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INSURANCE & FINANCIAL MARKET AWARENESS FOR **LIC AAO MAINS 2023**

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NOTE: This file contains the most important News pertaining to the **Insurance and Financial Market Awareness** from November 2022 to February 2023.

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2023**

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BANKING NEWS

1. The **Asian Development Bank (ADB)** has proposed to provide **USD 20-25 billion** resources over the next 5 years to advance India's aspirations for fast, inclusive, and green growth.
 - ADB started operations in India in 1986.
 - ADB's current India portfolio comprises 64 projects worth about USD 16 billion across transport, urban, energy, human development, agriculture and natural resources, and finance sectors.
2. **Axis Bank** has enabled real-time cross-border transactions using the Unified Payments Interface (UPI) Network following the integration of UPI-PayNow.
 - Axis Bank will act as the settlement bank for peer-to-peer foreign inward remittance transactions initiated through PayNow by the Liquid Group in Singapore.
 - Currently, Axis Bank will settle these transactions to beneficiaries holding an account with or are registered on the UPI App of the six banks -- SBI, IOB, Indian Bank, ICICI, DBS and Axis Bank.
3. The Pension Fund Regulatory and Development Authority (PFRDA) has recently reduced the waiting period for **National Pension Scheme (NPS)** subscribers for processing partial withdrawal requests to **T+2 years** (after two days of the request) across all Central Record Keeping Agencies (CRAs). Earlier, it was T+4 years.

A subscriber of NPS can withdraw less than 25% of the funds. However, this shall be done only after 10 years.
4. **NSE Indices Limited**, a subsidiary of National Stock Exchange (NSE), has launched India's first ever Municipal Bond Index, '**Nifty India Municipal Bond Index**', at a Securities & Exchange Board of India (SEBI) workshop on Municipal Debt Securities in Bengaluru, Karnataka.
 - The index will track the performance of municipal bonds issued by Indian municipal corporations across maturities and having investment grade credit rating.
 - Presently, the index has 28 municipal bonds issued by 10 issuers all having credit rating in the AA rating category.
 - The index constituents are assigned weights based on their outstanding amount.
5. The National Stock Exchange (NSE) has listed the first **Green Bonds** on its platform. These Green Bonds are issued by the **Indore Municipal Corporation (IMC)**, marking the first-ever green bond issue by a municipal corporation in India.

This issue will provide momentum for the advancement of green financing and aid in India's goal of moving towards clean and sustainable energy.

Green bonds are debt securities designated to finance environment-friendly projects.

6. **Bank of Maharashtra (BoM)** has launched its own private cloud infrastructure, "**Mahabank Nakshatra**", to facilitate high-performance cloud capabilities for digital infrastructure and hosting applications of the bank.

The cloud platform will strengthen asset monitoring mechanism via predictive machine learning model.

7. **Kotak Mahindra Bank** has introduced an integrated banking portal named '**Kotak fyn**' to provide digital banking and value-added services to its business banking and corporate clients.
- The portal will offer services across all products, including trade & services, account services, payments, and collections and make banking seamless for the bank's clients.
 - The portal will assure paperless transactions and will offer the facility to unify data across multiple product-specific portals and back-office systems to create a single view of transactions, positions and balances, enabling self-service and driving operational efficiency.

8. As per the research report by the State Bank of India (SBI) Ecowrap, India's Gross Domestic Product (GDP) growth for **Q3 FY23** is estimated at **4.6%**. For the whole FY23, the GDP is estimated to grow between 6.8% and 7%.

This estimate is based upon an in-house SBI **Artificial Neural Network (ANN)** model.

ANN is a computational network model that has artificial neural networks like biological neurons that are linked to each other in various layers of the network.

9. **Karnataka Bank** has won the '**Prathista Puraskar**' under 'Digidhan Awards 2021-22' by the Union Ministry of Electronics and Information Technology (MeitY) for achieving target with highest percentage in BHIM-UPI transactions in private sector bank category.
10. The **1st G20 Finance Ministers and Central Bank Governors (FMCBG)** meeting has been held in **Bengaluru, Karnataka** from 24-25 February 2023. The meeting has been co-chaired by Union Finance Minister Nirmala Sitharaman and Dr Shaktikanta Das, Reserve Bank of India (RBI).

The discussions of the 1st G20 FMCBG meeting are intended to provide a strategic roadmap for the various work streams of G20 Finance Track in 2023.

The meeting is presided by **2nd Finance and Central Bank Deputies Meeting** held in Bengaluru, Karnataka.

Group of Twenty (G20):

The **G20** or Group of Twenty is an intergovernmental forum comprising 19 countries and the European Union. It works to address major issues related to the global economy, such as

international financial stability, climate change mitigation, and sustainable development. It was founded on **26 September 1999**.

Note: India assumed the G20 Presidency for a year, from 1st December 2022 to 30th November 2023.

11. Karnataka Bank (KBL), a leading Private Sector Bank, has entered into a co-lending agreement with **Paisalo Digital Limited (PDL)**, a Non-Deposit taking NBFC registered with the Reserve Bank of India, to provide financial support to small income segment and to give impetus to the Micro & Small Enterprise (MSEs) Segment of the country.

12. Central Bank of India has inked a co-lending deal with **Moneywise Financial Services Private Limited (MF SPL)**, a non-banking financial company, to offer MSME Loans at competitive rates.

The loans will be subject to compliance with the applicable laws and guidelines issued by Reserve Bank of India (RBI).

13. SBI Mutual Fund has launched the **SBI Dividend Yield Fund**, an open-ended equity scheme that will invest at least a minimum of 65% of the assets into equity & equity related instruments predominantly into dividend yielding companies. The benchmark of the fund is the NIFTY 500 TRI. The investment objective of the scheme is to provide investors with opportunities for capital appreciation and/or dividend distribution.

14. The Central Board of Direct Taxes (CBDT) has notified **six Income Tax Returns (ITR) forms** for Assessment year 2023-24/ Financial year 2022-23. It has also notified ITR-V (verification form) and Indian Income Tax Return Acknowledgment.

The ITR forms will come into effect from **1st April 2023**.

ITR forms:

SAHAJ (ITR-1): It can be filed by an individual having total income up to Rs.50 lakh, having Income from Salaries, one house property, other sources (Interest etc.), and agricultural income up to Rs.5000.

ITR-2: Income from residential property.

ITR-3: Income from profits and gains of business or profession.

SUGAM (ITR-4): It is filed by an Individual, HUFs and Firms (other than LLP (Limited Liability Partnerships)) being a resident having total income upto Rs.50 lakh and having income from business and profession which is computed under sections 44AD, 44ADA or 44AE.

ITR-5 & 6 are filed by LLPs and businesses.

ITR-7: It is filed by trusts.

15. The **National Skill Development Corporation (NSDC)**, working under the aegis of the Ministry of Skill Development & Entrepreneurship (MSDE), has collaborated with **HDFC Life**, one of India's leading life insurers, under the Skill India Mission to support self-employment and augment entrepreneurial opportunities.
16. The **Securities & Exchange Board of India (SEBI)** has introduced the **Issue Summary Document (ISD)** for filing papers pertaining to Initial Public Offer (IPO) and for further issue of securities in **XBRL format** to make available relevant information at the stock exchanges and depositories in a structured manner.

This will be done in a phased manner starting **1st March 2023**.

The ISD should be filed in two stages.

- In the first stage, the ISD will be filed with pre-issue fields.
- In the second stage, the ISD will be filed with post-issue fields after allotment is completed.

XBRL:

It stands for **Extensible Business Reporting Language**. It is a language for the electronic communication of business and financial data used for business reporting around the world. It provides major benefits in the preparation, analysis and communication of business information.

17. **Mastercard** and **ACCESS Development Services** have announced the launch of the Farmer Producer Organizations (FPO) programme in **Assam**. The aim is to strengthen FPOs by helping build their capacity through structured technical assistance by a professional cadre of trainers.
18. **Indian Overseas Bank** has recently (Feb 2023) launched the facility of issuance of **e-BG (Electronic Bank Guarantee)** scheme in association with the National e-Governance Services Limited (NeSL).

e-BG:

The e-BG is an instrument issued by the city-headquartered bank in which the bank undertakes to guarantee a specific amount against the non-fulfillment of some action/performance of the applicant. The main features of the e-BG are completely paperless mode with digital stamping and digital signature.

19. The **National Stock Exchange (NSE)** has inked a data licensing pact with **CME Group**, the world's leading derivatives marketplace, for West Texas Intermediate (WTI) crude oil and natural gas contracts. The pact will allow NSE to list, trade and settle rupee-denominated NYMEX WTI Crude Oil and Natural Gas (Henry Hub) derivatives contracts for Indian market participants.

- 20. EbixCash World Money Limited**, a subsidiary of US-based Ebix Inc, has become the first entity in India to launch the Unified Payments Interface (UPI) transactions for foreign nationals visiting India.
- 21. ICICI Bank** has signed a Memorandum of Understanding (MoU) with **BNP Paribas**, a European Bank, to meet the financial needs of European enterprises operating in India and Indian companies in the European Union (EU).
- 22. Cashfree Payments**, a leading payment and Application Programming Interface (API) banking solutions company, has launched '**Co-lend**', India's first Automated Escrow Management Solution for co-lending.
- Co-lend is developed in line with the digital lending guidelines announced by the Reserve Bank of India (RBI).
 - Co-lend provides a robust platform for co-lending originators and lenders, particularly those authorizing high volumes of loans where real-time disbursement, repayment, and reconciliation are primary requirements.
- 23.** Prime Minister **Narendra Modi** and Prime Minister of Singapore **Lee Hsien Loong** have participated in the virtual launch of real time payment linkage between the **Unified Payments Interface (UPI)** of India and **PayNow** of **Singapore** to enable faster, more efficient, and transparent cross-border transactions relating to trade, travel, and remittances.
- The launch has been done by Shaktikanta Das, Governor, Reserve Bank of India (RBI), and Ravi Menon, Managing Director, Monetary Authority of Singapore (MAS).
 - Singapore is the **first** country with which cross border Person to Person (P2P) payment facility has been launched.
 - The PayNow-UPI linkage is India's first and Singapore's second cross-border real-time payment system linkage.
 - This will help the Indian diaspora in Singapore, especially migrant workers/students and bring the benefits of digitalisation and FINTECH to the common man through instantaneous and low-cost transfer of money from Singapore to India and vice-versa.
 - The project to link both the payment systems was initiated in September 2021.
- 24. Bank of Maharashtra (BoM)** has topped the list of Public Sector Banks (PSBs) in terms of loan growth percentage for the third quarter of FY23, an analysis of the latest financial results of public sector banks showed.
- BoM has showed a growth of **21.67%** in gross advances year-on-year (y-o-y) in Q3FY23.
 - BoM is followed by the Union Bank of India with a growth rate of 19.80% in advances during Q3 of FY23.
 - SBI has registered a growth rate of 16.91%, holding the fourth spot in advances growth percentage.

Key points:

- In terms of Retail-Agriculture-MSME (RAM) loans, **BoM** has recorded the highest growth of 19.18%, followed by Punjab & Sind Bank with a growth rate of 19.07%, and Bank of Baroda with a growth of 18.85% on an annual basis.
- In terms of asset quality, **BoM and SBI** were in the lowest quartile as far as gross non-performing assets (NPAs) and net NPAs were concerned.
- In terms of deposit growth, **Bank of Baroda** has topped the charts among public sector banks with a growth rate of 14.50%, followed by Union Bank of India, and BoM.
- In terms of total business growth, **Union Bank of India** has recorded the highest growth of 16.07% during Q3FY23. It has been followed by BoM with 15.77% rise and BoB with 15.23%.

25. Paytm Payments Bank Limited (PPBL) has launched '**UPI Lite**', a feature enabled by National Payments Corporation of India (NPCI) for multiple small-value UPI transactions.

- With this, PPBL has become the first payments bank in India to deploy such a UPI Lite feature as part of its commitment to promote innovation.
- The new feature will allow users to make real-time, small-value payments of up to **Rs.200** without using a UPI PIN.
- UPI Lite feature was introduced by RBI in September 2022.

26. The State Bank of India (SBI) has launched a new retail term deposit scheme called the '**Amrit Kalash Deposit**'. The scheme offers 7.10% interest rate for regular citizens, 7.60% interest rate for senior citizens. The period of the deposit is 400 days. The scheme is launched for both domestic and NRI (Non-Resident Indian) customers.

27. HDFC Bank has become the **first** private sector lender to enable its customers the option to use their **Rupay credit cards** on the Unified Payments Interface (UPI) with the BHIM (Bharat Interface for Money) App and other UPI-enabled apps. HDFC Bank RuPay credit cards can be linked to a UPI identity for secure payment transactions.

Currently, Punjab National Bank, Union Bank of India, and Indian Bank, which are all state owned, use the UPI feature.

28. The Securities & Exchange Board of India (SEBI) has recently proposed an institutional mechanism for **Stock Brokers** to ensure prevention and detection of fraud or market abuse.

Brokers are regulated under **SEBI (Stock Brokers) Regulations, 1992**.

Proposed framework:

- To set up a Robust Surveillance Systems to detect potential fraud.
- To provide protection to whistle blowers.
- Escalation and reporting mechanism to detect suspicious trading activities.

29. Axis Bank, India's third largest private sector bank, has tied up with **Ascenda**, the world leader in powering global rewards card and payment value propositions for financial brands, to power its new **Points & Miles Transfer Program**.

The programme is specially designed for Axis Bank credit cardholders.

30. Paytm Payments Bank Limited (PPBL) has tied up with the **National Payments Corporation of India (NPCI)** to introduce RuPay Credit Card on UPI, which will allow users to link RuPay credit cards with their UPI ID for all merchant payments.

31. Mahindra & Mahindra Financial Services Limited (MMFSL), a subsidiary of Mahindra Group, has appointed **Raul Rebello**, who is currently the Chief Operating Officer of the company, as its new Managing Director (MD) and Chief Executive Officer (CEO) with effect from 29th April 2024.

He will replace the incumbent Ramesh Iyer who is set to retire on 29th April 2024.

32. The Asian Development Bank (ADB) has released the '*Asian Economic Integration Report (AEIR) 2023: Trade, Investment, and Climate Change in Asia and the Pacific*'.

- The report states that greener trade and investment is crucial to tackling climate change in Asia and the Pacific and will require governments in the region to work together more closely.
- The report states that the integration in Asia and the Pacific region is progressing steadily and remained stable in 2020 despite the COVID-19 pandemic.
- The Asia and the Pacific region are responsible for around 50% of global CO2 emissions.
- Almost 40% of the world's disasters occur in the region, and more than 70% of people affected by disasters live in Asia and the Pacific.

33. South Indian Bank has launched a wealth management platform in partnership with Geojit Financial Services. The platform named '**SIB Wealth**' will offer range of financial services to its High Net Worth customers to invest their money in the best financial instruments available in the market.

Under the platform, SIB will be offering the following products/services:

- Portfolio management services
- Alternative investment fund
- Systematic investment plan
- Mutual fund
- Bond
- Real estate funds
- Structured products

Other partnership:

South Indian Bank has tied up with **Telangana State Treasury (Cyber Treasury)** to facilitate online payments.

- 34. Alibaba Group Holding Limited**, a Chinese multinational technology company owned by Jack Ma, has sold its entire stake of **3.16%** equity for around Rs.13,600 crore in a block transaction of **One97 Communications Limited**, the parent company of Paytm.

Alibaba, which held 6.26% of Paytm as of September 2022, sold a 3.1% share in the company for USD 125 million in a block sale in January 2023.

- 35. PhonePe**, India's largest digital payment company, has launched support for 'UPI International' payments, making it **India's first fintech platform** to enable cross-border **Unified Payments Interface (UPI)** payments.

This supports all international merchant outlets in the UAE, Singapore, Nepal, and Bhutan that have a local QR code.

- 36. Airtel Payments Bank** has launched '**BizKhata**', a current account which comes with unlimited transactions and instant activation for small merchants and business partners in India.

Key features:

- This current account has no minimum balance condition.
- The business owners can receive and make online payment transfers to any bank across India through IMPS, UPI, NEFT and IFT.
- The account is linked to a QR code to receive payments from any UPI app.

- 37.** The Government of India (GoI) has allowed **Indian Bank** to increase the number of posts of executive directors from three to four.

In August 2019, the Department of Financial Services (DFS) in the Finance Ministry, announced that nationalized banks with a total business of Rs.10 lakh or more as per the last declared results should have 4 executive directors.

The merger of Kolkata-based Allahabad Bank with Indian Bank on 1st April 2020 has created a combined entity with a business mix of over Rs.8-lakh crore and catapulted it to the seventh largest among banks.

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- 38.** The Government of India (GoI) has appointed **K Satyanarayana Raju** as Managing Director (MD) & Chief Executive Officer (CEO) of **Canara Bank** with effect from 7th February 2023. He has succeeded L.V. Prabhakar who resigned from office on 31st December 2022.
- 39. HDFC Bank** has launched a pilot programme '**OfflinePay**' under the Reserve Bank of India's (RBI's) Regulatory Sandbox program in partnership with **Crunchfish**, to test offline digital payments for merchants and customers.
- The program will enable customers and merchants to make and receive payments even when there is no mobile network.
 - This program will be carried out across 16 cities as part of the pilot test.
 - During the pilot, the offline transaction amount will be limited to up to Rs. 200 per transaction.
- 40. Bank of India Mutual Fund** has launched a New Fund Offer (NFO) '**Bank of India Multi Cap Fund**' for investors looking to diversify their portfolio across large, mid and small cap categories.
- The NFO for the scheme opens for subscription on 10th February till 24th February 2023. The scheme will be managed by Nitin Gosar.
- 41.** One97 Communications Limited, which owns financial services company **Paytm**, has launched a special **G20-theme QR Code** to celebrate India's presidency of the inter-governmental forum and India's leadership in mobile payments.
- The QR code has been launched by **Ashwini Vaishnaw**, Union Minister for Electronics & IT, during the 'Digital Payments Utsav' at the India Habitat Centre.
 - The special commemorative QR Code features logos of MeitY's 'DigiDhan Mission', along with those of the G20 2023 and 75th year of India's independence.
- 42. Kotak Mahindra Bank** will acquire **100 percent** equity shares of **Sonata Finance Pvt Ltd**, a non-banking financial company-microfinance institution (NBFC-MFI), from its existing shareholders for about Rs.537 crore in cash.
- After acquisition, Sonata Finance will be a wholly-owned subsidiary of the bank. The acquisition will be subject to regulatory approvals, including by the Reserve Bank of India (RBI).
- 43.** The **Asian Development Bank (ADB)** has approved a **USD 130 million** loan to increase agricultural productivity and promote horticulture agribusinesses to raise farmers' income in **Himachal Pradesh**.

The “Himachal Pradesh Subtropical Horticulture, Irrigation, and Value Addition Project” will help increase the income and resilience to the effects of climate change of at least 15,000 farm households in Bilaspur, Hamirpur, Kangra, Mandi, Sirmour, Solan, and Una.

44. **MobiKwik**, payment app of One MobiKwik Systems Limited, has become the first fintech app in India to support RuPay Credit Card on Unified Payments Interface (UPI).

The National Payments Corporation of India (NPCI) has allowed MobiKwik to provide its customers the facility to make UPI payments through the RuPay credit cards.

45. **Ujjivan Small Finance Bank** has launched ‘Hello Ujjivan’, India's first mobile banking application with 3 V's - **voice, visual, vernacular**-enabled features - to provide banking access to individuals who have limited reading and writing skills.

- The app is co-created with Navana.AI.
- It is accessible by voice in 8 languages: Hindi, Marathi, Bengali, Tamil, Gujarati, Kannada, Odia, and Assamese.

46. HDFC Mutual Fund has launched three open-ended schemes: **HDFC S&P BSE 500 ETF, HDFC NIFTY Midcap 150 ETF & HDFC NIFTY Smallcap 250 ETF** replicating the S&P BSE 500 index, NIFTY Midcap 150 index & NIFTY Smallcap 250 index respectively.

The scheme will be managed by Abhishek Mor, Nirman Morakhia, and Arun Agarwal.

47. The **European Investment Bank (EIB)**, the bank of the European Union, has formally agreed to join the **India Hydrogen Alliance (IH₂A)** and increase support for large-scale green hydrogen hubs and projects across India with indicative funding of **€1 billion**, subject to Indian government and EIB approvals.

The MoU with IH₂A will allow the EIB to promote clean energy investment and green hydrogen development in India.

48. The **Ministry of Electronics and Information Technology (MeitY)** has tied-up with **Meta**, parent company of Facebook, for the **G20 Stay Safe Online Campaign**. Under this collaboration, Meta will create resources in multiple Indian languages to educate the public on how to stay safe online.

49. The Union Budget 2023-24 has announced the establishment of the ‘UIDF’ for the use of priority sector lending shortfall.

- UIDF stands for **Urban Infrastructure Development Fund (UIDF)**.
- This will be managed by the National Housing Bank.
- This will be used by public agencies to create urban infrastructure in Tier-2 and Tier-3 cities, for which **Rs.10,000 crore** will be allocated annually.

50. RailTel Corporation of India has received a work order from the **State Bank of India (SBI)** for providing 4G LTE connectivity to 15,000 offsite ATMs spread across India.

- The project also entails the operations and maintenance of the entire network for a period of 5 years.
- The estimated total value of the project awarded to RailTel is Rs 253.35 crore.
- The project also includes the establishment of a Network Operations Centre (NOC), backhaul connectivity to the Data centre & Disaster Recovery centre (DC-DR) of SBI, a live dashboard for SLA monitoring, 24X7 helpdesk, etc.

51. Finance Minister Nirmala Sitharaman is the sixth minister in independent India to present **five** consecutive budget. The Union Budget for the fiscal year starting April 2023 is her fifth straight since 2019.

Other ministers who have presented five straight annual financial statements include Arun Jaitley, P Chidambaram, Yashwant Sinha, Manmohan Singh and Morarji Desai.

Note: *Former Prime Minister Morarji Desai holds the record for presenting the maximum number of Budgets, including two Interim Budgets. He tabled the Union Budget 10 times from 1959 to 1963.*

52. IDFC Limited has announced that it is investing **Rs 2,200 crore** in **IDFC First Bank** to increase its stake in the bank to **40 percent** from 36.38 percent currently.

The IDFC board has also declared a special interim dividend of Rs 11 per share, due to which the Government of India, the largest shareholder in IDFC, would receive a payout of Rs 287 crore.

53. The Union Budget 2023-24 has announced the introduction of the revamped version of the **Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) scheme** from **1 April 2023** through the infusion of **Rs.9000 crore** in the corpus. This will enable additional collateral-free guaranteed credit of **Rs.2 lakh crore**. The cost of the credit will be reduced by about **1 percent**.

It has been announced that a **National Financial Information Registry** will be set up to serve as the central repository of financial and ancillary information.

- This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability.
- A new legislative framework will govern this credit public infrastructure, and it will be designed in consultation with the RBI.

CGTMSE scheme:

It was launched in August 2000. The scheme provides guarantees to help small businesses access loans. The guarantees provided by the scheme ranges from 75-85% of the loan.

54. The maximum deposit limit for the **Senior Citizen Savings Scheme (SCSS)** has been increased from Rs.15 lakh to **Rs.30 lakh** in the Union Budget 2023-24.

The maximum deposit limit for **Monthly Income Account Scheme** will be enhanced from Rs.4.5 lakh to **Rs.9 lakh** for single account and from Rs.9 lakh to **Rs.15 lakh** for joint account.

55. As of end-November 2022, India is the **sixth** largest foreign exchange reserves holder in the world according to data compiled by the International Monetary Fund (IMF).

India's forex reserves augmented to **USD 562.7 billion** as of December-end of 2022 covering 9.3 months of imports.

India's foreign exchange reserves was USD 577 billion during April-December 2020 while it was USD 607 billion during April-December 2021.

India has relatively low levels of total debt as a percentage of Gross National Income and short-term debt as a percentage of total debt.

56. In the recently published Economic Survey 2023, the **Gross Non-Performing Asset (GNPA) ratio** of scheduled commercial banks (SCBs) has decreased from 8.2% in March 2020 to a seven-year low of **5.0%** in September 2022, while Net Non-Performing Assets (NNPA) have dropped to a ten-year low of 1.3% of total assets.

The gross GNPA's will likely to drop 4.9 percent by March 2023.

The survey has stated that the Capital-to-Risk Weighted Assets Ratio (CRAR) remains healthy at 16.0 and well above the regulatory requirement of 11.5.

