

Prelims 2024- Economy Current Affairs October to March 2024 (Part-2)

GRID-INDIA is now a Miniratna Company (20-03-2024)

Grid Controller of India Limited (GRID-INDIA) achieved a significant milestone by being conferred with the status of Miniratna Category-I Central Public Sector Enterprise (CPSE). This recognition, bestowed upon by the Ministry of Power, Government of India, underscores GRID-INDIA's pivotal role in the nation's power landscape.

Established in 2009, GRID-INDIA holds the crucial mandate of overseeing the seamless and uninterrupted operation of the Indian Power System, ensuring the efficient transfer of electric power within and across regions, facilitating trans-national power exchanges with a focus on reliability, economy, and sustainability. It facilitates competitive and efficient wholesale electricity markets and administer settlement systems.

Comprising five Regional Load Despatch Centres (RLDCs) and the National Load Despatch Centre (NLDC), GRID-INDIA shoulders the immense responsibility of managing the All India synchronous grid, one of the world's largest and most intricate power systems.

Reserve Bank of India and Bank Indonesia Sign Memorandum of Understanding (MoU) to Promote Use of Local Currencies for Bilateral Transactions (07-03-2024)

RBI and the Bank Indonesia (BI) signed a Memorandum of Understanding (MoU) in Mumbai for establishing a framework to promote the use of local currencies viz., the Indian Rupee (INR) and the Indonesian Rupiah (IDR) for cross-border transactions.

The MoU on establishing a framework for cooperation in the area of cross-border transactions in local currencies between India and Indonesia, aims to promote the use of INR and IDR bilaterally.

The MoU covers all current account transactions, permissible capital account transactions and any other economic and financial transactions as agreed upon by both countries. This framework would enable exporters and importers to invoice and pay in their respective domestic currencies, which in turn would enable the development of an INR-IDR foreign exchange market. Use of local currencies would optimise costs and settlement time for transactions.

This collaboration marks a key milestone in strengthening bilateral cooperation between RBI and BI. Use of local currencies in bilateral transactions will eventually contribute to promoting trade between India and Indonesia as well as deepen financial integration and strengthen the long historical, cultural and economic relations between India and Indonesia.

India-European Free Trade Association (EFTA) signed a Trade and Economic Partnership Agreement (TEPA) (10-03-2024)

For the first time in history of FTAs, binding commitment of \$100 bn investment and 1 million direct jobs in the next 15 years has been given.

EFTA is an inter-governmental organization set up in 1960 for the promotion of free trade and economic integration for the benefit of its four Member States.

EFTA countries are Switzerland, Iceland, Norway & Liechtenstein.

EFTA is one important economic block out of the three (other two - EU &UK) in Europe. Among EFTA countries, Switzerland is the largest trading partner of India followed by Norway.

PM congratulates France for formal launch of UPI (02-02-2024)

Prime Minister, Shri Narendra Modi, congratulated France for the formal launch of Unified Payments Interface (UPI) at the Eiffel Tower in Paris.

Prime Minister jointly inaugurates UPI services with Mauritius Prime Minister & Sri Lankan President (12-02-2024)

Prime Minister Shri Narendra Modi, along with the President of Sri Lanka, H.E. Mr. Ranil Wickremesinghe and the Prime Minister of Mauritius, H.E. Mr. Pravind Jugnauth jointly inaugurated the launch of Unified Payment Interface (UPI) services in Sri Lanka and Mauritius, and also RuPay card services in Mauritius via video conferencing.

Prime Minister of Mauritius, Mr. Pravind Jugnauth informed that co-branded Rupay card will be designated as domestic card in Mauritius. Today's launch, the Prime Minister said, will greatly facilitate the citizens of both countries.

PM Modi expressed delight that after Nepal, Bhutan, Singapore and UAE in the Gulf in Asia, now from Mauritius RuPay card is being launched in Africa.

Cabinet approves PM-Surya Ghar: Muft Bijli Yojana (29-02-2024)

The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has approved **PM-Surya Ghar: Muft Bijli Yojana** with a total outlay of Rs.75,021 crore for installing rooftop solar and providing free electricity up to 300 units every month for One Crore households. The Prime Minister had launched the scheme on 13th February, 2024.

