retail borrowers. This database would be contributed by both the public and private sector banks.

Switch Mobility to Invest 1000 crore Rupees

Current Context: The EV Arm of Ashok Leyland, will invest 1000 crore rupees as a part of the electric vehicle investment.

Key Points

- In a push for the Government of India's **FAME 2.0** that seeks to make India an electric vehicle destination, many private players have come forward to make investments.
- The electric vehicle unit would be set up on the outskirts of Chennai in Tamilnadu.
- Electric vehicles come with the advantage of no pollution and an exponentially low carbon footprint.

Mahinda Rajapaksa Resigns as Prime Minister of Srilanka

Current Context: Following a financial emergency, the Prime Minister of Srilanka resigned.

Key Facts

- The economic policies of the Sri Lankan government, which included a sudden shift to organic farming, fuelled by the harsh impact of COVID 19 made the Srilankan economy vulnerable.
- India extended a credit line of **1 bn USD** in addition to essential supplies. Srilankan government approached the International Monetary Fund under **Rapid Financing Instrument** for bail-out assistance of 4 bn USD.
- Srilanka became a partner to China's Belt and Road initiative and her borrowings made the situation even worse, so much so that Srilanka had to lease **Hambantota port** to the Chinese government.

Collaboration to Combat Hate Speech

Current Context: IIIT Delhi has collaborated with **logically** to counter hate speech.

Details

- Hate speech is a major menace being faced by India and is deeply harming communal harmony and her social fabric. In order to curb the instances of hate speech, IIIT Delhi and LOGICALLY have collaborated.
- The MHA had also set up a committee on combating hate speech under the cabinet secretary Shri Rajeev Gauba.
- This collaboration would also stop online misinformation.

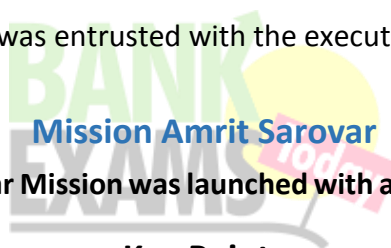
SEBI Revises InvITs Rule with Regards to Payment for Fees for IPO

Current Context: SEBI has come up with new norms to implement draft filing fees to be paid by infrastructure investment trusts (InvITs) for IPO and rights issues.

Highlights

- Firstly InvITs were required to pay non-refundable filing fees of 0.1 percent of the total issue size but now after amending the rules InvITs are required to pay non-refundable filing fees of 0.1 percent in the category of the initial offer and 0.05 percent in the case of rights issue of the total issue size.
- Though InvITs are relatively new investment instruments in India but extremely popular in global markets.

- According to present data, a total of Rs 21,195 crore was collected through InvITs in 2021-22.
- The funds were raised in many ways like the initial offer, preferential issue, institutional placement, and rights issues.
- As of now, 15 InvITs are registered with Sebi and from which 7 of them are listed on the stock exchanges.
- Static Part
 - InvITs (Infrastructure Investment Trusts)
 - InvITs are nothing but similar to mutual funds, which **pool investments from various categories of investors and invest them into completed and revenue-generating infrastructure projects,**
 - They have been regulated under **the Sebi (Infrastructure Investment Trusts) Regulations, 2014, and the Indian Trust Act, 1882.**
- **Structure of InvIT:**
 - Like mutual funds, they have a **trustee, sponsor, investment manager, and project manager.**
 - **The trustee** was given responsibility for inspecting the performance of an InvIT.
 - **Basically, sponsors** are promoters of the company that set up the InvIT.
 - The **investment manager** is looking after the task of supervising the assets and investments of the InvIT.
 - **Finally project manager** was entrusted with the execution of the project.



Current Context: Recently Amrit Sarovar Mission was launched with an aim of conserving water for the future.

Key Points

- **Its been a part of Azadi ka Amrit Mahotsav in which they were going to develop and rejuvenate 75 water bodies in each district of the country.**
- **This lead to the creation of 50,000 water bodies of a size of about an Acre or more.**
- This Mission has been launched with a whole Government Approach in which 6 Ministries/Department were included.
- The Mission works through the States and Districts, by collaborating with various schemes such as MNREGA and many others.
- It will also help in creating mobilization among citizens and non-govt resources for enhancing these efforts.
- The target for the completion of the mission is 15th August 2023.
- Each Amrit Sarovar will have approximately an area of 1 acre with a water holding capacity of 10,000 cubic metres.
- On the 15th of August, National Flag hoisting will be hoisted on every Amrit Sarovar site.

WEF & NITI Aayog Join Hands to Work on Emerging Technologies

Current Context: The World Economic Forum (WEF), join hands with the Government's think-tank Niti Aayog and started to focus on artificial intelligence (AI), Internet of Things (IoT), blockchain, and drones so that they can provide better services and benefits to farmers, particularly small and marginal.

Key Facts

- The fourth industrial revolution will not play important role in agriculture but also in health, urban transformation urban space, and the environment.
- For this purpose WEF set up the center for the fourth industrial revolution in 2017 to help these core sectors.
- In line with WEF C4IR, the Telangana government has already started using AI for agricultural innovation.
- The union ministry of agriculture has also worked toward creating a digital ecosystem.
- Apart from that, this digital data can be used to help farmers, who are facing issues with the settlement of insurance claims.
- WEF is also looking for generating revenue from the surplus produced by the farmers because it often gets wasted.
- Through this initiative, farmers will be provided correct information on which pesticide should be used at what time and what is the best method to use it
- As of now, WEF is looking at 5-6 States to demonstrate the impact of its fourth industrial revolution initiatives.
- They were also trying to focus on one million farmers through its programs in the next two years so that it further can be scaled.
- **Static Part:**
 - **World Economic Forum:**
 - The World Economic Forum (WEF) is a Swiss nonprofit foundation established in 1971
 - Headquarters: Geneva, Switzerland.
 - Founder & Executive Chairman: Klaus Schwab.
- **Important Reports published by WEF are:** The energy transition index, global competitiveness report, and global IT report.
- **NITI Aayog:**
 - NITI Aayog is a **premier policy think tank** of the Government of India.
 - The main aim is to achieve sustainable development goals through the active involvement of the state government in the planning process.
 - It was **established in 2015** through executive resolution and replaced by the **Planning Commission of India**.

Xpress Car a New Digital Car Loan Scheme Launched by HDFC Bank

Current Context: HDFC Bank has launched a new car loan scheme i.e Xpress Car Loans' which provides a digital new car loan journey for existing customers as well as non-customers.

About

- **The bank has linked its lending application with all automobile dealers across the country to facilitate this scheme for end-users.**
- This car loan scheme provides loans faster, and more convenient, for car buyers through a digital medium.
- In fact, it creates a win-win situation for both banks and the automobile industry since it boosts the purchase process and car sales across India.
- This Xpress car loan scheme will simplify the car purchase process, especially for those people who are willing to buy but don't want to indulge at all paper works.
- It provides a hassle-free experience in car sales across the country, including in the semi-urban and rural areas.
- It is estimated that the Indian automotive industry will become the third-largest in the world in the next 5 to 7 years with 35 million new vehicle units per year of sales.
- The intensity of vehicles will also increase by over 350 million in 4-wheelers and over 250 million 2-wheelers, in about a decade.
- Currently, this loan scheme facility is only available for four-wheelers, and they were planning to include two-wheeler loans also in near future.
- **Static Part**
 - HDFC Bank Ltd MD & CEO: Sashidhar Jagdishan
 - Establishment: 1994
 - Headquarters: Mumbai, Maharashtra
 - Tagline: We Understand Your World.

Rupee Slips into its Lowest Value and its Impact on Economy

Current Context: The Indian Rupee slips to its lowest value when compared to US Dollar as there is an increase in inflation and also Federal Reserve increased the rates drastically.

Details

- **Reserve Bank of India's (RBI) monetary policy committee (MPC) also could not stop the rupee's decline with their changed policy rates as a widening current account deficit possess a concern.**
- In order to counter the currency loss, RBI has been using forex reserves but even forex reserves have also been dropped to their lowest level in a year.
- Presently India's foreign exchange reserves have dropped below the \$600 billion mark for the first time.

- Even many western economies have imposed sanctions on Russia, which leads to volatility in global markets.
- In fact, FPI also facing losses and creating selling pressure in Indian equities, till now they have sold a massive Rs 1.4 lakh crores worth of stocks in 2022.
- The RBI is now trying to intervene in all foreign exchange markets so that they can protect the currency value.
- **How it may impact on economy**
 - Due to the fall of the rupee, certain things will get expensive which directly impacts on spending decisions of households.
 - The import cost of goods and services will also get increased.
 - This will also lead to an increase in oil prices since India imports a major chunk of its oil needs.
 - Apart from that many imported items like luxury cars, car components, mobile phones and appliances may also become expensive.
 - It also impacts on tourism sector which contributes a major part to economic growth due to the fall of the rupee. Now tourist people will have to spend more money when compared to their previous trips.
- **Static Part:**
 - **Foreign Exchange Reserves**
 - Foreign exchange reserves are such assets held by a central bank as reserves in foreign currencies, which can include bonds, treasury bills, and other government securities.
 - This also includes Foreign Currency Assets, gold reserves, special drawing rights, and reserve position with the **International Monetary Fund**.

First Image of Black Hole at Milky Way Galaxy Centre

Current Context: Scientist unveils first glimpses of the supermassive black hole at the center of our Milky Way galaxy Sagittarius A.

Highlights

- **This image was snapped by the same Event Horizon Telescope that unveiled the first-ever photo of a black hole residing at the heart of another galaxy.**
- **The Event Horizon Telescope is a group of 8 radio telescopes located in different parts of world.**
- Sagittarius A possesses 4 million times the mass of our sun and is located **about 26,000 light-years and 5.9 trillion miles from earth.**
- A black hole refers to a point in space where the matter is so compressed as to create a gravity field **no matter or light can escape its pull.**
- Supermassive black holes are believed to form at the same time as the galaxy surrounding them.

- This concept was developed by **Albert Einstein in 1915** and the term **black hole** was first used in the **mid-1960** by **John Archibald Wheeler**.
- In the **1990s**, **astronomers mapped the orbits of the brightest stars** near the center of the Milky Way, confirming the presence of a supermassive compact object there.
- The project scientists observed that as per visuals it does not appear to be a black hole but glowing gas that encircles the phenomenon.
- They are also going to observe new insights into how these giants' **black holes interact with their surroundings**.

International Nurses Day 2022

Current Context: May 12 of every year is observed as International Day of Nurses in order to commemorate the birth anniversary of Florence Nightingale.

Key Points

- **Theme:** The theme for this year is “Nurses: A Voice to Lead-Invest in Nursing and Respect Rights to Secure a Global Health”.
- Florence Nightingale is also known as **‘Lady with the Lamp’**.
- She was the founder of modern nursing and was a **British social reformer and statistician**.
- She opened a **nursing school at St Thomas' Hospital in London in 1860**, thus laying the foundation of professional nursing and giving the job a favorable reputation.
- Nurses’ account for **more than half of health workers**, celebrating this day would provide encouragement and also necessary information about nursing.
- As we all know that due to pandemics health workers especially nurses are at the forefront of providing high-quality treatment.
- The government has also announced **50lakh insurance** cover per person under **Pradhan Mantri Garib Kalyan Yojana** for frontline workers.
- In fact, many Hospitals also observed **international nurses week from 6th May to 12th May 12**.

RBI Revises Norms for Banks on Short Term Crop Loan under KCC

Current Context: RBI modified norms for banks to claim the amount of interest subvention provided to farmers under the short-term crop loan scheme through the Kisan Credit Card (KCC) during the last fiscal.

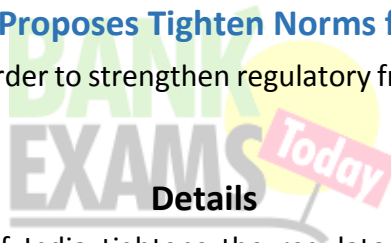
Key Facts

- **Pending claims for the fiscal year 2021-22** can be submitted by **June 30, 2023**, and they must be duly certified by statutory auditors whether it is true or false.
- **Kisan Credit Card:**

- KCC Scheme was first introduced in 1998 for providing timely credit support from banking, further extended for investment credit requirements of farmers in allied and non-farm activities in the year 2004.
- Minimum paperwork and simplification of documentation for withdrawal of funds from the bank.
- Flexibility to draw cash and buy inputs.
- Assured availability of credit at any time enabling reduced interest burden for the farmer.
- It also covers post-harvest expenses, consumption requirements of farmer households, farm assets, agriculture, and allied activities.
- **Interest Subvention Scheme**
 - It aims to provide short-term crop loans up to 3 lakh to farmers at a **7% annual interest rate**.
 - PSBs and Private sector commercial banks offer **interest subvention of 2 percent by the government**.
 - The policy came into force with **effect from 2006-07**.
 - It is implemented by **NABARD and SEBI**.
- **Present Governor of RBI:** Shri Shaktikanta Das-25th Governor of RBI.

SEBI Proposes Tighten Norms for CIS

Current Context: SEBI notifies rules in order to strengthen regulatory framework subscription amount of **at least Rs 20 crore**.



