



SHANKAR  
IAS ACADEMY

THE BEST IAS ACADEMY IN SOUTH INDIA SINCE 2004

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# CURRENT AFFAIRS ECONOMY + SCHEMES

# 1. National Investment and Infrastructure Fund (NIIF)<sup>2</sup>

- India's *first sovereign wealth fund*
- set up in 2015
- under SEBI
- chaired by Union Finance Minister



## 2. 'Maharatna' status

1. Having Navratna status.
2. Listed on Indian stock exchange with minimum prescribed public shareholding under SEBI regulations.
3. Average annual turnover of more than Rs. 25,000 crore, during the last 3 years.
4. Average annual net worth of more than Rs. 15,000 crore, during the last 3 years.
5. Average annual net profit after tax of more than Rs. 5,000 crore, during the last 3 years.
6. Should have significant global presence/international operations.



## 2. 'Maharatna' status

1. Bharat Heavy Electricals Limited
2. Bharat Petroleum Corporation Limited
3. Coal India Limited
4. GAIL (India) Limited
5. **Hindustan Petroleum Corporation Limited**
6. Indian Oil Corporation Limited
7. NTPC Limited
8. Oil & Natural Gas Corporation Limited
9. **Power Grid Corporation of India Limited**
10. Steel Authority of India Limited

Navratna CPSEs - 14



## 3.GST

- July 1, 2017
  - central and state tax,
  - service tax,
  - VAT,
  - excise duty
- GST Council set up a 12-member panel
- find ways to widen tax base, prevent evasion, improve voluntary compliance.
- main objective of the panel is to augment the revenue



## 4. Cooperative Banking in India

- a three-tier system
  - Primary Agricultural credit societies (PACS). They operate at village levels
  - Central Cooperative Banks (CCB) – they operate at district level.
  - State Cooperative Banks (SCB) – they operate at state level
- PACS are outside the purview of Banking Regulation act, 1949 and hence is not regulated by RBI
- inspection of CCB And SCB are conducted by NABARD



## 5.PMC Bank

- Punjab and Maharashtra Cooperative Banks
- alleged fraud of ₹4,355 crore
- fraudulently extending loans to Housing Development & Infrastructure Ltd (HDIL)
- PMC is a scheduled bank – 2000
- Audited by State
- Once in a year by RBI



## 6. Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) <sup>8</sup>

- promises small and marginal eligible farmers an income support of Rs.6,000 a year in three instalments.
- Central Sector scheme (CSS) with 100% funding from Central government
- Small and marginal farmer
- upto 2 hectares





## 7.POSHAN Atlas to map crops

- to develop an atlas to map crops and food grains grown all over the country
- to promote regional cropping pattern and nutritious protein rich food in local areas
- September was celebrated as Rashtriya Poshan Maah



## 8. SUMAN scheme

- Surakshit Matritva Aashwasan
- focuses to bring down the Maternal Mortality Rate (MMR) and Infant Mortality Rate (IMR) in the country.
  - At least four ante – natal check up
  - One check up during the 1<sup>st</sup> trimester
  - One check up under [Pradhan Mantri Surakshit Matritva Abhiyan](#)
  - Iron Folic acid supplementation
  - Tetanus Diphtheria injection
  - Six home based new born care visits
  - Free transport will be provided from home to the health institutions by Gol.



## 9. PMJAY – Pradhan Mantri Jan Arogya Yojana

- launched in 2018.
- aimed to cover more than 10 crore families
- aims to make interventions in primary, secondary and tertiary care systems
- Vulnerable persons
- world's largest public funded health insurance scheme



# 10. Sovereign Gold Bond scheme

- introduced by the Government in 2015
- reduce India's over dependence on gold imports
- changing the habits of Indians from saving in physical form of gold to a paper form with Sovereign backing.
- sold through Scheduled Commercial banks
- 1 gram of gold – Min
- 4 kg – Max
- tenor of the Bond will be for a period of 8 years with exit option after 5th year
- Interest 2.5%



# 11. Measures needed for India to revive its growth <sup>13</sup>

- Use monetary policy and broad-based structural reforms to address cyclical weakness and strengthen confidence
- A credible fiscal consolidation path is needed to bring down India's elevated public debt over the medium term
- This should be supported by subsidy-spending rationalisation and tax-base enhancing measures.
- IMF's World Economic Outlook (WEO)
  - China's economic growth will slow down to 5.8 per cent next year
  - India retains its rank as the world's fastest-growing major economy, tying with China.
  - projected growth rate of 6.1 per cent for the current fiscal year



# 12.BSNL and MTNL Merger

- Overstaffing
- Huge expenses
- Increased competition
- The survival of the PSUs was largely dependent on the attitude of its employees
- Excessive interference by the Department of Telecommunications



# 13. Fastag

- Electronic Toll Collection on Toll Plazas on National Highways to be called FASTag.
- FASTag is a device that employs Radio Frequency Identification (RFID) technology
- FASTag has a validity of 5 years
- non-stop movement of vehicles
- cashless payment
- December 1, 2019



# 14. Industry 4.0

- fourth industrial revolution
- trend of automation, interconnectivity and data exchange in manufacturing technologies to increase productivity
- production with digital technologies, the Internet of Things, Artificial Intelligence, Big Data & Analytics, Machine Learning and Cloud Computing
- First Industrial Revolution: 1700 to early 1800
  - manual labor performed by people and aided by work animals
  - Steam Engines
- Second Industrial Revolution: 20th century
  - steel and use of electricity
- Third Industrial Revolution: Late 1950s
  - more electronic—and eventually computer—technology





# 15. Waiving of Loans

## Reason

- Drought
- Farmers Suicides
- Demonetization
- Election manifesto

## Impact

- have dented state finances
- Affect states' fiscal deficit
- eats into the government's resources
- Investment on agriculture be reduced



# 16. BANK NATIONALISATION IN INDIA

- Nationalisation of banks in 1969 – 14 Banks
- another six private banks were nationalised in 1980
- priority-sector lending – 40%
- differential interest rate scheme – 1974 – Weaker section
- Lead Bank scheme – 1969
- Regional Rural Banks (RRB) – 1975
- National Bank for Agriculture and Rural Development (NABARD) – 1982 – Cooperative and RRB – supervise and regularize



# 17. MERGER OF BANKS

- plans to merge 10 public sector banks into four
- number of banks in the country from 27 in 2017 to 12.



