



BANKING, ECO & BUSINESS

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Mains 2025





Banking/ Economy/ Business Capsule for SBI Clerk Mains 2025

Banking Current Affairs

Banking Current Affairs of March 2025

S. No.	Bank Name	Purpose
1.	YES BANK	<ul style="list-style-type: none"> YES BANK partnered with the World Trade Center (WTC) Mumbai to host the Export Conclave 2025 at YES BANK House, focusing on empowering MSMEs, enhancing India's export ecosystem, and discussing trade trends, challenges, and global market opportunities. The event highlighted trade facilitation, financial support, and innovation in export services.
2.	Bank of Baroda	<ul style="list-style-type: none"> Bank of Baroda has received the ISO 22301:2019 Business Continuity Management System (BCMS) certification from the British Standards Institution (BSI), highlighting its commitment to operational resilience, business continuity planning, and risk management. The certification recognizes the bank's strategies to mitigate risks, minimize disruptions, and ensure swift recovery during crises.
3.	City Union Bank	<ul style="list-style-type: none"> City Union Bank (CUB) has partnered with Chennai Super Kings (CSK) to launch a co-branded credit card offering exclusive rewards, special offers, and unique cricket-related experiences for CSK fans, enhancing their purchasing experience and team spirit.
4.	State Bank of India	<ul style="list-style-type: none"> On International Women's Day 2025, the State Bank of India (SBI) launched 'SBI Asmita', a collateral-free digital SME loan aimed at women entrepreneurs. This initiative seeks to simplify financing access for women-led MSMEs through a digital, hassle-free process. Additionally, SBI introduced the 'Nari Shakti' platinum debit card, designed for women, offering benefits across multiple categories.
5.	Bank of Baroda	<ul style="list-style-type: none"> Bank of Baroda (BoB) introduced the 'bob Global Women NRE & NRO Savings Account', a first among public sector banks, designed specifically for women NRIs. This account offers premium banking privileges, concessional loan rates, and insurance benefits to empower women. Additionally, BoB revamped its 'bob Premium NRE & NRO Savings Account' to enhance the customer experience with new features and benefits.
6.	ICICI Bank	<ul style="list-style-type: none"> ICICI Bank has appointed Kamal Wali as the new Head of its Security Operations Center to strengthen cybersecurity and risk mitigation. With over 18 years of experience, he will lead security strategies to enhance the bank's digital infrastructure and safeguard customer data amid evolving cyber threats.
7.	City Union Bank	<ul style="list-style-type: none"> City Union Bank (CUB) has partnered with Sunrisers Hyderabad (SRH) as its exclusive banking partner. The collaboration offers customised financial solutions, exclusive offers, and enhanced digital banking services to SRH fans, players, and staff, strengthening CUB's presence in the sports sector.
8.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) is setting up a specialized unit to manage project financing for emerging industries like AI, e-commerce, and fintech. This initiative aims to diversify SBI's project finance operations beyond traditional sectors. The project is expected to be completed within a year, with plans to recruit specialized professionals and appoint an external consultant.
9.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) is setting up a specialized unit to manage project financing for emerging industries like AI, e-commerce, and fintech. This initiative aims to diversify SBI's project finance operations beyond traditional sectors. The project is expected to be completed within a year, with plans to recruit specialized professionals and appoint an external consultant.





RBI News

RBI's 'Regulations at a Glance': Key Insights for Cooperative Banks

The Reserve Bank of India (RBI) has released the "Regulations at a Glance" handbook, compiled by the Department of Regulation (DoR), to offer a broad overview of key regulatory guidelines applicable to various banking entities, including cooperative banks. The handbook summarizes major regulations in a tabular format for easy reference but does not replace official circulars, Master Circulars, or Master Directions.

This article highlights essential regulatory provisions applicable to cooperative banks as outlined in the handbook.

Key Regulations for Cooperative Banks

1. Licensing of New Institutions

Urban Cooperative Banks (UCBs)

- Minimum paid-up capital/net worth: ₹12.5 lakh – ₹4 crore (depending on location and population size).
- Note: RBI has stopped accepting fresh applications for new UCBs since 2004.

Rural Cooperative Banks (StCBs & CCBs)

- Declared as State Cooperative Banks (StCBs) or Central Cooperative Banks (CCBs) by the state government.
- RBI grants licenses based on NABARD's recommendations and internal assessment.

Promoters' Criteria

- Evaluated on educational qualifications, professional competence, financial strength, capital mobilization ability, and membership eligibility.

2. Branch Licensing

Urban Cooperative Banks (UCBs)

- Automatic Route: UCBs classified as Financially Sound and Well Managed (FSWM) can open branches up to 10% of existing branches (min. 1, max. 5).
- Approval Route: FSWM UCBs must submit an Annual Business Plan (ABP) to RBI's regional office by December 15.

State Cooperative Banks (StCBs)

- Require NABARD & RBI approval with conditions like:
- CRAR \geq 9%, NNPA \leq 5%, compliance record, and no penalties in last two years.

District Central Cooperative Banks (DCCBs)

Additional requirements,

- Operational for at least 3 years and net profit in last 2 years.
- Not under RBI restrictions.

3. Governance Framework

Regulated by

- State/Central Cooperative Society laws.
- Banking Regulation (BR) Act, 1949 (since 2020).

Key Provisions

- UCBs must form an Audit Committee of the Board.
- Fit and proper criteria for directors, MD/CEO, and WTD.
- Maximum continuous tenure limits for directors.
- Larger UCBs must appoint an independent Chief Risk Officer (CRO).
- NABARD issues governance guidelines for rural cooperative banks.

4. Credit Risk Management

Urban Cooperative Banks (UCBs)

- Loan against shares, bonds, and debentures: Max ₹10 lakh, LTV 50%.

Rural Cooperative Banks

- Loan against shares, bonds, and debentures: Max ₹5 lakh, LTV 50%.

Securitization of Standard Assets

- Allowed for SCBs, AIFs, and NBFCs.
- Not allowed for RRBs and Cooperative Banks.

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5. Interest Rate Framework & Deposit Pricing

General Principles

- Uniform interest rates across all branches/customers.
- No discrimination in deposit rates for similar amounts and dates.
- No negotiation of interest rates with individual depositors.
- NRE/NRO deposit rates cannot exceed domestic deposit rates.

6. Mergers & Amalgamations

Key Provisions

- Governed by the Banking Regulation (BR) Act, 1949.
- RBI has discretionary power under Section 44A to approve voluntary amalgamations.
- **Private Bank Mergers:** Must be approved by shareholders (2/3rd majority) before submission to RBI.
- **UCB Mergers:** Considered only if depositors' funds are fully protected.

7. Resolution of Banking Companies & Cooperative Banks

Compulsory Amalgamation/Reconstruction

- RBI can apply to the government for restructuring under Section 45 of the BR Act.
- Section 45(4) (2020 Amendment): RBI can initiate amalgamations during a moratorium or at any other time.

Powers of RBI

- **Section 10B:** Remove Chairman/MD of a banking company.
- **Section 36ACA:** Supersede the board of banking companies.
- **Section 35A:** Issue directives for proper banking management.
- **Section 22(4):** RBI can cancel banking licenses (appeals go to the Central Government within 30 days).

Post-License Cancellation

- **Banking companies:** High Court appoints liquidator.
- **Uni-state cooperative banks:** Registrar of Cooperative Societies appoints liquidator.
- **Multi-state cooperative banks:** Central Registrar appoints liquidator.