- Securities & Exchange Board of India tightens the regulatory framework for **Collective Investment Scheme (CIS)**.
- SEBI mandated a **minimum of 20 investors and a subscription amount of at least Rs 20 crore** for each CIS.
- CIS is a pooled investment vehicle in the closed-ended investment space.
- CIMCs are required to **have a minimum net worth of Rs 50 crore as compared to the present requirement of Rs 5 crore**.
- Under the new framework, each CIS needs to have a minimum of 20 investors and no single investor will **hold more than 25 percent of the assets under management of such schemes**.
- SEBI said CIS will not be open for subscription for more than 15 days. The scheme may be kept open for subscription for a **maximum of another 15 days**, at present, **the limit is for 90 days**.
- **Static Part:**
 - SEBI Headquarter Mumbai
 - SEBI Chairman Madhabi Puri Buch

PAN to be Mandatory in More Transaction

Current Context: PAN is mandatory for high-value transactions over Rs 20 lakh in an annum.

About

- A person must obtain and quote PAN when he enters into any High-value cash deposits.
- A cash deposit (or deposits) aggregating to **Rs 20 lakh or more in a financial year**.
- **Having one or more accounts of a person with a banking company**, a co-operative bank, or a post office will require PAN to be furnished.
- According to new rules by the tax department, one needs to mention **PAN details at the time of deposit and withdrawal**.
- CBDT notified amendments in **Income Tax Rules, 1962**.
- The new rule will be **applicable from May 26**.
- In the Budget for 2020, the **Finance Ministry had introduced Tax Deducted at Source (TDS) on cash withdrawal in excess of Rs 20 lakh**, and this amendment to the rule has been added for specific transactions.
- **Static Part:**
 - CBDT head Sangeeta Singh

Two New Schemes of Repco Bank Launched by Union Minister

Current Context: Union Minister of State for Home Affairs Ajay Kumar Mishra has launched two new welfare schemes, a deposit scheme for Repco Bank, a microfinance loan scheme, and furthermore a mobile app for Repco Micro Finance Ltd. (RFML) in Chennai.

Highlights

- The New deposit scheme which is also called Repco Subiksham destined for senior citizens which are above the age of 60 years and super senior citizens who are above the age of 80 years.
- The Interest rate under this scheme was decided as 7.15% for senior citizens and 7.25% for super senior citizens.
- Apart from that Repatriate Youth Development Scheme was also designed which includes the class repatriate members along with their families from Myanmar or Sri Lanka and their family members are eligible. A maximum amount of 25,000/- scholarship will be given for those whose age ranges between 18 and 35 years.
- One more scheme designed for self-help groups that aim at supporting income generation activities for the underprivileged sections is called **Repco Mahila Samridhi Scheme**.
- In which a woman whose household income is up to Rs. 3 lakhs can avail of collateral-free loans under this scheme.
- The loan amount will vary between Rs. 50,000 and Rs. 2.5 lakh.

- **About Repco Bank**

- Established on 19th November 1969
- Registered as a Cooperative Society functioning under the Administrative Control of the Union Ministry of Home Affairs.
- Headquarters: Chennai
- MD of Repco Bank –R.S Isabella

Retail Inflation Jumps to 7.79% in April, Which is Highest in 8 Years

Current Context: India's retail inflation took a sudden turn and jumps to 7.79 percent in April, which was mainly caused due to high oil and food prices.

Key Points

- **This is the fourth consecutive month where CPI figures stood above RBI upper tolerance limit.**
- **The previous record stood at 8.33 percent in May 2014.**
- Inflation in the food basket rose to 8.38 percent in April if we compared to the previous month which recorded as 7.68% in March.
- The core inflation also drastically increases from 6.6% in March to 6.8% in April.
- If we consider the same factor in the oils and fats category, inflation stood at a high level of 17.28% in April as Ukraine is one of the major sunflower oil producers in the world, mostly India imports a major portion the commodity from Ukraine.
- Secondly, it also impacted on prices of fertilizers as Ukraine is also a key supplier of fertilizer to India.
- Now many experts believed that RBI will hike the policy rate by 25 bps in order to control this situation, as the next monetary policy committee meeting is scheduled on June 6-8.
- **Static Part**
 - **About Inflation:**
 - The CPI tracks the change in retail prices of products and services which households purchase for their daily consumption.
 - To measure inflation, we estimate what quantity CPI has increased in terms of percentage change over the identical period of the previous year.
 - If prices have fallen, it's called deflation (negative inflation). The financial organization (RBI) pays very close attention to the current figure in its role of maintaining price stability within the economy.
 - The CPI closely monitors retail prices at a specific level for a specific commodity; the price movement of products and services at rural, urban, and all-India levels.
 - The change within the price level over a period of your time is observed as CPI-based inflation or retail inflation.

- Generally, CPI is employed as a macroeconomic indicator of inflation, as a tool by the financial institution and government for inflation targeting and for inspecting price stability, and as a deflator within the national accounts.
- **Reserve Bank Of India:**
 - The Reserve Bank of India was established on April 1, 1935, under the Reserve Bank of India Act, 1934.
 - **Present Governor:** Shri Shaktikanta Das

Tomato Flu Outbreak in Southern Parts of India

Current Context: Tomato flu is a viral disease that causes red rashes, skin irritation, and dehydration. This unknown viral fever created panic not only in Kerala's Kollam district but also in other states like Karnataka, Tamil Nadu, etc.

Key Facts

- In Kerala, it was detected in 80 children, all less than five years of age. So the government decided to form a 24-member team to oversee the screening of all the Anganwadi centers and release a proper notification to contain the disease.
- The children who got affected by this disease have seen different kinds of symptoms like abdominal cramps, nausea, vomiting or diarrhea, and discoloration of the hands, knees, and buttocks.
- Since Tomato flu is contagious, there is a need to avoid close contact with the infected person.
- Due to the rapid increase in the cases, the Tamil Nadu government had already issued an alert and a medical team is carrying out tests of those entering Coimbatore for fever, rashes, and other illnesses and strict measures were following on the Tamil Nadu-Kerala border.
- As of now, doctors are advising to maintain cleanliness hygiene and proper hydration.
- If any one of the symptoms appears in children parents should immediately consult a doctor.
- Parents will make sure that infected children should avoid scratching rashes or blisters as it will only make it worse.

GAIL to Set up India's Largest PEM Based Green Hydrogen Project

Current Context: GAIL to line Up India's Largest PEM Based Green Hydrogen Project.

Details

- The project would be installed at GAIL's Vijaipur Complex, in Guna District of Madhya Pradesh, and this may be supported by renewable power.
- This has been designed to produce around 4.3 Metric Tons of Hydrogen per day with a purity of about 99.999% volume.

- **The project is scheduled to be commissioned by November 2023. In line with the vision of Atmanirbhar Bharat.**
- GAIL had also commenced India's first project of blending hydrogen into the gas system in January.
- As of now, GAIL has been successful in blending upto 2% (v/v) hydrogen in gas within the CGD network.
- **Static Part:**
 - **What is green hydrogen?**
 - Green hydrogen is nothing but regular hydrogen that is obtained by separating hydrogen and oxygen molecules of water by using only renewable energy.
 - Green hydrogen is created by a process called electrolysis. Within which an appropriate amount of electrical current passes through water, it separates hydrogen and oxygen.
 - But one condition that regardless of the energy utilized in electrolysis must be renewable of unpolluted energy, which can not release any carbonic acid gas into the atmosphere.
- **Use of green hydrogen:**
 - Hydrogen is an energy carrier and may deliver or store an incredible amount of energy.
 - It is employed in fuel cells to get electricity, or power and warmth which in turn reduces the impact on the environment.
 - Hydrogen and fuel cells have the potential to cut back greenhouse emission emissions in many applications.
- **National Hydrogen Mission:**
 - The Union allows 2021-22 has announced a National Hydrogen Energy Mission (NHM) that may draw up a road map for using hydrogen as an energy source.
 - Hydrogen as a fuel is already used widely across the globe with a worldwide value of \$900 million.
 - China is the current global leader in green hydrogen with an output of 20 million tonnes.
 - In the long run, solar power and biomass are used more to generate hydrogen.

Rajiv Kumar Appointed as Next Chief Election Commissioner

Current Context: The President appointed Shri Rajiv Kumar, as the 25th Chief Election Commissioner of India.

About

- **Shri Rajiv Kumar will assume the charge from the 15th of May 2022.**
- **He is a 1984 batch IAS officer from Bihar/Jharkhand cadre.**
- Kumar will oversee several upcoming crucial elections in his tenure as CEC, like the Presidential and Vice Presidential polls in July followed by assembly elections than the 2024 Lok Sabha elections.
- Prior to assuming charge within the committee, Kumar had been the chairman of the general public Enterprises Selection Board. He joined because the PESB chairman in April 2020.
- **Static Part**
 - **Article 324:**

- Under article 324, the constitution provides the Election Commission of India with the ability to direction, superintendence, and control elections to parliament, state legislatures, the office of president of India, and also the office of vice-president of India.
- Election Commission: Constitutional Body.
- Established: 25th January 1950.
- Present CEC: Sushil Chandra as of May 13th, Later Rajiv Kumar will assume charge

India's FY23 Growth Forecasts Cuts to 7.6%

Current Context: As per the Morgan Stanley Report the growth forecast of India for FY23 has been revised to 7.6% from 7.9% which is estimated earlier.

Highlights

- The factors that effects the growth forecast of India were a slowdown in global growth, higher commodity prices, and risk aversion.
- According to a Morgan Stanley report, in Asia India is the only country that is exposed to the upside risk of inflation.
- Apart from that, it has also projected the global growth at 2.9 % for the year 2022 which is below the half 6.2% of the previous year i.e 2021.
- In fact, they also lowered the growth forecast from 7% (which was estimated earlier) to 6.7% for FY24.
- CPI is also expected to maintain 6.5% for FY23.
- Current Account Deficit has also widened to 10 year high i.e 3.3% of GDP (Gross Domestic Product) for FY23.
- Apart from that World Bank also reduced the growth forecast from 8.7% to 8% for FY23 in January citing reasons as uncertainties due to Russia-Ukraine War.
- The projections made by RBI (Reserve Bank of India) have also been reduced from 7.8% to 7.2%.

'Trade nxt' is a Cross Border Online Platform Launched by Union Bank of India

Current Context: To facilitate the Indian importers and exporters, UBI has launched an online platform by the name 'Trade nxt'.

Key Facts

- It provides a hassle-free experience and various services for all enterprises **who were unable to conduct all export-import transactions, they can get a letter of credit, bank guarantees, export/import bills, outward and inward remittances, and many other things in a single platform.**
- It ensures better governance and also saves time for companies to visit the bank branches to initiate trade transactions.

- This platform also enables a user-friendly experience for regulating online auto reporting through Import Data Processing & Monitoring Systems, Export Data Processing & Monitoring System, and many other reporting systems which are linked to different transactions.
- Apart from that, it includes many key features like **digital transactions around the clock, payment reminders, payment due dates, etc.**
- This kind of platform will bring a revolutionary change to export and import sectors with enhanced security and controls.
- **Static part:**
 - Union Bank of India MD & CEO: Rajkiran Rai G
 - Merged Banks: Andhra Bank, and Corporation Bank;
 - Headquarters: Mumbai, Maharashtra.

India Contributes \$8,00,000 to United Nations

Current Context: To expand the use of Hindi in the United Nations India contributes USD 8,00,000.

Key Points

- GOI (Government of India) in collaboration with the UN Dept of public information has launched the 'Hindi@UN Project' in 2018, to expand the use of Hindi in the United Nations.
- With the help of this project, India not only wanted to enhance the public outreach of the United Nations in the Hindi language but also wanted to spread the information among millions of Hindi-speaking people in the world about global issues.
- The Cheque has been handed over by Ravindra who is India's permanent representative to Mota Hosali who is the deputy director and officer in charge of the News and Media Division.
- Since 2018 India has provided the extra-budgetary contribution to inline and compile news and multimedia content in the Hindi language.
- UN Radio, a separate bulletin has been created on the UN Hindi news website, where the news gets updated every week.
- With these initiatives, the government wanted to make Hindi an official language of the UN in near future and ready to bear all expenses.
- **Static part:**
 - United Nations organization founded in 1945
 - Member states:193
 - Headquarters: New York
 - Organs of United Nations: General Assembly, Security Council, Economic and Social Council, the Trusteeship Council, and the Secretariat
 - Official Languages: Arabic, Chinese, English, French, Russian, and Spanish

SCO Anti-Terror Meet Going to be Held in New Delhi

Current Context: After such tensions between India & China for LAC and Russia-Ukraine Invasion, India is going to host Shanghai Cooperation Organisation's Regional Anti-Terror (SCO-RATS) from May 16-May 19 in New Delhi.

About

- SCO-RATS is a regional anti-terror assembly designed to combat terrorism, separatism, and extremism in Asia and Central Asian Countries. Especially to combat against Afghan-Pak Terror network.
- Presently the chair of the executive council of RATS comes under India.
- It has also proposed to conduct an anti-terror exercise among member countries in Manesar, Harayana this year in October but still, dates were not yet announced.
- At this conference, three members from Pakistan are also going to attend for the first time.
- Till now India & Pak doesn't have any bilateral agreements and has not attended any other regional meets.
- A team from the Chinese embassy would also attend this meeting.
- A Joint Border Operation is also going to be conducted this year between member countries called 'Friendship Border-2022 in Kazakhstan'.
- As of 2022 Uzbekistan will hold the SCO summit in September.
- India will host the SCO summit in 2023.
- **Static Part:**
 - Shanghai Cooperation Organisation: Created in 2001
 - Total Member Countries were Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, Uzbekistan, India, Pakistan
 - Recently Iran become the 9th member of SCO
 - Secretary-General: Zhang Ming
 - Headquarters: Beijing China

Ministry of Agriculture & Farmers signs MoU with UNDP

Current Context: A Memorandum of Understanding signed between the United Nations Development Programme & Ministry of Agriculture in which UNDP will help in streamlining the technical support for Pradhan Mantri Fasal Bima Yojana & Kisan Credit Card Subvention Scheme.

