

## Coal's Share in India's Electricity Capacity: CEEW study

- In a significant development, coal's contribution to India's total electricity capacity **dropped below 50% for the first time**.
- According to a study by CEEW, India reached a total installed capacity of **442 GW in 2024**, with renewable energy sources, notably solar energy, contributing **over 71% of the net** power generation capacity added.
- Despite this decline in share, net coal capacity addition surged fourfold compared to **FY23**.

## Beti Bachao Beti Padhao

- **Launch Year – 2015**
- It is a tri-ministerial effort
  - **Ministries of Women and Child Development, Health & Family Welfare and Ministry Of Education.**
- **Aim** - to educate citizens against gender bias and improve the efficacy of welfare services for girls.
- **Initial funding of Rs. 100 crore**

with increased funding and an actionable roadmap, the Prime Minister's flagship Beti Bachao, Beti Padhao could be the ideal launch pad to kick start the campaign for universal early childhood education across the country.

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| <ul style="list-style-type: none"> <li>➤ <b>Objectives:</b> <ul style="list-style-type: none"> <li>● Improve the child sex ratio</li> <li>● Ensure gender equality and women empowerment</li> <li>● Prevent gender-biased, sex-selective elimination</li> <li>● Ensure survival and protection of the girl child</li> <li>● Encourage education and participation of the girl child</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>➤ <b>Components:</b> <ul style="list-style-type: none"> <li>● Campaigns to address the issue of declining CSR;</li> <li>● Multi-sectoral Interventions were planned and are being implemented in Gender-critical Districts across the country ;</li> <li>● A Financial Incentive-linked Scheme               <ul style="list-style-type: none"> <li>— Sukanya Samridhi Scheme—was launched to encourage parents to build A fund for female children</li> </ul> </li> </ul> </li> </ul> |
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## RBI Allows Standalone PDs To Borrow In Foreign Currency

- The **Reserve Bank of India (RBI)** has recently authorized **standalone primary dealers (SPDs)** to borrow foreign currency from their parent companies and authorized entities, marking a significant regulatory change.
- Furthermore, SPDs are now permitted access to **overdraft facilities in nostro accounts**, specifically for operational purposes, in line with RBI's guidelines
  - **Nostro account:** A bank account held by a domestic bank in a foreign country's currency, primarily for facilitating foreign exchange and international trade transactions
- **About Primary Dealers:** Introduced by the RBI in 1995, primary dealers (PDs) are entities registered with the RBI to buy and sell government securities.
  - **Two types exist: Standalone Primary Dealers And Bank Primary Dealers.**
- **Standalone Primary Dealers:** These entities can be subsidiaries of scheduled commercial banks, incorporated abroad, or under the **Companies Act**.
  - As of March 31, 2023, there were 7 SPDs registered as non-banking financial companies (NBFCs) with the RBI.

### Regulatory Guidelines Released By RBI regarding SPD'S:

- **Foreign Currency Borrowings:** Standalone primary dealers (SPDs) must adhere to the prescribed limit for foreign currency borrowings as per the "Master Direction Standalone Primary Dealers (Reserve Bank) Directions 2016" (dated August 23, 2016).

- **Reporting Excess Withdrawals:** Any excess withdrawals beyond the prescribed limits must be adjusted within **5 days** or reported to the **RBI within 15 days** from the end of the month in which the limits are exceeded.
- **Classification of Authorised Persons:** Authorised Dealer Category-I banks and Standalone Primary Dealers fall under the classification of Authorised Dealer Category-III under Section 10(1) of the **Foreign Exchange Management Act (FEMA), 1999**.
- **Capital Requirements:** Boards of authorised dealers or banks can set the **Net Overnight Open Position Limit (NOOPL)** for calculating the capital charge on forex risk, **capped at 25%** of the dealer's total capital (Tier-1 and Tier-II capital).
- **Inclusion in Risk Management Norms:** The RBI has included SPDs within the scope of norms for risk management and inter-bank dealings, allowing them to engage in foreign exchange products.

## IFSCA Permits Foreign Portfolio Investors (FPIs) to Issue Derivative Instruments with Indian Securities

- The **IFSCA** has allowed IFSC Banking Units registered as FPIs with SEBI to issue derivative instruments with Indian securities as underlying assets in GIFT-IFSC.
- **Key Points:**
  - Non-bank entities registered with SEBI as FPIs can issue **Derivative Instruments(DIs) in GIFT-IFSC**.
  - Compliance with **SEBI and IFSCA** requirements for issuance of **Offshore Derivatives Instruments(ODIs)** is mandatory.
  - The entity issuing DIs must provide necessary information to the Clearing Corporation in GIFT-IFSC by the **10th day of each month**.
- **Background:**
  - Union Budget **2023-24** announced **recognition of ODIs** issued in GIFT-IFSC as valid contracts.
  - Amendments in **Securities Contracts(Regulation) Act, 1956** recognize derivatives contracts issued by FPIs in IFSC as legal and valid.

## 45-day payment Rule creates hurdles for MSMEs

- The **Finance Act 2023** amended the **Income Tax Act**, stating that payments owed to **MSMEs unresolved within 45 days won't qualify for tax deductions until paid**.
- Applies to transactions with enterprises under **MSMED Act, effective April 1, 2024**.
- **Unintended consequences:**
  - Large companies shift orders to unregistered MSMEs,
  - Smaller MSMEs surrender registration,
  - Reclassification of MSMEs from 'manufacturing' to 'trading' entities.
- **Significance Of MSME:**
  - MSMEs contribute to employment generation, being labor-intensive.
  - They contribute around 30% to the GDP.
  - MSMEs promote rural industrialization and balanced regional development.
  - They play a role in export promotion and fostering economic growth.

## GST Appellate Tribunal (GSTAT)

- **Justice (Retd.) Sanjaya Kumar Mishra** was administered the oath of integrity and secrecy by Union Finance Minister Smt. Nirmala Sitharaman as the President of the **GST Appellate Tribunal (GSTAT)**.
  - **He is the first President of GSTAT**, is a former Chief Justice of the Jharkhand High Court
- This marks the operationalization of the **GSTAT**, a vital body for resolving **GST-related disputes**.
- The **GSTAT is the Appellate Authority** established under the **Central Goods and Services Tax Act, 2017**.
- It consists of a Principal Bench located in **New Delhi and 31 State Benches across the country**.
- The establishment of the **GSTAT aims** to ensure swift, fair, judicious, and effective resolution of GST disputes, thereby reducing the burden on higher courts.