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	RBI	<ul style="list-style-type: none"> • The RBI imposed monetary penalties on HSBC (₹66.6 lakh) for violations related to KYC norms, foreign currency exposures, and deposit interest rate rules, and on IIFL Samasta Finance (₹33.1 lakh) for issues including interest charges before loan disbursement, NPA misclassification, and customer identification. • Additionally, three cooperative banks in Maharashtra were penalized for regulatory non-compliance.
2.	Reserve Bank of India Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has kept the window open for the exchange and deposit of ₹2000 denomination notes, despite 98.18% of the total value being returned to the banking system. • This ensures that individuals still holding these notes have accessible channels for deposit or exchange.
3.	Reserve Bank of India	<ul style="list-style-type: none"> • On March 3, 2025, the Reserve Bank of India (RBI) appointed Dr. Ajit Ratnakar Joshi as its new Executive Director (ED). • He will oversee the Department of Statistics and Information Management and the Financial Stability Department. With over 30 years of experience in statistics, information technology, and cyber risk management, Dr. Joshi brings extensive expertise to his new role.
4.	Reserve Bank of India	<ul style="list-style-type: none"> • The 29th Meeting of the Standing Advisory Committee (SAC), chaired by Swaminathan J, Deputy Governor of the Reserve Bank of India (RBI), focused on enhancing credit access to the Micro, Small, and Medium Enterprises (MSME) sector. • Key initiatives discussed included promoting the Unified Lending Interface (ULI), expanding the Account Aggregator framework, and testing innovative solutions through the Regulatory Sandbox. Challenges like financial literacy gaps, information asymmetry, and delayed payments were addressed to ensure transparency, accessibility, and support for MSMEs' growth.





Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has imposed monetary penalties totaling ₹76.6 lakh on four Non-Banking Financial Companies (NBFCs) for non-compliance with regulatory norms. The penalties were issued under Section 58G of the RBI Act, 1934, and Section 30 of the Payment and Settlement Systems Act, 2007. The violations included issues with governance, reporting requirements, fair lending practices, capital adequacy, and fraud risk management. This action underscores the RBI's commitment to financial discipline, consumer protection, and strengthening compliance in the NBFC sector.
6.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) and the National Centre for Financial Education (NCFE) have launched nationwide financial literacy campaigns under the National Strategy for Financial Education (NSFE). These initiatives aim to promote financial awareness and inclusion, targeting diverse groups, especially youth (below 18 years) and senior citizens (above 60 years), to empower them with essential financial knowledge and skills.
7.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has introduced a framework to recognize a Self-Regulatory Organisation (SRO) for the Account Aggregator (AA) ecosystem, aiming to streamline financial data exchange, address operational challenges, and ensure compliance. This initiative enhances coordination, standardization, and dispute resolution within the AA framework, building on the 2016 AA framework and the recent recognition of the Fintech Association for Consumer Empowerment as an SRO in 2024.
8.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) reported a rise in its net short position in the forward book, reaching \$77.5 billion by January 2025, up from \$67.9 billion in December 2024. This increase reflects the forex market interventions amid rupee depreciation and global trade uncertainties. The data was released in RBI's March 2025 monthly bulletin.
9.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) and the Bank of Mauritius (BOM) have signed a Memorandum of Understanding (MoU) to enable cross-border transactions using the Indian Rupee (INR) and Mauritian Rupee (MUR). This agreement aims to reduce costs and improve efficiency for exporters and importers by settling transactions in their domestic currencies, strengthening economic and financial ties between India and Mauritius.
10.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has won the Digital Transformation Award 2025 from Central Banking, London for successfully implementing its in-house digital initiatives, Pravaah and Sarathi. These advancements have improved workflow management, regulatory processes, and operational efficiency, reducing reliance on paper-based submissions.

SEBI News

S.No	Announcement	Key Details
1.	SEBI	<ul style="list-style-type: none"> SEBI recorded a 48% YoY growth in total income, reaching ₹2,075 crore in FY 2023-24, driven by higher fees and subscriptions from stock exchanges, market participants, and companies. While investment and other income also increased, total expenditure rose to ₹1,006 crore. SEBI reported substantial funds in its General Fund, Investor Protection & Education Fund (IPEF), and Disgorgement Fund, highlighting its strong financial position.
2.	SEBI	<ul style="list-style-type: none"> SEBI has reduced the minimum investment for Zero Coupon Zero Principal (ZCZP) instruments on the Social Stock Exchange (SSE) from ₹10,000 to ₹1,000. This decision aims to boost retail participation and increase funding for non-profit organizations (NPOs), especially in sectors like education and healthcare. The change, effective immediately, modifies SEBI's directive from September 19, 2022, to strengthen social impact investment in India.





S.No	Announcement	Key Details
3.	Securities and Exchange Board of India (SEBI)	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has partnered with DigiLocker to simplify access to investors' securities holdings and reduce unclaimed assets in the market. This initiative allows investors to store and retrieve demat holdings, mutual fund statements, and Consolidated Account Statements (CAS) through DigiLocker. SEBI also introduced a nomination facility for appointing legal heirs, ensuring smooth asset transition and improving investor protection and financial transparency.

Banking Current Affairs of February 2025

S. No.	Bank Name	Purpose
1.	Airtel Payments Bank	<ul style="list-style-type: none"> Airtel Payments Bank has partnered with Karnataka Bulldozers for Celebrity Cricket League (CCL) 2025, becoming a co-sponsor to promote safe digital banking. This collaboration aims to enhance digital security and financial awareness among cricket fans, leveraging the sport's wide reach to engage a large audience.
2.	Ujjivan Small Finance Bank (USFB)	<ul style="list-style-type: none"> Ujjivan Small Finance Bank (USFB) has applied for a universal banking licence to transition from a small finance bank to a full-fledged commercial bank. This move aims to expand financial services, enhance regulatory flexibility, and strengthen its position in the banking sector. Founded in 2017, USFB serves underserved populations and now seeks to offer a wider range of services, including corporate banking and larger loan products.
3.	South Indian Bank	<ul style="list-style-type: none"> South Indian Bank (SIB) has introduced two specialized startup current account products: SIB Business Startup Current Account for small businesses and SIB Corporate Startup Current Account for larger entities. These accounts are designed to simplify banking for startups, offering flexible features to support the growing entrepreneurship ecosystem in India. The move reflects SIB's commitment to empowering startups with tailored banking solutions.
4.	State Bank of India (SBI)	<ul style="list-style-type: none"> State Bank of India (SBI) reported an 84% rise in net profit for Q3 FY25, exceeding market expectations. The bank saw a 4% increase in net interest income (NII) and a significant decline in employee expenses. SBI showcased strong loan growth, improved asset quality, and higher deposit mobilization, despite a dip in the CASA ratio, maintaining robust overall financial health.
5.	Indian Overseas Bank	<ul style="list-style-type: none"> Indian Overseas Bank (IOB) celebrated its 89th Foundation Day on February 10, 2025, by committing to sustainability and responsible banking. The bank became a signatory of the Partnership for Carbon Accounting Financials (PCAF), aiming to enhance transparency in measuring greenhouse gas (GHG) emissions related to its lending and investment activities.
6.	IDFC FIRST Bank	<ul style="list-style-type: none"> IDFC FIRST Bank, in partnership with Ikonz Studios, has launched an AI-powered holographic avatar of brand ambassador Amitabh Bachchan in five cities. Using Holographic Extended Reality (HXR) technology, the avatar creates lifelike 3D projections that interact with customers. It provides an immersive experience, offering information on products like Zero Fee Banking, Monthly Interest Credits, Mobile Banking, and the Current Account BRAVO.
7.	Canara Bank	<ul style="list-style-type: none"> Canara Bank appointed Dr. Madhavankutty G as its new Chief Economist in January 2025. With over two decades of experience in economic research, banking, and the corporate sector, Dr. Madhavankutty will shape the bank's economic strategy and guide decision-making with expertise in financial trends and macroeconomic analysis.
8.	Axis Bank	<ul style="list-style-type: none"> Axis Bank has committed ₹104 crore to Ashoka University over the next four years to enhance its PhD and Post-Doctoral programs. The funding will support the establishment of advanced research centers in Neurosciences, Behavioral Studies, and Physics, offering fellowships and research grants. This initiative aims to build world-class labs, foster interdisciplinary research, and attract global experts and scholars.