Details

- As per the MoU, UNDP will provide its expertise in systems and global support for the implementation of credit & crop insurance.
- Apart from that, UNDP will also facilitate capacity development, education & proper communication support so that it will benefit the interest of small and marginal farmers women croppers, etc.

- Previously UNDP has provided technical assistance for 4 years which produced good results.
- As PMFBY and KCC have shown tremendous results in the entire farming community over the past few years, MoAFW wanted to reach out to all those farmers who could not take the benefits of the scheme earlier.
- Both of the schemes were implemented pan-India uniformly and have provisions to cover all crops. Which makes it more appealing for all stakeholders as well as for the farming community.
- According to recent data 21,000/- crore premium under PMFBY have been dispersed to farmers and more than 1.15 lakh crore received as compensation.
- **Static Part:**
 - PMFBY: Crop Insurance Scheme launched on 13th Jan 2016
 - Kisan Credit Card Subvention Scheme: Provides short term loans to farmers under subsidized rates,
 - Came into force with effect from 2006-07
 - Implemented by NABARD & RBI

Union Government Overachieved the Target of Assets Monetization for FY22

Current Context: During the review of the asset monetization plan it has been revealed that the government has monetized the assets worth 96,000 crores for FY22 compared to the target of 88,000 crores.

Highlights

- This has been achieved by state and central governments under the asset monetization program and in upcoming years they have an investment potential of 9 lakh crores.
- It has also expected that the current year target will get surpassed with 1.6 lakh crore as it was going through various stages of processing.
- The investors who participated in the asset monetization program were the capital group, Utilico emerging market trust, fidelity investments, HDFC mutual funds, SBI mutual funds, etc.
- The major sectors which have successfully monetized the assets are the road and highway sector worth 23,000 crores, the power sector achieved 9,500 crores, coal mining fetched 40,000 crores and mining of minerals generated 18,700 crores.
- The target set by the government for FY22-25 is 6 lakh crore.
- The next target for FY23 was pegged at 1.67 lakh crore.
- To achieve this target government has already started working on many sectors with many departments and ministries.

National Cyber Forensic Lab Opened in Hyderabad

Current Context: Union minister Amit Shah has opened National Cyber Forensic Lab at the central Forensic science lab in Hyderabad.

Key Facts

- In today's world cybercrime is one of the biggest challenges in society.
- Ministry of Home Affairs already permitted the establishment of NCFL in December last year.
- This lab has been created under the Cyber and Information Security Division which includes Hitech technologies and infrastructure to tackle the issues in digital forensics.
- The estimated cost to establish NCFL is 35.51 crore.
- NCFL consists of four units i.e Mobile phone embedded unit, a Digital storage Media Unit, an advanced digital forensics Unit, and a Crime Scene Unit.
- As of now, there are 7 NCFLs in the country working towards cybercrimes and helping investigating officers.
- Apart from that Amit Shah has also participated in Praja Sangrama Yatra-2 a month-long Yatra organized in the Tukkguda area.
- **Static Part:**
 - CERT-In: Nodal agency for cyber security incidents
 - Establishment year: 2004
 - Works under: Ministry of Electronics and Information Technology

Union Telecom Minister Ashwini Launched Gati Shakti Sanchar Portal

Current Context: With the help of this portal telecom department will speed up the process of laying fibers and tower Installation for the 5G rollout.

Key Points

- Through this portal industries can apply for Right of Way (ROW) approvals in building telecom infrastructure for 5G services.
- This portal was developed by MP state electronics Development Corporation.
- It helps in speedy approvals of projects with minimal cost and enhances the ease of doing business.
- To resolve disputes and for compliance legal provisions for the right of way is also be included in this portal by the end of this year.
- Gati Shakti portal will enable to get all information regarding approvals, rejection, appeals, etc in a single platform.
- Dept of Telecom is also working on how to reduce the approval cycle from 22 days to 7 days.

Skill India International Centre to be developed in Varanasi

Current Context: A MOU was signed between NSDC international & Hindustan Ports Ltd to introduce a skill center in Varanasi to train Indian youth for overseas employment.

About

- The main objective of the skill center is to provide high-quality training to Indian youth and also meet the global demand of countries like UAE, Canada, etc.
- This platform also provides a wide network of partnering organizations & overseas recruiters.
- They offer many services in this skill training program like mobilization, counseling, skill training, pre-departure, orientation, foreign language training, placement, immigration, etc.
- It will also enhance the relationship between UAE and India in workforce productivity.
- Both of them agreed to develop and strengthen the institutional framework for engaging all relevant stakeholders to scale up skills-based cooperation.
- A team from the Chinese embassy would also attend this meeting.
- Recognition of certificates will also be issued through these Indian skill centers.
- This association will play a major role in creating employment and also helps in nurturing the skills of Indian youth.

MSDE signs MoU ISB to Provide Capacity Building Program

Current Context: A MOU was signed between MSDE and ISB in order to upskill the MSDE officer's capacity building.

Highlights

- A total of 120 officers will be trained under this agreement from Mohali ISB, each batch will be divided into 30 officers.
- In this program officers from different departments like ITI, Principal sector skill councils, CEO's State Skill mission Directors, Jan Shikshan Sansthan will participate in it.
- The main objective of signing an MOU is to develop leadership skills among these officers and also strategic mindsets, which in turn helps in gaining insights into data analytics and digital transformation.
- Through this program, they wanted to create an environment of innovation with their respective organizations.
- It also helps to create a practical understanding of major components of business strategy and create a new generation of an upskilled workforce that drives the innovative future of India.
- A standing capacity building is also created on 17th Jan 2022 which helps coordinate with the capacity building commission and implementation of various capacity building interventions for all the employees under NSDE.
- **Static Part:**
 - MSDE-Set up on 9th Nov 2014
 - Present Minister: Dharmendra Pradhan
 - Aim: To coordinate all skill development efforts across the country

ISRO Successfully Conducted a Test in S200 Rocket Boosters

Current Context: A static test on a human-rated HS 200 rocket booster has been completed by ISRO (Indian Space Research organization) at Satish Dhawan Space Centre Srihari Kota.

Key Points

- According to ISRO, the HS200 rocket booster is the human-rated version of the well-proven s200 booster of GSLV MK-3 which is also called LMV3.
- These HS200 boosters were developed at Vikram Sarabhai Space Centre, and propelling casting was done at SDSC Sriharikota.
- This booster was loaded with 203 Tons of Solid Propellant and tested for 135 seconds.
- The dimension of the booster is 20 m long and 3.3 wide which makes it the world's second-largest operational booster.
- The vehicle which is selected for the Gaganyaan mission was the LVM3 which is undergoing many changes so that it can adhere to the requirements of human beings.
- India's first manned spaceflight mission Gaganyaan is expected to launch the next year 2023, which makes India the fourth country to have their space flight mission apart from the USA, Russia, and China.
- **Static Part:**
 - Indian Space Research Organisation: Established On 15th August 1969
 - Chairman: Somnath
 - Headquarters: Bengaluru

Penalty Imposed on KEB Hana Bank by RBI

Current Context: 59 lakh penalty has been imposed by RBI on KEB Hana Bank for not following certain norms related to interest rates on deposits.

Key Facts

- KEB Hana Bank is a Korean bank that RBI has inspected regarding its financial position as of March 31st, 2020.
- During an inspection, RBI came to know that it doesn't comply with the directions issued by RBI under 'Reserve bank of India' (interest rate on deposits) directions 2016'.
- Interest rates offered by the bank to their lenders were not consistent and there is no transparency in interest rates levied by the bank.
- They have also not updated any information related to it in the core banking system for supervisory review.
- However, this penalty will not affect any transaction or agreement signed between the bank with its customers.
- **Static Part:**

- Established:1967 as Korean Exchange Bank
- Merged with Hana Bank: On 1September 2015
- Headquarters: Seoul Korea

YUVA Tourism Clubs

Current Context: Tourism Ministry has started a new initiative called YUVA tourism clubs to create awareness of tourism possibilities in India through young ambassadors of Indian tourism.

Details

- This Initiatives will be implemented through CBSE-affiliated schools on their campuses.
- The main aim of these initiatives is to nurture and create an interest in cultural heritage and a passion for tourism from class VI-Class X of the school.
- The tourism ministry has also issued a handbook which provides information to the clubs on what are they supposed to do.
- At ground level management must select a teacher to assign a basic task of creating interest among students, a minimum of 25 members must always be there in tourism clubs.
- Schools may also facilitate a small tour in nearby locations during their off-peak periods to introduce their students to the local culture and to boost the local economy.
- This initiative has also provided a provision to create a tourism hotspot near and around the schools through volunteering and idea generation to boost tourism potential.

Scientists Discover Rare Snake Fossil in Ladakh

Current Context: A Group of Scientists has discovered a rare species of snake in the Mountains of Ladakh by the name Madtsoiidae.

Highlights

- The newly discovered Madtsoiidae is an extinct group of medium-sized to gigantic snakes, initially, they appeared in the Cretaceous later they spread their population across Gondwana landmasses.
- Later they disappeared from all Gondwana continents except for Australia, since the last known Taxon by name of Wonambi was found in the Pleistocene period.
- According to records, the Pleistocene is the geological era that lasted from about 2,580,000 to 11,700 years ago.
- As per fossil records, the existence of Madtsoiidae from the Oligocene of Ladakh shows their continuity at least to the end of the Paleogene period which last up to 43 million years ago, and they were present in the sub-continent for a much longer time than compared other areas.

- Many scientists believed that the global climatic shifts and the prominent biotic reorganization across the Eocene-Oligocene boundary did not cause the extinction of snakes in the sub-continent, especially in India.
- These discoveries of rare species of snake will open a way for scientists to study the environment and its impact on different kinds of species that existed at the time.

India's First Dental Insurance Plan Launched by PNB Met Life Insurance

Current Context: Recently PNB Met Life Insurance has launched its first dental plan through which customers can secure their dental health at any time.

Key Facts

- This Dental package offers the customer the complete package of benefits and also financial assistance with costs related to dental health.
- According to the Indian National Oral Health Survey, 90% of adults have oral health issues and most dental visits are for treatment of dental problems such as gum infection, decay, and tooth loss, loosening of teeth, and significant dental infection and vascular damage.
- To provide the best treatment for dental issues PNB Met life has developed a plan which gives you a hassle-free experience and facilitates many dental procedures for the customer who are very concerned about their dental health.
- They have also tied up with 340 dental clinics across key cities in India which provides a wide selection platform for the insurers.
- There will be fixed benefits ranging from Rs. 350-7,500 per procedure and a sum assured of up to Rs. 50,000.
- This Dental Insurance plan also offers you a cashless facility.
- The main attractive part of this plan is policyholders can avail of tax benefit exceptions under section 80D of the Indian Income Tax Act.

India's First International Cruise Conference 2022

Current Context: Ministry of Ports, Shipping and Waterways, the Government of India, and FICCI have jointly organized India's First International Cruise Conference 2022.

Key Points

- In these conferences total of eight MOUs have been signed that were related to many key issues like policy hub, port infrastructure, the role of technology in post-pandemic, etc.
- Union Minister for Culture, Tourism G Kishan Reddy informed that they were also working on a 'Comprehensive Indian National Tourism Policy, where they will keep Cruise tourism will certainly be a priority sector.

- The main objective of the conference is to highlight regional connectivity and also promote the building of new destinations and attractions like a lighthouse.
- In India there has been a lot of potential in the cruise sector as per recent report cruise tourism has registered 35% year-on-year growth and it is expected to grow 10 folds in the next decade.
- To support cruise tourism, the government has developed four theme-based sectors like Gujarat Pilgrimage tours, west coast cultural and scenic tours, South Cost Ayurvedic-Wellness Tours, and East Coast-Heritage Tours.
- The iconic sea cruise terminal coming up at BPX-Indira Dock is expected to be commissioned in 2024.
- Similar Infrastructure up-gradation takes place in many port cities like Goa, Vizag, Mangalore Kochi, Chennai, and Kolkata.
- **Static Part:**
 - FICCI: The Federation of Indian Chambers of Commerce and Industry
 - Established: 1927
 - Headquarters: New Delhi

Remittances to be increased by 4.2% in 2022

Current Context: According to estimates it is expected that remittance to be increased by 4.2% to reach \$630 billion in 2022.

- According to World Bank's latest Migration and Development report, this increase in remittance will follow an almost record recovery of 8.6% in 2021.
- While India, emerged as the largest remittance-receiving country in 2021 while Mexico occupied second place and pushed China to third place.
- It is observed that remittance inflows have increased drastically in Latin America and the Caribbean by 25.3 percent, Sub-Saharan Africa by 14.1%, Europe and Central Asia by 7.8%, the Middle East and North Africa by 7.6%, and finally, South Asia has increased by 6.9%.
- On the other side of the picture, it has also been observed that there is a decline in the pacific and East Asian regions by 3.3 percent.
- Apart from India, there are a few countries like Mexico, China, the Philippines, and Egypt are among the top 5 remittances in 2021.
- World Bank Launches International Working Group to Improve Data on Remittances. To maintain transparency and security while retrieving the data.
- Remittances to Ukraine, are expected to rise by over 20 percent in 2022. However, due to the invasion of Russia on Ukraine, many other central Asian countries that completely depend on Russia will dramatically fall. The main reason behind it is the combined rising food, and fertilizer, increase in oil prices, and risks to food security.