57. As per the World Federation of Exchanges (WFE), the **National Stock Exchange of India (NSE)** has emerged as the **3rd largest exchange** in the world in the equity segment by the number of trades (electronic order book) in 2022, up from 4th in 2021.

According to the Futures Industry Association (FIA), a derivatives traded body, the NSE has again emerged as the **world's largest derivatives exchange in 2022**, in terms of the number of contracts traded in 2022. This is the fourth consecutive year when NSE earned the top spot.

58. **Edelweiss Mutual Fund** has launched India's first passive short-duration fund. The scheme, **Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Short Duration Index Fund**, will invest in a diversified portfolio of Indian government bonds and state development loans (SDL).

The scheme will invest 50 percent in Indian government bonds and 50 percent in SDLs.

This fund offers better predictability on asset allocation, credit quality, and duration, and is a low-cost substitute over other active funds for short-term investments.

59. As per the latest “**World Economic Outlook Update of January 2023**” by the **International Monetary Fund (IMF)**, India's economic growth will slow down to 6.1% during 2023 as compared to 6.8% in 2022 before picking up to 6.8% in 2024.

Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024.

60. According to the Economic Survey 2022-23, India is the **largest recipient of remittances** in the world receiving US\$ 100 billion in 2022. Remittances are the **second** largest major source of external financing after service export.

India is followed by Mexico (USD 60 billion) & China (USD 51 billion).

- India's forex reserves augmented to **USD 562.7 billion** as of December-end of 2022 covering 9.3 months of imports.
- India's foreign exchange reserves was USD 577 billion during April-December 2020 while it was USD 607 billion during April-December 2021.
- India has relatively **low levels** of total debt as a percentage of Gross National Income and short-term debt as a percentage of total debt.

61. The Union Budget 2023-24 has made the new tax regime the default option for every taxpayer. However, citizens will continue to have the option to avail the benefit of the old tax regime.

Under the simplified tax regime (STR), income slab and tax rates for individuals have been reduced to **five slabs** from the existing six slabs leading to an effective tax saving of Rs.49,400 (considering standard deduction of **Rs.50,000** and including the education cess) for income up to Rs.15 lakh.

Tax Rate	Proposed Income slab
Nil	Up to Rs.3 lakh
5%	Rs.3 lakh to Rs.6 lakh
10%	Rs.6 lakh to Rs.9 lakh
15%	Rs.9 lakh to Rs.12 lakh
20%	Rs.12 lakh to Rs.15 lakh
30%	Above Rs.15 lakh

62. IndusInd International Holdings Limited (IIHL), a subsidiary of the Hinduja Group, has received preliminary approval from the Reserve Bank of India (RBI) to increase its ownership in **IndusInd Bank** to **26%**.

As a result, the Hinduja Group will contribute more than Rs. 10,000 crore to IndusInd Bank. With this, IndusInd Bank has become the first bank to have its promoter increase its shareholding to 26%.

63. Kotak Mahindra Bank Limited (KMBL) has announced that it has implemented the first phase of the **Reserve Bank of India's (RBI)** Digital Rupee (eRs).

KMBL is among the eight banks shortlisted by RBI to implement a pilot project for the issuance of Digital Rupee, a legal tender that is similar to banknotes and coins, issued in a digital form by RBI.

Key Points:

- The bank will launch the Digital Rupee pilot in Mumbai, Delhi and Ahmedabad.
- KMBL customers will be sent an email/SMS invite to download the Digital Rupee app.
- The digital rupee wallet operates in a similar fashion as a physical wallet but in a digital form, and will be accessible for download on Android operating system smartphones.

64. Infibeam Avenues Limited's flagship brand, **"CCAvenue"** has become India's first payment gateway player to process Central Bank Digital Currency (CBDC) or Digital Rupee transactions for online retail merchants, among payment gateway players.

The Reserve Bank of India (RBI) has identified 8 banks for phase-wised participation in the retail pilot project for CBDC.

- The first phase includes four banks, namely the State Bank of India, the ICICI Bank, the Yes Bank, and the IDFC First Bank.
- In the second phase, the pilot will be carried out by Bank of Baroda, Union Bank of India, HDFC Bank and Kotak Mahindra Ban

The company has also launched the **CCAvenue Mobile App** - the world's most advanced omnichannel payment platform with the revolutionary TapPay solution.

Payment Aggregator license from RBI

Infibeam Avenues Limited recently received the Payment Aggregator license from RBI, followed by a perpetual license to operate as Bharat Bill Payment Operating Unit (BBPOU) under the Bharat Bill Payment System (BBPS) from RBI.

CCAvenue:

CCAvenue is a payment gateway service that enables businesses to process online payments. It supports a wide range of payment methods, including credit cards, debit cards, and net banking.

65. The Securities and Exchange Board of India (SEBI) has strengthened the framework for green bonds by introducing the concept of 'blue' and 'yellow' bonds as new modes of sustainable finance.

Blue bonds relate to water management and the marine sector, while **yellow bonds** pertain to solar energy. These are sub-categories of green debt.

These are sub-categories of **green debt securities**.

Green Debt Security:

SEBI broadly defines green debt security as one that is issued for the purpose of raising capital to be used for the cause of sustainable development or furthering energy efficiency.

Sustainable finance:

Sustainable finance is the set of financial regulations, standards, norms and products that pursue an environmental objective. It allows the financial system to connect with the economy and its populations by financing its agents while maintaining a growth objective.

- 66. Mobicule**, a niche player and expert in debt collection has announced the launch of the **mCollect Repossession module**, an industry first for banks and Non-Banking Financial Companies (NBFCs).

The revolutionary Asset Repossession Solution is a comprehensive solution that maps all the complex processes in the repossession of an asset, as a part of its debt collection and recovery product.

- 67. Lingam Venkata Prabhakar**, the Managing Director (MD) and Chief Executive Officer (CEO) of **Canara Bank**, has retired from the services of the bank on 31st December 2022, on attaining the age of superannuation.

- He also worked as the Executive Director of Punjab National Bank (PNB).
- He also served as the Chairman of Canara Robeco Asset Management Co. Ltd., Canara HSBC OBC Insurance Company Limited & Canfin Homes Limited and the Chairman of the IBA Standing Committee on Payment Systems & Banking Technology.

- 68. BharatPe**, a fintech Startup, has appointed current Chief Financial Officer (CFO) **Nalin Negi** as the firm's interim Chief Executive Officer (CEO). He has replaced Suhail Sameer, who stepped down from the position. Suhail Sameer will take on the role of strategic advisor, effective 7th January 2023.

- 69. The Department of Economic Affairs**, Ministry of Finance, has increased the interest rate on a number of small savings schemes for the fourth quarter (Q4) of the current fiscal year 2022-23 (FY23), which runs from **1st January 2023 to 31st March 2023**.

Instruments	Rates of interest (%) (Q3 of FY 2022-23)	Rates of interest (%) (Q4 of FY 2022-23)	Compound ing
Savings Deposit (SD)	4.0	4.0	Annual
1 Year Time Deposit (TD)	5.5	6.6	Quarterly
2 Year Time Deposit (TD)	5.7	6.8	Quarterly
3 Year Time Deposit (TD)	5.8	6.9	Quarterly
5 Year Time Deposit (TD)	6.7	7.0	Quarterly

5 Year Recurring Deposit (RD)	5.8	5.8	Quarterly
5 Year Senior Citizens Savings Scheme (SCSS)	7.6	8.0	Paid Quarterly
5 year Monthly Income Scheme (MIS)	6.7	7.1	Paid Monthly
5 Year National Savings Certificate (NSC)	6.8	7.0	Annual
Public Provident Fund (PPF) Scheme	7.1	7.1	Annual
Kisan Vikas Patra (KVP)	7.0 (will mature in 123 months)	7.2 (will mature in 120 months)	Annual
Sukanya Samriddhi Account Scheme (SSAS)	7.6	7.6	Annual

70. Indian Bank has unveiled the QR code bill payment system for **Chamundeshwari Electricity Supply Corporation Ltd (CESC)** making it as the first power distribution company to offer such an initiative to customers in Mysuru, Karnataka.

This dynamic QR code linked to the Unified Payments Interface (UPI) on printed electricity bill, will help customers in making their payments without visiting any online portal or physically going to any payment centre.

71. The Government of **Tripura** has signed an agreement with Asian Development Bank (**ADB**) worth **Rs. 2,275 crore** to strengthen and improve power distribution efficiency in the state.

- Under this, ADB will support the state government's efforts to strengthen its power sector by replacing inefficient power plants and strengthening the distribution system.
- The project will be implemented in the next 3 years.
- Of the Rs. 2,275 crore fund, the central government will repay Rs.1,820 crore while the state will provide Rs.455 crore.

72. Ajay Kumar Srivastava, Executive Director of Indian Overseas Bank, has become the Managing Director (MD) and the Chief Executive Officer (CEO) of **Indian Overseas Bank (IOB)** with effect from 1st January 2023. He has succeeded Partha Pratim Sengupta.

73. Punjab & Sindh Bank (PSB), a public sector bank, has collaborated with **SBI Card** to launch co-branded credit cards for the bank's customers. This marks the entry of PSB into 'credit cards' as a new product segment under the bank's portfolio.

Under this collaboration, three card variants have been launched including, PSB SBI Card ELITE, PSB SBI Card PRIME, and PSB SimplySAVE SBI Card.

74. The **Asian Development Bank (ADB)** has sanctioned **USD 100 million** External Commercial Borrowing (ECB), a five-year loan, under the lender's social finance framework to **Shriram**

Finance Limited, a part of Shriram Group, to provide vehicle loans to **women entrepreneurs**.

The credit will be issued towards the purchase of new and used vehicles throughout India.

75. The IDBI Bank has signed a Scheme Transfer Agreement (STA) with **LIC Mutual Fund (MF)** for the transfer of Schemes of IDBI Mutual Funds (MF) to LIC Mutual Fund to comply with regulations 7B of the Securities & Exchange Board of India (SEBI) Mutual and Regulations.

Following this proposed scheme acquisition transaction the like-to-like schemes will be merged and the unique schemes of IDBI MF will continue on a standalone basis with the acquiring entity.

76. Bank of Baroda, the second largest public sector bank in India after SBI, has bagged an **EAG Laureate award** in the International Olympiad of Financial Security held at Sochi, Russia.

- The Eurasian group on combating money laundering and terrorism (EAG) is a FATF type regional which comprises of 9 members including India.
- The Financial Action Task Force (FATF) is the global anti- money laundering and anti-terrorist financing body.

77. The Board of Directors of IDBI Bank Limited has re-appointed **Suresh Kishinchand Khatanhar** as the Deputy Managing Director (DMD) for 1 year with effect from 15th January 2023.

78. Dhanlaxmi Bank has launched its new retail banking services '**DhanDelight**', and retail mobile banking app '**DhanSmart**' featuring latest information system security features to provide secure banking. The new services are built on omni channel platform.

In DhanDelight, latest UI (User Interface) and UX (User Experience) enable customers to do the financial transactions more securely.

79. IndusInd Bank has tied up with **British Airways Executive Club** and **Qatar Airways Privilege Club** to introduce the first-of-its-kind unique multi-branded credit card, powered by Visa.

This multi-branded credit card will be launched and made available to consumers in the first quarter of FY 2023-24.

80. ICICI Bank has introduced the **Digital Solutions for Exporters**, a comprehensive set of banking and value-added services on a single platform. The initiative aims to simplify the journey of exporters by decongesting the current time-intensive manual procedures.

Key services and offerings of the Digital Solutions for Exporters:

- Exporters will get the convenience of **Export Packing Credit (EPC)** instantly and digitally.

- The solution offers foreign currency accounts namely **Exchange Earners' Foreign Currency Account (EEFC)**.
- Exporters can book forex deals over phone or online through digital platforms to get flexibility and transparency in booking rates.
- The exporters can avail Digital Letter of Credit (**e-LC**) facility.
- The bank has partnered with Electronic Bills of Lading (**e-BL**) service providers to facilitate end-to-end digital movement of trade documents across the world.
- The solution offers digital filing of documents, settlement, and reconciliation of export invoices.
- Exporters can avail value-added services from **Trade Emerge**, the Bank's one-stop platform that offers a comprehensive digital suite of various banking and beyond banking services for companies.
- The Bank offers **Trade APIs**, a future-ready industry-first solution, for seamless handling of export bills.

81. HDFC Bank & Yes Bank have tied up with **Microsoft** for utilizing the Azure cloud platform and for developing a next-generation mobile application, respectively.

- The association with Yes Bank is aimed at launching a mobile app that will personalise the experience for each customer of the bank.
- In the case of HDFC Bank, the association is to aid the bank in the next phase of its digital transformation by assisting in transforming the bank's apps, modernising its data landscape and securing the enterprise with the Microsoft cloud platform.

82. India Accelerator (IA), a seed-stage accelerator program, has launched '**i3 Launchpad**', a program to nurture and co-innovate with the start-up ecosystem in India, in collaboration with **ICICI Bank** and **Infosys Finacle**, part of EdgeVerve Systems, a wholly-owned product subsidiary of Infosys.

- **Aim:** To support a community of entrepreneurs who are on a mission to create brands that can have a global impact.
- It is designed to help start-ups accelerate their success by leveraging mentorship, resources, and opportunities from Infosys Finacle, ICICI Bank, and IA.
- The program is open to start-ups across all industries and will onboard two cohorts a year, with a target of 12-18 start-ups in each cohort.

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83. Bandhan Bank has launched its integrated marketing campaign '**Jahaan Bandhan, Wahaan Trust**' featuring the bank's brand ambassador, cricketer, **Sourav Ganguly**.

- The campaign emphasises the 'trust' that the brand has been able to earn in a span of seven years as a Bank and over the last two decades in the various avatars prior to the bank.
- The campaign was conceived by Leo Burnett Orchard, who was brought in as Bandhan Bank's creative agency in August 2022.

84. Axis Bank has signed a Memorandum of Understanding (MoU) with the **Indian Institute of Science (IISc), Bengaluru** to establish a Centre for Mathematics and Computing at the Institute.

The centre spread over 1.6 lakh square feet will have labs and programmes benefitting faculty and students.

85. PayRup, India's fastest payment app, has been launched. It is built by **cutting-edge technology of Web 3.0**. It provides advanced digital payment experience with outstanding user experience. PayRup users can pay utility bills and landline bills, recharge their mobile, broadband, DTH, and purchase Gift Cards.

- PayRup offers 24/7 customer care facilities for help and support for the users.
- It ensures the 5 dimensions of service quality.
- It follows SERVQUAL standard to provide the best service experience.
- PayRup opens 24/7 customer care facilities for help and support for the users.
- Its customer service desk utilises cutting-edge Customer Relationship Management (CRM) technologies and adheres to international standards.

86. The Chief Minister of Kerala Pinarayi Vijayan has announced that **Kerala** has become the first state in India to go fully digital in its banking service.

- The Kerala Fibre Optic Network (K-FON) project of the state government, which is almost 90% completed, will reduce the digital divide.
- The project is funded by the Kerala Infrastructure Investment Fund Board (KIIFB), its outlay is Rs.1,028.20 crore.

Note: It should be noted that Kerala is the only State in India that has declared 'the right to Internet' as a basic right of its citizens.

87. Axis Bank Limited has partnered with **Open Financial Technologies Private Limited**, a digital banking firm, to give its customers a fully native digital current account journey. This is Axis Bank's first collaboration with a fintech company to develop a fully digital current account.

88. The Union Cabinet, chaired by Prime Minister Narendra Modi, has approved the **incentive scheme** for the promotion of **RuPay Debit Cards** and low-value **BHIM-UPI transactions** (Person-to-Merchant) for a period of one year from April 2022.

- The approved incentive scheme has a financial outlay of **Rs.2,600 crore**.
- Under the scheme, acquiring banks will be provided financial incentive, for promoting Point-of-Sale (PoS) and e-commerce transactions using RuPay Debit Cards and low-value BHIM-UPI transactions (P2M) for the current financial year FY 2022-23.
- In-line with the objective of 'Sabka Saath, Sabka Vikas', the scheme will also promote UPI Lite and UPI 123PAY as economical and user-friendly digital payments solutions and enable further deepening of digital payments in the country, across all sectors and segments of the population.

Note: Unified Payment Interface (UPI) has achieved a record of 782.9 crore digital payment transactions with a value of Rs.12.82 lakh crore in the month of December 2022.

89. The **Ministry of MSME** has signed a Memorandum of Understanding (MoU) with the **Small Industries Development Bank of India (SIDBI)** for the operationalization of Formalization Project for bringing Informal Micro Enterprises into the formal ambit.

The Formalization Project has been launched by the Union Minister of MSME Narayan Rane by including 8 lakh Informal Micro Enterprises during the 19th meeting of the National Board of MSME (NBMSME) held in New Delhi.

The Minister has also released the **Global Entrepreneurship Monitor (GEM) India Report 2021-22**. The GEM is a global study conducted by GEM Consortium with the aim to collect internationally comparative primary data on entrepreneurial activity and its related concepts.

90. The Securities & Exchange Board of India (SEBI) has allowed stock exchanges to launch **future contracts** on **corporate bond indices** of corporate debt securities rated AA+ and above to enhance liquidity in the bond market and to provide an opportunity to the investors to hedge their positions.

Framework for Cash Settled Corporate Bond Index Futures (CBIF):

- The value of CBIF shall not be less than **Rs.2 lakh** at the time of introduction.
- There should be at least eight issuers in the index, with no more than a 15% weightage by a single issuer, and not more than 25% by a particular group of issuers.
- The stock exchanges may introduce contracts of up to a tenure of **three years**.

SEBI has also allowed portfolio managers under co-investment Portfolio Management Services (PMS) to terminate their services as per the provisions of the agreement signed with the client for early termination.

91. **HDFC Capital**, a subsidiary of HDFC Limited, has successfully achieved the initial close of **USD 376 million** for scheme 2 of HDFC Capital Affordable Real Estate Fund-3 (**H-CARE 3**) to

provide long term, flexible funding across affordable and mid-income housing projects including early-stage funding.

92. The **World Bank** has projected in its latest (January 2023) Global Economic Prospects that the Indian economy will grow at a robust rate of **6.6 percent** in 2023-24 (**FY24**), down from an estimated 6.9% in FY23 and 8.7% in FY22.

According to projections, the global economy will grow by 1.7% in 2023 and 2.7% in 2024.

93. **Export-Import Bank of India (EXIM)** has raised **USD 1 billion** via a 10-year Sustainability Bond issue in the 144A/Reg-S format under its Environmental Social Governance (ESG) Framework. The net proceeds of Sustainability Bond will be used towards eligible projects under its ESG framework.

94. **Clayfin Technologies**, a leading provider of Digital Customer Experience solutions for Banks and Financial institutions, and **Bandhan Bank** have been awarded 'Best Digital Channel/Platform Implementation: Best Project Implementation' at International Banking System Intelligence (IBSi) Global FinTech Innovation Awards 2022.

This recognition was the basis of the implementation of Corporate Internet Banking (version 5.x) by Clayfin as part of Bandhan Bank's vision to enhance their digital services to the SME sector.

95. The **South Indian Bank**, headquartered in Thrissur, Kerala, has launched a **Micro Small and Medium Enterprises (MSME) online portal** that provides instant online 'In Principle' approval of up to Rs.1 crore. This is in line with the government's efforts to make India a USD 5 trillion economy.

96. The National Payments Corporation of India (NPCI) has allowed UPI (Unified Payments Interface) transactions for non-resident bank accounts linked to mobile numbers of 10 countries.

- The 10 countries allowed under the facility are Singapore, Australia, Canada, Hong Kong, Oman, Qatar, USA, Saudi Arabia, UAE and United Kingdom.
- This means Non-Resident Indians (NRI) from these countries can transact through UPI.

97. **World Bank (WB)** has decided to get agricultural officers from **Sub-Saharan countries** to visit **Karnataka** to learn from its experience of the **REWARD (Rejuvenating Watershed for Agricultural Resilience through Innovative Development)** Project.

- Karnataka has been identified as a "lighthouse partner" by the World Bank in developing the science-based watershed model.
- It is the first State to develop a Land Resource Inventory portal (the portal will contain the details on the appropriate measures to be taken for different types of land with respect to

agriculture, groundwater, crop, and soil health) that has details of 14 lakh hectares of land coming under the project.

Watershed Management:

The conservation of water and improvement of water quality and conservation of the soil is called watershed management.

REWARD Project:

The project aims to help national and state institutions adopt improved watershed management practices to help increase farmers' resilience to climate change, and promote higher productivity and better incomes. It is a **World Bank-supported multi-State project**.

The project is being implemented in three to four Indian States for 6 years for:

- Prevention of soil run-off, regeneration of natural vegetation, rainwater harvesting, and recharging of the groundwater table.
- Enabling multi-cropping and the introduction of diverse agro-based activities.

98. VTB Bank, **Russia's** second-largest bank, has launched direct payments in rupees. This will significantly increase bilateral trade and investment.

Russian Small and Medium-sized Enterprises (SME) clients can now make transfers without double conversion, which simplifies the work on foreign trade contracts with India.

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100. The Appointments Committee of the Cabinet (ACC) has approved the proposal of the Department of Financial Services for extending the term of Managing Director (MD) and Chief Executive Officer (CEO) of Bank of Baroda (BoB) **Sanjiv Chadha** for about 5 months till 30th June 2023 i.e. when he attains 60 years, the retirement age.

101. The **Warehousing Development Regulatory Authority (WDRA)** has signed a Memorandum of Understanding (MoU) with the **State Bank of India (SBI)** to facilitate low-interest rate loans to farmers.

The MoU has been signed with the intent of promoting awareness about the new loan product called **Produce Marketing Loan** to exclusively fund against e-NWRs (electronic Negotiable Warehouse Receipt) with features such as Nil processing fee, No Additional collateral and attractive interest rates.

102. Kolkata-based **VFS Capital** has tied up with the **Small Industries Development Bank of India (SIDBI)** to extend MSME loans upto Rs.5 lakh at 13 percent interest rate per annum. This association will provide loans to the SME and MSME sectors.

103. Paytm Payments Bank has received final approval from the Reserve Bank of India (RBI) to operate as a Bharat Bill Payment Operating Unit (BBPOU) under the Payment and Settlement Systems Act, 2007.

Under Bharat Bill Payment System (BBPS), a BBPOU is allowed to facilitate bill payment services of electricity, phone, DTH, water, gas insurance, loan repayments, FASTag recharge, education fees, credit card bill and municipal taxes.

BBPS is owned by the National Payments Corporation of India (NPCI).

Other related news:

Protean eGov Technologies, formerly NSDL e-Governance Infrastructure, has received approval from the RBI for its wholly owned subsidiary to operate as an **Account Aggregator (AA)** with an NBFC (Non-Banking Financial Company)-AA certificate.

104. Chennai-based Garuda Aerospace Private Limited has recently collaborated with the **Union Bank of India (UBI)**. Under this collaboration, **150 Garuda Kisan Drones** have received sanction for drone loans under the Agriculture Infrastructure Fund (AIF).

The drone loans will help farmers to digitise land record operations for crop production, and spraying of fertilisers, chemicals, growth promoters and pesticides with the help of drones. AIF has about Rs.1 lakh crore out of which Rs.1000 crore have been allocated to drones.

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106. The Securities & Exchange Board of India (SEBI) has allowed **Alternative Investment Funds (AIFs)** to participate in the **Credit Default Swaps (CDS)** market to protect buyers and sellers. This will facilitate deepening of the domestic corporate bond segment.

CDS is a specific kind of counter-party agreement which allows the transfer of third party credit risk from one party to another.

- Under the new norm, Category-I and Category-II AIFs can buy CDS on underlying investment in debt securities only for the purpose of hedging.
- Category-III AIFs can purchase CDS for hedging or any other permissible leverage.

- With regard to selling, Category-II and Category-III AIFs may sell CDS by earmarking unencumbered government bonds or Treasury bills equal to the amount of the CDS exposure.
- AIFs which transact in CDS will have to maintain a 30-day cooling off period between the two periods of borrowing.

Others approvals by SEBI:

- SEBI has allowed **Mutual Funds** with active Equity-Linked Savings Schemes (ELSS) to launch passively managed open-ended ELSS schemes. This will provide a cost-effective and tax-saving alternative to individual investors.
- SEBI has allowed **stock exchanges** to launch multiple contracts in the same commodity in a bid to encourage broader participation of investors in commodity derivatives market.

