The Report of the Fifteenth Finance Commission

NATIONAL NEWS

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- The 15th Finance Commission was constituted by the President of India, under Article 280 of the constitution, in November 2017 under the chairmanship of NK Singh.
- The Finance Commission has a chairman and four members appointed by the President of India.
- The Fifteenth Finance Commission (XV-FC) was constituted in November 2017 to give recommendations for vertical and horizontal devolution of taxes for five fiscal years, commencing 1 April 2020.
- The 15th Finance Commission proposed recommendations for both vertical and horizontal devolution.
    - Vertical - 41% of the divisible pool to be devolved to the States in the year 2020-21.
    - Horizontal – Devolution is based on three broad categories - Need-based, Equity-based and Performance-based.

Army Dental Corps celebrates 80th Raising Day

- The Army Dental Corps was celebrating its 80th Raising Day on February 01, 2021.
- On 14th April, 1938, at Rawalpindi, the First regiment was established with the Chevrolet Armoured Cars and began training in May, 1938.
- This new era of Armoured Vehicles was started and celebrated as Armoured Corps Day.
- The Armoured Corps Centre and School is the premier training establishment of Indian Army in imparting technical and tactical training to its officers.
- On this occasion, Director General Dental Services & Colonel Commandant Army Dental Corps Lt General N K Sahoo laid down a wreath at the National War Memorial in New Delhi to honour the fallen heroes

INTERNATIONAL NEWS

ASEAN India Hackathon

- Union Education Minister addressed the inaugural ceremony of the ASEAN India Hackathon on 1st February
- This Hackathon will provide a unique opportunity to India and ASEAN countries to solve their

common identified challenges under two broad themes of “Blue Economy” and “Education”.
- The ASEAN-INDIA Hackathon is an initiative taken by Ministry of Education on the clarion call of Prime Minister of India Shri Narendra Modi.

Facts on ASEAN:

- Headquarters: Jakarta, Indonesia.
- Founded: 1967
- Members: Indonesia, Thailand, Singapore, Malaysia, Philippines, Vietnam, Brunei, Cambodia, Myanmar (Burma), Laos
- Dialogue Partners: Australia, Canada, China, India, Japan, Korea, New Zealand, Russia, US and EU

India, Qatar holds fourth Foreign Office Consultations virtually

- The fourth Foreign Office Consultations between India and Qatar were held virtually on 31st January 2021.
- Both sides reiterated their commitment to working closely together in these areas and further discussing new areas of cooperation.
- The two sides also exchanged views on issues of mutual interest at the regional and multilateral levels, including cooperation at the UN and other international fora.
- Both sides agreed to convene the first Joint Commission Meeting at Foreign Minister level at an early date.

Facts on Qatar:

- Capital: Doha
- Currency: Qatari Riyal
- Neighbours: Saudi Arabia
- Government: Monarchy under House of Thani
- Ruler: Mohammed bin Thani