Indian Economy to Grow by 12-13% Expected by Rating Agency ICRA

Current Context: According to ICRA's recent report, the Indian economy will likely grow by 12-13% as per the maintained GDP projection of 7.2%.

Key Highlights

- The business activity monitor was kept at 115.7 for April which is 16% higher than the last year. The same growth will be expected to be maintained in May.
- As per ICRA, The Consumer Price Index is expected to average at 6.3-6.5 percent this fiscal year.
- The main reason for high inflation is the Ukraine war which directly impacted the prices of fuel.
- ICRA expected that RBI will be going to increase policy rates by 25 basis points in June and August policies so they decided to maintain the GDP Projections of the country at 7.2%.
- This Projection has been calculated by using high-frequency indicators related to 14 industrial and service sectors like coal, electricity generation, rail freight traffic, etc. which gauge economic activity each month.
- The index stood at 123.7 in March compared to 107.8 in February.
- **Static Part:**
 - ICRA: Investment Information and Credit Rating Agency of India
 - Establishment Year: 1991
 - Headquarters: Gurgaon, India

Government Extends GST Payment Deadline

Current Context: The GST payment deadlines have been extended till May 24 as the customers were facing technical glitches in the GST portal.

Details

- The actual deadline for filing FORM GSTR-3B and GSTR-2B is in April 2022, according to CBIC.
- The software which is designed for filing returns in the GST portal is maintained by Infosys so the government has issued a notification to resolve this issue at the earliest.
- As per GST policy, every registered entity should file the GSTR-2B form which is an auto-drafted Input Tax credit (ITC) statement issued based on the information furnished by their suppliers in their respective sales return forms.
- To claim the Input tax credit it is compulsory to file this Statement 12th of the month.
- Similarly, the form GSTR-3B will be filed between the 20th and 22nd or 24th of every month.
- Due to technical glitches in the portal, many millions of taxpayers in the current month facing difficulties in filing it and they were demanding that govt should waive off the late fee in anything that applies to them.
- **Static Part:**

- GST: Goods & Services Tax
- Introduced under the 101st amendment act on 1st July 2017
- Comes under the Ministry of Finance

Indian Navy Introduced two Front Line War Ships

Current Context: INS Surat and INS Udaygiri were recently commissioned by the Indian Navy into their fleet.

Key Facts

- INS Surat is one of the fourth and last stealth guided-missile destroyers of the Indian Navy which was built at the Mazgaon Docks Ltd, Mumbai.
- This Stealth destroyer has been introduced under project 15B, which consists of the most technologically advanced guided-missile destroyer with state of art weapons.
- It has been named after Surat, the capital of Gujarat as this city is rich in maritime and shipbuilding history, and vessels built in the city in the 16th and 18th centuries were known for their long shipbuilding history.
- The other ships included in Project 15b were INS Visakhapatnam, INS Mormugao, INS Imphal, and INS Surat.
- INS Udaygiri was built under the project name of 17A Frigates. These will come up with advanced state of art sensors and top-notch health features, which also consist of Brahmos surface to surface missiles.
- The Name Udaygiri has been kept on a mountain in Andhra Pradesh, and it is the third ship in the series of Project 17A frigates. Previously it had witnessed several challenging operations in its service to the nation from Feb 1976 to 24 Aug 2007.
- Under Project 17A frigates total of 7 ships are to be commissioned of which three have been delivered and four need to be constructed by Mazgaon Docks Ltd and Garden Reach Shipbuilders & Engineers Ltd.

Govt of India is planning to integrate two Important Schemes

Current Context: To bring unorganized sectors covered under social security benefits, the Ministry of Labour & Employment planned to integrate both e- shram portal with ration card scheme.

Key Points

- There has been a major chunk of the unorganized sector that still doesn't cover under any social security schemes as the main issue is the location of worker is acting as a hindrance to accessing this kind of social security benefits.
- To tackle it the Unorganised Workers Social Security Board was initiated in 2008. The Unorganised Worker Identification Number was initiated in 2015, which enumerates informal and migrant workers.
- The e-shram system tries to create a social registry of unorganized sector workers, due to which they can reduce the digital divide and gets adequate information about unorganized sectors.

- Over 25% of unorganized in the unorganized sector were registered under e shram portal out of which 52.39% were women, 60.89 percent of unorganized workers are in the 18-40 age group followed by 22.63 percent between 40 and 50.
- The private sector is the largest employer of migrant workers, and their involvement would help them in many ways.
- Integrating social security benefit schemes like one nation & one ration card, etc will definitely be a game-changer at the ground level.
- Furthermore, there were also thinking of linking the electoral database with an e-shram portal to ensure electoral representation.
- **Static Part:**
 - E-Shram Portal: Launched on 26th August 2021
 - Ministry: Ministry of Labor & Employment
 - Aim: To register 38 crore unorganized workers such as construction laborers, migrant workforce, street vendors, etc.

Indian Test Fires 1st indigenously developed Naval Anti-Ship Missile

Current Context: The Indian Navy in collaboration with DRDO carried out a successful test of the Naval Anti-Ship Missile.

Highlights

- It has been launched from the integrated test range Chandipur, off the coast of Odisha.
- This Anti-missile system was developed indigenously for the Indian Navy by DRDO.
- To test the Anti-ship missile, the Indian Navy has used a 42B helicopter.
- It successfully followed the desired skimming trajectory and countered the designated target with a high degree of accuracy.
- Previous to that, India Brahmos has also successfully test-fired Brahmos Supersonic Cruise Missile.
- These two achievements help the Indian Navy to enhance its overall combat capability and protect India's maritime security interests effectively.
- **Static Part:**
 - Brahmos Missile: Joint Collaboration between India and Russia, It is a two-stage missile that consists of a solid propellant engine and liquid ramjet
 - Range: 290Kms

23.5 Lakh Premature Death in India Lancet Study

Current Context: According to the latest study published in The Lancet Planetary Health Journal, India saw 23.5 L premature death due to pollution.

Key Points

- The main cause of pollution-related deaths is ambient PM 2.5 tiny particles in the air which in turn leads to 9.8 lakh deaths.
- According to the study burning biomass for household purposes like cooking etc, is the largest cause of pollution deaths which leads to 6.1 lakh death.
- Based on Indian topography and meteorology, Indo-Gangetic is prone to more pollution from energy, mobility, industry, agriculture, and other activities.
- According to research, it was found that the main factors behind the largest cause of death in India are burning of biomass, crop burning, and coal combustion.
- In India the ambient air pollution reaches its height of 95 milligrams per cubic meter in 2014, later it was reduced to 82 per cubic meter by 2017, but again it started rising slowly to its peak.
- To control it India has also come up with many ranges of instruments like the National Clean Air program which develops the Air quality management Index, development of state pollution control boards, and, many statutory measures have been taken.
- In fact to control WHO also made the global air quality guidelines very strict it has lowered the guideline value for PM2.5 from 10 micrograms per cubic meter to 5 micrograms per cubic meter.
- It not only shows a severe impact on the life of people but also has a major impact on the country's economy especially low and middle income who have to bear the brunt of this burden. As per the report, it was mentioned that economic losses totaled \$4.6 trillion in 2019 globally, which is 6.2% of global economic output.
- This new report has been designed based on 2019 GBD data and with the help of assessments of trends over the last decade.

India got its 1st 5G Test Beds Developed by IIT Madras

Current Context: PM Narendra Modi Ji has inaugurated the first 5G testbed in India which helps startups and industry players to test their products and validate them locally leading to Atmanirbhar Bharat and also reducing dependency on foreign facilities.

Key Facts

- It has been developed by IIT Madras along with 8 institutes like IIT Delhi IIT Hyderabad IISc Bangalore, IIT Bombay, IIT Kanpur, and Centre of Excellence in wireless technology and has been set up at a cost of 220 crores.
- Presently this testbed facility makes available for 5 different locations in the country.
- In the absence of it, many industries and startups up will have to incur more costs to test their products by going abroad.
- This kind of development will make India at par with global countries and is considered to be an important step toward critical modern technologies.

- The present plan for rolling out a 5G network will add \$450 billion to the economy.
- Apart from that India is also planning to roll out the 6G telecom network by the end of the decade, which provides ultra-high-speed internet connectivity.
- As there is an enhancement in the technology it also brings positive change in the governance of the country, ease of doing business, etc, it will also help to achieve greater heights in agriculture space technology, health education infrastructure, etc.
- **Static Part:**
 - TRAI: Telecom Regulatory Authority Of India
 - Established: 20 Feb 1997
 - Headquarters: New Delhi
 - CEO of TRAI: Dr. P D Vaghela

Changes Done in Biofuel Policy Ethanol Blending Target Advanced

Current Context: Union cabinet has approved some amendments to the biofuel policy under which India's 20% ethanol blending target has advanced.

Details

- Based on standing committee recommendation the union cabinet approved Ethanol Blended Petrol with up to 20% ethanol throughout the country from April 1, 2023.
- The new amendments have been introduced to make the National bio fuel policy even more effective which came in 2018.
- From now onwards government will allow more feedstocks for the production of biofuels.
- Under the Make in India program, a Special Economic Zone and Oriented units will be developed to promote biofuel industries and also to produce biofuels in India to meet the requirements of the country.
- The permission for the export of Biofuels has also been granted in specific cases with prior permissions.
- With the help of this policy, the government has come up to reduce carbon emissions by 30 lakh tons by reducing crop burning and converting agricultural wastes into energy efficiency.
- It also promotes the vision of Atmanirbhar Bharat as more and more feedstocks were allowed for the production of biofuel and also give stimulus to the energy-independent by 2047.
- It also creates a path for the development of indigenous technologies in the biofuel sector which in turn generate more employment.

United Nations Dropped the Global Economy Growth by 3.3% in 2022

Current Context: The global economic growth faces a major impact due to the Ukraine war, it has been reduced from 4.0% to 3.3% by United Nations.

About

- As the world is recovering from the COVID-9 Pandemic at a slow pace, suddenly due to war global food and commodity prices have drastically increased and creating inflationary pressures.
- According to the U.N. Department of Economic and Social Affairs, the downgrade in growth prospects will not only impact the developing countries but also on world's largest economies like the United States which is expected to grow 2.6% in 2022 and 1.8% in 2022, China which is projected to grow by 4.5% European Union, etc.
- UN also warned that if there is a further intensification of the Ukraine war creates situation worse and also global economy will go down below 3%.
- As per the UN forecast, global inflation will be maintained at 6.7% as a result of food prices will increase which directly impacts poor countries.
- Apart from that it also created a shattering effect on global markets and interrupts financial systems, which in turn develop extreme susceptibilities for developing and underdeveloped countries.
- The slowdown in economic activities backed to prolonging supply chain interruptions, adversely affecting other developing countries through trade medium.

India's Central Bank RBI has Modified Eligibility Criteria

Current Context: Due to licensing and authorization-related requirements subjecting to fishing and aquaculture are getting varied from State to state that RBI has made few changes to eligibility criteria.

Highlights

- According to the recent notification, the respective beneficiaries must own or lease any fisheries-related assets such as ponds, tanks, open water bodies, raceways, hatcheries, rearing units, etc must possess authorization from their respective states.
- Initially, Kisan Credit Card Scheme was designed for agricultural farmers later this was extended to Animal Husbandry and Fisheries to provide timely credit and meet their capital requirements.
- Those farmers who were KCC holders for fisheries have a credit limit of INR 2 lakh. Interest subvention is also provided at 2% per annum on the timely disbursal of the loan and additional interest subvention at 3% per annum if they do prompt repayment.
- This capital facility is provided for all working capital components in fisheries, including recurring costs towards seed, feed, organic and inorganic fertilizers, lime/other soil conditioners, harvesting and marketing charges, fuel/electricity charges, labor, lease rent, etc.
- Apart from that Experts from the Fisheries and Animal Husbandry departments, will provide technical inputs for assessing the cash credit requirement.

Formation of Cotton Council of India

Current Context: Ministry of Textile has announced the formation of the Cotton Council of India under the chairmanship of Suresh Bhai Kotak.

Key Points

- The formation of the Cotton Council will help to increase the productivity of cotton and provides tangible growth in this sector.
- All the discussions and preparation of the plan will be done through this council so that it can bring out some drastic changes in a cotton field, the first meeting of the proposed council has been scheduled for March 28, 2022.
- In the meeting, a cross-section of views and suggestions were deliberated for softening cotton and yarn prices on an urgent basis, to address the unprecedented price rise witnessed in the current season.
- To protect the interests of cotton farmers, spinners, and weavers, the ministry is also considering the demand of the spinning sector for exemption from import duty on those import contracts in which bills of lading are issued up to 30th September 2022 this helps to overcome the current cotton shortage and logistic issues.
- The initial preference has been given to the domestic industry to promote Atmanirbhar Bharat and ensured a hassle-free supply of cotton and yarn to them, only surplus cotton and yarn should be diverted for exports.
- Deadlines have also been given to all stakeholders to resolve the cotton and yarn price issue.
- It has been discussed for making available better-quality seeds to improve the productivity of cotton farmers.