September 17, 2018



## Strength in numbers

The government announced a series of mergers involving Public Sector Banks (PSB) on Friday. The move cut down the number of such banks from 27 in 2017 to 12. A look at the banks that will be merged:

Banks to be merged	Size of merged entity	Total business
Punjab National Bank, Oriental Bank of Commerce and United Bank	2nd largest PSB	₹18 lakh cr.
Canara Bank and Syndicate Bank	4th largest PSB	₹15.2 lakh cr.
Union Bank, Andhra Bank and Corporation Bank	5th largest PSB	₹14.6 lakh cr.
Indian Bank and Allahabad Bank	7th largest PSB	₹8.08 lakh cr.



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# 17. Merger of Banks

## Advantages

- Consolidation
- Reduce NPA
- Penetration of Market
- Effective control of RBI
- Accessibility of Branches
- Strengthen weak bank
- Prevents Bankruptcy

## Dis-advantages

- HR management, IT
- Longer duration for merging
- Less choice of banking
- closure of many ATMs, Branches
- job losses
- clash of different organizational cultures
- Big banks are the loser



# 18. BASEL NORMS

- refer to broad supervisory standards formulated by group of central banks- called the Basel Committee on Banking Supervision (BCBS)
- Basel is a city in Switzerland
- to ensure that financial institutions have enough capital on account to meet obligations and absorb unexpected losses.
- Basel III:
  - In 2010
  - In response to the financial crisis of 2008
  - to promote a more resilient banking system



- *India's second **Multi-Modal Cargo Terminal** (built at Sahibganj) in Ranchi, Jharkhand.*
- India's first multi-modal terminal on the Ganga river in Varanasi
- **JioFiber** - Broadband services offer a *minimum internet speed of 100 Mbps*
- 'Ashok Leyland's heavy duty trucks becomes 1st to get BS-VI certification
- India's longest electrified train tunnel inaugurated in Andhra Pradesh - Cherlopalli and Rapuru Railway Stations



- 2nd UDAY Express to run between Visakhapatnam, Vijayawada
- 1st double-decker UDAY Express started service between Coimbatore and Bangalore in June 2018
- Economic Advisory Council to PM - **Bibek Debroy**
- Kalvi Tholaikkatchi TV(Education TV)
- BHIM2.0 and NPCI



# PRIVATISATION OF THE RAILWAYS

- Bibek Debroy Committee
- Pros:
  - Improved Infrastructure
  - Balancing Quality of Service with High Fares
  - Lesser Accidents
  - Insurances
- Cons
  - Coverage Limited to Lucrative Sectors
  - Fares
  - Accountability





Scheme	Objective
PRADHAN MANTRI KISAN MAAN DHAN YOJANA	<ul style="list-style-type: none"> <li>•To improve the life of small and marginal farmers of the country</li> <li>•monthly pension of Rs. 3000/-</li> </ul>
PM – KISAN SCHEME	<ul style="list-style-type: none"> <li>•direct income support at the rate of Rs. 6,000 per year</li> <li>•For vulnerable landholding farmer families, having cultivable land upto 2 hectares</li> </ul>
PRADHAN MANTRI UJJWALA YOJANA (PMUY)	provide LPG (liquefied petroleum gas) connections to poor households.
PRADHAN MANTRI MATRU VANDANA YOJANA	<ul style="list-style-type: none"> <li>•maternity benefit - Indira Gandhi Matritva Sahyog Yojana (IGMSY)</li> <li>•conditional cash transfer scheme for pregnant and lactating women</li> <li>•partial wage compensation</li> <li>•cash benefit of Rs. 5,000 in three installments</li> </ul>
NATIONAL EDUCATIONAL ALLIANCE FOR TECHNOLOGY (NEAT) SCHEME	<ul style="list-style-type: none"> <li>•National Educational Alliance for Technology (NEAT) Scheme for using better technology for better learning outcomes in Higher Education</li> <li>•to use Artificial Intelligence to make learning more personalised and customised</li> </ul>
INSTITUTES OF EMINENCE SCHEME	aims to project Indian institutes to global recognition.
Surakshit Matritva Aashwasan (Suman)	to provide quality healthcare at zero cost to pregnant women, new mothers and newborns



Ayushman Bharat	<ol style="list-style-type: none"><li>1. Health and Wellness Centres (HWCs).</li><li>2. Pradhan Mantri Jan Arogya Yojana (PM-JAY).</li><li>3. world's largest health insurance/ assurance scheme fully financed by the government</li><li>4. provides cover of Rs. 5 lakhs per family per year</li></ol>
SANKALP scheme	Skill development Scheme
JAL SHAKTI ABHIYAN	Water Conservation
PRASAD SCHEME	focuses on identifying and developing the pilgrim sites
PRADHAN MANTRI BHARTIYA JANAUSHADHI PARIYOJANA	to provide quality medicines at affordable prices
RASHTRIYA VAYOSHRI YOJANA	providing Senior Citizens with Assisted Devices
LAQSHYA	Labour room Quality improvement Initiative





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Thank  
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