107. ESAF Small Finance Bank has won the **Inclusive Finance India Awards 2022** in recognition of its contributions to advancing the goal of financial inclusion and supporting inclusive growth.

The Inclusive Finance India Awards is an initiative of ACCESS Development Services constituted in 2009 in partnership with HSBC India.

108. Punjab National Bank (PNB) has become the **first** public sector bank (PSB) to introduce a credit card against fixed deposits (FDs) digitally, for customers who do not fulfil the eligibility criteria for regular credit cards.

PNB has introduced two types of consumer credit cards: **'PNB Global Gold'** and **'PNB Global Classic'**.

These are global credit cards that are developed in association with Visa.

109. The South Indian Bank (SIB) has tied up with the **Steel Authority of India Limited (SAIL)** to provide financial assistance to the dealers of SAIL across India.

The lender will serve the MSME (Micro, Small & Medium Enterprises) and corporate customers of SAIL by providing financial assistance for working capital, especially steel procurement through its 928 branches.

110. Mastercard has announced the expansion of its flagship **Girls4Tech**, STEM (Science, Technology, Engineering and Math) education program in India. This programme will benefit over 10, 800 girls from 30 government schools in Tamil Nadu.

- The Girls4Tech Programme is supported by the Mastercard Impact Fund in partnership with the American India Foundation (AIF).
- It aims to reach an additional 1 lakh female students in India by 2024 to encourage them to pursue STEM education; this includes 10,800 students in Tamil Nadu.
- STEM courses will be offered to girls aged 8 to 14.

- 111.** The State Bank of India (SBI) in its Ecowrap report has estimated India's fiscal deficit for 2023-24 (FY24) at around **Rs.17.95 lakh crore** or **6%** of GDP (Gross Domestic Product). This will result in the fiscal consolidation of 40 bps from FY23.
- In **FY23**, the fiscal deficit is expected to come to **Rs.17.5 lakh crore**.
 - However, higher nominal GDP growth (15.4%) estimates will help in keeping the fiscal deficit at 6.4% of the GDP.
 - The net market borrowing of the Centre in FY24 will be around **Rs.11.7 lakh crore** and with repayments of Rs.4.4 lakh crore, gross borrowing is expected at Rs.16.1 lakh crore.
 - In FY24, the overall gross borrowing by the Central and States is estimated at **Rs.24.3 lakh crore** (Rs.22.2lakh crore in FY23) and net borrowings Rs.17 lakh crore (Rs.16.7 lakh crore in FY23).
 - The subsidy bill which increased significantly in FY23 is estimated to be reduced in FY24 to around Rs.3.8-4 lakh crore and capital expenditure is expected to grow by 12 percent.
- 112. Tamilnad Mercantile Bank (TMB)** has won the 'Best Small Bank Award' in the 'Best Banks Survey for the year 2022' done by Business Today-KPMG (BT-KPMG Best Banks Survey). The lender has received this award in the category of banks with a book size of less than Rs.1 lakh crore.
- 113.** The Forest officials of the **Katarniaghat division** and the **National Bank for Agriculture and Rural Development (NABARD)** have planned to give skill-development training to **Tharu people** that live near the Katarniaghat Wildlife Sanctuary (**KWS**) and are much affected by human-wildlife conflicts.
- Tharu people:**
- They are ethnic group indigenous to Terai region of Himalayan foothills, located in southern Nepal.
 - In India, they mostly lived in Utter Pradesh, Bihar, Uttarakhand.
 - They speak various dialects of Tharu, a language of Indo-Aryan subgroup.
- Katarniaghat Wildlife Sanctuary (KWS):**
It is situated in the Upper Gangetic plain falling in the Terai of Bahraich district of **Uttar Pradesh**.
- 114. Apex Partners**, through unit Dynasty Acquisition, is likely to sell its entire stake, up to **1.73 crore shares** or **4.63 percent stake**, in **Shriram Finance** through a block deal. The deal is valued at approximately Rs.2,250 crore and is being offered at a discount of about 6% to the current market price.
- 115. Alibaba Group** has sold a **3.1-percent stake** in Indian digital payments firm **Paytm** for USD 125 million through a block deal. Alibaba, which owned a 6.26% stake in Paytm as of September 2022, sold its stake at Rs.536.95 apiece.

- 116.** The **State Bank of India (SBI)** has raised **Rs.9,718 crore** through its 2nd infrastructure bond issuance at a coupon rate of 7.70% per annum for the 15-year bond. The pricing of 7.70% represents a spread of 17 basis points (bps) over the G-Sec (Government Security) curve. This is the 2nd fundraising of SBI since December 2022.
- 117.** The **Securities and Exchange Board of India (SEBI)** has launched an **Information Database**, comprising a repository of **municipal bond information**, on its website to assist municipal debt issuers and other stakeholders in the municipal debt market.
- The information database contains a wide range of information in the form of statistics and regulations, circulars, guidance note and Frequently Asked Questions (FAQs) issued by SEBI in respect of municipal debt securities.
- 118.** **HDFC Bank** has donated **Rs.5 crore** to Uttarakhand Chief Minister Pushkar Singh Dhami for the Kedarnath Utthan Charitable Trust. This has been done to help the landslide-affected people in Joshimath, Chamoli, Uttarakhand.
- More than Rs.3.27 crores have been distributed to 218 affected families in Joshimath as an advance relief.
- 119.** **Canara Bank** is set to sell its entire **40% stake** in the Russian joint venture (JV) **Commercial Indo Bank LLC (CIBL)** to the JV partner State Bank of India (SBI). The cash consideration for the transaction is equivalent to USD 14.67 million. The transaction is expected to be completed on or before 31st March 2023.
- CIBL, incorporated in 2003 in Russia, is a JV between SBI (60% stake), and Canara Bank (40% stake).
- 120.** The **Citibank** and **Paytm** have ended their partnership for a co-branded credit card Paytm CITI Card ahead of the merger of Citibank's commercial banking with Axis Bank.
- The cardholders will be offered uninterrupted benefits with the Paytm HDFC Bank credit card.
- 121.** **Housing Development Finance Corp (HDFC)** plans to raise at least **30 billion rupees (\$370.5 million)** through the sale of bonds maturing in 10 years. The issue will also have a greenshoe option to retain an additional 20 billion rupees and will close for subscription later this week.
- 122.** **Paytail Commerce Private Limited** has collaborated with **HDB Financial Services Limited** to offer loans on lifestyle products like bicycles, EVs, mobile devices, Consumer Durables and kitchen appliances.

- The loan amount ranges from Rs.5,000 – Rs.3,00,000.
- It provides a 24-month Equated Monthly Instalment (EMI) period, depending on the borrowed amount and the product segment.

- 123.** The **National Asset Reconstruction Company (NARCL)**, an Asset Reconstruction Company (ARC)/ bad bank, has acquired its first stressed asset, **Jaypee Infratech** from lenders led by **IDBI Bank**. The total exposure of all the banks to Jaypee Infratech was over Rs 9,000 crore, IDBI Bank's exposure was Rs 3,750 crore.
- 124. AU Small Finance Bank**, India's largest Small Finance Bank (SFB), has launched the first-of-its kind **SwipeUp** platform that allows other bank Credit Cardholders to get upgraded AU Credit Cards. The bank has provided a platform to compare existing credit cards of customers within seconds.
- The **Asian Development Bank (ADB)** and **Nhava Sheva Freeport Terminal Private Limited (NSFTPL)** have signed a **USD 131 million loan** to upgrade the **Jawaharlal Nehru Port Container Terminal** located in Navi Mumbai, Maharashtra. This will enhance international trade in India through efficient, transparent, and state-of-the-art logistics infrastructure.
- 125.** The **Punjab National Bank (PNB) & Aadhar Housing Finance** have entered into a co-lending agreement to offer home loans at competitive interest rates. The aim of this partnership is to reach out to a large section of society viz. economically weaker, lower, and middle-income groups for providing easy, convenient, and efficient home finance solutions to customers.
- **Bank of Baroda Financial Solutions Limited (BFSL)**, a wholly-owned subsidiary of Bank of Baroda, has introduced a credit card named '**Vikram**'.

Key features:

- It is a contactless RuPay credit card dedicated to Indian defence, paramilitary, and police personnel.
- It will be given Lifetime Free (LTF), which includes appealing reward points and an activation gifts of a complimentary OTT (Over-The-Top) subscription.
- The credit card also has a Rs.20 lakh accidental death insurance policy.
- Other benefits will include a 1% fuel surcharge waiver, LTF add-ons, EMI deals, and periodic merchant offers.

- 126. ICICI Bank** has collaborated with **Tata Motors** to provide financing solutions to its authorised passenger Electric Vehicle (EV) dealers. Under this collaboration, the lender will offer inventory funding to the authorized passenger EV dealers in addition to the lender's funding to dealers for diesel and petrol models.
- 127. Cashfree Payments India Private Limited**, a payments and API banking solutions firm, has collaborated with Sony Entertainment Television and Sony LIV as the 'Payments Partner' for **Shark Tank India season 2**, which is set to premiere on 2nd January 2023.
- The collaboration aligns with the company's vision of empowering India's budding entrepreneurs to turn their ideas into successful and scalable businesses.
- 128.** The Board of **Equitas Small Finance Bank** has decided to extend the term of **P.N. Vasudevan** as the Managing Director (MD) and Chief Executive Officer (CEO) for a period of 3 years with effect from 23rd July 2022, subject to approval from the Reserve Bank of India (RBI). He is the founder of Equitas SFB and his current term as MD & CEO expires on 22nd July 2023.
- 129.** The **International Monetary Fund (IMF)** in its Article IV consultation report has projected a growth rate of **6.8 percent** in the current fiscal year (FY23) and falling to 6.1% in the next fiscal year (FY24).
- The IMF has also called for further structural reforms, including addressing the adverse impact of climate change and to secure strong and sustainable growth.
 - The IMF board has suggested that the Monetary tightening must be communicated to balance inflation objectives and growth needs.
- 130. International Finance Corporation (IFC)**, an investment arm of the World Bank Group, has provided a loan of **USD 400 million** to **HDFC Limited** to boost Green Affordable Housing Finance in India. This will help HDFC boost its green affordable housing portfolio, with 75% (around \$300 million) of the proceeds earmarked for this sector.
- 131. SBI Funds Management Limited (SBIFML)**, a joint venture between State Bank of India (SBI) and Amundi, Europe's largest asset manager, has appointed **Shamsher Singh** as its Managing Director (MD) & Chief Executive Officer (CEO).
- He has replaced Vinay M Tonse.

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132. Tata Power has received a **Rs 450 crore** sustainable trade finance facility from **MUFG Bank of Japan** to fund its solar projects in India. This credit facility has been extended for two solar projects under TP Kirnali Limited (TPKL), a 100 percent subsidiary of Tata Power Renewable Energy Limited (TPREL). The two projects are:

- A 100 MW renewable energy project in Parthur, Maharashtra.
- A 120 MW green energy project in Mesanka, Gujarat.

It is the first sustainable trade finance facility offered by MUFG in India and TPKL will utilise the funds towards generating renewable energy capacity.

133. The National Stock Exchange of India (NSE) has received in-principle approval from the Securities Exchange Board of India (SEBI) to set up a **Social Stock Exchange (SSE)** as a separate segment of the NSE.

- To enable fundraising through SSE for not-for-profit organizations (NPOs), the government introduced "Zero Coupon Zero Principal (ZCZP)" under the Securities Contracts (Regulation) Act, 1956.
- The new instrument ZCZP can be publicly or privately issued by NPOs upon registering with SSE to raise funds.
- Currently, the minimum issue size is **Rs.1 crore** and the minimum application size for subscription is **Rs.2 lakhs**.

134. HDFC Bank Limited has signed a Memorandum of Understanding (MoU) with **Kerala Startup Mission (KSUM)**, the nodal agency of the Government of Kerala, to assist startups with financial and banking services. The period for MoU is 1 year.

The lender will utilize its banking solution '**SmartUp**' to aid startups.

135. The International Financial Services Centres Authority (IFSCA) has signed a Memorandum of Understanding (MoU) with the **Council on Energy, Environment, and Water (CEEW)** for mutual assistance and cooperation in the area of sustainable finance. This MoU will focus on broad areas of sustainable finance.

136. The MahaMetro Corporation has finalized its debt arrangement and raised a loan of **Rs.3,568 crore** from **Asian Development Bank (ADB)** and **European Investment Bank (EIB)** for the 2nd phase of the Nagpur Metro project.

- The ADB will contribute 200 million dollars, and 239 million dollars will come from EIB.
- The total amount estimated for the 2nd phase of the project is Rs.6,700 crores. Out of this amount, around Rs.3,100 crores will come from the central and state government in the form of equity capital.

Around 630 million Euros was arranged during the first phase of the project and was funded by Agence Française de Développement (AFD) Group funds, France and KfW bank, Germany.

137. The Asian Development Bank (ADB) has signed a **USD 125 million** loan agreement with India to develop climate-resilient sewage collection and treatment, and drainage and water supply systems in three cities, **Coimbatore, Madurai, and Thoothukudi** of **Tamil Nadu (TN)**.

This is the third and last tranche of the USD 500 million multi-tranche financing facility (MFF) for the programme approved by ADB in 2018 to build priority water supply, sewerage, and drainage infrastructure in strategic industrial corridors across 10 cities in the state.

138. The Securities and Exchange Board of India (SEBI) has expanded two of its committees High Powered Steering Committee on Cyber Security (HPSC-CS) and the Information Systems Security Committee (ISSC) to strengthen cyber security frameworks and cyber resilience requirements.

High Powered Steering Committee on Cyber Security (HPSC-CS):

- The committee on cyber security has been expanded to eight members from six earlier.
- It will continue to be chaired by **Navin Kumar Singh**, DG of the National Critical Information Infrastructure Protection Centre (NCIIPC).
- G Padmanabhan, ex-executive director, of the Reserve Bank of India, and Sushil Kumar Nehra, Additional Director, the Cyber Security Division, MeitY are its new members.

Information Systems Security Committee (ISSC):

- The committee has been expanded to 7 members.
- It will continue to be chaired by **Prof H. Krishnamurthy**, IISc, Bengaluru.

139. **Karnataka Bank** has recently gone live on the **Indian Customs Electronic Gateway (ICEGATE)**, the national portal of Indian Customs of Central Board of Indirect Taxes and Customs, enabling its customers to pay customs duty online.

140. **IDFC First Bank** has introduced **ZERO Fee Banking** on savings accounts on the occasion of its foundation day on 18th December 2022.

The lender has waived off fees on 25 commonly-used banking services related to savings accounts such as cash deposit and withdrawal at branches, third-party cash transactions, demand drafts, immediate payment service (IMPS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), cheque book, SMS alerts, interest certificates, insufficient balance for ATM transactions, international ATM usage and so on.

This service is provided to customers, who maintain Average Monthly Balance (AMB) between Rs.10000 and Rs.25000 in their savings accounts.

141. Gofrugal Technologies Pvt. Ltd., a platform that provides Omni channel ERP solutions, has collaborated with **DBS Bank India** to empower enterprise customers, such as micro, small and medium enterprises (MSMEs) as well as retail merchants, to embrace the Open Network for Digital Commerce (ONDC) and grow their digital presence.

ONDC is an initiative of the Government of India which was launched in April 2022. It is a platform built on a universal standard that will enable local commerce in a variety of industries, including mobility, groceries, food order and delivery, hotel booking, and travel.

Other collaboration:

Trucknetic, India's version of Uber for trucks, has joined hands with **DBS Bank** as a logistics partner on its Business Class platform to offer complete digital banking, logistics, value-added services, and discounts to SMEs throughout India.

142. Equitas Small Finance Bank has signed a Memorandum of Understanding (MoU) with the **Controller General of Defence Accounts (CGDA)**. This MoU will allow Equitas to act as a **SPARSH** (System for Pension Administration (Raksha)) service centre and provide data verification for pensioners.

Equitas is the first small finance bank to be inducted into the SPARSH scheme by the GoI.

143. HDFC Securities Limited, a stock brokerage firm, has launched "**Roots**", a dedicated Google search-driven education platform that provides comprehensive investor education and market analysis. The Unique Selling Point (USP) of the platform is that it produces content which are being searched on Google by current or prospective investors and traders.

Sections in the site: Blog section, Bytes section, Video segment, Podcasts segment, Live Feed segment, and User Generated Content (UGC) section.

144. The Securities and Exchange Board of India (SEBI) has introduced performance benchmarking and categorisation for the **Portfolio Management Services (PMS)** industry with effect from **1st April 2023**. These guidelines are similar to the current norms in mutual funds.

Key guidelines:

- Portfolio managers should adopt an additional layer of broadly defined investment strategies while managing clients' funds. These broad strategies will be **Equity, Debt, Hybrid and Multi-Asset**.
- Each investment approach (IA) will be tagged to only one strategy from the specified strategies.
- The **Association of Portfolio Managers in India (APMI)** will prescribe a maximum of three benchmarks for each strategy.

- These strategies will be on the present investment approach, which documents the investment philosophy.
- The valuation of the portfolio debt and money market securities by portfolio managers shall be carried out in accordance with the standardised valuation norms prescribed by APMI.
- Portfolio managers will submit the monthly reports to APMI within 7 working days from the end of each month.

SEBI has also laid down guidelines for orderly winding down of critical operations and services offered by **clearing corporations (CCs)**.

Key points:

- CCs will be allowed to wind down operations if they have taken a strategic decision to do so, or if there are losses due to defaults on the part of clearing members, or other factors. They will also be allowed to wind down in case of regulatory action.
- Under the Standing Operating Procedure (SOP), a notice will have to be issued by CC with prior approval from SEBI in case a scenario is triggered. The corporation will have to include the operational modalities relating to the transfer or close-out of positions, collateral, etc.
- CCs will have to hold liquid net assets equal to at least six months of gross operational expenses for an orderly winding.

- 145.** The **Small Industries Development Bank of India (SIDBI)** has tied up with **M1xchange**, India's leading Trade Receivables Discounting System (TREDS) platform, as the financier to provide liquidity to Micro, Small and Medium Enterprises (**MSMEs**) at low interest rates. With this, MSMEs will be able to use TREDS to discount receivables from corporate buyers.
- 146.** The Union Government has nominated **Manoj Govil**, Secretary, Ministry of Corporate Affairs, to the Board of Securities and Exchange Board of India (SEBI). He is a 1991 batch IAS officer of the Madhya Pradesh cadre. He has replaced erstwhile MCA Secretary Rajesh Verma.
- The SEBI Board comprises **nine members**, including the Chairperson Madhabi Puri Buch.
 - There are two Government nominees (DEA Secretary Ajay Seth and now MCA Secretary Manoj Govil); one RBI nominee (Deputy Governor M Rajeshwar Rao); and four Wholetime Members (S K Mohanty, Ananta Barua, Ashwani Bhatia, and Ananth Narayan G). There is also a public interest member, V Ravi Anshuman, a Professor from IIM-Bangalore.
- Note:** Rajesh Verma was appointed as the Secretary to the President of India Droupadi Murmu in August 2022.
- 147.** **RBL Bank**, one of India's leading private sector bank, has won IBS Intelligence (**IBSi**) **Global FinTech Innovation Awards 2022** in the Best CRM System Implementation and Most Impactful Project categories along with **BUSINESSNEXT**.

The IBSi Global FinTech Innovation Awards identifies and honours technology companies and banks for their outstanding work in implementing and innovating financial technology using emerging technologies.

148. Jammu and Kashmir (J&K) Bank has recently signed a Memorandum of Understanding with the **Administration of Ladakh** union territory, conferring preferential status to each other.

Under this MoU, the Ladakh UT Administration will nominate J&K Bank as 'preferred banker' for all its banking-related services, while as, J&K Bank will give the 'most favoured client' status to Ladakh UT Administration and its active permanent employees who maintain their salary accounts with the Bank.

Rehabilitation Policy for Children in Street Situation (CiSS):

The Jammu and Kashmir Administrative Council which met under the chairmanship of Lieutenant Governor Manoj Sinha, has recently approved the Rehabilitation Policy for Children in Street Situation (CiSS) to safeguard them from different hazards

149. Credit bureau **TransUnion CIBIL**, in collaboration with **Online PSB Loans** and **Small Industries Development Bank of India (SIDBI)**, has launched the '**FIT Rank**', a comprehensive ranking system for the **Micro, Small & Medium Enterprises (MSMEs)**.

- The 'FIT Rank' will rate over 6 crore MSMEs by drawing inputs from their current accounts, income tax returns and also Goods and Service Tax (GST) returns to arrive at a score between 1-10 to rate a borrower after taking consent to draw the relevant data.
- This ranking model uses machine learning algorithms to predict the probability of an MSME becoming a non-performing asset (NPA) in the next 12 months.
- FIT Rank provides a ranking for the MSME, based on its financial, income, and trade data on a scale of 1 to 10, FIT Rank 1 being for the least risky MSME and FIT Rank 10 being for the most at-risk MSME.
- Each FIT rank corresponds to a Probability of Default (PD).
- The lower the FIT Rank, the lower the perceived risk of default associated with the MSME.

Using FIT Rank, SIDBI has launched a new **Express loan Product** for MSMEs to provide loans up to **Rs.50 lakh** for the purchase of machinery and roof top solar through straight through processes.

150. As per the 1Lattice (previously PGA Labs) data, **State Bank of India (SBI)**, India's largest public sector bank, and **HDFC Bank**, India's largest private sector bank, have topped the debit card and credit card markets, respectively.

Debit Card segment:

- **SBI** has topped the segment with a whopping 30% share, registering a de-growth of 4%.

- SBI is followed by Bank of Baroda with 10% growth, Bank of India with 4% growth, and Canara Bank with 7% growth.

Credit Card segment:

- **HDFC Bank** has topped the segment with 21% share, registering a growth of 9%.
- HDFC Bank is followed by SBI Cards with 19% share, ICICI Bank with 17% share, and Axis Bank with 11% share.

- 151. Bandhan Bank** has signed a Memorandum of Understanding (MoU) with the **Controller General of Defence Accounts (CGDA)** to be a part of the Central Government's Outreach Programme for Defence Pensioners on System for Pension Administration Raksha (**SPARSH**) by providing a one-stop solution to all pension related activities of defence pensioners.
- 152. Wipro Limited**, a leading technology services and consulting company, has signed a multi-year partnership with fintech firm **Finastra** for the digital transformation of corporate banks in the **Middle East**. This partnership will make Wipro the exclusive implementation and go-to-market partner to deploy Finastra's trade finance solutions in the region.
- 153. Indian Bank** has recently launched a new Special Retail Term Deposit Product named "**IND SHAKTI 555 DAYS**", which has a minimum amount of Rs.5000 and it has a 555 days term with an interest rate of **7.00%** for the general public and **7.15%** for senior citizens.
- 154. The SWAMIH Investment Fund I**, which invests in stressed residential projects, has received approximately **Rs.5000 crore** investment from the Government of India (GoI), bringing the fund's ultimate value to Rs.15, 530 crore. This is among the largest capital raised by any fund in India in recent years.

The fund has already achieved construction completion of 19,500 homes and is on track to deliver about 20,000 homes every year for the next 3 years.

SWAMIH Investment Fund I:

- It is set up under the Special Window for Affordable and Mid-Income Housing (SWAMIH).
- It is India's largest social impact fund that aims to provide priority debt financing for the completion of stressed, brownfield and Real Estate (Regulation and Development) Act (RERA) registered residential projects.
- It is a **category II** Alternative Investment Fund (AIF) which was announced by finance minister Nirmala Sitharaman in September 2019, and approved by the Cabinet in November 2019.
- The fund is sponsored by the **Union Ministry of Finance**, and is managed by **SBICap Ventures Ltd.**, a State Bank Group company.

- The State Bank of India (SBI) is one of the anchor investors of the fund along with Life Insurance Corporation of India (LIC). Other investors include HDFC Ltd and major nationalised banks.

155. ASK Capital Management Private Limited (ASK Capital) has received approval from the **Central Bank of Ireland** to launch an India-based fund namely 'ASK Indian Entrepreneur Fund' through the **UCITS (Undertakings for Collective Investment in Transferable Securities)** route.

- With this, ASK Capital aims to raise **USD 500 million** over the next 3 years from global investors.
- ASK is the fourth asset or wealth management firm in India to receive approval for an UCITS fund. Kotak AMC, Whiteoak Capital and UTI AMC already have such funds.
- The UCITS vehicle ASK Indian Entrepreneur Fund will be modeled on ASK's flagship portfolio management services (PMS), ASK Indian Entrepreneur Portfolio.