S. No.	Bank Name	Purpose
9.	South Indian Bank	<ul style="list-style-type: none"> • South Indian Bank (SIB) launched 'SIB Quick FD', a digital solution that allows customers to invest in Fixed Deposits (FDs) using funds from any bank account via UPI. • This service simplifies the investment process, making it more accessible and customer-friendly, aligning with SIB's goal to provide easy and fast banking services.
10.	Standard Chartered Bank	<ul style="list-style-type: none"> • Standard Chartered Bank has appointed Prabdev (P.D.) Singh as its new CEO for India and South Asia, effective April 1, 2025. Singh, a corporate banking veteran and former CEO of JP Morgan India, replaces Zarin Daruwala, who will retire after nearly a decade of leadership. • Under Daruwala's tenure, the bank expanded its Corporate and Investment Banking and Wealth and Retail Banking segments, significantly strengthening its presence in India.
11.	Karnataka Bank	<ul style="list-style-type: none"> • Karnataka Bank celebrated its 100th anniversary on February 18, 2024, by launching two new financial products: a children's savings account and a high-interest term deposit scheme for a limited period. • These initiatives aim to expand the bank's customer base and reinforce its market presence while emphasizing its customer-centric approach.
12.	SBI Cards and Payment Services Ltd	<ul style="list-style-type: none"> • SBI Cards and Payment Services Ltd has appointed Salila Pande as the new Managing Director and CEO effective April 1, 2025, succeeding Abhijit Chakravorty, who retires on March 31, 2025. • The company also declared an interim dividend of ₹2.50 per share for the 2024-25 financial year.

RBI News

Highlights of RBI Monetary Policy Committee 2025

The **Monetary Policy Committee (MPC)** of the Reserve Bank of India (RBI) held its 53rd meeting from February 5 to 7, 2025, under the chairmanship of **Shri Sanjay Malhotra**, the Governor of RBI. The meeting was attended by MPC members Dr. Nagesh Kumar, Shri Saugata Bhattacharya, Prof. Ram Singh, Dr. Rajiv Ranjan, and Shri M. Rajeshwar Rao.

After evaluating the current macroeconomic conditions and future economic trends, the MPC unanimously decided to reduce the repo rate by 25 basis points (bps) and maintain a neutral monetary policy stance. This decision aligns with the RBI's commitment to inflation control, economic growth, and financial stability.

Highlights of RBI Monetary Policy Committee 2025

The **Monetary Policy Committee (MPC)** reached the following key decisions in the meeting:

1. Repo Rate Cut

The **policy repo rate** under the **Liquidity Adjustment Facility (LAF)** was **reduced by 25 basis points (bps) to 6.25%** with **immediate effect**. This rate cut aims to stimulate economic growth by making borrowing cheaper for banks, businesses, and consumers.

2. Changes in Other Key Rates

Following the repo rate reduction, the RBI adjusted other key rates as follows:

- Standing Deposit Facility (SDF) Rate: Reduced to 6.00%
- Marginal Standing Facility (MSF) Rate: Set at 6.50%
- Bank Rate: Adjusted to 6.50%

3. Neutral Monetary Policy Stance

The **RBI decided to maintain a neutral stance**, ensuring flexibility in responding to future economic uncertainties. This approach will help achieve **inflation targets while supporting economic growth**.

4. Inflation Target and Economic Growth

The MPC reaffirmed its goal of maintaining **Consumer Price Index (CPI) inflation at 4%** within a **+/- 2% range**, while fostering **steady GDP growth**.

Growth and Inflation Outlook

1. Global Economic Trends

The **global economy** continues to grow **below the historical average** despite resilience in **world trade expansion**. Key global economic concerns include:

- Slower disinflation
- Ongoing geopolitical tensions





- Uncertainty in global trade policies
- **Volatility in financial markets** due to the strong US dollar

These factors could **impact emerging markets like India**, influencing inflation, investment, and trade.

2. India's Growth Forecast

According to the **First Advance Estimates (FAE)**, India's **real GDP growth for 2024-25** is projected at **6.4%**. This growth is fueled by:

- Recovery in private consumption
- Strong performance in the services sector
- Gradual recovery in agriculture
- Improving industrial growth

For **2025-26**, the **real GDP growth is projected at 6.7%**, with quarterly estimates as follows:

- Q1 (April-June 2025) – 6.7%
- Q2 (July-September 2025) – 7.0%
- Q3 (October-December 2025) – 6.5%
- Q4 (January-March 2026) – 6.5%

Despite positive **domestic economic indicators**, potential **downside risks** include:

- Geopolitical instability
- Protectionist trade policies
- Fluctuating international commodity prices
- Financial market volatility

3. Inflation Trends

Inflation trends showed a decline, with **headline inflation softening in November-December 2024** from its peak of **6.2% in October 2024**. This reduction was driven by:

- **Lower food inflation** as vegetable prices declined
- **Stable core inflation across goods and services**
- **Deflation in the fuel sector**

For **2025-26**, **CPI inflation is projected at 4.2%**, with quarterly forecasts:

- Q1 (April-June 2025) – 4.5%
- Q2 (July-September 2025) – 4.0%
- Q3 (October-December 2025) – 3.8%
- Q4 (January-March 2026) – 4.2%

A **normal monsoon**, along with **good rabi crop production**, is expected to keep **food inflation in check**, while **global uncertainties and energy price volatility** pose **upside risks**.

Rationale for Monetary Policy Decisions

1. Inflation Moderation Supports Rate Cut

The **MPC noted a downward trend in inflation** and expects further moderation in **2025-26**. With **food inflation declining** and **previous monetary policies still impacting the economy**, the rate cut was seen as **necessary to support growth**.

2. Economic Growth Below Last Year's Levels

Although growth is recovering, it remains **below last year's levels**, requiring **policy intervention to boost demand**. The **repo rate reduction** is expected to:

- Encourage borrowing and investment
- Support private consumption
- Strengthen economic recovery

3. Global Uncertainties Demand Caution

While **monetary easing** is necessary, the **MPC remains cautious** due to risks from:

- Volatile global financial markets
- Uncertain trade policies
- Adverse weather events

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4. Retaining a Neutral Stance for Flexibility

By maintaining a **neutral stance**, the MPC ensures **flexibility** in responding to **economic uncertainties** while keeping inflation under control.

Upcoming MPC Meetings

- MPC Meeting Minutes Publication: February 21, 2025
- Next MPC Meeting: April 7-9, 2025

The RBI will continue **closely monitoring** economic conditions and make policy adjustments as needed.