The major highlights of the scheme include:

Central Financial Assistance (CFA) for Residential Rooftop Solar

1. The scheme provides a CFA of 60% of system cost for 2 kW systems and 40% of additional system cost for systems between 2 to 3 kW capacity. The CFA will be capped at 3 kW. At current benchmark prices, this will mean Rs 30,000 subsidy for 1 kW system, Rs 60,000 for 2 kW systems and Rs 78,000 for 3 kW systems or higher.
2. The households will apply for subsidy through the National Portal and will be able to select a suitable vendor for installing rooftop solar. The National Portal will assist the households in their decision-making process by providing relevant information such as appropriate system sizes, benefits calculator, vendor rating etc.
3. Households will be able to access collateral-free low-interest loan products of around 7% at present for installation of residential RTS systems up to 3 kW.

Other Features of the Scheme

1. A Model Solar Village will be developed in each district of the country to act as a role model for adoption of rooftop solar in rural areas,
2. Urban Local Bodies and Panchayati Raj Institutions shall also benefit from incentives for promoting RTS installations in their areas.
3. The scheme provides a component for payment security for renewable energy service company (RESCO) based models as well as a fund for innovative projects in RTS.

Outcome and Impact

Through this scheme, the households will be able to save electricity bills as well as earn additional income through sale of surplus power to DISCOMs. A 3 kW system will be able to generate more than 300 units a month on an average for a household.

The proposed scheme will result in addition of 30 GW of solar capacity through rooftop solar in the residential sector, generating 1000 BUs of electricity and resulting in reduction of 720 million tonnes of CO2 equivalent emissions over the 25-year lifetime of rooftop systems.

It is estimated that the scheme will create around 17 lakh direct jobs in manufacturing, logistics, supply chain, sales, installation, O&M and other services.

PM inaugurates Surat Diamond Bourse (17-12-2023)

Surat Diamond Bourse will be the World's largest and most modern center for international diamond and jewelry business. It will be a global center for trading of both rough and polished diamonds as well as jewelry. Bourse will comprise state-of-the-art 'Customs Clearance House' for Import – Export; a Jewelry mall for retail jewelry business and a facility for International Banking and Safe Vaults.

Talking about the two other gifts for Surat, the Prime Minister mentioned the inauguration of a new airport terminal at Surat and the elevation of the status of Surat Airport as an International airport.

With Surat, Gujarat now boasts three international airports", he added.

India achieves two targets of Nationally Determined Contribution well ahead of the time (18-12-2023)

As a party to the United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement, India submitted its first Nationally Determined Contribution (NDC) in the year 2015 comprising, inter-alia, of following two quantifiable targets:

1. To reduce the emissions intensity of its GDP by 33 to 35 percent by 2030 from 2005 level; and
2. To achieve about 40 percent cumulative electric power installed capacity from non-fossil fuel-based energy resources by 2030.

These two targets have been achieved well ahead of the time. As on 31st October, 2023; the cumulative electric power installed capacity from non-fossil fuel-based energy resources is 186.46 MW, which is the 43.81% of the total cumulative electric power installed capacity. As per the third national communication submitted by India to the UNFCCC in December 2023, the emission intensity of its GDP has been reduced by 33 percent between 2005 and 2019.

In August 2022, India updated its NDC according to which target to reduce emissions intensity of its GDP has been enhanced to 45 percent by 2030 from 2005 level, and the target on cumulative electric power installed capacity from non-fossil fuel-based energy resources has been enhanced to 50% by 2030.

Free Foodgrains for 81.35 crore beneficiaries for five years (29-11-2023)

The Cabinet led by Prime Minister has decided that the Central government will provide free food grains to about 81.35 crore beneficiaries under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) for a period of five years with effect from 1st January, 2024.

This is a historic decision that places PMGKAY amongst the World's biggest social welfare schemes aimed at ensuring food and nutrition security for 81.35 crore persons, at an estimated cost of Rs. 11.80 lakh crore over a 5 year period.

IPEF Supply Chain Agreement signed by the 14 IPEF Partners (17-11-2023)

The third Indo-Pacific Economic Framework for Prosperity (IPEF) Ministerial Meeting was held in San Francisco, California on 14 November 2023 hosted by the US.