RBI issued Directions for Banks and ATMs on Card less Cash Withdrawals

Current Context: The Reserve Bank of India, issued guidelines for all Banks and ATM operators to enable an option of cardless cash withdrawal by using the Unified Payment Interface (UPI Facility).

Key Facts

- Initially, the cardless cash withdrawal facility is provided by only a few banks in their respective bank ATMs.
- Now RBI through these circulars wanted all white label ATMs must provide this kind of cardless withdrawal facility to curb online fraud, card skimming, card cloning device tampering, etc.
- The National Payments Corporation of India (NPCI) has been advised to facilitate UPI integration with all banks and ATM networks.
- Customer authorization in transactions settlement will be done through National Financial Switch if using the UPI facility.

- Withdrawal limits for all interoperable cardless cash withdrawals will be the same as the limits for regular cash withdrawals.
- RBI has cleared the instructions related to harmonization of turnaround time and also same compensation will be paid to the customer for the failed transaction.

Global Rating Agency S&P Cut India's Growth to 7.3%

Current Context: According to recent projections done by S & P, India's growth forecast has been reduced to 7.3% from 7.8% (which was estimated earlier).

Details

- The main reason behind this down forecast is rising inflation due to the Ukraine war.
- It has also increased its inflation forecast for India by 90 basis points (bps) to 6.3%.
- The growth for the next fiscal year has been maintained at 6.5%.
- The rating agency also trimmed the US growth forecast for 2022 to 2.4% while China's growth forecast stands at 4.2%.
- It seems to inflation rate remains higher for a longer period they have advised all central banks to raise rates more than what is currently priced in, risking a harder landing, including a larger hit to output and employment.
- Not only that the United Nations in its latest World Economic Situation and Prospects report has also trimmed down its FY23 growth projection for India to 6.4 %from 6.7% estimated earlier.
- According to Indian rating and research, Inflation is set to avg to 9-yr high at 6.9% in FY23.
- It is expected that RBI will increase policy rates to tackle this situation in the upcoming monetary policy committee.

FDI Inflows in India Increases to \$83.57Bn In 2022

Current Context: According to a recent report released by the Consumer industry has stated that the FDI inflows in India have been increased from \$81.97Bn to \$83.57Bn.

Highlights

- When we compared to the last seven years the FDI inflow in India has been doubled and 20-fold from 2003-to 04.
- The most attractive sector for foreign investments in the manufacturing sector, it has been noted that Equity inflow in manufacturing sectors has increased by 76% which amounts to \$21.34 billion in FY22 compared to \$12.09 billion earlier.
- The top recipient of FDI equity inflow was the computer & hardware sector which is around 25%, and services and automobiles stood at 12%.

- The major states which emerged as top recipients under the computer & hardware section were Karnataka 53% followed by Delhi and Maharashtra at 17%.
- Overall performance of states in FDI Inflow was again topped by Karnataka with 38%, Maharashtra and Delhi at 26% and 14% respectively.
- The main reason for the increase in FDI inflow was government has designed FDI Policy in a very liberal and transparent way and most of the sectors are opened through an automatic route.
- Many steps have been taken by the government to further liberalize FDI policy to promote ease of doing business in major sectors like Coal mining, Digital media, insurance civil aviation defence, etc.

RBI Bank Board Agreed to the Payment of 30,307 cr to the Government

Current Context: Recently RBI bank board approved the transfer of a 30,307cr surplus to the government.

Key Facts

- This is considered to be a big relief to the government as the dividend payment comes after the economy comes under stress from the war in Ukraine and fears for the world economy.
- RBI has decided to maintain the contingency risk buffer at 5.50%
- Last year in May 2021 RBI transferred a 99,122 cr surplus to the government for the total period of nine months starting from July 2020 to March 2021.
- Apart from that RBI's Monetary Policy Committee (MPC), estimated that the GDP growth rate for Financial Year 2022-23 would be 7.2%.
- In addition to that, the growth forecast for FY23 has lowered to 7.2% from 7.8%.
- Apart from that, the bank board also reviewed the current economic situation, and global and domestic challenges planning to come up with better policy rates.

Ministry of Heavy Industries and NRDC Collaborated

Current Context: Ministry Of Heavy Industries has collaborated with the National Research Development Corporation to implement the scheme to Enhancement the competition in Indian Capital Goods.

Key Points

- As per the agreement, NRDC will conduct the evaluation and management of intellectual property, and as provide commercialization support for capital goods.
- The Vision of the MoU is to make India the global manufacturing hub for capital goods.
- The financial outlay provided for this scheme was Rs. 1207 crores with budgetary support of Rs.975 crore and Industry Contribution of Rs.232 crore.
- With the help of this mission, they can able to generate many employment opportunities which inturns boost the domestic growth of Industries under the Atmanirbhar Bharat Mission.

- The Phase-2 of the scheme has been announced to support common technology development and service infrastructure.
- This Scheme will not pave the way for investment in technology up-gradation but also helps to improve skill development and augmentation of modern manufacturing capacities which leads to the holistic growth of Industry.
- **Static Part:**
 - NRDC: National Research Development Corporation
 - Works Under: Dept of Scientific & Industrial Research, Under Ministry of Science & Technology
 - Established: 1953

India's Forex Reserves Declined by 2.676 bn Dollars

Current Context: As per recent data released by India's central bank RBI, the country's forex reserves has been declined by \$2.676 bn to \$593.27bn.

Details

- In the Earlier week, the reserves had already declined by USD 1.774 billion to USD 595.954 billion. Now it's number stepped up to \$2.676 bn.
- Gold reserves have also been decreased by USD 1.169 billion to USD 40.57 billion.
- The main reason shared by RBI in its report is that the drop in forex reserves is due to a drop in foreign currency assets, gold reserves, etc.
- They will always be expressed in dollars and other currencies like the euro, pound, and yen, due to depreciation or appreciation of these currencies will impact the forex reserves for any country.
- Apart from that the special drawing rights (SDRs) with the International Monetary Fund (IMF) dipped from USD 165 million to USD 18.204 billion.
- In the present week, foreign currency assets have already declined by USD 1.302 billion to USD 529.554 billion.
- **Static Part:**
 - International Monetary Fund: Established in July 1944
 - Headquarters: Washington D.C
 - Member Countries: 190
 - Currencies used in Special Drawing Rights: the U.S. dollar, the euro, the Chinese renminbi, the Japanese yen, and the British pound sterling.

State of Inequality in India Report

Current Context: Economic Advisory Council to the Prime Minister (EAC-PM), Bibek Debroy, Chairman, has released The State of Inequality in India Report. Made by Institute for Competitiveness.

About

- This report provides a complete analysis of the depth and nature of disparity in India which includes various sectors of health, education, household characteristics, and the labor market.
- For the first time, the report focused on income distribution to understand the capital flow, it also emphasizes that wealth concentration as a measure of inequality does not reveal the changes in the purchasing capacity of households.
- According to data from the Periodic labour Force Survey, has shown that an average monthly salary of Rs 25,000 is already amongst the top 10% of total incomes earned, pointing toward some levels of income disparity. The share of the top 1% accounts for 6-7% of the total incomes earned, while the top 10% accounts for one-third of all incomes earned.
- Considering employment categories, the highest percentage was of self-employed workers 45.78%, followed by regular salaried workers 33.5% and casual workers 20.71). The share of self-employed workers also happens to be the highest in the lowest income categories.
- The country's unemployment rate stood at 4.8% in 2019-20, and the worker population ratio stood at 46.8%.
- Apart from that the health centers in rural areas have increased from 1,72,608 in 2005, to 1,85,505 in 2020 many States and Union Territories like Rajasthan, Gujrat, Maharashtra, Madhya Pradesh, Tamil Nadu, and Chandigarh have considerably increased health centers.
- The most improved sectors were education and household activities due to several social schemes.
- It has also seen a significant improvement in sanitation and electricity as 95% of schools have functional toilet facilities on the school premises and 80.16% of schools have functional electricity connections with States and Union Territories like Goa, Tamil Nadu, Chandigarh, Delhi, Dadra and Nagar Haveli and Daman and Diu.
- Lakshadweep and Puducherry have achieved universal 100% coverage of functional electricity connections.
- The Gross Enrolment Ratio has also increased between 2018-19 and 2019-20 at the primary, upper primary, secondary, and higher secondary.

Petrol to Get Cheaper by Rs 9, Diesel by Rs 7 as Centre cuts Excise Duty

Current Context: There have been several measures taken to cut down the inflation in which the GOI has reduced the excise duty on petrol and diesel.

Highlights

- The government has cut down excise duty on petrol by Rs 8 per liter and diesel by Rs 6 per liter. This results in to decrease in the price of petrol by Rs 9.5/ltr and diesel by 7/ltr.
- Apart from that, the government will give an Rs 200/ cylinder subsidy to Ujjwala Yojana beneficiaries for 12 cylinders in a year.

- In addition to that custom duties have also been cut down on plastic products and steel including coking coal and ferronickel, which boosts the domestic industry under AatmnaNirbhar Bharat, and also leads to reducing the production cost of steel.
- The duty on exports of iron ore has been hiked up to 50%, to make sure of abundant domestic availability.
- To improve cement availability measures have been taken to reduce the logistic cost, and prices may soften lightly.
- Direct support has been provided to the weaker section of the society which impacts 6000 cr on budget.
- The government has also urged all state governments, especially the states where the reduction wasn't done during November 2021 on petrol and diesel prices to implement a similar cut and give relief to the common public.

Frauds in Public Sector Bank Falls to 51%

Current Context: In a recent report released by India's central bank RBI stated that there has been a fall of 51% in frauds involved by Public Sector Banks.

Key Points

- During the financial year which ended March 2022, All 12 PSBs have reported over a 51% fall in the amount involved in frauds or scams which amounts to Rs 40,295.25 cr. compared to Rs 81,921.54 crore in the preceding fiscal 2020-21.
- But, the number of fraud cases didn't fall at the same speed, from 2021 to 22 a total of 7,940 frauds were reported by the PSBs besides 9,933 incidents reported in FY21.
- According to the report Punjab National Bank was involved in the highest number of fraud cases i.e 431 which amounts to Rs 9,528.95 crores.
- Domestic systematically banks like State Bank of India reported frauds worth Rs 6,932.37 crore in as many as 4,192 cases.
- Apart from that many other PSBs like Bank of India reported frauds worth Rs 5,923.99 cr in 209 cases shadowed by BOB at Rs 3,989.36 cr in 280 fraud cases, Union Bank of India Rs 3,939 cr in 627 cases, whereas Canara Bank reported frauds worth Rs 3,230.18 cr in 90 cases.
- As per the report since April 2017, the total amount of fraud is less than 1 lakh has been recorded.

Gem signed MoU with Self Employed Women's Associations

Current Context: Government eMarket place and SEWA has collaborated to enable the engagement of last-mile connectivity to women-led enterprises as sellers.

Key Facts

- This MoU will pave the way for the advocacy, outreach, mobilization, and capacity-building for women-led micro and small enterprises and women entrepreneurs.
- As per the agreement, GeM will train SEWA members to assist and empower women-led micro and small enterprises, and SHGs among others.
- The training includes processes related to seller registration and on-boarding on the platform, upload/update of product/ service catalogs, acceptance of orders, etc.
- The training sessions will take place both in person and in virtual mode.
- They will also provide vernacular-based training in both print and digital media as per convenience and requirements for women entrepreneurs and SHGs.
- Some new categories like Stitching and tailoring, canteen and catering, and housekeeping service were created to generate employment and business opportunities for women in urban and rural areas.
- With the help of this Memorandum of Understanding, it planned to address has sought to the twin challenges of access to markets through GeM Outlet Stores and access to finance through the GeM Sahay application for such under-served seller groups.

India Sends over a \$2 bn Humanitarian Consignment

Current Context: As there is a huge crisis in Sri Lanka India supplied a large amount of humanitarian assistance consignment worth over Rs 2 billion to tackle this situation.

About

- The consignment includes 9,000 metric tons of rice, and 50 metric tons of milk powder, together with over 25 metric tons of drugs and other pharmaceutical supplies for emergency use.
- Apart from the central government, even the state government like Tamil Nadu has sent humanitarian consignment consisting of 40,000 metric tons of rice, 500 metric tons of milk powder, and medicines.
- It's been **approximately USD 3.5 billion in support has been provided to Sri Lanka** from the Govt of India as well as various private and social organizations since January this year.
- Not only this in past during pandemics when fertilizer turmoil takes place India delivered nano fertilizer to save Sri Lankan farmers.
- Cash-strapped **\$3 bn has also been provided to Sri Lanka through currency swaps**, credit lines for essential goods, and repayment of loans.

Quad Summit 2022

Current Context: Prime Minister Narendra Modi will attend the Quadrilateral Security Dialogue on May 24 with the leaders of Japan, Australia, and the US to strengthen bilateral ties and discuss global issues. This meeting is going to be held in Tokyo.