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has selected Exto India Technologies to test offline payment solutions under its Regulatory Sandbox. This initiative aims to enable digital transactions in areas with limited or no internet connectivity, promoting financial inclusion. • The move addresses the challenge of internet access in rural and remote regions, expanding the accessibility of digital payments across India.
2.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has introduced liquidity-boosting measures, including a \$5 billion USD/INR buy/sell swap auction, open market operations (OMOs), and a variable rate repo (VRR) auction. • These actions aim to alleviate liquidity constraints in the banking system and support economic stability.
3.	Reserve Bank of India	<ul style="list-style-type: none"> • Reserve Bank of India (RBI) reported that only ₹6,691 crore of the ₹2000 banknotes remain in circulation, accounting for just 1.88% of the ₹3.56 lakh crore originally in use when the withdrawal was announced on May 19, 2023. • This indicates that 98.12% of the high-value notes have been returned to the banking system.
4.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has introduced exclusive internet domain names for Indian banks and financial institutions. • Banks will use 'Bank.in', while non-banking entities will adopt 'Fin.in'. This move, announced by RBI Governor Sanjay Malhotra, aims to enhance cybersecurity, reduce cyber threats, and promote secure financial transactions.
5.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has approved Tata Communications' plan to sell its full stake in Tata Communications Payment Solutions Ltd (TCPSL) to Transaction Solutions International (TSI), the Indian arm of Australian fintech company Findi. • The deal is valued at ₹330 crore, with an additional ₹75 crore contingent on interchange rate adjustments.
6.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has introduced Additional Factor Authentication (AFA) for cross-border Card Not Present (CNP) transactions to enhance digital payment security. • This measure aims to secure international transactions with Indian-issued cards, ensuring they are as safe as domestic transactions. • AFA is a multi-step process requiring cardholders to verify transactions through more than one method, reducing fraud and improving consumer protection in online shopping.
7.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has approved the voluntary amalgamation of Twin Cities Co-operative Urban Bank Ltd. with Kranti Co-operative Urban Bank Ltd. in Hyderabad, Telangana. • Effective from August 23, 2023, this merger aims to strengthen the urban co-operative banking sector by improving financial stability, risk management, and customer service. Post-merger, Twin Cities' branch will operate under Kranti Bank.
8.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has set up a nine-member Working Group to review trading and settlement timings in India's financial markets, aiming to enhance market efficiency and align with global standards. • This move responds to factors like the rise of electronic trading, 24x5 Forex trading, increased foreign investor participation, and the round-the-clock availability of payment systems. The report is expected by April 30, 2025.





Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
9.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has postponed the implementation of Liquidity Coverage Ratio (LCR) and project financing guidelines by a year, now set for March 31, 2026. The delay addresses concerns from banks about potential liquidity challenges. The LCR norms, originally set for April 1, 2025, would have required banks to maintain more high-quality liquid assets (HQLAs), impacting credit availability. The postponement aims to avoid disruptions to lending activities and ensure financial stability.
10.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) imposed penalties on Federal Bank Ltd (₹27.30 lakh) and Karur Vysya Bank Ltd (₹8.30 lakh) for non-compliance with regulatory guidelines. The fines were a result of violations identified in account management and credit delivery systems during RBI's inspections, underscoring its firm stance on banking compliance.
11.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has announced new ₹50 denomination banknotes featuring the signature of Sanjay Malhotra, the newly appointed RBI Governor. These notes, part of the Mahatma Gandhi (New) Series, maintain the existing design and ensure continuity in India's currency framework. Previously issued ₹50 notes will remain valid and legal tender.
12.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has allowed Small Finance Banks (SFBs) to offer pre-sanctioned credit lines through Unified Payments Interface (UPI). This move aims to boost financial inclusion by making credit more accessible, especially for individuals and small businesses with limited access to formal banking. The decision supports RBI's push to integrate credit into digital payment systems, benefiting millions in rural and semi-urban areas.
13.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has lifted restrictions on Kotak Mahindra Bank, allowing it to resume onboarding new customers online and issuing new credit cards. The restrictions were imposed in April 2024 due to critical IT infrastructure shortcomings identified in audits from 2022 and 2023, including issues with IT inventory management, data security, and vendor risk assessment. The bank has now implemented corrective measures to restart its digital operations.
14.	Reserve Bank of India	<ul style="list-style-type: none"> The RBI has injected ₹2.5 lakh crore into the banking system through a Variable Rate Repo (VRR) auction to address liquidity shortfall. This move aims to stabilize the banking sector, ensure smooth credit flow, and prevent disruptions in financial markets.
15.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has approved Zulia Investments (a Temasek Holdings subsidiary) to increase its stake in AU Small Finance Bank to 7%. This move underscores Temasek's growing interest in India's financial sector and the rising prominence of AU Small Finance Bank, India's largest small finance bank, serving retail and MSMEs across the country.
16.	Reserve Bank of India	<ul style="list-style-type: none"> Easebuzz has received RBI authorization to operate as an online payment aggregator (PA). This approval allows the company to provide secure and seamless payment processing for businesses in India, reinforcing its compliance and expanding its role in the fintech sector.
17.	Reserve Bank of India	<ul style="list-style-type: none"> The Lokpal and Lokayuktas Act, 2013 mandates the establishment of Lokpal at the Union level and Lokayuktas at the State level to investigate allegations of corruption against public officials. The term "Lokpal" is exclusively designated for the body created under this Act and came into force on January 16, 2024, under Section 3 of the Act. However, the Reserve Bank of India (RBI) had introduced the Reserve Bank-Integrated Ombudsman Scheme (RB-IOS), 2021, which was erroneously translated into Hindi as "रिज़र्व बैंक-एकीकृत लोकपाल योजना, 2021." Since "Lokpal" is legally reserved for the anti-corruption body under the 2013 Act, corrective measures were needed.
18.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has approved Bank of Maharashtra (BoM) to open a branch in GIFT City, boosting its offshore banking operations. This move supports BoM's goal to expand its business in Gujarat by 25%, aiming to exceed ₹15,000 crore by Q2 FY 2024-25, and strengthens its presence in key financial hubs across India.
19.	Reserve Bank of India	<ul style="list-style-type: none"> RBI imposed penalties on Shriram Finance (₹5.80 lakh), Ujjivan Small Finance Bank (₹6.70 lakh), and Nainital Bank (₹61.40 lakh) for regulatory violations under the Banking Regulation Act, 1949.





SEBI News

S.No	Key Details
1.	<ul style="list-style-type: none"> SEBI is developing a secure UPI mechanism for market intermediaries to enhance investor security and prevent fraudulent transactions. This initiative aims to ensure that payments are routed only to legitimate intermediaries, addressing the growing issue of unregistered entities misleading investors and collecting funds fraudulently.
2.	<ul style="list-style-type: none"> The 1% Club, has made history by becoming one of the first finfluencer-led companies to secure the SEBI Registered Investment Advisor (RIA) license. This milestone allows the platform to legally offer personalized financial advice and services, enhancing its credibility in the financial advisory sector, where regulated advisors have been scarce.
3.	<ul style="list-style-type: none"> SEBI imposed a ₹25 lakh fine on DB Realty Ltd (now Valor Estate Ltd) and seven associated individuals for financial misstatements and non-disclosures. The penalties were due to the company's failure to follow accounting standards and properly disclose a corporate guarantee provided to the Bank of India for Pune Buildtech Pvt Ltd.
4.	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) launched MITRA (Mutual Fund Investment Tracing and Retrieval Assistant) to help investors track, trace, and reclaim inactive or unclaimed mutual fund folios. MITRA addresses issues like outdated contact details and lack of KYC compliance. It offers a searchable database for investors to locate inactive folios that have not had transactions for over ten years.
5.	<ul style="list-style-type: none"> SEBI has launched a new RPT portal to improve corporate governance and transparency in the Indian securities market. This platform enables timely and accurate reporting of Related Party Transactions (RPTs) by listed companies, ensuring comprehensive disclosure and easier monitoring by regulators and stakeholders. The initiative aims to strengthen governance standards and enhance market accountability.