UK applying to join Asia-Pacific free trade pact CPTPP

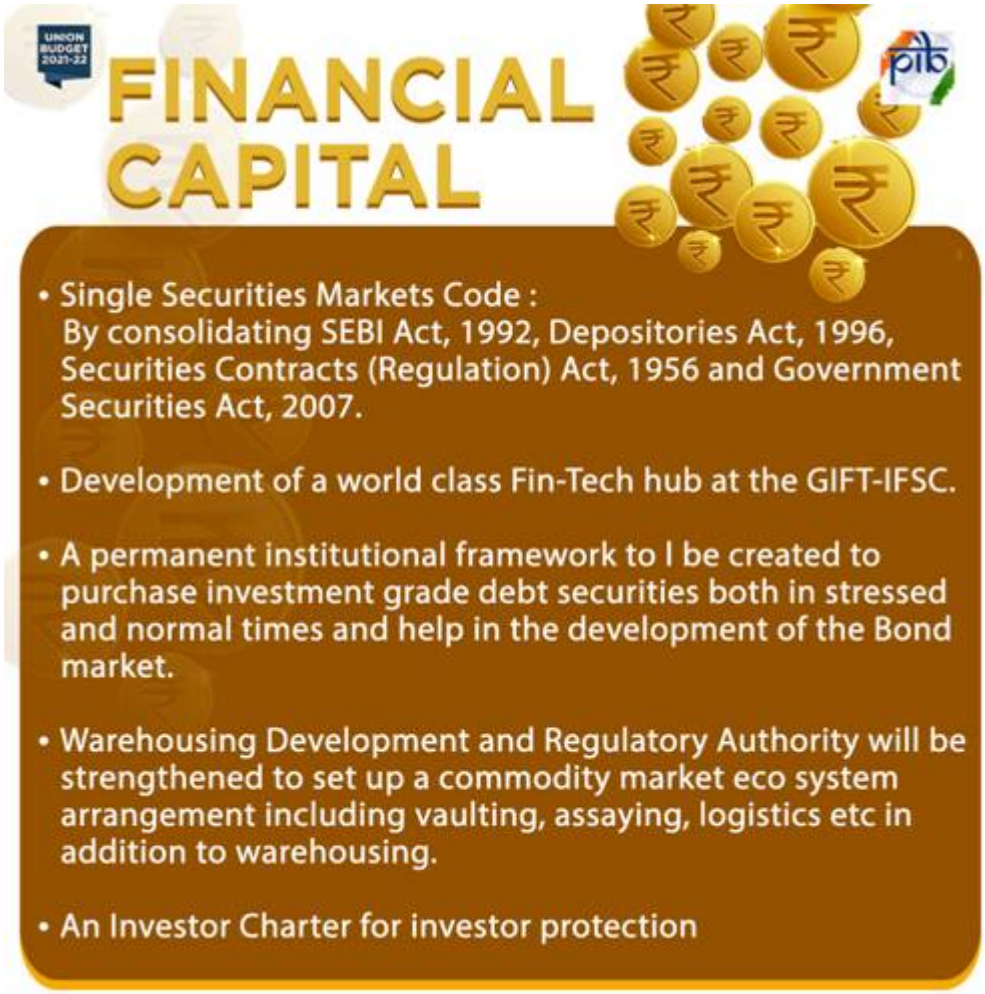
- The UK is applying to join a free trade area made up of 11 Asia and Pacific nations, under its post-Brexit plans.
- The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) - trade agreement formed in 2018 which includes Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.
- In total, it covers a market of around 500 million people, generating more than 13% of the world's income.

BUSINESS NEWS

Budget 2021-22

- The Union Minister for Finance & Corporate Affairs, Smt Nirmala Sitharaman presented the Union Budget 2021-22 in Parliament on 1st February, which is the first budget of this new decade and also a digital one in the backdrop of unprecedented COVID-19 crisis.
- The Budget proposals for 2021-22 rest on 6 pillars.
    1. Health and Wellbeing
    2. Physical & Financial Capital, and Infrastructure
    3. Inclusive Development for Aspirational India
    4. Reinvigorating Human Capital
    5. Innovation and R&D
    6. Minimum Government and Maximum Governance
- Some important highlights of Budget 2021 are:
    - A new scheme PM Atma Nirbar Swasthya Bharat Yojana to be launched.
    - Mission POSHAN 2.0 to be launched to improve nutritional outcomes.
    - National Rail Plan created to bring a future ready Railway system by 2030.
    - 100% electrification of Railways to be completed by 2023.
    - National Hydrogen Mission to be launched to generate hydrogen from green power sources.
    - No IT filing for people above 75 years who get pension and earn interest from deposits.
    - Proposal to increase FDI limit from 49% to 74%.
    - An asset reconstruction company will be set up to take over stressed loans.
    - Proposal to decriminalise Limited Liability Partnership Act of 2008.
    - Five major fishing hubs, including Chennai, Kochi and Paradip, to be developed.
    - Social security to be extended to gig and platform workers.
    - Agri infrastructure cess of ₹2.5 per litre on petrol and ₹4 on diesel.

Government to Introduce Single Securities Markets Code



- Union Finance Minister, in the Budget 2021-22, announced the introduction of Single Securities Markets Code (SSMC).
- The SSMC will be the rationalised consolidation of the provisions of SEBI Act, 1992, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and Government Securities Act, 2007.
- With an objective to provide protection to the investors, the Finance Minister proposed to introduce an investor charter as a right of all financial investors across all financial products.
- Also, she announced that a permanent institutional framework to be created to purchase Investment Grade Debt Securities.