Details

- The Quad grouping has been developed to counter China in the **Indo-pacific region** as it builds its economic and military weight in the region **through the nine-dash line and acquiring ports in strategic places.**
- It is also expected that apart from China issues these leaders will also going to be discussing the Ukraine war its economic impact and the climate change crisis.
- The leaders will also review the progress of Quad initiatives and working groups. So far and find the new areas of cooperation and strategic guidance for future collaboration.
- **PM Modi will also interact with more than 30 CEO's will invite India to invest in India's infrastructure sector which includes health, energy, defense, etc.** He will also have interaction a business, diplomatic, and community people.
- It's been expected that US president Joe Biden come up with a strategy and will launch a new and ambitious economic initiative for the region, **the Indo-Pacific Economic Framework (IPEF)**, which, is planned to tackle new economic challenges.
- This framework will help to set up the rules of the digital economy to ensure secure and resilient supply chains on how to manage the energy transitions so that it can be invested in clean, modern high standards infrastructures.
- **Static:**
 - Quad: Quadrilateral Security Dialogue
 - Quad Members: India, US, Japan, Australia
 - Establishment Year:2007
 - Objective: The main objective behind the Quad is to keep the strategic sea routes in the Indo-Pacific free of any military or political influence. It is seen as a strategic grouping to reduce Chinese domination.

Centre Think over of Spending 2 lakh Crores to Fight Inflation

Current Context: The Central government is planning to spend an additional \$26 billion in the 2022-23 fiscal year to tackle rising prices and control multi-year high inflation.

Key Highlights

- As per recent data, retail inflation rose to an eight-year high in April i.e **7.79%** while wholesale inflation rose to at least a **17-year high i.e 15.08%**.
- The recent decision taken by the government on cutting down the prices of petrol and diesel will also impact the revenue of the government which is estimated at **around 1 lakh crore.**
- The sudden changes in the scenarios of inflation have happened **due to the impact of the Ukraine crisis which leads to an increase in oil and food prices.** Not only is that Ukraine also the largest exporter of fertilizers to India which impacts very badly.

- Apart from that **Rs 500 billion additional funds will be needed to subsidize fertilizers**, from the current estimate of Rs 2.15 lakh crore.
- Many experts have calculated that the government needs to borrow additional sums from the market to fund these measures and this could **increase the deficit target of 6.4% of GDP for 2022-23**.
- As per the 2022 budget the government has announced **to borrow 14.31 lakh crore in the current fiscal year**.

RBI hints at an Increase in Policy Rates in the Next MPC Meeting

Current Context: RBI Governor Shaktikanta Das has said that they were looking for rate hikes in the upcoming few meetings and they will also come up with a new inflation rate.

Key Points

- As a part of that RBI hiked the repo rate by 40 basis points to 4.4%, and is expected to increase the key lending rates again in the June meeting.
- Both fiscal and monetary authorities are brainstorming to control inflation which has already stayed above the central bank's mandated target band of 2-6%.
- Apart from that RBI along with the repo rate they have also raised the cash reserve ratio (CRR) by 50 basis points to 4.5% to observe the excess liquidity in the banking system.
- It has been huge pressure on both the central government and RBI as the retail inflation already touched the sky-high i.e eight-year high in April.
- RBI considers the reason behind the eight-year high retail inflation was due to the fiscal steps taken by the government like tax cuts, subsidies, etc.

Seoul Forest Declaration

Current Context: Recently 15th World forest congress hosted by Food & Agriculture Organization was held in Seoul, South Korea in which the Seoul declaration was signed and adopted by 141 countries.

Key Facts

- Through this declaration, it urges all the stakeholders, and institutions to take responsibility for forests and asked for the investment **in forest and landscape restoration globally needs to triple by 2030**.
- They have also assured the Future of Forests with Integrated Risk Management Mechanism.
- Apart from that, there has been discussion on innovative green financing mechanisms to upscale investment in forest conservation, restoration, and sustainable use.
- In order to prevent the risk of future pandemics, the forest plays an important role which provides essential benefits for physical and human health.

- In addition to that, they have also decided to raise this issue in many international conferences like Youth Call for Action, Conference of the Parties to the United Nations Framework Convention on Climate Change, Conference of the Parties to the Convention on Biological Diversity, etc.

Market Regulator SEBI Issues New Rules for Constitution

Current Context: To boost Exchange Traded Funds the Securities exchange board of India has announced a change in the set of rules for passive funds.

Highlights

- SEBI has constituted a Working Group that consists of various stakeholders from the passive fund's domain like AMCs, mutual fund trustees, and stockbrokers. **On basis of the recommendation of the committee, SEBI has issued new norms for Passive funds.**
- In lieu of debt ETFs and index funds, the market regulator **SEBI capped group-level exposure at 25%** the cap will not apply when it comes to investment in public sector entities.
- SEBI has determined that for **an index that has at least 80% weight of corporate debt securities, a single issuer should not have more than 15% weight in the index in respect of AAA securities, and if its AA securities then it should not be more than 12.5% in case of an it should be no more than 10%.**
- Sebi has also informed the investors that they can directly approach the AMC for reclamation of units of Exchange Traded Funds for transactions of up to Rs 25 crore without any exit pressure.
- The minimum subscription amount has also been decided at the time of the New Fund Offer (NFO) for debt ETFs or index funds **it will be 10crore and for other ETFs or index funds, it will be Rs 5 crore.**
- As per the SEBI circular, this new framework **will come into effect from July 1 and will apply to all existing ETFs and index funds.**
- For all asset management companies (AMC) there shall be **at least two market makers (MMs) for ETFs** who ensure continuous liquidity on the stock exchange platform.
- Sebi has also allowed AMCs to launch **passive equity-linked saving schemes (ELSS) through an index fund.** The investment universe of such schemes will be restricted **to the top 250 companies by market cap.**
- **Static Part**
- **Passive Funds:**
 - **It is an investment segment that tracks a market index and determines what to invest in,** where the fund manager has no role in selecting the stocks on your behalf. Instead, the Exchange Traded Funds simply copy an index and try to accurately reflect its performance.
- **Exchange-Traded Funds:**
 - **It is a kind of market security like mutual funds associated with some price where it can easily buy and sold in the market. In simple words, in an ETF, one can buy and sell units at the prevailing market price on a real-time basis during market hours.**

RBI formed a Panel to Review Customer Service Standards

Current Context: India's central bank RBI has set up a committee to review the efficacy, adequacy, and quality of customer service in banks, NBFCs, and other entities which come under it.

Key Facts

- The committee **consists of 6 members and is headed by former RBI deputy governor BP Kanungo.**
- The timeline was given for the committee **to submit its report three months from the date of the first meeting.**
- The option has been given to the committee that **they may also invite domain experts and RBI officials for consultations or to participate in its discussions.**
- The main objective of setting up the committee was **to evaluate the efficacy, adequacy, and quality of customer service which helps to identify the gaps.**
- The panel will also review the emerging and evolving needs of the customer service landscape, especially in the context of evolving digital or electronic financial products.
- They will also suggest best practices, in customer service and grievance redressal, especially for improvement in services rendered to retail and small customers, including pensioners and senior citizens. Which can be adopted globally and domestically.
- Apart from that, they should also work on leveraging technology for enhancing customer service efficiencies, and upgrading internal grievance redress mechanisms so that the overall consumer protection framework can be designed.

India and US have agreed upon Investment Incentive in Tokyo

Current Context: During an ongoing Quad summit in Tokyo, India and US have signed an Investment incentive agreement that provides additional investment support and will further help in the country's development.

Key Points

- Earlier this agreement has been **signed between India and the US in the year 1997.** Which includes the **creation of DFC (Development Finance Corporation).**
- The Corporation or its precursor agencies are active in India since 1974 and have **so far provided investment support worth \$5.8 bn.**
- Apart from that this corporation has also provided investment support in many sectors like COVID-19 vaccine manufacturing, healthcare financing, renewable energy, etc.
- The main significance behind this Incentive Investment Agreement is to keep bound with the additional investment support provided by the DFC in many forms such as debt, equity investment, investment guarantee, subsidies, grants, etc. which in turn leads to the development of the country's infrastructure.
- This is considered to be a breakthrough for India as there shall be continuous investment support to develop world-class infrastructure.

75th Session of the World Health Assembly held in Geneva

Current Context: Union Minister Mansukh Mandaviya has addressed a recently held World Health Assembly in Geneva, in which he expresses India's commitment to building a more resilient global health security architecture.

Details

- In this session, the stress has been given to building a resilient **Global Supply Chain so that it can enable to have equitable access to vaccines and medicines**. India is always a step ahead to play a key role in it.
- The focus should be made on linking peace and health, which is timely and pertinent because peace plays an important role in sustainable development and universal health and wellbeing.
- Apart from that, there has been dismay over the report published by the WHO on mortality which shows India has an excess mortality rate, **According to the report, released on May 5 it stated that there were 4.7 million Covid deaths in India 10 times the official figure and almost a third of Covid deaths globally.**
- The manner in which WHO has published the report doesn't consider the where country-specific authentic data published by the statutory authority.
- **Central Council of Health and Family Welfare, a representative body of Health Ministers from all States of India**, passed a unanimous resolution regarding the approach and methodology of WHO on excess mortality reports.
- **Static Part:**
 - WHO: World health organization
 - Founded: April 7th, 1948
 - Member Countries: 194
 - World Health Day is celebrated on the 7th of April every year.

India is planning to Collaborate with France on Green Hydrogen

Current Context: Recently a workshop has been organized on decarbonized hydrogen by France and the Council on Energy, Environment, and Water (CEEW) in India in which a joint declaration of intent has already been agreed upon between the two countries.

About

- Presently **India has 158 GW of installed capacity for renewable energy and another 87 GW** is in the pipeline. With the help of this collaboration, India can achieve its target.
- As green hydrogen holds immense promise as a clean energy vector of the future. Both the countries can team up on green hydrogen to accelerate the clean energy transition, and meet carbon neutrality targets.
- France is a co-founder International solar alliance and also set up a cooperation roadmap between relevant ministries on renewable energy.

- They were also investing enormously in clean energy in India and are in the process of developing more than **24 GW of renewable energy projects in the country.**
- Now both countries are working on decarbonized hydrogen so that it can apply to many sectors of the economy like **refinery, fertilizers, petrochemicals, steel, heavy mobility, shipping, and aviation.**

India's Export may Rise to \$1T by 2030

Current Context: According to Commerce Ministry Piyush Goyal informed that India can achieve a target of \$1 trillion worth of merchandise and service export.

Highlights

- **India has already touched the record of \$421.8 billion in exports during FY March 2022.**
- The government is also looking to boost value-added exports so that new job opportunities can be created instead of raw materials going out of India.
- Logistics plays a very important role in every sector to boost its productivity and growth and it is also a very serious concern where government needs to work out in.
- Governments have introduced many initiatives like **PM Gati Shakti Yojana, Bharatmala Pariyojana, Multimodal connectivity projects, etc.**
- Since India has a huge pool of young talent. They have also requested foreign companies to invest in India and grow with India.
- India is not only one of the world's most preferred investment destinations but also it provides a massive scope and range of opportunities.

India Joins US-led Indo-Pacific Economic Bloc

Current Context: Recently India has joined Indo-Pacific Economic Framework for Prosperity (IPEF), to counter China's aggressive expansion in the region.

Key Points

- With the help of this initiative, they will mainly focus on four areas the digital economy, supply chains, infrastructure projects and clean energy, and tax and anti-corruption measures.
- **This helps to develop a common and create solutions to counter regional economic challenges.**
- Apart from India, there are a total of 13 countries that support this initiative including **Australia, Brunei, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Thailand, and Vietnam.**
- The total amount of GDP of member countries **accounts for 40% of the global GDP.**
- The Indo-Pacific region is considered to have a centre of manufacturing, economic activities, trade, and investments. By joining this initiative India can develop its global outreach and strengthen its economic partnership.

- This initiative helps partner countries to build high-standard, inclusive, free, and fair trade commitments and also promotes sustainable and inclusive economic growth.

RBI Enhance the Housing Finance Limit to Rs 10 Lakh

Current Context: RBI has increased the housing finance limit to Rs 10 lakh in metros and Rs 6 lakh in other centers.

Key Facts

- **As per RBI's recent notification** limit on loans for carrying out repairs, or any alterations to their house had now been **revised to Rs 10 lakh in metropolitan centers and Rs 6 lakh in other centers for all urban cooperative banks.**
- Initially, the limit was pegged at Rs 2 lakh in rural and semi-urban areas and Rs 5 lakh in urban areas.
- However, the improvement loans don't require any form of collateral. They are completely based on credit score and income.
- Interest rates may vary from home loans as it depends on the loan amount taken for home renovation.
- **As per The Reserve Bank of India, the loan amount cannot exceed the caps put on home loans.**
- Renovation loans also come up with many attractive tax benefits under the 24b section of the Income-tax Act, 1961.

Public Sector Banks to pay Rs 8,000 cr Dividend to Centre

Current Context: It is estimated that state-run banks are going to pay 8,000cr dividend to the government.

Details

- These payouts by state-run banks provide minor relief to the government, as they were facing many hurdles after tax cuts on fuel.
- **Recently RBI also transfer a surplus of 30,307cr to the government to tackle the economic challenges.**
- State Bank of India, has the highest payout of Rs 3,600 crores. The second place is occupied by Union Bank with Rs 1,084 crores, followed by Canara Bank at Rs 742 crore.
- According to Banking Regulation Act, **banks should pay dividends only if they have cleared their capitalized expenses, and can carry forward losses that should be waived off.**
- Since 2016, state-owned banks stopped paying dividends due to their weak financial condition and in FY20 RBI imposed restrictions on banks to pay any dividends so that they can save some capital for dealing with pandemics.
- Later the restriction has partially lifted by RBI and allowed banks to pay **50% of the amount is determined as per the dividend payout ratio.**

Govt Decided to Impose Restrictions on Sugar Exports

Current Context: Recently the government has decided to put a cap on sugar exports to take action on the domestic market.