Banking Current Affairs of January 2025

S. No.	Bank Name	Details
1	SBI TAB-Based Digital Onboarding for NRIs	<ul style="list-style-type: none"> Launched on January 2, 2025, this service offers faster account setup through digital document verification at SBI branches in India and select foreign offices. To enable NRIs to open NRE and NRO accounts through a digital process, eliminating physical paperwork.
2	SBI 'Har Ghar Lakhpati' and 'SBI Patrons' Schemes	<ul style="list-style-type: none"> 'Har Ghar Lakhpati' is a recurring deposit for minors to build savings early, while 'SBI Patrons' is a fixed deposit scheme for senior citizens aged 80+ with higher interest rates. To offer tailored deposit schemes: Har Ghar Lakhpati for saving ₹1 lakh and SBI Patrons for senior citizens with enhanced interest rates.
4	HDFC Bank	<ul style="list-style-type: none"> HDFC Bank has received RBI approval to acquire up to 9.5% stake in Kotak Mahindra Bank, AU Small Finance Bank, and Capital Small Finance Bank through group entities (HDFC Mutual Fund, HDFC Life Insurance, HDFC ERGO). Approval valid until January 2, 2026. The combined stake across entities must not exceed 9.5% in each bank.
5	SBI	<ul style="list-style-type: none"> SBI revised GDP growth forecast for FY25 to 6.3%, slightly lower than NSO's 6.4%. The adjustment is due to concerns over slowdown in lending, manufacturing, and high base effect. Key factors: agriculture growth of 3.8%, industry (6.2%), services (7.2%), private consumption rise (7.3%), and expected investment growth of 6.4%. Per capita nominal GDP set to rise by ₹35,000.
6	IDFC FIRST Bank	<ul style="list-style-type: none"> IDFC FIRST Bank has partnered with RuPay to launch the FIRST EA₹ RuPay Credit Card, a secured credit card that combines the benefits of a fixed deposit with the convenience of UPI transactions. This innovative card aims to provide users with enhanced financial flexibility and rewards.
7	Dhanlaxmi Bank	<ul style="list-style-type: none"> P. Suriaraj has been appointed Executive Director at Dhanlaxmi Bank, bringing valuable experience from his tenure at Tamilnad Mercantile Bank Ltd.





S. No.	Bank Name	Details
8	Punjab National Bank	<ul style="list-style-type: none"> • Punjab National Bank (PNB) became the first Indian bank to implement Clari5's National Cybercrime Reporting Portal (NCRP) Integration Solution, enhancing fraud prevention and complaint management. • Developed with the Indian Cyber Crime Coordination Centre (I4C), the system automates real-time processing of cybercrime complaints across retail banking channels like Internet Banking, ATMs, and UPI.
9	City Union Bank	<ul style="list-style-type: none"> • City Union Bank (CUB) won seven prestigious awards at the 19th Banking Technology Conference organized by the Indian Banks Association (IBA) in Mumbai, marking its second consecutive win. • CUB was recognized in categories including Best AI & ML Bank, Best Fintech & Digital Payment Index Adoption, and Best Financial Inclusion, highlighting its commitment to innovation, digital payments, and expanding banking access to underserved populations.
10	State Bank of India	<ul style="list-style-type: none"> • State Bank of India (SBI) Payments and Pine Labs have strengthened their 12-year partnership, starting on January 25, 2025, to boost digital payments adoption across India. • The collaboration focuses on enhancing merchant solutions and creating seamless payment experiences, aiming to transform the digital payment landscape and benefit both consumers and businesses.
11	Karnataka Bank	<ul style="list-style-type: none"> • Karnataka Bank secured top honours in six categories at the 20th Annual Banking Technology Conference, Expo & Citations, 2024 by IBA, highlighting its commitment to technological innovation. • Key awards included Best Tech Talent & Organisation (Runner Up), Best IT Risk Management (Runner Up), and Best Technology Bank (Runner Up). The bank also earned special mentions for Best Fintech & Digital Payment Integration and AI/ML Adoption, emphasizing advancements in digital payments, AI-powered banking, and cybersecurity.
12	ICICI Prudential Life	<ul style="list-style-type: none"> • ICICI Prudential Life Insurance has partnered with Reinsurance Group of America (RGA) to launch a unique health insurance product. • The product specifically caters to women's health, covering critical illnesses and surgeries. • Critical Illness Coverage:The product provides an instant payout of up to 100% of the health cover amount upon the diagnosis of critical illnesses. • Key covered conditions include breast cancer, cervical cancer, uterine cancer, and heart ailments. • Premium Guarantee and Payment Flexibility:ICICI Pru Wish offers a premium guarantee for 30 years, helping customers plan their premium payments better. • It also allows customers to take a premium sabbatical for up to 12 months during the premium payment term. • Target Audience:The product is designed to address health risks specific to women, providing financial support in case of critical illnesses. • Sunil Sharma, Chief Executive Officer, Reinsurance Group of America.
13	IDBI Bank	<ul style="list-style-type: none"> • IDBI Bank has approved the issuance of Long-Term Bonds to finance Infrastructure and Affordable Housing projects, raising up to ₹10,000 crore. • The bond issuance will occur in tranches, with ₹5,000 crore expected to be raised by March 31, 2025, and the balance during FY 2025-26. • Purpose of Bonds: The funds raised through these bonds will be used for financing infrastructure and affordable housing projects. • Regulatory Exemptions: These long-term infrastructure bonds are eligible for certain regulatory exemptions, including relief from statutory liquidity ratio (SLR) and cash reserve ratio (CRR) requirements. • Infrastructure Bonds: Banks and financial institutions use infrastructure bonds to raise funds for long-term infrastructure projects, with a minimum maturity of seven years. • Relevance to Industry Trends: The move reflects the growing trend among banks to raise funds through infrastructure bonds, particularly due to slower deposit growth in the banking sector.





S. No.	Bank Name	Details
14	Indian Bank	<ul style="list-style-type: none"> • Indian Bank aims to maintain a 3.4% net interest margin (NIM) in FY25, with a possible variation of $\pm 10-15$ basis points. <p>Key Highlights :</p> <ul style="list-style-type: none"> • Factors Supporting NIM Maintenance: Loans linked to external benchmarks will reprice immediately when interest rates decline, helping to manage interest income. • Around 55-60% of the bank's loans are linked to the Marginal Cost of Funds Based Lending Rate (MCLR), providing a hedge. • The bank has a strong investment portfolio with yields over 7%, which will support its margin. • As interest rates decline, deposit prices will decrease, further helping to maintain NIM. • Recovery Target: Indian Bank targets a recovery of ₹7,000 crore to ₹8,000 crore in FY25. • The bank has already recovered ₹3,958 crore in H1FY25, making it on track to meet its annual recovery target. • Digital Transformation: Over the past three years, the bank generated ₹1.8 lakh crore in digital business and increased mobile banking customers from 50 lakh to 1.81 crore. • The bank has built an analytics centre of excellence using AI and ML to offer personalized products, enhancing customer experiences and operational efficiency. • Employee Productivity and Transparency: Indian Bank has implemented a scientific target-setting system for employees, linking Key Result Areas (KRA) with the core banking system. • This system allows employees to track their performance and fosters a culture of transparency, contributing to higher productivity. • Improved Customer Service and Earnings: The bank has focused on improving customer service, which has resulted in consistent earnings over 13-14 quarters. • Indian Bank has shown good quality growth post the merger with Allahabad Bank, with a significant increase in net profit. • Leadership Transition: The current MD, V. Srinivasan, emphasized the importance of change management as his successor, Binod Kumar, took charge on January 1, 2025.
15	Federal Bank	<ul style="list-style-type: none"> • Federal Bank, one of India's largest private sector banks, launched FedOne, a new digital transaction banking platform. • The platform is powered by Nucleus Software's FinnAxia solution. <p>Key Highlights :</p> <ul style="list-style-type: none"> • Implementation Timeline: The platform was implemented after a 10-month collaboration between Federal Bank and Nucleus Software. • Purpose of FedOne: The platform aims to modernize the bank's corporate banking services and streamline treasury operations. • Features of FedOne: It is designed to enhance working capital management capabilities and provide faster service delivery for corporate customers. • Nucleus Software: Nucleus Software, the technology partner, supports over 200 financial institutions in 50 countries. • Capital Adequacy Ratio: Federal Bank's Capital Adequacy Ratio (CAR) stood at 15.20% as of September 30, 2024. • International Presence: Federal Bank operates Representative Offices in Dubai and Abu Dhabi, as well as an IFSC Banking Unit in GIFT City.
16	State Bank of India	<ul style="list-style-type: none"> • State Bank of India (SBI) has launched a TAB-based digital onboarding process for Non-Resident Indians (NRIs) to facilitate the opening of NRE (Non-Resident External) and NRO (Non-Resident Ordinary) accounts. • Purpose and Availability: The initiative aims to streamline the account opening process, offering it across SBI branches in India and select foreign offices. • Paperless and Efficient: The process eliminates the need for physical paperwork, utilizing digital tools to verify documents and speed up the account opening. • Account Types for NRIs: NRIs can open accounts denominated in Indian Rupees (NRE/NRO) or Foreign Currency, including FCNR (B) accounts in USD, EURO, GBP, CAD, JPY, and AUD. • Types of Accounts: NRE and NRO accounts can be either running accounts or fixed deposits, while FCNR (B) accounts are only available as fixed deposits.