UCITS is a regulatory framework of the European Commission for management and sale of mutual funds.

156. RBL Bank, in collaboration with **Paisabazaar.com**, has launched a new co-created credit card named '**Duet**'.

- Duet is a lifetime free credit card from RBL Bank, with easy to understand direct cashback benefits.
- The card provides a flat 1% cashback on all online and offline spends with no upper limit.
- It will be part of Paisabazaar's neo-lending product suite.
- Duet will replace Paisa On Demand (PoD) credit card on Paisabazaar.

157. IndusInd Bank has signed a co-lending agreement with Non-Banking Financial Company (NBFC), **SV CreditLine Limited (SVCL)** for Rs.500 crore loan exclusively to women borrowers. The agreement will help rural women access to affordable loans.

158. The National Investment and Infrastructure Fund (NIIF) has partnered with **GMR Airports (GAL)**, the airport business holding entity and a subsidiary of GMR Airports Infrastructure, to invest in the equity capital of **three airport** projects.

- The three airports include the Greenfield international airports at **Mopa**, Goa and **Bhogapuram**, Andhra Pradesh.
- NIIF will make a primary investment of **Rs.631 crore** in the form of Compulsory Convertible Debenture (CCD) in GMR Goa International Airport (GGIAL), a special purpose vehicle to run and operate the New Goa Airport.
- This is NIIF's **first** investment in an airport asset and also its first direct investment in the state of Goa.

159. IDFC FIRST Bank has joined hands with the **NASSCOM** Centre of Excellence (**COE**) to grow the innovation ecosystem through an exclusive range of banking solutions.

A Memorandum of Understanding (MoU) has been signed between IDFC FIRST Bank and NASSCOM COE for appointing the Bank as a Preferred Banking Partner for startups, at an event in Bangalore, Karnataka.

160. The **Small Industries Development Bank of India (SIDBI)** has signed a Memorandum of Understanding (MoU) with the Small and Medium Enterprises General Authority of the **Kingdom of Saudi Arabia** (Monsha'at) to develop Micro, Small, and Medium Enterprises (MSMEs) and their ecosystem, in both the countries.

Under this MoU, both sides will explore and collaborate on matters of common interest.

161. The **Asian Development Bank (ADB)** and the **Government of India (GoI)** have signed a **USD 3 million** project readiness financing (PRF) facility to assist preparatory operations for designing the "**Agartala Municipal Infrastructure Development Project**", which aims to strengthen municipal infrastructure in priority areas of Agartala, Tripura.

Kutumb:

IIFL Home Finance (IIFL HFL) and **ADB** have recently organised the '**Kutumb**' event in Delhi to discuss scope around green affordable housing in India. The 'Kutumb' has been launched with an event titled 'Green Affordable Housing Ecosystem' in Delhi.

162. The **World Bank** in its latest 'India Development Update-Navigating the Storm' has increased its GDP growth for India during **FY23** to **6.9%** from 6.5% in its October 2022 update. This is the first upgrade of India's growth forecast by any multilateral agency in FY23.

- However, India's real GDP growth at constant market prices will be slower at 6% in the FY23-24 as compared to 7% projected earlier.
- India's real GDP growth at constant factor prices will be 4% in FY2023-24.

Other agencies forecast:

The **Fitch Ratings** has retained its **FY23** GDP forecast for India at **7 percent**. It expects lower growth in India at **6.2 percent** in **FY24** and **6.9 percent** in **FY25**, compared with earlier forecasts of 6.7 per cent and 7.1 percent respectively.

163. The **Federal Reserve Bank of New York (New York Fed)** has appointed Indian-origin **Sushmita Shukla** as its First Vice President, and Chief Operating Officer (COO) with effect from March 2023. The appointment has been approved by the Board of Governors of the Federal Reserve System.

- She will be the second ranking officer, only behind President and CEO, John C Williams.
- She will establish, communicate, and execute the strategic direction of the organisation.
- She will also serve as an alternate voting member of the Federal Open Market Committee.

164. The **Asian Development Bank (ADB)** has approved a loan of **USD 780 million** to build new lines for **Chennai's metro rail** and improve the network's connectivity with bus and feeder services.

ADB will also provide an additional **USD 1 million** technical assistance (TA) grant to help the Chennai Metro Rail with the planning and management of the metro system's multimodal integration.

- The project will construct **10.1 km** of an elevated section between Sholinganallur to State Industries Promotion Corporation, including nine metro stations and system components; 10 km of the underground section between Lighthouse and Meenakshi College including 9 stations; and 31 km of system components, such as electrical, mechanical, power, and telecommunication infrastructure, between Chennai Mofussil Bus Terminus to Okkiyam Thoraipakkam.
- The stations will be disaster- and climate-resilient and responsive to the needs of the elderly, women, children, and the differently abled.

Other approvals by ADB:

- ADB has also approved a **USD 300 million** loan to upgrade more than 300 kilometres of state highways and major district roads in **Assam**, including six road sections in the state's western, central, and southern regions.
- ADB has approved a **USD 250 million** policy-based loan to support the Government of India's wide-ranging reforms that aim to strengthen and modernize the country's logistics infrastructure, improve efficiency, and lower the cost in the logistics sector. The loan will finance the first subprogram of the **Strengthening Multimodal and Integrated Logistics Ecosystem Program**.

165. The Asian Development Bank (ADB) in its **Asian Development Outlook (ADO) 2022 Supplement: Global Gloom Dims Asian Prospects** has lowered developing Asia's economic growth to **4.2%** in 2022 from 4.3% forecasted in September 2022. For 2023 also it is declined to **4.6%** from 4.9% projected in September 2022.

ADB has lowered its forecast for inflation in the developing Asia and the Pacific to 4.4% from 4.5% in 2022, and it will be at 4.2% in 2023 from 4%.

ADB has maintained the Gross Domestic Product (GDP) growth projections for India at **7%** in 2022 and **7.2%** in 2023.

India's inflation rates are forecasted at 6.7% in 2022 and 5.8% in 2023.

166. HDFC Bank has inked a pact with integrated full-stack agriculture technology solutions provider Lawrencedale Agro Processing India (**LEAF**) to support the farming community in three southern states.

- Under this MoU, the lender will extend its specialised services and facilities to farmers, agri-producers and other rural communities.
- The lender will work with LEAF Farmers Network in the operational areas under LEAF in Andhra Pradesh, Karnataka and Tamil Nadu.

Additional Information:

Recently, HDFC Bank has acquired a **7.75% stake** in fintech start-up **Mintoak Innovations** for a total cash consideration of **Rs.31.14 crore**.

167. The Pension Fund Regulatory and Development Authority (PFRDA) has launched "**NPS Prosperity Planner**" (**NPP**) which is a personalized calculator for subscribers to calculate their retirement Income (Annuity) as per the annuity options based on their existing contribution under NPS.

- NPP provides the tool for higher Retirement Income through Accelerated Contribution plan in the residual period until retirement duly considering inflation and the projected cost of living expenses.
- This initiative is a part of Azadi Ka Amrit Mahotsav (AKAM).

The New Pension Scheme (NPS), which is governed by the PFRDA, is a voluntary structured contribution pension scheme that offers old age income, long-term market returns, and old age security coverage to all residents. NPS provides low-cost retirement planning options to Indian residents.

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168. HDFC Bank, in partnership with the Government of India's flagship initiative '**Startup India**', has launched the **6th 'Parivartan Smartup Grants'**, the annual grants program for social startups.

- The program aims to identify startups working in the social impact space and support them through monetary grants to their incubators.
- The grants have been offered under the aegis of Parivartan, the umbrella name for the bank's social initiatives.
- In 2022, the HDFC bank will also focus on building capacities of incubators and startups working in tier-II & III cities.

169. The **National Investment and Infrastructure Fund Limited (NIIFL)** has collaborated with **Tamil Nadu Infrastructure Development Board (TNIDB)** to help attract commercial capital into infrastructure opportunities in the state.

Currently, 7 projects are identified across departments which have the potential to attract private investments of approximately Rs. 5,000 to 6,000 crores.

170. PNB Housing Finance (HFC) has introduced a low-cost home loan programme named '**Roshni**' to enable individuals from Tier 1 & Tier 2 cities to apply for loan ranging from Rs. 5 lakh to Rs. 30 lakh.

This is in line with PNB Housing Finance's long-term goal of enabling and assisting an individual's desire to purchase a home.

171. PayMate India Limited, a leading Business to Business (B2B) payments and service provider, has received 'in-principle' authorisation from the Reserve Bank of India (RBI) to operate as a **Payment Aggregator (PA)**. This will enable PayMate to facilitate payments for merchants and businesses.

172. The Securities and Exchange Board of India (SEBI) has issued a framework in terms of Regulation 10 (a) of **SEBI (Alternative Investment Funds) Regulations, 2012**, enabling Alternative Investment Funds (AIFs) in India to raise money from **Foreign Portfolio Investors (FPIs)** by issuing units, with immediate effect, by ensuring the following:

- The foreign investor is a resident of a country whose securities market regulator is a signatory to the International Organization of Securities Commission's (IOSCO) Multilateral Memorandum of Understanding (MoU) or a signatory to a bilateral MoU with SEBI.
- The investors contributing 25 percent or more in the corpus should not be a person:
 - a) Named in the Sanctions List notified by the United Nations Security Council (UNSC).
 - b) Resident in a country identified in the public statement of the Financial Action Task Force (FATF).
 - c) Resident country that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with FATF to address such deficiencies.

In case an investor who has been on-boarded to a scheme of an AIF subsequently does not meet the specified conditions, the manager of the AIF will not drawdown any further capital contribution from such investor for making investment, until the investor again meets the conditions.

173. The stock exchanges, **BSE Limited (BSE)** and **National Stock Exchange of India Limited (NSE)**, have granted their in-principle approval for the transfer of **Non-Convertible**

Debentures (NCD) issued by HDFC Limited to **HDFC Bank**, in terms of Regulation 59 of the Listing Regulations, subject to sanctioning of the Scheme by the National Company Law Tribunal (NCLT).

174. The Government of India (GoI) has recently repaid the sum of **Rs.1,109 crore** to Asian Development Bank (**ADB**) and **Rs.29 crore** to German state-owned lender **KfW** to fulfill guarantees offered to **Infrastructure Leasing & Financial Services (IL&FS)**.

175. The Securities & Exchange Board of India (SEBI) has restructured its advisory committees pertaining to Foreign Portfolio Investors (FPIs) and social stock exchange.

FPI Advisory Committee:

- Former finance secretary **Hasmukh Adhia** will now chair the **16-member** panel. It was earlier headed by K V Subramanian, former Chief Economic Adviser to the Government of India.
- Chew Hai Jong, Managing Director at GIC, and Michael Drumgoole, Managing Director - Direct Custody and Clearing at JPMorgan, are the new inductees.
- The committee has been entrusted with the task of advising the capital markets regulator on measures to facilitate ease of doing business by FPIs in India as well as encourage their participation in the bond market.

Social stock exchange Committee:

- The **18-member** committee will now be headed by **R Balasubramaniam**, chairman of Grassroots Research and Advocacy Movement (GRAAM). It was earlier chaired by Ishaat Hussain (Director at SBI Foundation and former Finance Director at Tata Sons).
- **Other appointments:** Anil Kumar SG, Founder & CEO, Samunnati Financial Intermediation & Services; Santosh Jayaraman Global Head- Sustainability, HCL Tech; Pushpa Aman Singh, Founder and CEO of GuideStar India; and Hemant Gupta, Managing Director at BIL Ryerson Technology Startup Incubator Foundation.
- The panel is responsible for advising SEBI on the issues pertaining to regulatory framework for social enterprises, suggests the regulator on the matters to be taken up for changes in legal framework for simplification and transparency in systems governing such social enterprises.

176. **Yes Bank** has collaborated with **TurtleFin**, India's leading insurtech platform, to build '**EasyNsure**', a first-of-its-kind comprehensive technology platform, which will bring multiple insurance partners onto a common platform. This platform will allow business tracking across bank hierarchy, simplifying revenue reconciliation.

177. **SBM Bank India**, a subsidiary of State Bank of Mauritius, has tied up with **Open Financial Technologies** to launch Asia's first end-to-end Embedded Finance platform named '**Zwitch**'.

The Zwitch will offer a no-code, low-code, and full-stack Application Programming Interface (API) solution that enables fintechs to build their own financial products using Zwitch's technology stack, which comprises drag-drop dashboard, low-code plugins along with 300+ APIs.

Zwitch is built and operated by Open Financial Technologies Private Limited.

178. The Securities & Exchange Board of India (SEBI) has increased the **investment limit of mutual funds (MFs)** in debt instruments issued by a single issuer to **12%** of the Net Asset Value (NAV) from 10% on all new schemes.

Existing schemes will be exempt until the underlying debt and money market instruments held by these schemes mature.

The single-issuer instruments include money market securities and non-money market securities re-rated investment grade by a credit rating agency.

Other guidelines by SEBI:

SEBI has recently reduced the timeline for listing of debt securities issued on a private placement basis to **T+3 days** from the current timeline of T+4 days. The new guidelines will come into effect from January 1, 2023.

179. Germany has introduced a proposal to provide **1 billion Euro** (Rs.8440 crore) for energy transition projects across India under a bilateral partnership for green and sustainable development.

- Both nations agreed on the funding for more than 20 development projects over the next year.
- The funding, including **10% grants** and **90%** in the form of lines of credit, will support India's efforts in the fields of renewable energy, sustainable urban development in smart cities and sustainable use of natural resources.
- The lines of credit will be provided by **KfW Development Bank** with "very cheap interest" ranging from 2.7% to 3.2% for development projects in states such as Tamil Nadu and Meghalaya.

Note: Germany will support India with 10 billion Euro by 2030 under the umbrella of the new Indo-German partnership for green and sustainable development. The funding of 1 billion Euro for the projects in India is part of this pledge.

180. Fino Payments Bank has tied up with **Protean eGov Technologies** (formerly NSDL e-Governance Infrastructure Limited), a market leader in universal, citizen centric and population scale e-governance solutions, to expand Permanent Account Number (PAN) card issuance services in India, especially in rural areas.

This association makes Fino the first payments bank to act as PAN Service Agency (PSA) of Protean and facilitate paperless PAN issuance services.

181. The Securities & Exchange Board of India (SEBI) has approved the acquisition of **IDFC Asset Management Company (AMC)** by a consortium comprising Bandhan Financial Holdings Limited (BFHL), GIC (GIC), and ChrysCapital (CC).

- After the completion of the proposed transition, BFHL will own approximately 60% and GIC & CC will own approximately 20% each in IDFC AMC.
- IDFC AMC is proposed to be renamed as **Bandhan Asset Management Company Limited** and IDFC Mutual Fund (MF) is proposed to be renamed as **Bandhan Mutual Fund**, with BFHL becoming the Sponsor of the Mutual Fund.

182. Tata Play, formerly known as Tata Sky, has become the first company to file a confidential Draft Red Herring Prospectus (DRHP) with the Securities & Exchange Board of India (SEBI) for its Initial Public Offering (IPO). This will be the Tata Group's 1st IPO in 2 decades. The group last entered the primary market through TCS in 2004.

The Tata Group direct-to-home (DTH) platform is looking to raise Rs.2000-2500 crore to give part or full exit to partners such as the Walt Disney Company.

183. BookMyForex has launched the '**Interbank Rate Multi-Currency Forex Card**', India's first true zero markup travel card, in association with **M2P Fintech**, and **Yes Bank**. It is a co-branded multi-currency card powered by **Visa**.

The card can be loaded with 14 different currencies, and the exchange rates on forex cards remain fixed.

184. IIFL Mutual Fund has launched **India's first Passive Tax Saver Fund**, *IIFL Equity-Linked Savings Scheme (ELSS) Nifty 50 Tax Saver Index Fund (IN50)*, which will be on sale through New Fund Offering (NFO).

- **Parijat Garg** is the dedicated Fund Manager for the IIFL ELSS Nifty 50 Tax Saver Index Fund.
- It is an open-ended passive equity-linked savings scheme that replicates or tracks the Nifty 50 index and has a statutory lock-in period of three years and the fund will provide both a tax benefit and create wealth.

185. ICICI Bank has launched a **STACK** for companies in the **real estate sector** to offer solutions to their banking requirements on one platform. With this, ICICI Bank has become the **first bank** to offer real-estate specific STACK to provide unparalleled convenience to the companies in the real-estate sector.

- The STACK is a combination of digital and physical solutions that enables participants of the real estate sector namely builders, Real Estate Investment Trusts (REITs) and Alternate Investment Funds (AIFs) to undertake banking transactions expeditiously.
- This initiative is an extension of the 'ICICI STACK for Corporates' which was launched in 2021 to provide a customised set of banking solutions for corporates and their entire ecosystem.

186. Bank of Baroda (BoB) has launched a **Foreign Currency Loan against INR Deposits** of Indian Companies for their Overseas Subsidiaries/ Joint Ventures (VS) in Gujarat International Finance Tec-City (GIFT City) branch in Gandhinagar, Gujarat.

- BoB is the **first bank** to offer this facility at GIFT City.
- It provides an alternative facility for the Indian companies to raise funds for their international businesses.

Note: Bank of Baroda's IFSC Banking Unit (IBU) is the first and only bank to provide transaction-based Internet Banking facility in three major foreign currencies i.e. US Dollar, Euro and British Pound Sterling to cater to the needs of its retail and corporate customers.

187. The Asian Development Bank (ADB) and ABIS Exports India Private Limited (ABIS) have entered into an agreement to subscribe to non-convertible debentures for **USD 16 million**, to enhance food security in India by supporting the construction of a micro fish feed plant and by training up to 6,000 farmers in climate-resilient fish farming practices as well as financial literacy.

The specialized micro fish feed is a new product in the Indian market and is smaller in size than standard feed, making it suitable for more species of fish.

188. Canara Bank has won the "**Banker's Bank of the Year Award 2022**" for the Indian segment of the Global Banking Summit. The summit has been held in London, UK. The lender has been adjudged as the '**Best Bank in India for 2022**'.

The Bankers' Bank of the Year Award is considered to be like Oscar award for the banking sector and the winners are judged on their ability to deliver returns, strategy, innovation, technology and product and services in their respective geographies in the last 12 months.

Other Winners:

- **Global:** BBVA has been awarded the Global Bank of the Year 2022.
- **Asia-Pacific:** Standard Chartered Bangladesh (SC Bangladesh) has bagged the 2022 Bank of the Year award.

189. Federal Bank has launched the '**Football Fiesta**' campaign with many prizes lined up to celebrate the FIFA World Cup 2022. As per the campaign, the lender has introduced an Augmented Reality (AR) filter for Instagram.

The lender has also released a visual representation of the bank's musical logo (MOGO), which is based on the Football World Cup.

190. Spice Money Limited, a rural fintech player, has collaborated with **Axis Bank** to facilitate opening of instant, zero balance savings or current accounts for rural citizens through its Adhikari network.

Through this collaboration, Spice Money aims to bridge the rural-urban divide and bring financial inclusivity by providing access to banking products at doorstep.

191. Razorpay, India's Leading Full-Stack Payments and Banking Platform for Businesses, has announced a first-of-its-kind move, in collaboration with **Axis Bank**, to enable merchants to accept **credit card transactions** via Unified Payments Interface (**UPI**) with minimal changes to the existing setup.

- With this, Razorpay has become India's first payment gateway to support Credit Card Transactions on UPI.
- This facility has been enabled for the customers of HDFC Bank, Punjab National Bank, Union Bank of India, and Indian Bank.

At present, UPI enables customers to make transactions through their bank accounts.

192. In its latest **Migration and Development Brief 2022**, **World Bank** has stated that **India** will receive more than **USD 100 billion** in yearly remittances in 2022. This is for the **first** time a single country will receive more than USD 100 billion in yearly remittances.

Key highlights:

- India remains the world's top recipient of remittances.
- The growth of global remittance flows is expected to be **4.9%** in 2022.
- Remittance flows to India will rise 12 percent which is ahead of China, Mexico, and the Philippines.
- Remittances to South Asia grew an estimated 3.5% to USD 163 billion in 2022.
- Remittances flows to Europe and Central Asia are estimated to have increased by 10.3% to USD 72 billion in 2022.
- Remittances to low- and middle-income countries (LMICs) are increased by an estimated 5% to USD 626 billion which is lower than the 10.2% increase in 2021.
- The World Bank's Groundswell report estimated that internal climate migration may reach up to 216 million people by 2050 due to slow-onset climate impacts.

193. The National Payments Corporation of India (NPCI) has extended the deadline for limiting the volume cap to **30%** for Third-Party Payment Application Providers (TPAP) in **Unified Payments Interface (UPI)** by two years till **31st December 2024**. At present, there is no volume cap.

194. NSE Indices Limited, a subsidiary of the National Stock Exchange (NSE), has launched a new index '**Nifty Bharat Bond Index, April 2033**' under the Nifty Bharat Bond Index within the Nifty Bharat Bond Index series.

- The new tranche of the Bharat Bond ETF, India's first corporate bond exchange traded fund (ETF), has been launched for New Fund Offer (NFO) of the ETF, which will open from 2nd to 8th December 2022.
- This new Bharat Bond ETF and Bharat Bond Fund of Fund (FOF) series will mature on 18th April 2033.

The Bharat Bond Index series follows a target maturity date structure wherein each index in the series measures the performance of a portfolio of 'AAA' rated bonds issued by government owned entities maturing in a specific year.

195. South Indian Bank has launched a foreign outward remittance service through mobile banking. The lender has enabled '**Remit Money Abroad**' through Mobile Banking on the Outward remittances front, ensuring savings on time, convenience and safety.

- 'Remit Money Abroad' facilitates Foreign Outward Remittance through the bank's "**SIB Mirror+**" mobile banking application for its Non-Resident External (NRE) and Resident Savings Bank Account customers.
- The service is also available on its Internet banking platform '**SIBERNET**'.
- With this facility, foreign currency transfers can be made by customers without visiting a bank branch.

196. The **National Payments Corporation of India (NPCI)** has tied up with **Zaggle**, a Software as a Service (SaaS) FinTech company, to issue contactless credit cards on the RuPay network. Zaggle and NPCI along with partner banks will use this platform to launch multiple credit cards to address the ever-growing demand of corporates, SMEs, and consumers.

197. Bank of Baroda (BoB) in partnership with **Visa**, the global leader in digital payments, has launched two new premium Debit Cards for its High Networth Individual (HNI) customers:

- a) **BoB World Opulence** - a super-premium Visa Infinite Debit Card (Metal Edition)
- b) **BoB World Sapphire** - a Visa Signature Debit Card

- The BoB World Sapphire card will come in two sub variants – bob World Sapphire (Male) and bob World Sapphire (Female), offering customised privileges to customers.
- The BoB World Opulence debit card offers lavish privileges and benefits with a distinctive card design.

The debit cards have been unveiled by Indian Badminton player **PV Sindhu** who is BOB's brand endorser.

Other initiatives launched by BoB:

Bank of Baroda (BoB) has launched "**Baroda Tiranga Plus Deposit Scheme**", with higher standard interest rates of up to 7.50% p.a. for 399 days with effect from 1st November 2022, which includes 0.50% p.a. for senior citizens and 0.25% for non-callable deposits.

198. The Securities and Exchange Board of India (SEBI) has issued guidelines to standardize the usage of rating scales used by Credit Rating Agencies (CRAs). The guidelines will come into effect on 1st January 2023.

Credit Rating Agency (CRA):

CRA is a company that assigns credit ratings, which rate a debtor's ability to pay back debt by making timely interest payments and likelihood of default. Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999 empowers SEBI to regulate CRAs operating in India.

Key guidelines:

- Rating Symbols (AAA, AA, A, BBB, BB, B, C and D) should have CRAs first name as prefix.
- CRAs can use modifiers (+ or -) to reflect the comparative standing within the categories of AA to C.
- Standard descriptors to be used for an issuer or security are placed on **Rating Watch**. This will include Rating Watch with positive implications, Rating Watch with developing implications, and Rating Watch with negative implications.
- **Stable, Positive, and Negative** are the standard descriptors to be used an issuer or security placed on **Rating Outlook**.
- Issuers with a rating of AAA are considered to have the **highest** degree of safety pertaining to timely servicing of debt obligations.
- Issuers with 'AA' and 'A' rating symbols are considered to have high and adequate degree of safety.
- Issuers with BBB rating are considered to have moderate degree of safety regarding timely servicing of debt obligations.
- Issuers with BB, B and C ratings are considered to have 'moderate', 'high', 'very high' risk of default, respectively pertaining to timely servicing of debt obligations and issuers with D rating are in default or are expected to be in default soon.