IPEF was launched jointly by the USA and other partner countries of the Indo-Pacific region on May 23, 2022 at Tokyo.

IPEF has 14 partner countries including Australia, Brunei, Fiji, India, Indonesia, Japan, Republic of Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, Vietnam & USA.

It seeks to strengthen economic engagement among partner countries with the goal of advancing growth, peace and prosperity in the region.

The framework is structured around four pillars relating to Trade (Pillar I); Supply Chains (Pillar II); Clean Economy (Pillar III); and Fair Economy (Pillar IV).

India had joined Pillars II to IV of IPEF while it has an observer status in Pillar-I.

NTPC shines as the only Indian PSU to feature in Forbes "World's Best Employers 2023" List (12-10-2023)

India's largest integrated energy conglomerate, NTPC Limited, has been recognized as one of the "World's Best Employers 2023" in the Forbes World's Best Employers list 2023 released on 10th Oct 2023. **It ranked 261st out of top 700 companies in the World ranking and is the only Indian PSU to figure in the list.** This is a testimony that the people practices at NTPC are at par with the top companies in the world.

Best Tourism Village (20-10-2023)

The Prime Minister, Shri Narendra Modi, hailed the Dhordo village in Kutch district of Gujarat for being awarded as the Best Tourism Village by the United Nations World Tourism Organization (UNWTO).

UPI One World

UPI One World is a slice of the UPI experience crafted for inbound travellers. It is the Prepaid payment instrument linked to UPI provided to foreign nationals/ NRIs coming from G20 countries.

The PPI on UPI wallet can be used for merchant transactions across the country.

Universal banking

Universal banking is a term for banks that offer a variety of comprehensive financial services, including both commercial banking and investment banking services.

Annual Survey of Industries (ASI) Results for 2020-21 and 2021-22 (05-02-2024)

Ministry of Statistics and Programme Implementation (MoSPI) has released the results of Annual Survey of Industries (ASI) for the reference periods April 2020 to March 2021 (i.e. financial year 2020-21) referred to as ASI 2020-21 and for the reference period April 2021 to March 2022 (i.e. financial year 2021-22) referred to as ASI 2021-22.

Among the major states, in terms of GVA, Gujarat remained at the top in 2020-21 and in the second position in 2021-22 while Maharashtra ranked first in 2021-22 and second in 2020-21. These two states were followed by Tamil Nadu, Karnataka and Uttar Pradesh in both the years. The top five states, taken together contributed about 53% of the total manufacturing GVA of the country in 2020-21 as well as in 2021-22.

The top five states employing highest number of persons in this sector were Tamil Nadu, Gujarat, Maharashtra, Uttar Pradesh and Haryana in ASI 2020-21 as well as in ASI 2021-22. Taken together, these states contributed about 54% of total manufacturing employment in both the years.

WTO's 13th Ministerial Conference (MC13) took place from 26 February to 2 March 2024 in Abu Dhabi, United Arab Emirates.

Two countries – Comoros and Timor Leste acceded to the WTO on the opening day. India had been supporting these accessions and welcomed the expansion of the organization.

Launch of “Alliance for Global Good- Gender Equity and Equality” by India at World Economic Forum, Annual Meeting Davos, 15-19 January, 2024

The idea of this alliance emerged from the G20 Leaders’ Declaration and India’s abiding commitment to the cause of women-led development as propounded by Prime Minister Shri Narendra Modi.

The primary and stated objective of this new Alliance is to bring together global best practices, knowledge sharing and investments in the identified areas of women’s health, education, and enterprise.

Supported by the Bill and Melinda Gates Foundation, the alliance will be housed and anchored by the CII Centre for Women Leadership. The World Economic Forum has come on board as a ‘Network Partner’ and Invest India as an ‘Institutional Partner’.

Report/Index	Released by
State of the Global Climate 2023	World Meteorological Organization (WMO)
Global Trade Outlook and Statistics	WTO
Financing for Sustainable Development Report 2024	United Nations Department of Economic and Social Affairs
Global Cooperation Barometer 2024	World Economic Forum