S. No.	Bank Name	Details
17	Punjab & Sind Bank	<ul style="list-style-type: none"> • Punjab & Sind Bank plans to launch an instant loan scheme for Micro, Small, and Medium Enterprises (MSMEs), with loans up to ₹25 lakh. • The scheme will be rolled out this month as part of the bank's initiative to digitally push credit. • The bank has already introduced digital home loan and vehicle loan schemes, where in-principle approval is granted within 15 minutes. • These schemes operate on a Straight Through Process (STP), running on a pre-defined Business Rule Engine (BRE), which automates the loan processing and sanctioning stages.
18	Tamilnad Mercantile Bank	<ul style="list-style-type: none"> • Bajaj Broking, a subsidiary of Bajaj Finance Limited., has partnered with Tamilnad Mercantile Bank (TMB) to offer a 3-in-1 account solution. • The 3-in-1 account combines banking, broking, and investment services, enabling seamless access to all three functions for customers. • Customers of TMB will now be able to trade online through Bajaj Broking and utilize its diverse range of products and services. • The platform offers integrated fund transfers, reducing paperwork and providing tech-driven investment options across various products.
19	Exim Bank of India	<ul style="list-style-type: none"> • Exim Bank of India raised \$1 billion via a 10-year USD-denominated bond, marking a significant milestone in its international fundraising efforts. • The bond achieved the lowest-ever spread of 100 basis points over 10-year US treasuries for a BBB-rated issuer in Asia.
20	Punjab National Bank	<ul style="list-style-type: none"> • Punjab National Bank (PNB) has launched its first Cybersecurity Hackathon 2024-25, with the theme Code Against Malware. • The hackathon aims to address the rising threat of malware and enhance the nations cybersecurity defences. • Objective: The event brings together innovators, researchers, and academicians from across India to collaborate on developing advanced solutions for cybersecurity in the banking sector.
21	Indian Overseas Bank	<ul style="list-style-type: none"> • Indian Overseas Bank (IOB) is selling Rs 11,500 crore worth of non-performing assets (NPAs) to asset reconstruction companies (ARCs). • The sale involves 46 loan accounts and is part of the bank's effort to enhance its asset quality.
22	State Bank of India	<ul style="list-style-type: none"> • State Bank of India (SBI) chairman C S Setty has suggested creating a common mechanism to track the utilization of funds raised by Small and Medium Enterprises (SMEs) through debt and equity. • This mechanism aims to provide comfort to lenders and investors and enhance the competitiveness of pricing. • The system would ensure that funds are used for the intended purposes, minimizing risks related to misallocation.
23	Bank of Baroda	<ul style="list-style-type: none"> • Bank of Baroda (BoB) has announced setting up AI-driven customer support, full-fledged branches with forex transaction facilities in Prayagraj to facilitate the visitors. • As the convenor of the State Level Bankers' Committee (SLBC), Uttar Pradesh, BoB is leveraging Maha Kumbh to promote digital payments, offer AI-driven customer support, and provide robust banking infrastructure. • BoB is establishing two full-fledged branches with forex transaction facilities. • It is setting up onsite and mobile ATMs, along with coin vending machines, to cater to diverse banking needs. • The Bank has developed a GenAI-powered Virtual Relationship Manager, Aditi, to answer banking-related queries and enhance customer service to the pilgrims visiting Mahakumbh. • The Maha Kumbh is being celebrated after 12 years, and over 45 crore devotees are expected for the event.





S. No.	Bank Name	Details
24	Suryoday Small Finance Bank	<ul style="list-style-type: none"> • Suryoday Small Finance Bank (SSFB) announced its partnership with Tata Digital to extend its FD offerings. • This collaboration will enable SSFB to leverage Tata Neu's reach, providing retail customers with access to the deposit scheme. • SSFB's FD offering will be available on the Tata Neu platform, where customers can invest in fixed deposits at interest rates of up to 9.1% without the need for a savings account. • Customers can start investing with as little as Rs. 1,000 and the onboarding process can be completed in a few minutes.
25	Bank of Baroda	<ul style="list-style-type: none"> • Bank of Baroda (BoB) has partnered with Truworth Wellness to extend an enhanced wellness program for its 75,000+ employees and their families. • The Employee Assistance Program (EAP) is focused on improving emotional, mental, and psychological well-being. • It provides confidential counseling with experts to address issues like anxiety and stress. • Employees and their families can access counseling through various modes: in-person, video calls, or a 24/7 helpline. • A mobile app is also available, offering wellness assessments, mood trackers, and AI-based virtual therapy. • Truworth Wellness, founded in 2011, specializes in providing corporate wellness solutions with a preventive approach.
26	India to reduce stakes in 5 public sector banks	<ul style="list-style-type: none"> • India is considering reducing its ownership in 5 state-run banks, including UCO Bank, Central Bank of India, Indian Overseas Bank, Bank of Maharashtra, and Punjab and Sind Bank, through stake sales or allowing the banks to sell shares to large investors. <p>Key Highlights :</p> <ul style="list-style-type: none"> • Minimum Public Holding Norms: The goal is to bring down the government's stake in these banks below 75% to meet regulatory norms. • Methods of Stake Reduction:The Department of Investment and Public Asset Management (DIPAM) may facilitate the stake sales. • The alternative is for the banks to sell shares to large investors, which will help them meet the required public holding norms. • Liquidity and Lending: Allowing stake sales will improve the liquidity of these banks, which could enable them to lend more, especially as analysts suggest asset quality in the banking sector may have peaked amid slowing economic growth. • Market Response: Shares of UCO Bank and Indian Overseas Bank surged significantly, indicating strong investor interest in state-run banks. • Performance of State-Run Banks:Over the last 12 months, state-owned bank stocks have shown a positive performance, with a 4% increase in the Nifty gauge of state-owned banks, contrasting with a 3.6% decline in the Nifty Private Bank index. • Valuation of Banks: The banks where the government plans to reduce its stake are trading at a price-to-book ratio between 1.43 and 3.62, compared to the State Bank of India's price-to-book ratio of 1.44.
27	Bank of Baroda	<ul style="list-style-type: none"> • Bank of Baroda (BoB) raised Rs 5,000 crore through a 10-year infrastructure bond at a coupon rate of 7.23%. • The infrastructure bond issued by BoB was rated AAA by CRISIL and India Ratings, indicating a high credit rating. <p>Key Highlights :</p> <ul style="list-style-type: none"> • Issue Details:The base issue size was Rs 2,000 crore, with a green shoe option of Rs 3,000 crore, allowing for an additional issue of bonds. • The demand for the bond was strong, with total demand amounting to Rs 14,830 crore, which was 7.5 times the base issue size. • Full Issue Amount Retained: BoB decided to retain the full issue amount of Rs 5,000 crore despite the demand exceeding the issue size.