'**Rating outlook**' indicates CRA's view on the expected direction of the rating movement in the near to medium term, whereas a '**Rating watch**' indicates a CRA's view on the expected direction of the rating movement in the short term.

199. EXIM Bank of India has released a report titled '**Reinvigorating India's Economic Engagement with Southern Africa**' at the event "CII-Exim Bank Regional Conclave on India-Southern Africa Growth Partnership" held in Johannesburg.

Key findings:

- India has emerged as the top defence exporter to Africa.
- Mauritius, Mozambique and Seychelles are the top importers of Made-in-India arms between 2017 and 2021.
- Within Africa, Mauritius accounted for 6.6 percent of defence exports from India in 2017-2021. Mozambique accounted for 5 percent and Seychelles accounted for 2.3 percent of defence exports.
- The report highlighted the important role played by India and 9 Indian Ocean littoral countries (IOLC) in Africa in enhancing maritime security in the Indian Ocean Region (IOR). The 9 IOLC are Comoros, Kenya, Madagascar, Mauritius, Mozambique, Seychelles, Somalia, South Africa, and Tanzania.
- The report recommended accelerating India's defence export target of 5 billion USD by 2025.

200. Aditya Birla Sun Life AMC has recently launched '**Sahyog**', a first-of-its-kind initiative for empowering support staff and their families. The initiative helps an employer to start a systematic investment plan in mutual funds on behalf of the domestic help to achieve their goal.

Other partnership:

Aditya Birla Sun Life Insurance has partnered with **Karza Technologies**, a part of Perfios Software Solutions Pvt. Ltd., and a few other technology vendors to launch end to end onboarding solutions to purchase insurance products on WhatsApp platform.

201. Bank of India (BoI) has launched a special fixed deposit scheme named '**Star Super Triple Seven Fixed Deposit**' which will offer 7.25 per cent rate of interest (7.75 percent for senior citizens) on a deposit for 777 days. This is a limited period offer by the bank.

202. India Post Payments Bank (IPPB) has conducted India's First Floating Financial Literacy Camp with an initiative called '**Niveshak Didi**' around the Dal Lake of **Srinagar, Jammu & Kashmir**.

- Niveshak Didi, a female dakiya, was launched by IPPB in collaboration with Investor Education and Protection Fund Authority (IEPFA) under the aegis of the Ministry of Corporate Affairs (MCA).
- The aim is to promote Financial Literacy “By the women, for the women” concept.
- The initiative is based on the ideology of women for women as rural area women feel more comfortable to share their queries with a female itself.

203. The **Asian Development Bank (ADB)** will fund the farm efficiency initiative of **Smartchem Technologies Limited (STL)**, a wholly-owned subsidiary of Deepak Fertilisers and Petrochemicals Corporation (DFPCL), through a **USD 30 million** loan facility. The loan facility will be for a tenure of **5 years**.

This is ADB’s first agribusiness ‘**Blue Loan**’ and it is India’s first such blue loan in this sector.

204. Chqbook, a neobank for small business owners, has launched a zero-balance digital current account for small business owners in collaboration with **NSDL Payments Bank**. Small business owners like kiranas, chemists, among others, can open a current account instantly on the Chqbook App. The current account is available in eight languages.

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205. Credit card issuers have seen significant erosion of their card base during the **July-September quarter (Q2FY23)** as the Reserve Bank of India’s (RBI) norms mandated the deactivation of cards that have been inactive for a year.

Losers:

- **HDFC Bank**, the largest credit card issuer in the country, saw a net reduction of 1.62 million credit cards in Q2 of FY23. Its cards-in-force dropped to 16.32 million from almost 18 million in July 2022.
- HDFC Bank is followed by **Axis Bank** which saw a net reduction of over 1.10 million credit cards during this period.
- On the other hand, ICICI Bank lost 409,147 cards during this period (Q2FY23).

Winners

- **SBI Card** gained during Q2FY23 as it saw a net addition of 293,368 cards.
- Kotak Mahindra Bank has seen a net addition of 247,813 cards during this period.
- IDFC First Bank, IndusInd Bank and RBL Bank saw a net addition of 161,443, 108,334 and 92,545 cards, respectively.

- 206. Bain Capital** has sold nearly 16.7 million shares, equalling a **0.5 percent** stake in private sector lender **Axis Bank** for Rs.1,497 crore. The shares were sold at Rs.891.38 apiece for a total of Rs.1,487 crore by BC Asia Investments.
- 207. Unity Small Finance Bank Limited (Unity Bank)** has launched '**Shagun 366**', a 1 year, 1 day fixed deposit, which offers 7.80% p.a. returns for retail customers, while senior citizens will earn 8.30% p.a. for a 366-day tenure. This offer is valid for deposits made before 30th November 2022.
- 208. MUFG Bank** has collaborated with **M1xchange** to facilitate digital invoice financing for the bank's clients. This collaboration allows MUFG Bank to leverage the digital ecosystem established by M1xchange, thereby enhancing the efficiency of its client services.
- 209. The Asian Development Bank (ADB)**, a multilateral funding agency, has approved a **USD 350 million loan** to improve the road connectivity of key economic areas in **Maharashtra**.
- The project will upgrade at least 319 kilometres (km) of state highways and 149 km of district roads, incorporating climate and disaster-resilient features.
 - It will also construct 5 km of major district roads connecting Nanded and Telangana.
 - The roads will be built under the Maharashtra State Road Improvement Project approved by ADB in April 2020 to upgrade state highways and major district roads.
 - The Connecting Economic Clusters for Inclusive Growth in Maharashtra project will further develop the core road network in the Ahmednagar, Hingoli, Jalna, Kohalpur, Nagpur, Nanded, Nashik, Pune, Sangli and Satara districts.
- 210. As per the latest data from the Association of Mutual Funds in India (AMFI), Maharashtra, New Delhi, and Goa** have the highest **mutual fund penetration** in India, due to high income levels, better literacy rates and strong inflows from corporates and high net worth individuals (HNIs).

Mutual fund penetration is only 5- 6 percent in Kerala and Telangana, while Jharkhand is among the top 10 states with MF penetration of 13 percent.

Kerala, Andhra Pradesh, and Telangana have the lowest penetration rates among large states.

Rank	State	Penetration	Per capita Average Assets Under Management (AAUM)	Share of Equity Schemes in AAUM
1	Maharashtra	60	Rs.1,36,280	36%
2	New Delhi	42	Rs.1,66,860	47%
3	Goa	28	Rs.1,47,410	73%
4	Haryana	21	Rs.54,970	40%

5	Gujarat	17	Rs.41,720	63%
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211. The **Asian Infrastructure Investment Bank (AIIB)** has partnered with the **Global Energy Alliance for People and Planet (GEAPP)** to mobilize up to **USD 1 billion** for the financing of green energy transition and renewable energy projects, in both the public and private sectors. Through this partnership, both AIIB and GEAPP will address the energy transition challenges in Asia and across the world.

212. Union Finance Minister Nirmala Sitharaman has approved **India's first Sovereign Green Bonds framework**. This approval will strengthen India's commitment towards its Nationally Determined Contribution (NDC) targets, adopted under the Paris Agreement. It will help in attracting global and domestic investments in eligible green projects.

Key highlights of the framework:

- Eligible projects under the framework include: Renewable energy, clean transportation, water and waste management, green building etc.
- It excludes, nuclear power generation, landfill projects, direct waste incineration, hydropower plants larger than 25 MW, etc.
- The proceeds generated from the issuance of such bonds will be deposited to the **Consolidated Fund of India (CFI)** and will be deployed in Public Sector projects which help in reducing carbon intensity of the economy.
- **Public Debt Management Cell (PDMC)** will keep a track of proceeds, and monitor the allocation of funds towards eligible green expenditures.

Green Finance Working Committee (GFWC):

- As per the provisions of the framework, the Green Finance Working Committee (GFWC) has been constituted with representation from relevant Ministries.
- The aim is to validate key decisions on issuance of Sovereign Green Bonds.
- It will be chaired by **Chief Economic Adviser (CEA)**, Government of India. The current CEA is **V. Anantha Nageswaran**.
- The committee will meet at least **twice** a year to support Ministry of Finance with selection and evaluation of projects.
- The committee will review the allocation of the proceeds in a time-bound manner to ensure that the allocation of proceeds is completed within 24 months from the date of issuance.

In the Union Budget FY 2022-23, Finance Minister announced that Sovereign Green Bonds will be issued for mobilising resources for green projects.

Green bonds:

Green bonds are financial instruments. They generate proceeds for investment in environmentally sustainable and climate-suitable projects.

213. The **National Investment and Infrastructure Fund Limited (NIIFL)** has collaborated with **Japan Bank for International Cooperation (JBIC)** to promote and enhance Japanese investments in India.

Under this collaboration, NIIFL and JBIC will establish a bilateral **India-Japan Fund (IJF)**, for making equity investments in environmental preservation and low carbon emission strategies.

214. Ministry of Rural Development (MoRD) has signed a Memorandum of Understanding (MoU) with Gurugram-based **Veddis Foundation** to support setting up of effective **governance systems** under the Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM).

- The MoU with MoRD and Veddis Foundation is for three years and is non-financial in nature.
- The MoU will also strengthen the state capacities, establish innovative models and implement the national strategy for Panchayati Raj Institutions (PRI) and SHG convergence.
- As per the MoU, Veddis Foundation will set up a PMU in the Rural Livelihoods (RL) Division of the Ministry of Rural Development for the next five years.

Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM):

- It was launched by the Ministry of Rural Development in June 2011.
- It is the flagship program of the Government of India towards creating institutional platforms for the rural poor, mainly women, enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services in addition to increased access to rights, entitlements, and public services.
- With an annual budget outlay of over Rs. 13,000 crores, the program is spread across 7.15 lakh villages in 723 districts of 34 States and Union Territories, and has brought more than 8.6 crore rural households under its fold.

215. Union Minister for Labour and Employment Bhupender Yadav has recently launched an online **Maternal Benefits Claim portal** of Employee's State Insurance Corporation (**ESIC**) for insured women in New Delhi.

The portal has been launched on the occasion of the **102nd** birth anniversary of **Dattopant Thengadi**, a social reformer and the founder of Bharatiya Mazdoor Sangh, organized by the Dattopant Thengadi National Board for Workers Education & Development (**DTNBWED**). He has also launched an educational video on Digital Literacy prepared by the Board along with the QR code for easy access to the training content of the DTNBWED.

Dattopant Thengadi National Board for Workers Education and Development (DTNBWED):

It is an autonomous body under the Ministry of Labour & Employment, Government of India. It is registered under the Societies Registration Act, 1860. It was established in 1958.

- **Chairman:** Virjesh Upadhyay

216. Government-backed **Self Reliant India Fund (SRIF)** has committed more than **Rs.5,000 crore** to help small businesses with growth capital in its first year of operations. The Fund has so far committed more than Rs.5,000 crore to 38 daughter funds for investment in MSMEs.

SRI Fund:

- It is **Rs.10,000 crore** fund launched by the Indian Government in October 2021.
- It is a SEBI-registered **category-II Alternative Investment Fund (AIF)** that the Indian government set up to make equity investments in micro, small and medium enterprises (MSMEs) with an aim to address the current capital gap and catalyse the flow of capital in the sector.
- It is anchored by **NSIC Venture Capital Fund Limited**, a wholly-owned subsidiary of The National Small Industries Corporation Limited (NSIC).
- It operates through the **mother-fund and daughter-fund (Fund of Funds) structure**. The mother fund is the SEBI fund that invests up to **20 percent** of the overall corpus. The daughter fund (mostly venture capital and private equity funds) raises the rest **80 percent** of the capital from the outside sources.
- The investment by this fund will get leveraged fivefold, making the total value of the investment capital to MSMEs to Rs.50,000 crore.

217. The **Union Bank of India (UBI)** has recently observed its **104th Foundation Day** on 11th November 2022 at MMRDA Ground, BKC, Mumbai, Maharashtra. The lender started its operation on 11th November 1919 and its headquarters at Mumbai was inaugurated by the Father of the Nation, Mahatma Gandhi in 1921.

As part of the occasion, the bank has launched various digital products.

1) Union Vyom app:

It is the super app of the Bank providing a one stop solution for all financial products. The Vyom app is equipped to provide consumers with a unique banking experience where they can transact beyond traditional banking.

2) Union Sparsh:

Touch debit card, specially designed for visually impaired.

3) Union Muskaan:

Zero balance saving account for children of 0-18 years of age, having facility of term insurance, accidental death insurance, SMS banking, NEFT, IMPS at no cost.

4) Union Channel Finance:

A fully automated financing solution for finance to dealers.

5) Union Digi Sahaj:

It is an online account opening platform to open a savings account instantly.

6) Union SARAS:

SARAS stands for *Stressed Asset Recovery Automated Solution*. It offers early resolution and effective management of stressed assets.

218. The Indian Banks' Association (IBA) has released a report on '**EASE Reforms Index for Q1 FY 2022-23**' where EASE stands for '*Enhanced Access & Service Excellence*'.

- As per the report, the **State Bank of India (SBI)** has been named the Best Bank in adopting reforms prescribed for Public Sector Banks (PSBs).
- SBI is followed by the Union Bank of India (UBI) at 2nd position, and Bank of Baroda (BoB) at 3rd position.

The performance of PSBs is measured on five themes under EASE 5.0:

Rank	Digitally Enabled Customer Offerings	Big Data and Analytics	Modern Technology Capabilities	Collaborative Banking	Employee Development & Governance
1	SBI	Canara Bank	UBI	UCO Bank	UBI
2	UBI	BoB	SBI	Central Bank of India	SBI
3	BoB	SBI	PNB	SBI	Bank of Maharashtra

Enhanced Access & Service Excellence (EASE):

It is an initiative by the **Department of Financial Services (DFS)**, Ministry of Finance as part of the PSB Reforms Agenda and is currently under its fifth iteration which focuses on Enhanced Digital experience, Integrated and Inclusive Banking.

219. The Government of India (GoI) has sold its entire **1.55% stake** in **Axis Bank**, held through the Specified Undertaking of the Unit Trust of India (**SUUTI**). It has offloaded 46.5 million shares in the private sector lender at a floor price of Rs.830.63 per share.

The GoI sold 1.95% in Axis Bank in May 2021 to raise about Rs.4,000 crore.

220. **HDFC Mutual Fund** has launched two new exchange-traded funds – **HDFC Nifty IT ETF** and **HDFC Nifty Private Bank ETF** to expand their suite of "HDFC MF Index Solutions", that offers solutions to gain exposure to the growing Information Technology (IT) and Private Bank space.

The objective of the funds is to provide investment returns that correspond to the total returns of the securities before expenses, as represented by the Nifty IT Index and Nifty Private Bank Index, respectively.

- 221.** The National Payments Corporation of India (NPCI) has introduced the **BHIM App open-source license model**, with an aim of achieving 'Digital Payments for All'. The new model will allow the source code of the BHIM app to be licensed to regulated entities participating in the UPI ecosystem.
- 222.** The United States' Department of Treasury has removed **India** from its **Currency Monitoring List** of major trading partners. Along with India, the United States also removed Italy, Mexico, Thailand and Vietnam from the list. India had been on the list for the last two years.

With this, seven economies that are now on the current monitoring list include *Japan, China, Korea, Singapore, Germany, Malaysia and Taiwan.*

Switzerland has exceeded the thresholds of all 3 criteria and it is being labelled as "Currency Manipulator".

This move followed when the US Secretary of the Treasury **Janet Yellen** visited New Delhi and held talks with Finance Minister Nirmala Sitharaman. She has also addressed the US-India Businesses and investment Opportunities event in New Delhi.

Currency Monitoring List:

The US Treasury usually puts a country's name on the list if the said nation has intervened in the currency market by higher levels than 2% of its GDP over a year, and had a current account surplus above a stipulated level. Its net purchases of foreign currency, too, also need to exceed 2% of GDP over one year.

A country that meets two of the three criteria in the Trade Facilitation and Trade Enforcement Act of 2015 gets included in the list. If the country meets all three criteria, it gets termed as 'currency manipulator' by the US Department of Treasury. Once a country appears on the currency monitoring list, it will remain there for at least two consecutive reports to help ensure that any improvement in performance versus the criteria is durable and is not due to temporary factors.

- 223.** The **Securities and Exchange Board of India (SEBI)** has recently introduced a regulatory framework to facilitate providers of **online bond platforms** that are selling listed debt securities. In this regard, SEBI has amended **NCS (Issue and Listing of Non-Convertible Securities) Regulations 2021.**

New rules:

- No one can act as an online bond platform provider without obtaining registration certificate as a stock broker from SEBI.
- Those acting as an online bond platform provider without registration certificate prior to the date of this regulation coming into force can continue to do so for a period of three months.
- People will have to comply with the conditions of registration and such other requirements specified by the regulator from time to time.

SEBI has also amended its **Takeover Code** to facilitate transactions involving change in control of State-owned enterprises. As per the change, acquirers will get flexibility in pricing their open offers for minority shareholders. This means the current requirement of calculating 60 days volume weighted average market price (VWAMP) for determination of open offer price in case of disinvestment of PSU companies has been dispensed with.

224. The **National Payments Corporation of India (NPCI)** has recently declared that **electricity bill payments service** for more than 70 electricity boards has been enabled on **123PAY**. This feature, powered by Bharat Bill Payment System (BBPS), will facilitate a smooth and quick electricity bill payment service through 123PAY for users to instantly make payments directly from their bank accounts.

UPI 123PAY:

It is an instant payment system for feature phone users who can use Unified Payments Interface (UPI) payment service. Through UPI 123PAY, feature phone users can undertake a host of transactions based on four technology alternatives. They include calling an IVR (interactive voice response) number, app functionality in feature phones, missed call-based approach and also proximity sound-based payments.

225. **HDFC Bank** has collaborated with **Arzoo** to launch **Purchase cards** specially designed for offline retailers. The aim is to roll out over 1 lakh such credit cards over the next 12 months. The key feature of this card is that it offers interest-free credit for up to one month and a credit limit of up to **Rs 1 crore**.

226. According to an analysis of the quarterly financial numbers published by Public Sector Banks (PSBs), **Bank of Maharashtra (BoM)** has emerged as the top performer among PSBs in terms of loan growth in percentage terms during the second quarter of 2022-23 (**Q2FY23**). BoM recorded 28.62 percent increase in gross advances at Rs.1,48,216 crore at the end of September 2022.

- BoM is followed by Union Bank of India with 21.54 percent growth to Rs 7,52,469 crore.
- The State Bank of India (SBI) has finished third with 18.15 percent jump in gross advances.

With regard to Retail-Agriculture-MSME (RAM) loans, **BoM** has recorded the highest growth of 22.31 percent followed by Bank of Baroda with 19.53 percent and SBI at 16.51 percent.

With respect to Current Account Savings Account (CASA) deposits, **BoM** has topped the chart with 56.27 percent followed by Canara Bank at 50.99 percent.

For Net Interest Margin (NIM), **BoM and SBI** with 3.55% stood at the top among PSBs.

BoM has 16.71 percent Capital Adequacy Ratio, highest among PSBs, followed by Canara Bank at 16.51 percent and Indian Bank at 16.15 percent.

Note: In the first half of FY23, the cumulative net profit of all PSBs increased by 32 percent to Rs 40,991 crore.

227. ESAF Small Finance Bank (ESAF SFB) has been awarded the “**Best in Class**” rating for the Environment, Social, and Governance (ESG) practices from Mumbai-based CareEdge Ratings.

- ESAF is pivoting against the practice of ‘Greenwashing’ or faking ESG credentials.
- ESAF is the first Indian member bank of the Global Alliance on Banking on Values (GAVB).
- ESAF secured four out of five points for its commitment towards ESG integration.

228. The National Bank for Agriculture and Rural Development (NABARD) has sanctioned **Rs 220.50 crore** to the Government of **Odisha** under Rural Infrastructure Development Fund (RIDF) for the construction of 57 flood protection projects and one bridge at a rural area.

- The projects will help districts including Kendrapara, Bolangir, Kalahandi, Nuapada, Rayagada, Boudh, Nayagarh, Jajpur, Khurda and Sonepur.
- In addition, a box cell bridge will be constructed over Sankha creek in Jagatsinghpur district to prevent intrusion of saline water into the farmlands at Patua and Baghadi, respectively.

229. The State Bank of India (SBI) has recently signed a **150 million euro (Rs 1,240 crore)** loan agreement with **KfW Development Bank, Germany** for funding **solar projects**. The agreement of this long-term loan has been facilitated by SBI Capital Markets, investment banking subsidiary of SBI.

230. The Asian Development Bank (ADB) has signed a **USD 40 million** financing package with GreenCell Express Private Limited (**GEPL**) to develop **255 electric battery-powered buses (e-buses)** in India with a focus on women's safety.

- This e-buses will serve 5 million people a year on 56 intercity routes in India.
- The bus will include security features such as panic buttons connected to command controls for immediate response.

ADB has also approved a **USD 400 million** loan to the Government of **Maharashtra** to bring in 5000 electric buses.

231. Tata Power Solar Systems (TPSSL), a wholly owned subsidiary of Tata Power Renewable Energy (TPREL), has joined hands with **Union Bank of India (UBI)**, to help MSME (Micro, Small and Medium Enterprises) sector switch to solar solutions.

- The objective of this collaboration is to improve access to green energy and save on the cost of electricity.
- The collaboration will be implemented under UBI's solar scheme called 'Union Solar'.

232. The Government of India (GoI) has raised the maximum tenure of the Managing Director (MD) and Chief Executive Officer (CEO) of **Public Sector Banks (PSBs)** to **10 years**, from the previous 5 years, while retaining the superannuation age at 60.

The change in the rule also applies to the whole-time directors of Central Public-Sector Enterprises (CPSEs).

The amendment will be known as the **Nationalised Banks (Management and Miscellaneous Provisions) Amendment Scheme, 2022**.

Key points:

- As per the notification, a whole-time director, including the managing director, shall devote his whole time to the affairs of the nationalised bank.
- His initial term in office must not exceed five years and it may be extended up to a total period, including the initial term, of not more than 10 years, as the central government may, after consultation with the Reserve Bank, specify and shall be eligible for reappointment.
- The GoI has the authority to terminate the term of a whole-time director, including the MD, any time before the expiry of their tenure, by giving them a notice of not less than 3 months in writing, or 3 months' salary and allowances in lieu of the notice.

Previously, the MD or CEO of a PSB was eligible for a maximum tenure of 5 years or until they reach 60, whichever was earlier.

233. Union Minister for Finance & Corporate Affairs **Nirmala Sitharaman** has chaired the **5th** meeting of the Governing Council (GC) of **National Investment and Infrastructure Fund (NIIF)**, in New Delhi.

Highlights of the meeting:

- In a Memorandum of Understanding (MoU), NIIF and Japan Bank for International Development (JBIC) have proposed to establish NIIF's first bilateral fund - the "**India Japan Fund**" - with contributions from the Government of India (GoI).
- The two infrastructures Non-Banking Financial Companies (NBFCs), where NIIF has majority stakes, have increased their combined loan book from Rs. 4,200 crores to Rs. 26,000 crores in 3 years without experiencing any Non-Performing Loans (NPLs).
- The NIIF has been directed to undertake advisory activities proactively to support central and state governments to create a pipeline of investible Public-Private Partnership (PPP) projects.

National Investment and Infrastructure Fund (NIIF):

NIIF is a government-backed entity established to provide **long-term capital** to the country's infrastructure sector. It was established in December 2015 as a Category-II Alternate Investment Fund. The Government of India holds **49% stake** in NIIF with the rest held by foreign and domestic investors.

- **Headquarters:** New Delhi
- **MD & CEO:** Sujoy Bose

234. ICICI Venture, the alternative investment arm of ICICI Bank, has invested **Rs.360 crore**, or around \$44.3 million, in consumer houseware company **Cello World**, marking its first bet from the fifth private equity (PE) fund. This is the first private equity raise by Cello World.

235. Kotak Investment Advisors Limited (KIAL) has secured an anchor investment of **USD 500 million** from a wholly owned subsidiary of the **Abu Dhabi Investment Authority (ADIA)** for its 13th Real Estate (RE) Fund, a \$1 billion platform targeting real estate investments in India. The fund will primarily target investments in residential real estate.