About

- These instructions will be applicable from June 1 so that government can ensure enough stock should be available to curb the increasing prices of sugar.
- However, the European Union has been exempted from these restrictions.
- **Apart from that government has allowed the export of sugar up to 100 LMT (lakh metric tonnes)** with a view to maintaining price stability.
- This decision is also backed by a record break in exports of sugar.
- **According to DGFT this restriction with effect from 1st June 2022 till 31st October 2022.**
- The government has been continuously monitoring the situation in the sugar sector, including sugar production, consumption, export as well as price trends in wholesale and retail markets all over the country.
- India is the highest producer of sugar and also the second-largest exporter of sugar.

SEBI Simplifies the Procedure for Issuance of Duplicate Securities

Current Context: Market regulator the Securities and Exchange Board of India (Sebi) has simplified the procedure for issuing duplicate securities which provide a hassle-free experience and is investor-friendly.

Highlights

- These changes have come due to a recent review of the regulator, on the procedure followed by the registrars and the issuer companies.
- **To claim duplicate securities, security holders have to submit a copy of FIR** with details of the securities, folio number, distinctive number range, and certificate numbers **however, if the value of securities does not exceed Rs 5 lakh**, security holders don't have to submit FIR.
- If we consider overseas securities holders, apart from FIR, they have to submit a self-declaration of the security certificates lost, and also that copy should be attested by the Indian Consulate or Embassy.
- SEBI has also provided provision for those holders also who lost folio number then RTA will have to provide the same to security holder after matching with their records.
- The security holder will have to first comply with the KYC procedure In case the signature and/or the address do not match. So that he can get the details of the securities.
- This provision will come into effect immediately.

India's Palm Oil Imports Could Fall 11 Year Low

Current Context: As per recent data it is estimated that palm oil imports would go down due to allowing duty-free imports of soy oil.

Key Points

- The other reason which led to fall in prices was Indonesia's curb on exports to India.
- **It is also expected that India's palm oil imports in 2021-22 could fall to 6.7 million tonnes by Oct 31st** which is the lowest since 2010.
- **Apart from that government has allowed duty-free imports of 2 million tonnes** each of crude soy oil and crude sunflower oil for the current and next fiscal years.
- These steps have been taken by keeping in mind local edible prices.
- On one side, Indonesia came into the picture by revoking the ban after three weeks but it's uncertain about how much quantity to be exported to India.

MoHUA has Launched Swach Survekshan 2023

Current Context: Recently Ministry of Housing & Urban Affairs launched Swach Survekshan with the theme "Waste to Wealth" for garbage-free cities.

Key Facts

- **This time priority has been given to the principle of 3Rs – Reduce, Recycle and Reuse in this survey.**
- It is considered to be a very important assessment tool issued to judge the cities on basis of their hygiene and sanitation.
- Apart from that it also provides opportunities to low-performing states or underachievers to analyze where they are lagging behind and helps to recover it.
- **Last year Swach Survekshan 2022 covered 4,355 cities and 85,860 wards** and results are in progress.
- It is one of the largest surveys undertaken anywhere and has brought about substantive changes at the ground level.
- **This year Swach Survekshan theme has aligned with Swach Bharat Mission 2.0** for promoting waste management.

ILO has released 9th Edition of 'World of Work'

Current Context: Recently International Labour Organisation released a report which describes the condition of global labor, market crisis, inequalities between countries, etc.

Details

- It has been reported the number of hours worked **globally dropped in the first quarter of 2022, to 3.8%.**
About 11.2 crore jobs have lost during this period.

- It is observed that both India and lower-middle-income countries experienced a deterioration of the gender gap in work hours in the second quarter of 2020.
- If we talk specifically about women for **every 100 women at work prior to the pandemic, 12.3 women would have lost their job on average.**
- Apart from that Women's employment in India has come down, particularly in sectors such as healthcare due to the COVID-19 pandemic.
- There is a need to take a humane approach in order to tackle financial turbulence, potential debt distress, and global supply chain disruption.
- Another important factor is the Ukraine war due to which the food and oil prices have increased drastically which again creates a broader impact on labor markets.

National Achievement Survey Report 2021

Current Context: Ministry of Education has released the National Achievement Survey 2021 which discussed about last year's assessment of over 34 lakh students in 1.18 lakh schools.

About

- This survey covered both central and state government schools, government-aided schools, and private schools across the country.
- The main objective of this survey is to **evaluate children's progress and learning competencies as an indicator of the efficiency of the education system.**
- CBSE has administered this survey in one single day at the same time and it was managed through the technology platform National Informatics Centre (NIC).
- **This was conducted in 22 languages for Class 3,5,8,10.**
- This survey plays an important role to unwrap the gaps in learning and will also provide support to state/UT governments in developing long-term, mid-term and short-term interventions to improve learning levels.

RBI Planning to Introduce Comprehensive IT Outsourcing Framework

Current Context: India's Central Bank planning to set up a Community Cloud architecture i.e. Indian Banking Community Cloud (IBCC) for state-run banks. This is meant to be the first step toward comprehensive information technology (IT) outsourcing framework so that they can be aligned with a new privacy bill.

Highlights

- This could be developed under the aegis of the **National Payments Corporation of India (NPCI) or the Institute for Development and Research in Banking Technology.**
- Whatever the observation made on IT and outsourcing protocols of RBI-regulated entities at the time of their annual inspections could be consolidated under the new outsourcing framework.

- Apart from that RBI's **Cyber Security and IT Examination Cell in the Department of Banking Supervision** to play a significant role in outlining the new framework.
- They follow high-level Principles-based regulation and objectives to set the standards through which entities must conduct business.
- It is also been suggested that while drafting regulations there must be a body that supervises the use of technology used in Cloud adoption by digital lending companies so that no misuse should happen.
- This step of RBI is considered to be a part of providing **Enhanced Access and Service Excellence reforms** which were discussed by Union Finance Minister Nirmala Sitharaman in August 2021.

RBI slashes Net-Worth requirement for Non-Bank Bharat Bill Payment Units

Current Context: Recently RBI has issued a circular in which the net-worth requirement for Non-banking companies has been reduced.

Key Points

- Non-banking companies now need **Rs 25 crores minimum** net worth to set up Bharat Bill Payment Operating Units (BBPOU).
- Presently there is a requirement of **100 crores to set up a non-bank Bharat Bill Payment Operating Units**.
- This step has been taken by RBI after observing the statistics that there is an increase in the volume of transactions as well as the number of onboarded billers, whereas the non-bank entities are not actively participating in it due to high net worth.
- Considering The Bharat Bill Payment System (BBPS) is an interoperable bill payment network, which scope and coverage include all types of billers who issue recurring bills.
- This circular has been issued under the **Payment and Settlement Systems Act, 2007**.

Moody's cuts Calendar year 2022 India GDP growth Forecast

Current Context: According to the rating agency Moody's India GDP growth rate is pegged at **8.8% for 2022 (CY22)** compared to **9.1% earlier**. Stating the reason as high inflation.

Key Facts

- According to them, it is expected that **India's retail inflation to increase to 6.8% in 2022 compared to 5.7% in 2021**.
- Even though the Reserve Bank of India (RBI) has increased the repo rate by 40 basis points, inflation remains above the upper tolerance limit set by the RBI i.e 2-6 percent.
- The main reason behind the high inflation is a rise in crude oil, food, and fertilizers prices due to the Ukraine crisis which directly impacts household finances.

- However many steps have been taken to tackle it like strong credit growth, a large increase in investment intentions announced by the corporate sector, and a high budget allocation to capital spending by the government but still need to recover from this situation.
- Not only has that rating agency also lowered **its global growth projection to 3.1% for 2022.**

Government of India plans to Build 18000 km of Highway in FY23

Current Context: To develop the road infrastructure and reduce the logistic cost govt has committed to expanding the national highway up to 18000kms in 2022-23.

About

- The main aim of the government is to build **the 2 lakh km of national highway network by 2025.**
- Presently India's national highway construction slowed to 28.65 km per day and they wanted to **increase it to 50 km per day.**
- As of now a total length of 4325 km of national highway constructed which is higher than the 4218 km of national highway in FY 2021.
- Apart from constructing the roads, they will also emphasize creating **world-class infrastructure for end-users** in a time-bound and target-oriented way.
- Earlier in April, the Ministry of Road & Transport highway has also sanctioned 12 national **highway projects costing around 8000 crores**, it will be constructed in a total length of 460kms which is expected to boost the interconnectivity between Telangana and Maharashtra, Karnataka, and Andhrapradesh.

RBI issues Guidelines for Gold Import by Qualified Jewellers

Current Context: Recently RBI has come up with some norms for the physical import of gold through the India International Bullion Exchange.

Details

- As per the new rules apart from agencies that were nominated by RBI and DGFT. **Qualified jewelers are also permitted to import gold.**
- These Qualified jewelers can only import gold through IIBX or other exchanges but it must be approved by International Financial Services Centers Authority.
- In addition to it, banks can allow these jewelers **to remit advance payment for 11 days** for the import of gold.
- Besides, the cost of the gold import should not be more than the value of advance remittance.
- To ensure transparency and security RBI stated that all the payments done by qualified jewelers for the **import of gold must be done through ISCA.**
- This step has been taken to extend this platform for qualified jewelers also and to increase gold imports since it dipped by about **72% during April which amounts to \$1.72Bn compared to \$6.23Bn.**

RBI Planning to Explore Policy Framework for BigTech in FY23

Current Context: India's Central bank The Reserve Bank of India is concerned about the systemic risks arising from the involvement of large technology companies in the financial sector, and so planning to develop a policy framework for digital banking, fintech, and such BigTechs.

Highlights

- Due to the evolvement of new technology one side, will provide better access and services for the end-users **but on another side, they will also create a threat to the consumer related to cyber security** so RBI wanted to design such a framework that protects the consumer integrity and privacy.
- To mitigate such type of risk there is a need to careful choice of technology and frameworks. Which not only **provides a hassle-free experience but also keeps the application security in the financial service industry.**
- As per the Central bank, the approach will have to balance innovation with regulation, without compromising on any of the principles of risk management.
- **Generally, there are three types of risks faced by Fintech or BigTech entities like systemic risks, operational risks,** and risks affecting competition, RBI has already warned many companies against these kinds of risks while entering the market.
- Many steps have been taken to deal with like regulatory sandbox, the establishment of the Reserve Bank Innovation Hub, conducting hackathons, and also setting up a fintech department.
- Apart from that, there is a proper need for legislation and regulations for the fintech sector, which is as tightly regulated as traditional banks to nurture the innovation and mitigate any associated risks.

RBI Annual Report for 2021-22

Current Context: The Reserve Bank of India has released the RBI Annual Report 2021-22, which mainly focus on structural reforms for sustained, balanced, and inclusive growth.

Key Points

- **Highlights of the Report:**
 - As per RBI, there is a need of creating a future path of growth that would be accustomed by addressing supply-side bottlenecks, calibrating monetary policy to bring down inflation, and enhancing capital spending.
 - **The surplus of Rs 30,307.45 crore in 2021-22 compared to Rs 99,122 crore transferred to the government was due to a sharp increase in the Contingency Fund.**
 - As per the report, the frauds reported by banks and other financial institutions in FY22 saw more bank frauds but the value decreased by half.
 - Over the last three years it shows that while **private sector banks reported the maximum number of frauds, public sector banks contributed the maximum to the fraud amount.**

- In this report, it has also been discussed about shadow banking and red-flagged non-banking financial companies (NBFCs) by observing that the balance sheets of shadow banks expanded even as the asset quality deteriorated. This will pose a potential threat to financial stability as their size increases due to higher risk appetite.
- **RBI's Monetary Policy Committee had revised downwards real GDP growth for 2022-23 to 7.2%.**
- Apart from that supply-side policy interventions such as removing customs duty on import of raw cotton, prohibiting wheat exports, reducing taxes on petrol by Rs 8 per liter and diesel by Rs 6 per liter, etc. provide some offset reliefs.

RBI to Adopt Graded Approach for Introducing Digital Currency

Current Context: Recently RBI stated that, planning to adopt a graded approach towards the launch of digital currency to ensure financial stability and efficient operations of currency and payment systems.

Key Facts

- In Union Budget 2022-23 it has been announced that RBI going to introduce its own digital currency. Now it has come up with an approach to launch in a phased manner.
- **CBDC or Central Bank Digital Currency is a legal tender issued by the Reserve Bank of India.** A CBDC is an electronic record or digital token of a country's official currency.
- Now they have been exploring the pros and cons of the introduction of CBDC in India, working on design elements of **CBDCs that could be implemented without any disruption or loopholes.**
- **In addition to that RBI also enacted the finance bill 2022 to provide a legal framework for the launch of digital currency.**
- After that bank will announce a pilot project in order to verify the proof of concept on a real basis.

CBIC issued Norms for Recovering Tax Dues from Insolvent Companies

Current Context: The Central Board of Indirect Taxes and Customs (CBIC) has issued certain norms to ensure the timely recovery of goods and services tax (GST) dues from companies undergoing liquidation.