S. No.	Bank Name	Details
		<ul style="list-style-type: none"> • IRFC's Bond Issuance: The Indian Railway Finance Corporation (IRFC) also raised Rs 2,780 crore through 10-year bonds at a 7.25% interest rate. • The base issue size was Rs 500 crore, and the green shoe option was Rs 2,500 crore. • Demand for IRFC Bonds: IRFC received bids worth Rs 6,030 crore but retained Rs 2,780 crore, falling short of its target amount. • IREDA's Upcoming Bond Issue: The Indian Renewable Energy Development Agency (IREDA) plans to raise Rs 1,500 crore through a 10-year bond issuance later in the week, with bonds rated AAA by ICRA and India Ratings
28	3 Indian Banks Rank Among Top 25 Global Banks by Market Cap	<p>According to a report by GlobalData, a leading data analytics and research company, 3 Indian banks -HDFC Bank, ICICI Bank, and State Bank of India (SBI) ranked in the top 25 global banks by market capitalization for Q4 2024:</p> <ul style="list-style-type: none"> ○ HDFC Bank: Ranked 13th with a market cap of \$158.5 billion. ○ ICICI Bank: Ranked 19th with a market cap of \$105.7 billion. ○ SBI: Ranked 24th with a market cap of \$82.9 billion.

RBI News

RBI's Financial Stability Report, 2024

The Reserve Bank of India (RBI) has released its **Financial Stability Report (FSR)** for December 2024, providing a comprehensive analysis of the Indian financial system's health. The FSR is published **biannually**, typically in June and December, offering insights into the stability and resilience of the financial sector.

Key Highlights from the RBI Financial Stability Report, December 2024

Economic Growth and Financial Stability

The FSR highlights that the **Indian economy is demonstrating strong resilience**, projecting a **Gross Domestic Product (GDP) growth rate of 6.6% for FY25 (2024-25)**. This growth is driven by:

- A resurgence in rural consumption
- Increased government spending and investment
- Robust services exports
- Declining Non-Performing Assets (NPAs)
- Adequate capital and liquidity buffers

However, the report also notes a **moderation in GDP growth to 6% in the first half (April-September) of FY25**, compared to **8.2% in H1 and 8.1% in H2 of FY24**. Despite this, India's **structural growth drivers remain intact**.

Debt-to-GDP Ratio Trends

- **Central government debt-to-GDP ratio** is expected to decrease from **62.7% in 2020-21 to 56.8% in FY25**.
- **States' outstanding liabilities** are projected to decline from **31% to 28.8%** in the same period.

External Commercial Borrowings (ECBs) and Risks

- **Unhedged External Commercial Borrowings (ECBs)** reached **USD 65.49 billion**, constituting **34.4% of the total ECB debt**.
- The report warns that the **rise in foreign currency borrowings by NBFCs** could pose currency risks if left unhedged.

Non-Performing Assets (NPAs) and Banking Health

- The **Gross Non-Performing Assets (GNPA) ratio** for SCBs declined to a **12-year low of 2.6% in September 2024**.
- However, under **stress test scenarios**, the GNPA ratio may increase to:
 - **3% by March 2026** under the **baseline scenario**
 - **5% and 5.35%** under two different **high-risk scenarios**
- **Net NPA (NNPA) ratio** of SCBs remains stable at **0.6%**.
- **Provisioning Coverage Ratio (PCR)** increased to **77%**, primarily due to **proactive provisioning by Public Sector Banks (PSBs)**.





Banking System Liquidity and Capital Adequacy

- **Liquidity Coverage Ratio (LCR)** of the banking system declined from **135.7% (September 2023)** to **128.5% (September 2024)** due to increased net cash outflows.
- **Capital Adequacy Ratio (CAR)** is expected to decline to:
 - **16.5% by March 2026** under the **baseline scenario**
 - **15.7% and 14.3%** under two **high-risk scenarios**
 - CAR stood at **16.6% in September 2024**.

Performance of Non-Financial Companies (NFCs)

- Listed **Private Non-Financial Companies (NFCs)** reported **stable sales growth** at **6.2% Year-on-Year (Y-o-Y)** in H1 FY25, similar to H2 of FY24.

Monetary Penalties and Banking Supervision

- RBI's **monetary penalties** on regulated entities from **June to November 2024** declined **47% to Rs 30 crore**, compared to Rs 57 crore in the same period in 2023.
- **Of 153 penalties**, fines were imposed on:
 - 5 Public Sector Banks (PSBs)
 - 5 Private Sector Banks
 - 3 Foreign Banks
 - 2 Regional Rural Banks (RRBs)
 - 116 Cooperative Banks (CBs)
 - 14 NBFCs
 - 8 Housing Finance Companies

Liquidity Deficit and Market Trends

- **Liquidity deficit** stood at **2.43 trillion rupees as of December 23, 2024**, mainly driven by **tax outflows** and **forex interventions** by the RBI.

Three Banks Displaying Risky Metrics

- In 2014, **75% of banks examined** were deficient in **three or more Key Risk Indicators (KRIs)**.
- By **September 2024**, only **three banks** accounting for **15% of total banking system assets** exhibited **deficiencies in three KRIs**.

Loan-Deposit Ratio and Bank Profitability

- **Loan growth outpaced deposit growth**, increasing **loan-deposit ratios**.
- Banks are increasingly **relying on borrowings** to bridge funding gaps.

Understanding the Key Risk Indicator (KRI) Framework

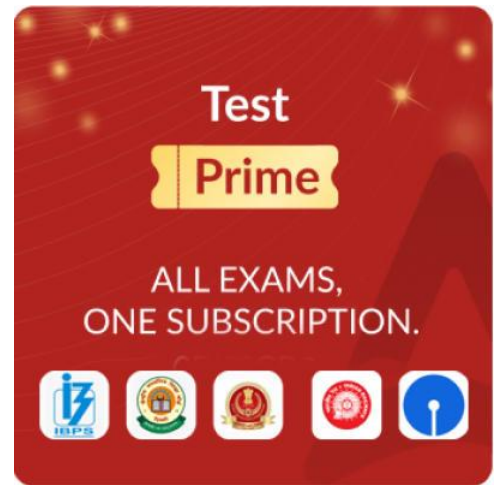
The **KRI framework**, developed by the **International Monetary Fund (IMF)**, measures bank vulnerability using the **CAMELS framework**:

- **Capital Adequacy**
- **Asset Quality**
- **Management**
- **Earnings**
- **Liquidity**
- **Systems**

This framework integrates **supervisory and market-based metrics** to assess financial stability.

About the Financial Stability and Development Council (FSDC)

- The **FSDC** is a **non-statutory apex council** under the **Ministry of Finance (MoF)**.
- It is chaired by the **Union Finance Minister**.
- Proposed by the **Raghuram Rajan Committee (2008)**, the FSDC monitors financial stability and coordinates financial sector policies.



Reserve Bank of India's (RBI) Report on Trend and Progress of Banking in India 2023-24

The Reserve Bank of India (RBI) has released the **"Report on Trend and Progress of Banking in India 2023-24,"** offering a comprehensive analysis of the banking sector's performance during the fiscal year 2023-24. This **annual report** provides insights into various facets of the banking industry, including asset quality, profitability, capital adequacy, and emerging challenges.





Key Highlights from RBI Report on Trend and Progress of Banking in India 2023-24

1. Asset Quality of Banks:

The gross non-performing assets (NPAs) ratio of Indian banks has fallen to a 12-year low of 2.5% as of September 2024, the lowest since 2012. This improvement is attributed to recoveries, write-offs of legacy bad loans, and more effective management of asset quality. The reduction in bad loans is reflective of better risk management and recovery efforts.