236. Karnataka Bank has recently launched the **CASA (current account savings account) campaign** of **2022-23** for 100 days. Under this campaign starting from *15th November 2022* to *24th March 2023*, the bank intends to open more than 3.65 lakh CASA accounts in all 883 branches across India.

237. The Securities and Exchange Board of India (SEBI) has introduced a new option for appointment and removal of independent directors from the boards of companies. In this regard, SEBI has amended **LODR (Listing Obligations and Disclosure Requirements)** rules.

Under this, the appointment and removal of independent directors could be done by way of two parameters:

- i) Threshold for ordinary resolution
- ii) Threshold for majority of minority shareholders

Currently, the appointment, re-appointment or removal of independent directors is made through a special resolution which needs 75% of 'yes' votes from a company's board.

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238. According to the 'Micro Matters: Macro View - India Microfinance Review FY 2021-22' report by Microfinance Institutions Network (MFIN), Microfinance sector grew by 16.5-times from **Rs.17,264 crore** in March 2012 to **Rs.2,85,441 crore** as of March 2022.

- NBFC-MFIs are the second-largest provider of micro-credit with an outstanding of Rs.1,00,407 crore (35.2 percent). While small finance banks (SFBs) had a total loan amount outstanding of Rs.48,314 crore (16.9 percent).
- As per the report, there are close to 6 crore unique microfinance clients. As of March 2022, about 202 entities are catering to them.
- Banks held the largest share of the portfolio with a total loan outstanding of Rs 1,14,051 crore, which is 40 percent of the total micro-credit universe.

239. Japanese investment major **SoftBank** has sold **4.5%** stake in **One97 Communications Ltd**, the owner of the Paytm payments app, for USD 215 million (Rs.1,631 crore) through an open market transaction.

As of 30 September 2022, SoftBank held a 17.45% stake in Paytm through SVF India Holdings (Cayman).

240. PE fund KKR & Co-backed clean energy platform **Serentica Renewables** has signed a pact with **Greenko Group**, to source **1500MWhr** energy storage capacity through Greenko's pumped storage projects located in India.

Under this pact, Serentica will leverage Greenko's energy storage capacity from its upcoming Off Stream Closed Loop Pumped Storage Projects (OCPSP) at Pinnapuram in Andhra Pradesh and Gandhi Sagar in Madhya Pradesh.

241. ICICI Bank Limited has launched two new products named **Loan Against Deposits (LAD)** and **Dollar Bonds** for its Non-Resident Indians (NRI) customers at its branch in GIFT City, the Gujarat-based emerging global financial and IT services hub.

ICICI Bank is the **first bank** to offer these products in GIFT City.

- The LAD facility is similar to a loan in foreign currency against a deposit in India and includes Non-Resident External (NRE) Fixed Deposits (FD) in rupees. The customers can avail up to 95 percent of the deposit value.
- The Dollar Bonds is an alternative investment option for NRIs, to book dollar bonds through ICICI Bank in GIFT city from among 50 marquee issuers or companies for these bonds.

242. Karnataka Vikas Grameena Bank (KVGB), one of the leading regional rural banks, has received a National Award from Pension Fund Regulatory and Development Authority (PFRDA) for significant enrolment under Atal Pension Yojana (APY).

- KVGB has so far enrolled 3,34,687 (cumulative) accounts to the APY.
- During 2022-23, the bank enrolled 69, 132 accounts, exceeding its target of 50, 320.
- The bank currently has 629 locations in the 9 districts from Vijayapura to Mangaluru.

243. Airtel Payments Bank has launched the **Face Authentication-based Savings Bank account** opening for customers, first-of-its kind in India to ease the process of account opening.

- The new facility will help Business Correspondents (BCs) of the bank to open an account just by undertaking face authentication e-KYC.
- The authentication will be processed through a mobile application developed by the Unique Identification Authority of India (UIDAI).
- This KYC facility uses AI/ML based Face Authentication Registered Device (RD) Application, which helps in the prevention of fraudulent activities by cross-checking individual's photo with the image captured in Aadhaar and allows secure customer onboarding.

244. Federal Bank Limited has launched a deposit scheme for Non-Resident Indians (NRIs) titled '**Deposit Plus**', which offers higher interest rate than the existing Non-Residential External (NRE) fixed deposits. The maximum interest rate offered in Deposit Plus scheme is 7.50% for a tenure of 700 days.

Tie-up with JCB India:

Federal Bank has recently tied up with **JCB India** to finance the prospective buyers of heavy construction equipment and boost its loan portfolio.

245. Billbox, an Indian payments and merchant ecosystem solution provider, has launched a wearable device for contactless payments named '**TapTap**' in association with **NSDL Payments Bank & Visa**. The aim is to simplify payments and offers users convenience.

246. Bank of Baroda (BoB) has tied up with **Aerem Solutions Pvt Ltd (ASPL)** and its subsidiary **Aerem Finance Pvt Ltd (AFPL)** to finance solar rooftop projects for captive use by Micro, Small, and Medium Enterprises (MSME).

This will encourage MSMEs to adopt solar energy, significantly reducing power bills and increasing profitability of the business as well as supporting the development and growth of the renewable energy market in India.

BoB has also opened its **first dedicated mid-corporate branch** in Kochi, Kerala.

247. HDFC Bank Limited has collaborated with **Flywire Corporation**, a global payments enablement, and software company, to enable Indian payers to pay international education fees to higher education institutions all over the world digitally.

This will enhance transparency and digitizes Liberalised Remittance Scheme (LRS) documentation process for payers.

248. Axis Bank has partnered with **Flipkart** to launch the '**Flipkart Axis Bank Super Elite Credit Card**' as an effort to scale the Flipkart's SuperCoins reward program and enhance the customer shopping experience.

- The card will enable Flipkart customers to earn a total of 8 SuperCoins for every Rs.100 spent and a maximum of 200 SuperCoins can be earned on every successful transaction.
- For all other transactions outside of Flipkart, customers will earn two SuperCoins with no upper limit for every Rs.100 spent on all eligible spends.
- The card will charge customers an annual fee of Rs.500 for these benefits, which is waived off on an annual expense of Rs.2 lakhs on the card.

Additional Information:

Recently, **Axis Bank** has launched the seventh edition of '**Evolve**' for MSMEs with the theme of '*Indian SMEs: Shifting Gears for Next Level Growth*' along with sub-themes such as 'Digitalisation to Building Indian SMEs' and 'Export Opportunities for SMEs in the New World Order'.

249. The **Goods and Services Tax Network (GSTN)** has been included in the list of Financial Information Providers (**FIP**) under the **Account Aggregator (AA) framework** to facilitate cash flow-based lending to MSMEs.

- For this purpose, GSTN will be regulated by the **Department of Revenue**, Ministry of Finance.
- The financial information will be Goods and Services Tax (GST) Returns, viz. Form GSTR-1 and Form GSTR-3B.

AA Framework:

AA framework was launched in September 2021. AA's are licensed NBFCs that enable instant exchange of financial data between FIP and Financial Information Users (FIUs). They are responsible for providing services that include the transfer but not storing of a customer's data.

250. **Canara Bank**, in partnership with National E-Governance Services Limited (**NeSL**), has launched an **Electronic Bank Guarantee (e-BG)** on its **117th Foundation Day**, celebrated on 19th November 2022.

- With this launch, Canara Bank now offers an API-based digital workflow of Bank guarantees which will eliminate physical issuance, stamping, verification, and paper based record maintenance of Bank Guarantees.
- This paves way to augment integration of Environmental & Social Governance (ESG) framework into Business.

251. India's first sticker-based debit card named '**FIRSTAP**' has been launched by **IDFC FIRST Bank** in association with the **National Payments Corporation of India (NPCI)** to facilitate transactions by simply tapping the sticker on a near-field communication (NFC)-enabled point-of-sale terminal.

- 252.** The sticker-based debit card is one-third the size of a regular debit card and can also be affixed on any surface of customers' choice, such as cell phones, identity cards, wallets, tabs, airpod cases, etc.
- 253. Indian Overseas Bank (IOB)** has signed an agreement with broking partner **SMC Global Securities Limited** to open a 3-in-1 account (SB, demat account, and trading account).
As per the agreement, the savings bank (SB) and demat account of the clients will be with IOB while the trading account will be with SMC Global.
- 254. VA Tech Wabag Limited**, a water technology player, has signed an agreement with **Asian Development Bank (ADB)** to raise **Rs 200 crore** through unlisted non-convertible debentures (NCDs) with a 5-year and 3-month tenor. This NCD will be subscribed by ADB over a 12-month period.
This investment is ADB's first private sector financing in India's water sector.
- 255.** Scientists from the **International Crops Research Institute for the Semi-Arid Tropics (ICRISAT)** have developed high-resolution spatial maps for South Asia to assess croplands, crop type and crop intensity data in collaboration with the **Asian Development Bank (ADB)**.
- 256.** These spatial maps make cropland mapping feasible for insurance claims, and agriculture policy decision aimed at Regenerative Agriculture (RA).
- 257. Kotak Mahindra Bank Limited (KMBL)** has partnered with **Actyv.ai**, an AI-powered enterprise SaaS platform, to provide finance to dealers. Under this partnership, KMBL will provide short-term finance under the 'Buy Now, Pay Later' category for working capital needs of dealers.
- 258.** The Government of **Maharashtra** has signed a Memorandum of Understanding (MoU) with US-based **Women's World Banking** to strengthen 5000 women of self-help groups (SHGs) to become business correspondents (**BC Sakhis**) supporting banking services in rural areas.
- 259. Punjab National Bank (PNB)** has received the approval from the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance (MoF), Government of India (GoI), to sell all or a portion of its stake in **UTI Asset Management Company Limited (UTI AMC)** as part of its non-core asset sale plan to shore up its capital base.

260. The bank, which holds **15.22%** stake in UTI AMC, will sell its entire stake in the mutual fund company in single or multiple tranches for the realization of gain on investment. Its current valuation stands at Rs.1,329 crore.

Besides PNB, State Bank of India, Life Insurance Corporation of India, Bank of Baroda and US-based T Rowe Price are other sponsors.

261. Eversource-promoted Accretive Cleantech Finance Private Ltd, operating as '**Ecofy**', has received regulatory approval from the Reserve Bank of India (RBI) to operate as a non-deposit taking **Non-Banking Financial Company (NBFC)**. This makes Ecofy one of its kind green retail NBFC in India. Ecofy will lend to individuals and small businesses to accelerate the transition towards a net zero carbon world.

262. The **Securities and Exchange Board of India (SEBI)** has issued a uniform format for reporting **Over-The-Counter (OTC)** trades in listed Non-Convertible Securities (NCS). The new regulations will enter into force on 1st January 2023.

- SEBI has amended the **SEBI (Prohibition of Insider Trading) Regulations, 2015** to include the buying and selling of mutual fund units under the ambit of insider trading rules. The new norms became effective on 24th November 2022.
- SEBI has announced that **municipal debt securities issuers** can now issue **green bonds** in accordance with the guidelines for issuing and listing non-convertible debentures.

263. The Ministry of Tourism (**MoT**) has organised '**CEO round table on Sustainable Tourism**' in partnership with the United Nations Environment Program (**UNEP**) and Responsible Tourism Society of India (**RTSOI**) in New Delhi.

The round table aimed to enhance awareness of industry stakeholders on national and global priorities for sustainable tourism. It is in line with the National Strategy for Sustainable Tourism.

The round table derived at **three initiatives** on Sustainable Tourism, which was signed by participants, with an objective to accelerate sustainable consumption and production (SCP) in tourism policies and practices:

- Travel for LiFE Pledge
- Responsible Traveller Campaign
- Global Tourism Plastics Initiative

264. **Yes Bank** has acquired a **9.99% stake** representing 12,370, 050 equity shares in **JC Flowers Asset Reconstruction Company (ARC)** at Rs.11.43 per share. The lender has also planned to acquire an additional shareholding of 10.00% in JC Flowers ARC, subject to requisite regulatory approvals.

265. The **State Bank of India (SBI)** board has approved raising **Rs.10,000 crore** through infrastructure bonds during the financial year 2023 including a green shoe option of Rs. 5,000 crores.

INSURANCE COMPANIES IN NEWS

266. Policybazaar, in partnership with Niva Bupa Health Insurance and Tata AIA, has developed a new unique solution '**Health, Wealth, and Life Solution**' to provide the benefit of health insurance, life insurance as well as return on investment.

The new health + wealth + life offering integrates the benefits of ULIP (Unit Linked Insurance Plan) and health insurance, thereby delivering protection against death and disease as well as enabling wealth creation for customers.

267. Niva Bupa Health Insurance has launched a health insurance plan '**ReAssure 2.0**' which is a plus variant of its current ReAssure plan.

Key features of ReAssure 2.0:

- The first of its kind indemnity plan offers lock-in of entry age until a policyholder makes his/her first claim, thereby helping customers save on premiums.
- This plan offers 'live healthy' benefit that gives premium discount of up to 30% on policy renewal basis health points earned.
- The product is available as an individual, multi-individual and family floater starting from Rs.5 lakh to Rs.1 crore for the age bracket of 18 years to 65 years.

268. The **Indian Institute of Technology (IIT) Madras** has collaborated with the **General Insurance Corporation of India (GIC Re)** to develop a urine-based tuberculosis (TB) diagnosis or screening. This diagnosis will make testing faster and more affordable than the existing point-of-care diagnostic kits available for various diseases such as blood glucose monitors.

269. Aditya Birla Sun Life Insurance, the life insurance subsidiary of Aditya Birla Capital Limited, has launched '**Anmol Suraksha Kawach**' to meet short-term protection needs of policyholders.

Features of 'Anmol Suraksha Kawach':

- It is a non-linked, non-participating term insurance plan launched to protect policyholders' short-term protection needs.
- The plan provides a protection option for those aged between 25 and 55 years.
- The policyholders will be able to choose a short-term policy term of 2 to 5 years.
- The policyholders can choose from the varied sum assured options ranging from Rs.50 lakh to Rs.2 crore in steps of Rs.25 lakh.
- They will be eligible for a maximum coverage ceasing age of 60 years.

270. Bajaj Allianz Life Insurance, an arm of Bajaj Finserv life insurance, has launched Sustainable Equity Fund for investors. The fund named '**Bajaj Allianz Life Sustainable Equity Fund**' will allow investment in companies that are socially responsible and have been evaluated on relevant Environment (E), Social (S), and Governance (G) factors.

The fund will be available on the insurer's flagship ULIPs (Unit Linked Investment Plans). The fund is benchmarked to the Nifty 100 ESG Index.

271. Bajaj Finance Limited has launched a new portal named '**Insurance Mall**' for its customers to ensure an Easy-buy experience.

The new portal offers a wide range of policies and plans in the core insurance segment and also the company's one-of-its-kind category of Pocket Insurance and Subscription.

272. Edelweiss General Insurance has been renamed as **Zuno General Insurance Limited (Zuno GI)**, a new age digital insurer with an aspiration to reimagine and redefine Insurance to make it easy, friendly, and transparent.

Zuno GI has also launched the findings of its survey titled '*Usage Based Insurance: Decoding Awareness, Perception and Behaviour*' to understand the needs of customers when looking at motor insurance, which helped it design and introduces a new usage-based smart policy.

273. New India Assurance (NIA) has launched a 'Pay as You Drive' (PAYD) policy, which offers a comprehensive motor insurance policy that charges a premium based on the usage of the vehicle.

The policy has two components - third-party cover and own-damage cover.

New India Assurance (NIA):

The New India Assurance Company Limited, is a central public sector undertaking under the ownership of the Ministry of Finance, Government of India. It is based in **Mumbai, Maharashtra**. "It is the largest nationalized general insurance company of India on the basis of gross premium collection inclusive of foreign operations".

- **CMD:** Neerja Kapur
- **Founded:** 23 July 1919, Mumbai

274. Aegon Life Insurance has launched the '**iTerm Prime**' Insurance plan, which will fulfil the requirements of self-employed individuals by offering a special 10% discount (5% discount in addition to the 5% online discount for all) on the first-year premium.

Key features of iTerm Prime:

- The plan offers a minimum sum assured of Rs.25 lakhs with no maximum limit on a consumer's requirement.

- The minimum entry age is 18 years, while the maximum age for regular pay is 65 years and 50 years for limited pay.
- The product also offers a 'Special Exit Value' option that allows the policyholder to get all premiums back when they turn 55 years old.
- The policy offers unique add-on features including Critical Illness Rider and Accidental Death Benefit Rider.

275. A corporate agreement has been signed between **Punjab & Sindh Bank (PSB)**, a public sector bank, and Pune-based **Bajaj Allianz Life Insurance Company (BALIC)** for the distribution of insurance products.

The partnership will allow PSB's new and existing customers to avail a variety of retail life insurance products from BALIC, including term, savings, retirement, and investment options.

276. Axis Bank has entered into a revised pact with Max Financial Services to acquire an additional **7 percent** stake in **Max Life Insurance** at fair market value using discounted cash flow method.

The revision in agreement follows the guidance issued by the Insurance Regulatory and Development Authority (IRDAI) in October 2022.

277. Kotak Mahindra General Insurance Company Limited, a wholly owned subsidiary of Kotak Mahindra Bank, has tied up with **Clootrack**, a Kochi-based start-up for customer experience analytics.

This tie-up will empower Kotak Mahindra General Insurance with actionable insights into its non-life insurance products through customer feedback and understand gaps in the market to improve its customer experience.

278. Aviva Life Insurance has launched the **Aviva Signature Investment Plan**, a unit-linked non-participating individual life insurance plan targeting millennial and GenX customers. The plan comes with two options, Signature Millennial and Signature GenX.

279. RenewBuy has launched its first line of customized health insurance product, **RenewBuy Health Wellness plan** with a focus on the large uninsured segment beyond the tier 1 markets. The product is available in three variants: Gold Plan, Silver Plan, and Wellness Plan. The product has new-age health insurance benefits, ranging from a coverage of Rs.2-5 lakhs.

280. SBM Bank (India) has raised **Rs.99 crore** through the issuance of the second tranche of Basel-III compliant Tier II bonds on 24 January 2023. The bank has raised the entire corpus from the **Life Insurance Corporation (LIC)** of India.

281. The **Life Insurance Corporation (LIC)** of India has recently launched a '**Jeevan Azad**' plan, a new plan aimed at individual savings and life insurance.

Features of Jeevan Azad:

- LIC Jeevan Azad is a limited-period payment endowment plan that provides financial support for the family in case of unfortunate death of the life assured during the policy term.
- The minimum basic sum assured is **Rs.2 lakh** and the maximum basic sum assured is Rs.5 lakh.
- The policy can be taken for term of 15 to 20 years.
- The minimum age of entry is **90 days** completed and the maximum age at entry is **50 years**.
- The premium can be paid regularly at yearly, half-yearly, quarterly or monthly intervals.
- The death benefit is payable on the death of the life assured during the policy term after the date of commencement of risk but before the date of maturity.
- The death benefit shall be "**Sum Assured on Death**" where "Sum assured on Death" is defined as higher of 'Basic Sum Assured' or 7 times of Annualized Premium'.
- The death benefit shall not be less than 105% of 'Total Premiums Paid' up to the date of death.
- There will be no medical check-up for an amount assured of up to **Rs.3 lakh**, while it is needed for a sum assured of above Rs.3 lakh.

282. The **Life Insurance Corporation of India (LIC)** has raised its stake in **Capri Global Capital** by **2 percent** at an investment of Rs.257.37 crore. Its shareholding in Capri Global has increased from 1,24,00,000 to 1,59,51,171 equity shares i.e. from 7.052% to **9.072%**.

283. **Life Insurance Corporation of India (LIC)** has raised its stake in the state-owned **Indian Railway Catering and Tourism Corporation (IRCTC)** to **7.3%** from 5.0% earlier. LIC bought 1,81,80,323 shares, or 2% equity, at an average cost of Rs 692.28 via open market purchase during the period from 17 October 2022 to 16 December 2022.

284. **InsuranceDekho**, an insurtech, has collaborated with the **Life Insurance Corporation of India (LIC)** through which the latter's products will be available for all customers on its

platform pan-India. This collaboration will empower InsuranceDekho to democratise insurance.

285. The **Life Insurance Corporation of India (LIC)** has increased its shareholding in **Voltas** by buying an additional 2 percent stake. LIC has acquired Voltas' shares worth **Rs 634.50 crore** through open market transactions. With this, LIC has increased its shareholding from 2,27,04,306 shares (equivalent to 6.862 percent) to 2,93,95,224 (8.884 percent) in Voltas.

286. The **Life Insurance Corporation of India (LIC)** has reduced its holding in **Bharat Bijlee** from 6.695 percent to **4.54 percent**. Around 1.218 lakh shares were sold at an average price of Rs.1,693.96 from 19th November 2019 to 25th November 2022.

The shares of LIC climbed 0.34 percent at Rs.630, and that of Bharat Bijlee jumped 4.15 percent at Rs.2,418.

287. **Life Insurance Corporation of India (LIC)** has increased its stake in **Tech Mahindra** to **6.874%** from 4.863% earlier. It has increased its shareholding in Tech Mahindra from 4,73,44,343 to 6,69,25,392 equity shares.

288. **HDFC Life Insurance Company Limited** has collaborated with the **National Payments Corporation of India (NPCI)** to allow policyholders to pay their premiums via **"UPI 123PAY"**, a unique voice-based Unified Payments Interface (UPI) service.

UPI 123PAY:

- UPI 123PAY was developed by NPCI and launched by the Reserve Bank of India (RBI) in 2022 to increase the digital penetration of financial services.
- UPI 123PAY enables smartphone and feature phone users to digitally undertake a host of transactions based on four approaches, including voice payment based via **IVR (Interactive Voice Response)** number, proximity sound-based payments, missed call-based payment approach, app based scan and pay on feature phone.

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289. Bajaj Allianz General Insurance Limited has launched the '**Respect Senior Care Rider**', a unique and first-of-its-kind health insurance riders, which will offer 360-degree assistance for senior citizens.

The main aim of the rider product is to minimise the worries of senior citizens and of their family members who are living in different cities.

290. Niva Bupa Health Insurance Company Limited has joined hands with **Swara Fincare Limited**, a non-banking lender, to pay the debtors' 3 Equated Monthly Instalments (EMIs) if they are hospitalized for more than 5 days.

According to Niva Bupa, less than 20% of the rural population currently has health insurance.

291. AU Small Finance Bank has entered into a corporate agency arrangement for soliciting insurance plans of **HDFC Life Insurance Company Limited** through the bancassurance business model. This partnership will enable diverse customers of AU Small Finance Bank to access the entire range of life insurance products offered by HDFC Life.

292. Reliance General Insurance Company Ltd. (RGICL) has launched a premium health insurance product '**Reliance Health Infinity Policy**', a first-of-its-kind that claims to offer limitless benefits.

- This first of its kind policy provides high sum insured up to Rs.5 crore that includes features like moreGlobal cover, maternity cover, OPD cover, unlimited restoration of sum insured, and 15 plus useful add-on benefits.
- The policy is available in individual and family floater, covering up to 8 members, categories and offers sum-insured options starting from Rs.5 lakh to Rs.5 crore.
- Children above 90 days of age and adults between the age of 18 to 65 years are covered in this policy.
- The policy offers discounts (**first in India**) to policyholders based on their financial credit score.

293. Tata AIA Life Insurance (Tata AIA) has launched the '**Emerging Opportunities Fund**'. It is an equity fund suitable for consumers who are looking to benefit from the long-term growth potential in equity and have relatively high-risk appetite.

This fund aims to invest in a portfolio of stocks in the mid-cap space and emerging leaders in the new age sectors.

294. Paytm has introduced '**Paytm Payment Protect**', a group insurance plan, in collaboration with **HDFC ERGO General Insurance**, a leading general insurance company of India, to insure transactions made through Unified Payment Interface (UPI) across all apps and wallets.

- The first-of-its-kind offering comes at a cost as low as **Rs.30** per annum.
- With this collaboration, users can now secure themselves against mobile fraudulent transactions up to **Rs.10,000**.
- This new product aims to enhance the digital payments experience and also increases financial inclusion across India.

295. Union Minister for Road Transport and Highways Nitin Gadkari has launched one of India's first-ever **Surety Bond Insurance** product from **Bajaj Allianz General Insurance** to reduce the dependence of infrastructure developers on bank guarantees. It will be used as a substitute to bank guarantees.