Details

- The tax body observes inordinate delays in filing claims.
- **To overcome that CBIC nominated a nodal officer to ensure the filing of claims with the Insolvency and Bankruptcy Board of India within 90 days of the commencement of the process.**
- Whichever company undergoing insolvency is liable to furnish its GST returns, pay tax, and meet all other compliance as per the GST law.
- Once the winding-up order has been passed then tax officers are not liable to ask anything from the company.

- The **nodal officer** must submit **monthly reports** on pending arrears and NCLT orders.
- **This step has been taken to protect government revenue stuck in IBC matters.**

Centre Amends Faceless Penalty Scheme

Current Context: The Central Board of Direct Taxes (CBDT) has amended the faceless penalty scheme which introduced the Finance Act of 2022.

About

- **This step has been taken to reduce the personal interface between taxpayers and officials** and to avoid delays in processing cases.
- Whenever there is a need for a personal hearing this will be conducted through **National Faceless Penalty Centre which includes video conferencing or video telephony.**
- Besides, the tax authority had already granted a personal hearing as a right to taxpayers in the case of the faceless appeal scheme
- These kinds of steps can help the government to **bring transparency into administration and to remove corruption.**
- It will also act as a major breakthrough for the NDA government where they stated “Maximum Governance and Minimum Government.”

Global Organic Expo 2022

Current Context: Recently 3rd Global Organic Expo 2022 was organized in Delhi for Organic products, Aggregators, etc with the theme “Profitability for Humanity”.

Highlights

- This expo will create awareness among the stakeholders but also among the people who care about their health.
- **A total of 200 organic and service companies participated in this expo and displayed their products.**
- Apart from that, it will also create an opportunity to have face-to-face interaction with existing clients, suppliers, and partners.
- It will also help to **create market linkages between producers and marketers.**
- Besides, it created a global platform to showcase **India’s ancient farming system and its cutting-edge technologies and scientific methods.**

Ministry of Electronics and IT releases Draft Norms

Current Context: According to MeITy a National Data Governance Framework was developed to mobilize non-personal data of citizens for use by both public and private entities to improve services.

Key Points

- This Framework is designed especially **for artificial intelligence (AI) start-ups, AI research entities, and government departments.**
- Nowadays digital governance plays an important role in India's resilient response to the pandemic and its impact on lives, livelihoods, and the economy.
- This Framework govt will **improve citizens' experience and engagement with the government and governance as a 'Digital Nagrik'.**
- As of now all the digital government data is managed, stored, and accessed in differing and inconsistent ways.
- Now with the help of this National framework, everything will be made available on a single platform.
- It proposed to cover all non-personal datasets and data and platforms, rules, and standards governing its access and use by researchers and start-ups.
- It will also set up **India Data Management Office under the Digital India Corporation.**

US Overtook China as India's Biggest Trading Partner

Current Context: According to recent data from the commerce industry the US surpassed China to become India's top trading partner in 2021-22, which is a result of strengthening economic ties between the two countries.

Key Facts

- Considering the statistics the **trade between the US and India stood at \$119.42 billion compared to \$80.51 billion in 2020-21.**
- Whereas on other side, two-way China stood at \$115.42 billion as compared to \$86.4 billion in 2020-21.
- Many experts believed that this sudden increase in bilateral trade with the **US is due to strengthening the economic ties between both countries.**
- Besides India has also joined an Indo-Pacific Economic Framework which helps boost economic ties further.
- For the past few years, India has had only a few countries with which it has surplus trade and the US was one of them.
- **In addition to it UAE with \$72.9 billion, was the third-largest trading partner of India followed by Saudi Arabia, Iraq, and Singapore.**

BRICS Countries launch a Joint Committee to Further Space Cooperation

Current Context: To work in the remote sensing satellite observation and data sharing fields. The BRICS countries have launched a joint committee to enhance space cooperation.

Key Highlights

- **China hosts the meeting for all BRICS member countries this year.**
- It will **guide cooperation on the BRICS Remote Sensing Satellite** Constellation to better serve economic and social development among the member countries.
- Not only that it will also help to enable all BRICS agencies to work together and brainstorm the issue related to environmental protection, disaster prevention, mitigation, and climate change.
- They will also adopt a document on the joint committee's terms of reference, the technical specifications for data exchange, and the implementation procedures for joint observation.
- Earlier, the five BRICS space agencies signed an agreement on the Cooperation on BRICS Remote Sensing Satellite Constellation.
- It includes many satellites like Gaofen-6, Ziyuan III, Kanopus-V type, Resources at-2, etc.

Centre Mulling to Lift the Curtain on Taxing NFT as a Virtual Digital Asset

Current Context: The Central Board of Direct Taxes (CBDT) is preparing guidelines, on what will be covered within the ambit of virtual digital assets (VDA).

Key Points

- As we all know that the government in the **Union Budget for 2022-23 introduced new provisions aimed at taxing and tracking virtual digital assets (VDAs). Introduced a flat 30 percent tax on all gains from the sale of VDAs and a 1 percent TDS on all cryptocurrency transactions.**
- CBDT will define non-fungible tokens (NFTs) and whether they fall within the purview of VDA or not.
- Apart from that, they **will also provide clarity on the credit card or loyalty points, which are awarded or redeemed digitally and have underlying value or not.**
- **A 1% TDS is introduced to track cryptocurrency transactions will be effective from July 1** and the government will soon release the rules for their calculation.
- But still, there were many issues regarding the clarity of the definition of virtual assets and their implementation. So the tax body is working out before the deadline.
- **An NFT is a digital asset that exists on a blockchain, allowing anyone to verify its authenticity and ownership.**

Govt of India Approves New Rules for MSME Cluster Development Programme

Current Context: The Union Government has approved new guidelines for the Micro and Small Enterprises Cluster Development Programme. Guidelines will be implemented during the 15th Finance Commission Cycle.

Key Facts

- With the approval of this, it **will enhance the competitiveness and productivity of micro and small enterprises by undertaking certain interventions.**

- It includes the setting up of common facility centers and infrastructure development.
- The central government's grant for the development of **Common Facility Centres (CFCs) will be restricted to 70% of the cost of the project from Rs 5 crore to 10 crores and 60% of the cost of the project from Rs 10 crore to Rs 30 crore.**
- This will also help to build the capacity of MSEs and Startups for common supportive action through the integration of SHGs, district Industry associations, etc.
- Apart from that, it will also promote green & sustainable manufacturing technology for the clusters, which enable them to switch to sustainable and green production processes and products.
- **This Cluster development program is considered to be the oldest & most reliable scheme of the Office of development commissioner of MSMEs.**

PM Modi released Benefits under PM CARES

Current Context: Prime Minister Narendra Modi released benefits under the PM CARES for children scheme via video conferencing.

Details

- Through this conference, he transferred scholarships to school-going children.
- **In addition to that PM has also distributed a passbook for Children, and a health card under Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana.**
- **The scheme by the name PM CARES for Children was launched by the Prime Minister on May 29, 2021,** to support children who have lost both their parents or legal guardian or adoptive parents, or surviving parents to the COVID-19 pandemic.
- The main objective behind this scheme is to ensure comprehensive care and protection of children in a sustained manner by providing them boarding and lodging and empowering them through education and scholarships etc.
- **It will also help them to become self-sufficient existence with the financial support of Rs 10 lakh on attaining 23 years of age and ensuring their wellbeing through health insurance.**
- Besides an online portal was also launched to register the children. This portal facilitates the approval process and all other assistance for children.

IIT Delhi study Decodes Evolution of SARS-CoV-2

Current Context: IIT Delhi study reveals mechanisms driving SARS-CoV-2 evolution in humans.

About

- Researchers have revealed the driving mechanisms and evolution of SARS-CoV-2 in humans.
- **This can help in better understanding COVID-19's immune evasion and the emergence of variants of concern.**

- This seven-member research team found that once cytosine numbers in virus genomes have been linked to host-switching, the virus replication will start and it develops the ability of a virus to cause disease.
- **It is also noted that SARS-CoV-2 genomes rapidly decrease after the first few months of evolution in humans.**
- The depletion of genomes also depends upon particular adaptation to the human host.
- **This research has been done on over 1.4 million full-length SARS-CoV-2 sequences from across the world.**
- These studies will create the groundwork for future studies on understanding virus-host interactions with the human body.

PM Employment Generation Programme extended till FY26

Current Context: Union Cabinet has approved the extension of the Prime Minister's Employment Generation Programme has been approved till the financial year 2025-26 with a total outlay of Rs 13,554.42 crore.

Highlights

- The main objective of the scheme is to facilitate the generation of employment opportunities for youth across the country by assisting them in setting up micro-enterprises in non-farm sectors.
- As per their commitment, this scheme will create sustainable employment opportunities for about 40 lakh persons in five financial years.
- In addition to the extension of the time frame, many changes have been done to the existing scheme. These include an increase in the maximum project cost from existing Rs 25 lakh to Rs 50 lakh for manufacturing units and from existing Rs 10 lakh to Rs 20 lakh for service units.
- Besides some of the definition of village industry and rural area has also been modified for PMEGP, where Panchayati Raj institutions are accounted under rural area, and areas under municipal corporations are treated as urban areas.
- All the applicants under aspirational districts and transgender will be treated as special category applicants and will be provided with higher subsidies.
- Till now this scheme has generated employment for 64 lakh persons. Apart from that 7.8 lakh micro enterprises have been assisted with a subsidy of Rs 19,995 crore.

Alternative Investment Funds in FY22 are doubled

Current Context: As per recent data from SEBI Alternative investment funds (AIF) received a commitment of Rs 1.9 trillion from investors, which is more than double compared to Rs 81,228 crores.

Key Facts

- Considering the classification of AIF it's been divided into two categories i.e category 1 consists of angel funds, social impact funds, small and mid-size enterprises (SMEs), etc. Category 2 consists of private

equity, venture capital, etc. Category 3 includes funds typically invest in public markets such as hedge funds.

- This time the biggest chunk of commitments came under Category 2 AIFs, harvesting Rs 1.62 trillion worth of commitments.
- This year it has been observed that the demand for AIFs was strong both for equity and debt.
- Due to covid, over the last two years, venture capital became a major attraction for high net-worth individuals and family offices to invest in.
- SEBI also played important role in providing space and ensuring less restriction on Investing in AIFs.
- **Static Part**
 - What do you mean by Alternative Investment Funds?
 - AIFs means any privately pooled investment fund whether from Indian or foreign sources in the form of a trust or a company or a body corporate.
 - They are divided into three categories as discussed above.

Stressed assets of NBFC-MFIs to Decline by 14% as of End

Current Context: According to a rating agency CRISIL report Stressed assets of non-banking financial companies- microfinance institutions are estimated to have declined to around 14% as of March compared to 22% in September 2021.

Key Points

- The factors like the limited impact of the Omicron variant and many fiscal packages from the government led to a reduction in stressed assets, along with improved collection efficiencies marking a recovery in the asset quality of NBFC-MFIs.
- It has been calculated as an average of 97-100% in the fourth quarter of last fiscal, which shows as overall monthly collection efficiency was healthy.
- Resolution Framework 2.0 announced by the Reserve Bank of India (RBI) in the wake of the second Covid-19 wave, paved the way for the microfinance sector to restructure around 10% of its loan book compared to 1-2% earlier.
- Apart from that, RBI has removed the interest margin cap on lending rates under the new regulatory framework for microfinance loans.
- It creates flexibility to adopt risk-based pricing which can provide space to further enhance provisioning safeguards if required.

State Finances improve and Gross Fiscal Deficit Declines by 31.5%

Current Context: According to the recent report of RBI State finances showed improvement in 2021-22 as the consolidated gross fiscal deficit (GFD) of 26 states was lower by 31.5% compared to the previous year.

Details

- As per the information available, the gross fiscal deficit declined mainly due to higher growth in revenue receipts this year by 30.5% compared to 8.6% in 2020-21.
- Many steps like the center's move to reduce excise duty on petrol and diesel, a majority of the states cutting their value-added tax (VAT) on petrol and diesel, etc. play a very important role in narrowing the gross fiscal deficit.
- Apart from that State government finances were budgeted to improve in 2021-22 with the GFD-GDP ratio narrowing to 3.5% from 4.7%.
- In addition to that central government has also come up with a scheme for Financial Assistance to States for Capital Investment in which the outlay has been increased to Rs 15,000 crore for 2021-22.
- The Centre has allowed the states a fiscal deficit of up to 4% of gross state domestic product in 2022-23.

RBI Focussing on Emerging Risks in the Fintech Space

Current Context: The central bank, considering emerging risks in the fintech segment. Since greater use of technology emphasizes the concerns related to cyber security.

About

- Fintechs Companies play a vital role in providing the financial services space in terms of products, customer servicing, back-end analytics, and delivery of services without any disruption.
- Although it comes up with some concerns like cyber security as there is greater use in technology it is prone to cyber security.
- It is believed that regulations will perhaps kill the innovations, the central bank said that regulations are needed for sustainable growth of a sector.
- When there is an involvement of big techs in banking, financial services, and the insurance sector it will also bring systemic risks that have implications for financial stability.
- Earlier also RBI has mentioned the risk associated with big tech companies entering financial service in their "Trend and Progress Report" released in December 2021.
- Now RBI is focusing on a regulatory approach for big tech companies so that it could have regulatory implications on concentration and competition risk.