Surety Bond:

- The Surety Bond Insurance is a risk transfer tool for the Principal and shields the Principal from the losses that may arise in case the contractor fails to perform their contractual obligation.
- The product gives the principal a contract of guarantee that contractual terms and other business deals will be concluded in accordance with the mutually agreed terms.
- In case the contractor does not fulfil the contractual terms, the principal can raise a claim on the surety bond and recover the losses they have incurred.
- Unlike a bank guarantee, the Surety Bond Insurance does not require large collateral from the contractor thus freeing up significant funds for the contractor, which they can utilize for the growth of the business.
- The product will help in reducing the contractors' debts to a large extent thus addressing their financial worries.

296. The **Employees State Insurance Corporation (ESIC)** has approved a proposal to invest up to **15 percent** of its excess fund into equity through **exchange-traded funds (ETFs)**. The initial investment shall start at 5 percent and increase up to 15 percent gradually, after a review of two quarters. The investment will be confined in ETFs, i.e., Nifty50 and Sensex. It will be managed by fund managers of Asset Management Companies (AMCs).

297. **Canara HSBC Life Insurance** has introduced the "**Guaranteed Fortune Plan**", a non-linked, non-participating individual savings scheme offering life cover and a lump sum amount on outliving the policy term. The product offers two plan options: Guaranteed Savings Option and Guaranteed Cash Back Option.

298. **Universal Sampo General Insurance**, a joint venture of Indian Bank, Indian Overseas Bank, Karnataka Bank, Dabur Investment Corp, and Japan's Sampo Japan Insurance Inc., has collaborated with **Zopper**, an insurance infrastructure API platform, to launch a special integrated offering for customers.

Under this collaboration, Universal Sampo General Insurance will provide tailor-made affordable insurance cover to its customers.

299. Tamilnad Mercantile Bank has entered into a bancassurance partnership with **Bajaj Allianz Life Insurance** to sell the private insurer's term, annuity, and other value-packed products across its 500 branches.

Through this partnership, new and existing customers of the lender can now choose from Bajaj Allianz Life's retail products, including term, savings, retirement, and investment products.

300. Ageas Federal Life Insurance (AFLI), one of India's leading life insurance companies, has launched the "**Ageas Federal Life Insurance Citi Care Plan**", a comprehensive plan covering 30 critical illnesses and major diseases. This new policy provides a lump sum payment on the first diagnosis of the listed 30 critical illnesses, regardless of the actual amount spent on treatment.

301. HDFC ERGO General Insurance Company, a leading general insurance company of India, has partnered with **NIIT**, a global talent development corporation, to launch **HDFC ERGO Technocrat - Advance Dot Net Developer Program** to create a large pool of developers.

302. Tamilnad Mercantile Bank (TMB) has entered into bancassurance partnerships with **Cholamandalam MS General Insurance Company Ltd** and **Max Life Insurance Company** to provide general insurance products and life insurance schemes respectively to TMB's customers.

Under the agreement, TMB's 500-plus branches will start retailing the insurance products of both companies.

Agency Bank:

Recently, **TMB** has been authorized by the Reserve Bank of India (RBI) to undertake government business on behalf of RBI. As per the agreement, RBI has appointed the bank as an **agency bank of RBI** for undertaking Government Agency Business.

303. The **ICICI Lombard General Insurance** has entered into a Bancassurance tie-up with **AU Small Finance Bank** to provide the bank's diverse customers access to the Non-life insurer's portfolio and enhance penetration across India.

ICICI Lombard's entire suite of products will be offered across 980+ banking touchpoints spread over 20 states and two union territories.

304. HDFC ERGO General Insurance Company has launched a farm **Yield Insurance Policy** which is first of its kind insurance solution, where a **satellite-based index** will be used to provide localized coverage at the farm level. This is completely technology based, means, no manual examination is required in the claim assessment of the crop.

- The target group is Farmers under Corporate/Farm Input Company (FIC).
- The product is valid for food, oilseed, commercial, or horticulture crops.
- It will provide comprehensive cover across the crop life cycle from sowing to harvesting.
- A threshold Index value is calculated for every yield by using the historical satellite imaging data of the specific crop and a remote sensing mechanism available in the public domain.

305. Aegon Life Insurance has launched traditional insurance policy '**iGuarantee Max Savings**' that offers savings and life cover. The policyholder can choose a policy term between 5 and 20 years, depending on their savings goal. The minimum entry age for this plan is three months, and the maximum is 50 years (for regular pay, 45 years). The minimum monthly contribution for the plan is Rs.500.

306. Niva Bupa Health Insurance Company Limited (NBHC), a standalone health insurer, has inked a Corporate Agency partnership with **IDFC FIRST Bank** to provide health insurance solutions to the bank's customers. This is NBHC's first bancassurance partnership of FY23.

Other bancassurance:

Aditya Birla Health Insurance Co Ltd (ABHI), a standalone health insurer, has entered into a bancassurance partnership with **IDFC FIRST Bank** for distribution of health insurance products through the bank's digital platform and its wide distribution network.

Bancassurance:

It is an insurance distribution model where insurance companies partner with banks to sell policies. Through this, the bank earns a commission from the insurance company, and the insurer gains from the distribution network of the bank.

307. Max Life Insurance Company Limited (Max Life) has collaborated with **Tacterial Consulting Private Ltd (Ditto)** for online life insurance distribution. This collaboration aims to leverage Ditto's insurance advisory platform to offer Max Life's plans to online customers.

308. ICICI Prudential Life Insurance has launched a new participating savings product, '**ICICI Pru Sukh Samruddhi**,' which provides customers with guaranteed benefits and growth potential in the form of bonuses. This also provides a life cover for the entire duration of the policy, including the income period, providing financial security to the family.

309. Max Life Insurance has launched the '**Smart Wealth Advantage Guarantee Plan**', a non-linked, non-participating individual life insurance savings plan that offers guaranteed returns, life insurance cover and financial protection all combined in one product.

It is a holistic plan that endeavours to ensure customers meet their life goals and remain protected in the long-run from financial uncertainties.

310. Shriram Life Insurance Company (SLIC) has been empanelled as an **Annuity Service Provider (ASP)** by the Pension Fund Regulatory Development Authority (**PFRDA**). The empanelment will help the insurer manage the annuity component of the maturity proceeds under the National Pension System (NPS).

- The PFRDA certification will help SLIC garner more NPS subscribers under its annuity plan.
- SLIC as an ASP will help in mobilising **40%** of the NPS maturity amount which will be open to investment in annuity schemes.

Note: The annuity premium mobilisation in India is above Rs.25,000 crore per year.

Annuity Service Provider:

It is an IRDA-registered insurance company empaneled by PFRDA for providing Annuity Services to NPS subscribers upon their exit from the system. ASPs will be responsible for managing the funds (allocated for buying annuity) and payment of the pension after a subscriber attains the age of 60.

311. Kotak Mahindra General Insurance has introduced **"Meter"** (switch on/switch off), an add-on cover for Private car insurance policy to allow policyholders to pause the insurance cover when the vehicle is idle.

- With this launch, Kotak General Insurance claims to become **India's first company** to offer cashback via an add-on for a private car insurance policy.
- The 'Meter' add-on was initially introduced through Insurance Regulatory and Development Authority (IRDAI)'s regulatory sandbox.

312. ICICI Bank, Axis Bank, and SBI Life Insurance have acquired **10 percent stake** each in a proposed joint venture of Indian Oil Corporation Limited (**IOCL**) and Chennai Petroleum Corporation Limited (**CPCL**).

- The acquisition will be completed within 180 days from the date of joint venture agreement.
- The target entity is initially proposed to be incorporated through seed capital of Rs.5 lakh.
- The JV of IOCL and CPCL aims to set up a nine million metric tonne per annum refinery at Nagapattinam, Tamil Nadu.
- IOCL and CPCL will together hold 50 percent stake, i. e 25 percent each.

313. The Insurance Regulatory and Development Authority of India (IRDAI) has approved the amendments to rules on registering insurance companies and investing in them. This aims to enable policyholders, insurers, and merchants to provide 'insurance for everyone 2047'.

Key amendments:

- **Private equity (PE)** funds can now directly put in money in insurance companies, and investment through special purpose vehicles (SPVs) has been made optional for PEs.
- Now, corporate agents, including banks, will be allowed to tie up with **9 insurers** (earlier 3 insurers), and insurance marketing firms can distribute products of **6 insurers** (earlier 2 insurers) in each line of Life, General, and Health insurance.
- The lock-in period of investment for investors and promoters will be stipulated on the basis of the age of the insurer.
- Promoters can now dilute stake up to **26%** in listed entities.
- Threshold for promoter has been increased to **25%** for single investors.
- Companies can now raise funds through subordinated debt without IRDAI approval.

314. Max Financial Services Limited (MFSL) has received approval from the Insurance Regulatory and Development Authority of India (IRDAI) to purchase the remaining **5.17% stake** held by Mitsui Sumitomo Company Limited (MSI) in Max Life Insurance Company Limited (Max Life). After this acquisition, MFSL shareholding in Max Life will increase to **87%**.

315. Star Health and Allied Insurance, a standalone health insurance company, has launched its '**Star Out Patient Care Insurance Policy**', which aims at providing complete health and wellness benefits to customers at an affordable cost. The aim is to bridge the gap between expenses related to in-patient hospitalization, which is catered to by the health insurance industry, and outpatient expenses.

316. Star Health and Allied Insurance, one of the leading Health Insurance companies in India, has renewed its strategic corporate agency tie-up with **Punjab National Bank (PNB)** for a long-term period.

- Under this agreement, Star Health's best-in-class health insurance products will be available through the PNB's distribution network across India.

RBI IN NEWS

317. The Reserve Bank of India (RBI) has Introduced **Foreign Contribution (Regulation) Act (FCRA)** related transaction code in National Electronic Funds Transfer (**NEFT**) and Real Time Gross Settlement (**RTGS**) Systems. The instructions will be effective from **15th March 2023**.

- Originating banks are required to select two mandatory fields of NEFT / RTGS systems while remitting foreign donations to the FCRA account at SBI.
- Originating banks are required to pass on donor details relating to "transaction without Legal Entity Identifier (LEI) details" and "transaction with LEI details" as part of 'Sender to remitter information' in NEFT and RTGS.

Real Time Gross Settlement (RTGS):

The RTGS system is primarily meant for large value transactions. The minimum amount to be remitted through RTGS is **Rs.2 lakh** with no upper or maximum ceiling. In RTGS, the transactions are processed **continuously** on a transaction-by-transaction basis throughout the day. There is real time transfer of funds to the beneficiary account.

National Electronic Funds Transfer (NEFT):

NEFT is an electronic fund transfer system in which the transactions received up to a particular time are processed in batches. There are no limits on the amount of NEFT transactions.

318. The Reserve Bank of India (RBI) has launched its **2nd** global hackathon **“HARBINGER 2023 - Innovation for Transformation”** on the theme **“Inclusive Digital Services”**.

HARBINGER 2023 aims to identify and enable solutions and/or business models to solve the following challenges in the digital financial services landscape:

1. Innovative, easy-to-use, digital banking services for differently abled (Divyaang).
 2. RegTech solutions to facilitate more efficient compliance for Regulated Entities (REs).
 3. Exploring use cases/solutions for CBDC-Retail transactions, including transactions in offline mode.
 4. Increasing Transactions Per Second (TPS)/ throughput and scalability of blockchains.
- The HARBINGER 2023 is hosted on Application Programming Interface Exchange (APIX) platform.

The Reserve Bank of India (RBI) has issued the final guidelines on **Interest Rate Risk in Banking Book (IRRBB)**, which require banks to measure, monitor, and disclose their exposure to IRRBB that may impact the capital base and future of earnings of lenders.

- As per the guidelines, the Board of the banks has the responsibility for understanding the nature and the level of the bank's IRRBB exposure.
- The Board should approve broad business strategies as well as overall policies with respect to IRRBB.
- The Board is responsible for ensuring that steps are taken by the bank to identify, measure, monitor and control IRRBB consistent with the approved strategies and policies.

Interest Rate Risk in Banking Book (IRRBB):

It refers to the current or prospective risk to banks' capital and earnings arising from adverse movements in interest rates that affect its banking book positions. Excessive IRRBB can pose a significant risk to banks' current capital base and/or future earnings.

319. The Reserve Bank of India (RBI) has appointed **Vikramaditya Singh Khichi**, former Executive Director of Bank of Baroda (BoB) as a member of the Advisory Committee on Reliance Capital Limited (RCL).

The other two members of the advisory committee are Sanjeev Nautiyal (former DMD, State Bank of India) and Praveen P Kadle (former MD & CEO of Tata Capital Limited).

320. The Reserve Bank of India (RBI) has issued draft norms for lending and borrowing of **government securities (G-secs)** to facilitate wider participation in the **Government Securities Lending (GSL) market** by providing investors an avenue to deploy idle securities and enhance portfolio returns.

Key norms:

- GSL shall be undertaken for a minimum period of one day and a maximum period of ninety days.
- G-Secs issued by Centre (except treasury bills (T-bills)) are eligible for lending and trading in GSL, whereas G-Sec of both Centre and States (including T-bills) shall be used as collateral under a GSL.
- An entity eligible to undertake repo transactions in G-secs, and any other entity approved by the RBI will be eligible to participate in GSL transactions as lender of securities.
- Securities borrowed under a GSL transaction shall be eligible for Statutory Liquidity Ratio (SLR) for borrower (not for lender).

Government Security (G-Sec):

It is a tradable instrument issued by Central or state Governments. It acknowledges government's debt obligation.

- Such securities are short term (usually called T-Bills, with maturities of less than one year) or long term (usually called Government bonds or dated securities with maturity of one year or more).
- Central Government issues both, T-bills and bonds or dated securities while State Governments issue only bonds or dated securities, called State Development Loans (SDL).
- G-Secs carry practically no risk of default and, hence, are known as risk-free gilt-edged instruments.

321. The Reserve Bank of India (RBI) has granted in-principal authorisation to **32** existing **payment aggregators (PAs)** and 19 new PAs to act as online PAs. The aim is to bring entities that are undertaking online payment aggregation business within the regulatory fold.

- Existing online PAs that have received RBI's in-principle nod include Amazon (Pay) India, Google India Digital Services, Pine Labs, Reliance Payment Solutions, Zomato Payments, and Infibeam Avenues, among others.
- New entities that have received the in-principle nod include Groww Pay Services, Hitachi Payment Services, Juspay, TATA Payments, and Zoho Payment Technologies, among others.

322. The Reserve Bank of India (RBI) has organized **Financial Literacy Week (FLW) 2023**. The literacy week has been observed from **13th February to 17th February 2023** to propagate financial education messages on a particular theme across the country.

Banks have been advised to disseminate the information and create awareness among its customers and the general public.

Date : Feb 13, 2023

Financial Literacy Week 2023

Reserve Bank of India (RBI) has been conducting Financial Literacy Week (FLW) every year since 2016 to propagate financial education messages on a particular theme among members of public across the country.

2. The theme selected for current year FLW is "**Good Financial Behaviour - Your Saviour**" which will be observed between February 13 and 17, 2023. The theme aligns with the overall strategic objectives of the National Strategy for Financial Education: 2020-2025 which aims at building financial resilience and well-being while creating awareness among members of public. Focus will be on creating awareness about savings, planning and budgeting, and prudent use of digital financial services.

3. RBI will undertake a centralized mass media campaign during the month of February 2023 to disseminate financial awareness messages. Banks too have been advised to give out information and create awareness among their customers.

323. The Reserve Bank of India's (RBI) six-member Monetary Policy Committee (MPC) has met on February 6-8, 2023, and released the **Monetary Policy Statement, 2022-23 Resolution of the MPC** which projected India's real **Gross Domestic Product (GDP)** growth to **6.4%** for **FY24** (lower than 7% in FY23) with FY24's Q1 at 7.8%, Q2 at 6.2%, Q3 at 6%, and Q4 at 5.8%.

The stance is to focus on **withdrawal of accommodation**.

CURRENT RATES

Policy Rates	
Policy Repo Rate	: 6.50%
Standing Deposit Facility Rate	: 6.25%
Marginal Standing Facility Rate	: 6.75%
Bank Rate	: 6.75%
Fixed Reverse Repo Rate	: 3.35%

Note- The next meeting of the RBI Monetary Policy Committee (MPC) is scheduled to be held during **April 3, 5 & 6, 2023**.

Other Decisions:CPI Inflation:

CPI inflation forecast for FY23 is projected at 6.5%, with Q4FY23 at 5.7%.

CPI inflation for FY24 is forecasted at 5.3%, with FY24's Q1 at 5%, Q2 at 5.4%, Q3 at 5.4%, and Q4 at 5.6%.

- The MPC has raised the repo rate by 25 basis points to 6.50% from 6.25%.
- RBI has proposed to permit all inbound travellers to India to use Unified Payments Interface (UPI) for their merchant payments (P2M) while they are in India. Initially, it will be extended to travellers from G-20 countries at select international airport.
- RBI has permitted lending and borrowing against Government Securities (G-secs) to increase the depth of the bond market. It has also restored the market trading hours in G-Sec to pre-pandemic levels i.e. 9 AM to 5 PM.

324. The Reserve Bank of India (RBI) has announced to launch a pilot project on **QR Code-based Coin Vending Machine (QCVM)** to improve the distribution of coins.

- The pilot project will roll out in 19 locations in 12 cities across the country.
- The QCVM is a cashless coin dispensation machine which will dispense coins against debit to the customer's bank account using Unified Payments Interface (UPI).
- These vending machines will dispense coins against debt to the customer's account using UPI instead of physical tendering of banknotes.

325. RBI has extended the validity of authorization issued to **Vakrangee Limited** to set up, own and operate **White Label ATMs** (Automated Teller Machines) in India till **31st March 2024**.

White Label ATMs are ATMs set up, **owned and operated by non-banks**. Non-bank ATM operators are authorised under the Payment & Settlement Systems Act, 2007 by the Reserve Bank of India (RBI).

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326. The **Reserve Bank of India** (RBI) has partially relaxed the restrictions it recently imposed on **SBM Bank (India) Ltd** by allowing ATM/POS transactions under Liberalised Remittance Scheme (LRS) through KYC-compliant internationally active debit cards issued by the bank.

The relaxation is up **to March 15, 2023** or till the further order by RBI.

The **Reserve Bank of India** (RBI) on January 23, 2023 had directed SBM Bank (India) Ltd to stop, with immediate effect, all transactions under **Liberalised Remittance Scheme** (LRS) till further orders. The order was based on certain material supervisory concerns observed in the bank.

Liberalised Remittance Scheme (LRS):

- Under the Liberalised Remittance Scheme, all resident individuals, including minors, are allowed to freely remit up to **USD 2,50,000** per financial year (April – March) for any permissible current or capital account transaction or a combination of both.
- Further, resident individuals can avail of foreign exchange facility for the purposes mentioned in Para 1 of Schedule III of FEM (CAT) Amendment Rules 2015, dated May 26, 2015, within the limit of USD 2,50,000 only.
- The Scheme was introduced on **February 4, 2004**, with a limit of USD 25,000. The LRS limit has been revised in stages consistent with prevailing macro and micro economic conditions.
- It is mandatory for the resident individual to provide his/her **Permanent Account Number** (PAN) for all transactions under LRS made through Authorized Persons.

327. The **Reserve Bank of India** (RBI) has been publishing a composite Reserve Bank of India – **Digital Payments Index** (RBI-DPI) since January 1, 2021, with March 2018 as the base to capture the extent of digitization of payments across the country.

- The index for September 2022 stands at **377.46** as against 349.30 for March 2022.
- The RBI-DPI index has increased across all parameters driven by significant growth in payment infrastructure and payment performance across the country over the period.

The index series since its inception is as under:

Period	RBI - DPI Index
March 2018 (Base)	100
March 2019	153.47
September 2019	173.49
March 2020	207.84
September 2020	217.74
March 2021	270.59
September 2021	304.06
March 2022	349.30
September 2022	377.46

328. The Reserve Bank of India (RBI) has announced that the **State Bank of India (SBI)**, along with private sector lenders **ICICI Bank** and **HDFC Bank** will continue to be identified as **Domestic Systemically Important Banks (D-SIBs)**, under the same bucketing structure as in the 2021 list of D-SIBs.

The list of D-SIBs is as follows:

Bucket	Banks	Additional Common Equity Tier 1 requirement as a percentage of Risk Weighted Assets (RWAs)
5	-	1%
4	-	0.80%
3	State Bank of India	0.60%
2	-	0.40%
1	ICICI Bank, HDFC Bank	0.20%

- SIBs are perceived as banks that are 'too big to fail (TBTF)'.
- This perception of TBTF creates an expectation of government support for these lenders in times of distress.
- RBI places D-SIBs in appropriate buckets depending upon their Systemic Importance Scores (SISs).
- Based on the bucket in which a D-SIB is placed, an Additional Common Equity requirement is applied to it.
- Under bucket 1, banks require 0.2 percent of additional common equity Tier 1 capital as a percentage of risk-weighted assets (RWAs), and under bucket 3, banks require 0.6 percent of additional common equity Tier 1 capital as a percentage of RWAs.

RBI had announced SBI and ICICI Bank as D-SIBs in 2015 and 2016. Based on data collected from banks as on March 31, 2017, HDFC Bank was also classified as a D-SIB. SBI is placed in the third bucket and private sector lenders ICICI Bank and HDFC Bank fall under bucket 1.

329. The Reserve Bank of India (RBI) has recently released the preliminary data on India's Balance of Payments (BoP) for the July-September (Q2) of FY2022-23. As per it, India's Current Account Deficit (CAD) has widened in the Q2FY23 due to increased trade gap driven by high commodity prices and a weak rupee.

- India's Current Account balance has recorded a deficit of **USD 36.4 billion** in Q2FY23 which is highest in more than a decade. As a percentage of GDP, it was **4.4%**, the highest since the June quarter of 2013.
- India's foreign exchange reserves on BoP basis has recorded a deficit of USD 30.4 billion compared to a USD 31.2 billion surplus in the Q2FY22.
- In the financial account, net Foreign Direct Investment (FDI) has decreased to **USD 6.4 billion**, from USD 8.7 billion in Q2FY22.
- Net Foreign Portfolio Investment (FPI) has recorded inflows of USD 6.5 billion, up from USD 3.9 billion during Q2FY22.
- Net external commercial borrowings by India has recorded an outflow of **USD 0.4 billion** in Q2 of 2022-23, compared to an inflow of USD 4.3 billion in Q2FY22.

330. The Reserve Bank of India (RBI) Governor Shaktikanta Das has launched the second phase of its medium term strategy framework for strengthening regulatory and supervisory mechanisms called '**Utkarsh 2.0**' for the period **2023-25**.

The first strategy framework (Utkarsh 2022) covering the period 2019-2022 was launched in July 2019. It became a medium-term strategy document guiding the Bank's progress towards realization of the identified milestones.

Utkarsh 2.0 like the Utkarsh 2022 has six Vision statements as well as Core Purpose, Values, and Mission statements.

Vision in Utkarsh 2.0:

- Excellence in performance of its statutory and other functions
- Strengthened trust of citizens and Institutions in the RBI
- Enhanced relevance and significance in national and global roles
- Transparent, accountable and ethics-driven internal governance
- Best-in-class and environment-friendly digital and physical infrastructure
- Innovative, dynamic and skilled human resources

331. The Reserve Bank of India (RBI) has given its approval to the **SBI Funds Management (SBI FML)** to acquire up to **9.99%** of the paid-up equity capital of **Equitas Small Finance Bank** through the schemes of SBI Mutual Fund (SBI MF).

This approval is subject to compliance with the relevant regulations issued by RBI and SEBI and is valid for one year till 2 January 2024.

332. The Reserve Bank of India (RBI) has selected six entities out of nine applications for the Test Phase under the **4th cohort** of **Regulatory Sandbox (RS)** on the theme '**Prevention and Mitigation of Financial Frauds**'. The selected entities will commence testing of their products on Anti-Fraud Solutions from February 2023.

333. The Reserve Bank of India (RBI) has approved the appointment of **Surinder Chawla** as the new Chief Executive Officer (CEO) of **Paytm Payments Bank Limited (PPBL)**. He is currently serving as Head of Branch Banking at RBL Bank (formerly known as Ratnakar Bank).

334. **BharatPe** has received in-principal approval from the Reserve Bank of India (RBI) to operate as an **online payment aggregator (PA)**. The approval has been awarded to **Resilient Payments Private Limited**, a wholly-owned subsidiary of BharatPe.

The final authorisation is subject to fulfilment of certain conditions.

Besides BharatPe, **Hitachi Payment Services**, a wholly-owned subsidiary of Hitachi Ltd, and fintech startup **EnKash** have also received RBI's authorisation to act as a PA.

Online Payment Aggregator:

It is a third party entity between a merchant (like e-commerce platforms) and its customers. It integrates various options of online payments together and brings them into one place for merchants, hence, bearing the load of all the integrators with various payment providers. It pools the funds received from customers (escrow) and transfers them to merchants after a certain time.

335. The Reserve Bank of India (RBI) has notified the revised list of accredited **Credit Rating Agencies (CRAs)** for the purpose of assigning risk weight to assets for capital adequacy purposes by the banks.

The six credit rating agencies are:

- a) Acuite Ratings & Research Limited (Acuite)
- b) Credit Analysis and Research Limited (CARE)
- c) CRISIL Ratings Limited
- d) ICRA Limited
- e) India Ratings and Research Private Limited (India Ratings)
- f) INFOMERICS Valuation and Rating Pvt Ltd

Credit Rating Agencies (CRAs):

The CRAs evaluates and assesses an individual's or a company's creditworthiness, means, these agencies consider a debtor's income and credit lines to analyse the debtor's ability to repay the debt or if there is any credit risk associated.

In India, CRAs are regulated by the **Securities & Exchange Board of India (SEBI)** as per the SEBI Regulations 1999 of the SEBI Act 1992.

336. The Appointments Committee of the Cabinet (ACC), headed by Prime Minister Narendra Modi, has approved the re-appointment of **Michael Debabrata Patra** as the **Deputy Governor** of the Reserve Bank of India (RBI) for a period of 1 year with effect from 15th January 2023. He was first appointed to a 3-year tenure as Deputy Governor of RBI on 15th January 2020.

Other Deputy Governors of RBI are: T. Rabi Sankar, Mahesh Jain, and M.Rajeshwar Rao

337. The Reserve Bank of India (RBI) has announced that the maiden **Sovereign Green Bonds (SGrBs)** for an aggregate sum of **Rs.16,000 crore** will be issued in two tranches of Rs.8000 crore each in January and February 2023, with the intention of mobilizing resources for green infrastructure.

- The first auction of sovereign green bonds worth Rs 8,000 crore, which will take place on 25th January 2023, includes Rs.4,000 crore worth of 5-year sovereign green bonds and Rs.4,000 crore worth of 10-year sovereign green bonds.
- The next auction worth Rs.8,000 crore, which is scheduled 9th February 2023, also consists of Rs.4,000 crore worth of 5-year sovereign green bonds and Rs.4,000 crore worth of 10-year sovereign green debt.

338. The Reserve Bank of India (RBI) has shortlisted **seven global consultancy firms** to use Artificial Intelligence (AI) And Machine Learning (ML) to analyse its huge database and improve regulatory supervision over banks and NBFCs.

The seven firms are Accenture Solutions Private Limited; Boston Consulting Group (India) Pvt Ltd; Deloitte Touche Tohmatsu India LLP; Ernst and Young LLP; KPMG Assurance and Consulting Services LLP; McKinsey and Company; and Pricewaterhouse Coopers Pvt Ltd.

339. The **Reserve Bank of India (RBI)** has released a report titled **“State Finances: A Study of Budgets of 2022-23”**, an annual publication that provides information, analysis and an assessment of the finances of State governments for 2022-23 against the backdrop of actual and revised/provisional accounts for 2020-21 and 2021-22, respectively.

The theme of the 2023 Report is **“Capital Formation in India - The Role of States”**.

Highlights of the report:

- The States' gross fiscal deficit (GFD) is budgeted to decline from 4.1 percent of gross domestic product (GDP) in 2020-21 to **3.4 percent** in 2022-23.
- The States' debt is budgeted to ease to **29.5 percent** of GDP in 2022-23 as against 31.1 percent in 2020-21.
- In 2022-23, States have budgeted higher capital outlay than in 2019-20, 2020-21 and 2021-22.
- States are suggested to create a Capital Expenditure (CAPEX) buffer fund during good times when revenue flows are strong.

340. The Reserve Bank of India (RBI) has mandated in its **“Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights in Banking Companies) Directions 2023”** that anyone who intends to make an acquisition that is likely to result in a major shareholding in a banking company should first obtain the RBI's prior approval by submitting an application.

Any person who wants to acquire more than **5 percent** stake in a bank will need prior approval from the Reserve Bank of India (RBI).

The RBI has defined “major shareholding” as “aggregate holding” of 5 percent or more of the paid-up share capital or voting rights in a banking company by a person.

- After an acquisition, if the shareholding falls below 5 percent, the person will be required to seek fresh approval from the RBI if the person intends to again raise the aggregate holding to 5 per cent or more.
- Any person from the **Financial Action Task Force (FATF)** non-compliant jurisdiction will not be allowed to acquire a major shareholding in a bank.
- Banks whose aggregate shareholding of entities does not meet the guidelines will be required to comply within **6 months**.
- The RBI will specify a differentiated shareholding dilution plan for Private Banks where the state or union government owns a stake.

- The RBI has allowed promoters to hold **26%** from the current 15% of the paid-up share capital or voting rights of a bank after the completion of 15 years from commencement of its business.

341. The **Reserve Bank of India (RBI)** under sections 35A and 36(1)(a) of the Banking Regulation Act, 1949, has directed the **SBM Bank (India) Ltd** to stop all Liberalised Remittance Scheme (**LRS**) transactions with immediate effect till further notice. This decision has been taken due to certain material supervisory concerns observed in the bank.

342. According to the article titled "**State of the Economy**" published in the January 2023 bulletin of the Reserve Bank of India (RBI), the RBI's 2023 monetary policy objective is to hold inflation within the mandated tolerance band and guide it towards the medium-term target of **4% by 2024**.

- The first monetary policy milestone has been reached, with inflation now falling inside the 2%-6% tolerance band.

343. As per the most recent Reserve Bank of India (RBI) data on "**Outward Remittances under the Liberalised Remittance Scheme (LRS) for Resident Individuals**", Indians have remitted about **USD 2 billion** (USD 1.99 billion) in November 2022 under the LRS.

- Outward remittances under LRS increased 29% to USD 1.99 billion from USD 1.54 billion in November 2021.
- In November 2022, the outward remittance made for the maintenance of close relatives was USD 305.35 million. This was followed by USD 220.90 million in gifts and USD 211.65 million for overseas education.

Liberalised Remittance Scheme (LRS):

It was introduced by the Reserve Bank of India (RBI) on 4th February 2004, with a limit of USD 25,000. The scheme allows all resident individuals, including minors, to freely remit up to **USD 2,50,000** per financial year (April – March) for any permissible current or capital account transaction or a combination of both.

344. The Reserve Bank of India (RBI) has extended the deadline for banks to complete the process of renewal of agreements for the existing **safe deposit lockers** in a phased manner by **31st December 2023** from 1st January 2023, with intermediate milestones of 50 percent by June 30, 2023, and 75 percent by September 30, 2023.

345. The Reserve Bank of India (RBI) has published the **Report on Trend and Progress of Banking in India 2021-22**. As per the report, the Gross Non-Performing Assets (GNPA) ratio

of Scheduled Commercial Banks (SCBs) has declined to **5%** in September 2022 from 9% in 2017-18.

Key highlights:

- The consolidated balance sheet of SCBs showed double digit growth in 2021-22, after a gap of 7 years, led by credit growth, which accelerated to a 10-year high in the first half of this financial year ending March 2023.
- The capital to risk weighted assets ratio (CRAR) of SCBs strengthened from 16.3% at end-March 2021 to 16.8% at end March 2022.
- The Non-Banking Financial Company (NBFC) sector also maintained liquidity buffers, adequate provisioning, and a strong capital position during 2021-22.
- The financial performance of Urban Co-Operative Banks (UCBs) improved in 2021-22, due to augmented capital buffers, a decline in GNPA ratio and improved profitability indicators.
- In 2021-22, the reduction in NPAs was mainly contributed by written-off loans in the case of Public sector banks (PSBs), while upgradation of loans was the primary driver for asset quality improvement for private banks.

346. The Reserve Bank of India (RBI) has approved the reappointment of **Baskar Babu Ramachandran**, as the MD & CEO of the **Suryoday Small Finance Bank** for a further period of three years, with effect from 23rd January 2023.

RBI has approved the appointment under terms of the provisions of Section 35B of the Banking Regulation Act 1949.

347. Worldline ePayments India, a leader in digital payments, has received in-principle approval from the Reserve Bank of India (RBI) to act as a **Payment Aggregator (PA)** under the provisions of the Guidelines on Regulation of Payment dated March 17, 2020.

348. Infibeam Avenues Ltd., India's first listed payments infrastructure firm, has received Perpetual Licence from the Reserve Bank of India (RBI) for its bill payments business, **BillAvenue**. The licence will allow BillAvenue to function as a Bharat Bill Payment Operating Unit (BBPOU) under Bharat Bill Payment System (BBPS).

349. The Reserve Bank of India (RBI) has imposed curbs on **RazorPay and Cashfree Payments** for onboarding new merchants till they get the final Payment Aggregator (PA) license. Both entities need to complete the migration of existing merchants to the new platform and submit a progress report with RBI.

350. Japanese brokerage **Nomura** has projected **India's Gross Domestic Product (GDP)** growth may slow down sharply to **5.1 percent** in **2023-24 (FY24)**, forcing the Reserve Bank of India (RBI) to cut the key repo rate by 75 basis points (bps) in the second half of 2023.

- As per Nomura, the RBI's Monetary Policy Committee (MPC) will implement a "shallow easing cycle" by decreasing the policy rate by 25 bps in August, October, and December 2023, resulting in a repo rate of 5.75% at the end of 2023.
- India's CPI-based inflation will decline from 6.8% in FY23 to 5% in FY24, and 4.9% in FY25.

Note: RBI has forecasted 6.5% growth in FY24.

351. The Reserve Bank of India (RBI) has adopted a **four-tiered regulatory framework**, as against the existing two-tiered framework, for the categorization of **Urban Co-operative Banks (UCBs)**.

The UCBs have been categorized into following four tiers for regulatory purposes:

Tier 1 - All unit UCBs and salary earners' UCBs (irrespective of deposit size), and all other UCBs having deposits up to Rs.100 crore.

Tier 2 - UCBs with deposits more than Rs.100 crore and up to Rs.1000 crore;

Tier 3 - UCBs with deposits more than Rs.1000 crore and up to Rs.10,000 crore;

Tier 4 - UCBs with deposits more than Rs.10,000 crore.

Minimum Net worth:

- **Tier 1 UCBs** operating in a single district should have minimum net worth of **Rs.2 crore**.
- All other UCBs (**Tier 2, 3 and 4** tiers), the minimum net worth should be **Rs 5 crore**.
- If a UCB transits to a higher Tier on account of increase in deposits in any year, it may be provided a glide path of up to a maximum of three years, to comply with higher regulatory requirements.

Minimum CRAR requirement:

- **Tier 1 UCBs** have to maintain, as hitherto, a minimum capital to risk weighted assets ratio (CRAR) of **9 percent** of Risk Weighted Assets (RWAs) on an ongoing basis.
- **Tier 2 to 4 UCBs** have to maintain a minimum capital to risk weighted assets of **12 percent** of RWAs on an ongoing basis.

Additional Information:

Recently, the **Reserve Bank of India (RBI)** has exchanged a letter of cooperation with the **Financial Services Agency (FSA), Japan** in the field of Central Counter Parties (CCPs) to improve mutual cooperation.

352. The Reserve Bank of India (RBI) has recently launched its first pilot for **retail digital Rupee (e₹-R)**, a Central Bank Digital Currency (CBDC) which is an electronic form of sovereign currency.

Pilot coverage:

- Eight banks have been identified for phase-wise participation in this pilot.
- The first phase will begin with four banks, viz., **State Bank of India, ICICI Bank, Yes Bank and IDFC First Bank** in four cities across the country.

- Four more banks, viz., Bank of Baroda, Union Bank of India, HDFC Bank and Kotak Mahindra Bank will join this pilot subsequently.
- The pilot will initially cover four cities, viz., **Mumbai, New Delhi, Bengaluru and Bhubaneswar** and later extend to Ahmedabad, Gangtok, Guwahati, Hyderabad, Indore, Kochi, Lucknow, Patna and Shimla.

The scope of pilot may be expanded gradually to include more banks, users and locations as needed.

Retail Digital Rupee (e₹-R):

- The e₹-R will be in the form of a digital token that represents legal tender.
- It will be issued in the same denominations that paper currency and coins are currently issued.
- It will be distributed through intermediaries, i.e., banks.
- Users will be able to transact with e₹-R through a digital wallet offered by the participating banks and stored on mobile phones / devices.
- Transactions can be both Person to Person (P2P) and Person to Merchant (P2M).
- Payments to merchants can be made using QR codes displayed at merchant locations.
- The e₹-R will offer features of physical cash like trust, safety and settlement.
- It will not earn any interest and can be converted to other forms of money, like deposits with banks.

353. The Reserve Bank of India (RBI) has granted a conditional approval to the **Carlyle Group** and **Verventa Holdings** to acquire **9.99 percent** of paid up share capital each in **Yes Bank** through subscription to equity shares and share warrants of the Bank.

354. The Reserve Bank of India (RBI) has commenced its first pilot project to implement **Central Bank Digital Currency (CBDC) or Digital Rupee (e₹)** in the **Wholesale segment (e₹-W)** for secondary market trades in government securities (G-secs) beginning on 1st November 2022.

The first pilot of the Digital Rupee in the Retail segment (e₹-R) is planned for launch within a month in select locations.

Key Points:

- The RBI has designated **9 banks** to participate in the digital rupee wholesale pilot project.
- The nine banks are State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, Yes Bank, IDFC First Bank and HSBC.
- The adoption of e₹-W is expected to enhance the efficiency of the interbank market and lower transactions costs.

Digital Rupee:

A Central Bank Digital Currency (CBDC) or Digital Rupee is a digital form of currency notes issued by a central bank. It is an electronic form of money that can be used in contactless transactions.

The Indian CBDC, which will be known as (**e₹**), is a digital version of the Rupee and may be exchanged one-for-one for fiat currency.

In the Union Budget 2022-23, Finance Minister Nirmala Sitharaman announced the introduction of digital currency by the RBI in India.

CBDC can be classified into two types:

- 1) **Retail (CBDC-R):** Retail CBDC will be potentially available for use by all.
- 2) **Wholesale (CBDC-W):** It is designed for restricted access to select financial institutions.

355. The Reserve Bank of India (RBI) has provided in-principle approval to **C2FO Factoring Solutions Private Limited**, India arm of C2FO, a global on-demand working capital platform, to set up and operate **Trade Receivable Discounting Systems (TReDS)** platform in India. With this, C2FO has become the fourth platform to get the license to operate TReDS after Receivables Exchange of India Ltd (RXIL), M1Xchange and Invoicemart.

Note: TReDS was launched by RBI in July 2014 to enable discounting of MSMEs trade receivables through multiple financiers.

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356. The **Reserve Bank of India (RBI)** has recently released the **Report on Municipal Finances**, compiling and analyzing budgetary data for 201 Municipal Corporations (MCs) across all states. The report explores 'Alternative Sources of Financing for Municipal Corporations (MCs)' as its theme.

This report has been prepared in the Division of State Finances of the Department of Economic and Policy Research.

Highlights of the report:

- Municipal Finances (MFs) are dominated by property tax collections and devolution of taxes and grants from upper tiers of government, resulting in lack of financial autonomy.
- MCs' expenditure of administrative costs and interest and finance charges is rising, but capital expenditure is minimal.
- MCs mostly rely on borrowings from banks and financial institutions and loans from centre/ state governments to finance their resource gaps in the absence of a well-developed market for municipal bonds.

MFs, consisting of tax revenue, non-tax revenue, and transfers, are estimated at 0.61 percent of GDP in 2017-18. Non-tax revenue, accounted for 30 % of total revenue receipts of MF. Property tax accounts for 50% of the total tax collections of MF.

Municipal Corporation:

It is the urban local government that is responsible for the development of any Metropolitan City having a population of more than one million people. MCs are established in the states by the acts of the state legislatures, whereas in the Union Territories through the acts of the Parliament.

The first municipal corporation in India was created in **Madras** in 1688, followed by municipal corporations in Bombay and Calcutta in 1726.

- 357. Ftcash**, a Small & Medium Enterprises (SME) lending startup, has received a licence from the Reserve Bank of India (RBI) to set up a **Non-Banking Financial Company (NBFC)**. With this, the company aims to disburse loans worth **Rs.100 crore** in **FY23**.
- 358.** The Reserve Bank of India (RBI) has approved the **Scheme of Amalgamation of Shree Sharada Sahakari Bank Ltd**, Pune (Maharashtra) with **The Cosmos Co-operative Bank Ltd.**, Pune (Maharashtra). The scheme has been approved in exercise of the powers under the provisions of Section 44A read with Section 56 of the Banking Regulation Act, 1949.
- 359. Open**, a neo-banking platform, has received in-principle approval from the Reserve Bank of India (RBI) to operate as a **Payment Aggregator (PA)**. Earlier, Infibeam, Innoviti, Razorpay, MSwipe, Stripe, and Pine Labs received the PA license.
- The RBI announced the PA framework in March 2020, requiring all payment gateways to obtain a license in order to acquire merchants and provide payment services to merchants.
- 360.** The Reserve Bank of India (RBI) has approved the opening of **nine special Vostro accounts** with two Indian lenders — **UCO Bank and IndusInd Bank** — to facilitate overseas trade in Indian rupees (INR).
- Sberbank and VTB Bank, the two largest banks of Russia, are the first foreign lenders to have received approval from the RBI.
 - Russia's Gazprombank, which has no branches in India, has also created this account with the state-run UCO Bank (Kolkata, West Bengal).
 - Six different Russian banks have also opened accounts with IndusInd Bank.

Vostro account:

The word Vostro means "*yours*" in Latin. It is an account that a domestic bank holds for a foreign bank in the currency of the domestic bank, which in India is INR. Vostro accounts are maintained in the domestic currency. If a person deposits money in the Vostro account, it will be transferred to the account holder's bank.

Nostro account:

Nostro is a Latin word that means “ours”. The account opened by an Indian bank in the foreign country is a Nostro account. Nostro accounts are maintained in the foreign currency.

Loro account:

It is a current account that is maintained by one domestic bank for another domestic bank in the form of a **third party account**.

As a result, accounts opened by IndusInd and UCO are Vostro accounts, while those opened by Russian banks are Nostro accounts.

361. The Reserve Bank of India (RBI) has fined nine entities, including six co-operative banks and three Sahakari banks, a total of **Rs.11.60 lakh** for violating various banking norms.

- Berhampur Cooperative Urban Bank (Odisha) has been fined Rs.3.10 lakh.
- Osmanabad Janata Sahakari Bank, Osmanabad (Maharashtra) has been fined Rs.2.5 lakh.
- Santrampur Urban Co-operative Bank Ltd, Santrampur in Mahisagar district (Gujarat) has been fined Rs.2 lakh penalty.
- Jila Sahakari Kendriya Bank Maryadit, Balaghat (Madhya Pradesh); Jamshedpur Urban Cooperative Bank Ltd, Jamshedpur, Jharkhand; and Renuka Nagarik Sahakari Bank Maryadit, Ambikapur (Chhattisgarh) have been fined Rs.1 lakh each.
- Krishna Mercantile Co-operative Bank Ltd, Bhopal (Madhya Pradesh) and Kendrapara Urban Co-operative Bank Ltd, Kendrapara, Odisha have been fined Rs.50,000 each.
- The Nawanagar Co-operative Bank Ltd, Jamnagar (Gujarat) has been fined Rs.25,000.

362. The Reserve Bank of India (RBI) has approved **DSP Investment Managers Private Limited (DSPIM)** acquisition of up to **9.99 percent stake** in **Equitas Small Finance Bank**.

- DSPIM will acquire up to 9.99 per cent of the paid-up equity capital of the bank through the schemes of DSP Mutual Fund, following the amalgamation of parent company Equitas Holdings Limited with the bank.
- The approval is valid for one year till 15th November 2023.

363. The Reserve Bank of India (RBI) has released the **seventh** edition of its statistical publication titled “**Handbook of Statistics on Indian States 2021-22**”. It has been prepared under the supervision and overall guidance of Dr Deba Prasad Rath, Principal Adviser, Department of Economic and Policy Research (DEPR), RBI.

- As per the publication, **Karnataka** has the highest installed grid-interactive renewable power capacity in India with a total installed capacity of 15,463 Megawatts (MW).
- Karnataka is followed by Tamil Nadu with 15,225 MW, and Gujarat with 13,153 MW.

- Renewable power includes power from various sources namely bio-power, solar power, small hydropower, waste-to-energy, and wind power.
- According to Indian Energy Exchange (IEX), Karnataka distribution companies (discoms) had become the top seller of renewable energy under the Green Term Ahead Market (GTAM).

This publication covers sub-national statistics on socio-demographics, state domestic product, agriculture, price and wages, industry, infrastructure, banking, and fiscal indicators across Indian states over various time periods ranging from 1951 to 2021-22.

In the current edition of the Handbook, two new sections viz., Health and Environment are introduced.

364. The Reserve Bank of India (RBI) has announced that overnight balances held by banks with the RBI under the **Standing Deposit Facility (SDF)** will be eligible as "**Level-1 High-Quality Liquid Assets (HQLA)**" for the computation of the **Liquidity Coverage Ratio (LCR)**. This circular is effective immediately and applicable to all Commercial Banks (excluding local area banks, regional rural banks and payments banks).

The **Reserve Bank of India** (RBI) has imposed Monetary Penalty on 7 Cooperative Banks for non-compliance with the directions issued by RBI.

- RBI has imposed a monetary penalty of Rs.20.00 lakh on Indian Mercantile Co-operative Bank Ltd., Lucknow, Uttar Pradesh.
- RBI has imposed a monetary penalty of Rs.1.25 crore on Zoroastrian Co-operative Bank Ltd., Bombay.
- Imposition of monetary penalty of Rs.50 Lakh on Bharat Co-operative Bank (Mumbai) Limited, Maharashtra.
- Monetary penalty of Rs.1.00 lakh imposed on The Tiruchirappalli District Central Cooperative Bank Ltd., Tiruchirappalli, Tamil Nadu.
- The Cumbum Co-operative Town Bank Ltd., Cumbum, Prakasam District, Andhra Pradesh for non-adherence / violation of directions issued under Frauds – Classification and Reporting and Board of Directors – UCBs is levied by monetary penalty of Rs.3.00 lakh.
- National Co-operative Bank Limited, Bengaluru, Karnataka imposed with monetary penalty of Rs.2.00 lakh.
- The Chittoor Co-operative Town Bank Limited, Chittoor, Andhra Pradesh imposed with monetary penalty of Rs.6.00 lakh.

365. The Reserve Bank of India (RBI) has released the '**Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks (SCBs), September 2022**' on its Database on Indian Economy (DBIE) portal.

Key highlights:

- Bank credit growth improved further to **17.2 percent** (y-o-y) in September 2022 from 14.2 percent a quarter ago and 7.0 percent a year ago.

- Credit growth remained broad-based as all population groups and bank groups recorded double digit annual growth.
- Aggregate deposits growth (y-o-y), which remained in the close range of 9.5-10.2 percent since June 2021, stood at 9.8 percent in September 2022; since December 2020, bank branches in metropolitan centres have been recording higher annual growth than those in rural, semi-urban and urban areas.
- Private sector bank group has been outpacing public sector banks, foreign banks and regional rural banks in deposit mobilisation.
- Growth (y-o-y) in term deposits rose to 10.2 percent in September 2022 from 6.4 percent a year ago, whereas current and savings deposits growth moderated to 8.8 percent and 9.4 percent from 17.5 percent and 14.5 percent, respectively, a year ago.
- The share of savings deposit in total deposits, which increased from 32.4 percent in June 2019 to a peak of 35.2 in June 2022, moderated marginally to 34.7 in the latest quarter.
- All-India credit-deposit (C-D) ratio increased further to 74.8 percent in September 2022 from 73.5 percent a quarter ago and 70.0 percent a year ago; C-D ratio for metropolitan bank branches, which have a dominant share in the banking business, stood much higher at 87.6 percent in September 2022 (82.8 percent a year ago).

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