2. Projections for NPAs:

The report projects that the gross bad loan ratio could rise to 3% by March 2026 under a baseline scenario. In high-risk scenarios, it could reach up to 5.3%. While the sector anticipates some increase in NPAs, the RBI assures that banks will maintain sufficient capital and not fall below the 9% minimum capital requirement, even in adverse conditions.

3. Credit Growth and Economic Outlook:

The Indian banking sector has witnessed a significant 19% increase in credit growth during 2023-24, reflecting positive economic growth and robust demand for loans. The growth in advances is particularly strong in sectors like infrastructure, housing, and personal loans. The optimistic credit outlook is also indicative of an improving economic environment in India.

4. Digital Transformation in Banking:

The Indian banking sector has been undergoing a digital revolution, with an increase in online and mobile banking transactions. The launch of Central Bank Digital Currency (CBDC) pilots further highlights the sector's move towards embracing cutting-edge digital financial solutions. Digital banking continues to grow rapidly, helping increase financial inclusion and improving customer experiences.

5. Strong Capital Adequacy:

The Capital-to-Risk-Weighted Assets Ratio (CRAR) of Indian banks stood at 16.8% as of September 2024, significantly higher than the regulatory minimum of 9%. This indicates that Indian banks are in a strong position to absorb any shocks, with robust capital buffers ensuring financial stability.

6. Increasing Bank Frauds:

The report highlighted an alarming increase in bank frauds, with fraud-related cases seeing a significant rise in the first half of FY25. This trend is expected to continue, raising concerns about cybersecurity and internal controls in the banking sector. The RBI is likely to take measures to mitigate these risks going forward.

Detailed Analysis of each point

1. Asset Quality Improvement:

The banking sector has made significant strides in enhancing asset quality. The GNPA ratio's decline to 2.5% in September 2024 reflects effective recovery efforts and prudent lending practices. The reduction in Net NPAs to 0.57% indicates improved asset quality and better risk management.

2. Profitability Growth:

SCBs have demonstrated consistent profitability, with a RoA of 1.4% and RoE of 14.6% in 2023-24. This sustained growth underscores the sector's resilience and operational efficiency.

3. Capital Adequacy:

The CRAR of 16.8% as of September 2024 surpasses the regulatory minimum, ensuring banks have sufficient capital buffers to absorb potential losses and support growth.

4. Credit Growth:

The 19% increase in advances highlights robust credit demand, indicating confidence in economic recovery and expansion.

5. Digital Transformation:

The rise in digital banking transactions and the initiation of CBDC pilots reflect the sector's commitment to modernization and financial inclusion.

6. Emerging Risks:

The projected increase in the GNPA ratio to 3% by March 2026 and the rise in bank fraud cases necessitate enhanced risk management and vigilance.

RBI's Guidelines on Government Debt Relief Scheme

The Reserve Bank of India (RBI) has issued detailed guidelines for lenders participating in the **Government Debt Relief Scheme**, aiming to provide structured relief to borrowers facing financial distress. This initiative aligns with the **RBI's ongoing efforts** to enhance financial stability and support economic recovery.





Crux of the Guidelines

The RBI's guidelines outline the framework for lenders to offer debt relief to borrowers impacted by financial challenges. The scheme is designed to facilitate the restructuring of loans, ensuring that borrowers receive the necessary support while maintaining the integrity of the financial system.

Key Components of the Scheme

Eligibility Criteria: The scheme targets borrowers who have demonstrated a consistent repayment history but are currently facing financial difficulties due to unforeseen circumstances.

Restructuring Framework: Lenders are permitted to restructure loans by extending repayment periods, reducing interest rates, or converting a portion of the debt into equity, subject to specific conditions.

Regulatory Oversight: The RBI will monitor the implementation of the scheme to ensure compliance with established guidelines and to maintain financial stability.

Historical Context

This initiative builds upon previous measures taken by the RBI to address financial stress among borrowers. Notably, in 2016, **Hindustan Construction Company (HCC)** became the first firm to receive debt relief under the RBI's Scheme for Sustainable Structuring of Stressed Assets (S4A), which allowed banks to convert a portion of the company's loans into equity or debentures.

Implications for Lenders and Borrowers

For Lenders: The guidelines provide a structured approach to managing distressed assets, enabling banks to offer relief to borrowers while safeguarding their financial interests.

For Borrowers: The scheme offers a pathway to financial recovery, allowing businesses and individuals to restructure their debts and continue operations without the immediate threat of insolvency.

RBI's 2024-25 Report on State Finances

The Reserve Bank of India's (RBI) recent report, "State Finances: A Study of Budgets of 2024-25," highlights significant improvements in the fiscal health of state governments post-pandemic, while also identifying areas requiring further attention.

Fiscal Consolidation Achievements

Gross Fiscal Deficit (GFD): States have successfully contained their consolidated GFD within 3% of GDP during 2022-23 and 2023-24, with a budgeted GFD of 3.2% for 2024-25.

Revenue Deficit: Maintained at a low 0.2% of GDP during 2022-23 and 2023-24.

Capital Expenditure: Increased from 2.4% of GDP in 2021-22 to 2.8% in 2023-24, with a further budgeted rise to 3.1% in 2024-25, indicating a focus on developmental spending.

Debt Levels and Liabilities

Outstanding Liabilities: Declined from 31% of GDP at end-March 2021 to 28.5% at end-March 2024, yet still above the pre-pandemic level of 25.3% at end-March 2019.

Contingent Liabilities: State guarantees have risen from 2% of GDP at end-March 2017 to 3.8% by March 2023, posing potential fiscal risks.

Subsidy Expenditures

Rising Subsidies: Significant increases in spending on subsidies, including farm loan waivers and free or subsidized services like electricity, transport, and gas cylinders, have been noted. For instance, 14 states have implemented income transfer schemes for women, totaling approximately ₹2 lakh crore, or about 0.6% of GDP.

Power Sector Concerns

Discom Losses: Power distribution companies have accumulated losses amounting to ₹6.5 lakh crore by 2022-23, equivalent to around 2.4% of GDP, despite multiple reform attempts.

Recommendations for Fiscal Sustainability

Debt Consolidation: The RBI emphasizes the need for a credible roadmap for debt consolidation, particularly for states with elevated debt levels, recommending clear, transparent, and time-bound strategies aligned with macroeconomic objectives.

Expenditure Efficiency: States are urged to enhance expenditure efficiency through outcome-based budgeting and to rationalize subsidies to prevent the crowding out of productive expenditures.

Fiscal Framework Reforms: Adoption of risk-based fiscal frameworks with provisions for counter-cyclical policies, along with strengthening State Finance Commissions, is advised to ensure fiscal discipline and adequate fund transfers to local bodies.





S.No.	Name	Details
1.	RBI's GDP Growth Projection for FY25	<ul style="list-style-type: none"> To project India's GDP growth at 6.6%, highlighting factors like rural consumption, government spending, and exports. Despite a slowdown in H1 FY25 to 6% from 8.2% in H1 FY24, India's economy remains resilient due to strong fundamentals and a robust financial system. Risks include global uncertainties and urban demand moderation.
2	Merger of National Co-operative Bank with Cosmos Co-operative Bank	<ul style="list-style-type: none"> To consolidate banking operations and improve financial stability post-merger, effective January 6, 2025. The merger addresses the financial weaknesses of National Co-operative Bank. Post-merger, its branches will operate under Cosmos Co-operative Bank.
3	Name Lookup Facility for RTGS and NEFT	<ul style="list-style-type: none"> To reduce fraud and errors by allowing remitters to verify beneficiaries' names before transactions. Developed by NPCI, this feature will be available via internet banking, mobile banking, and bank branches, free of charge. Banks must implement it by April 1, 2025.
4	Reserve Bank of India	<ul style="list-style-type: none"> Reserve Bank of India (RBI) added 8 tonnes of gold to its reserves, increasing India's total to 876 tonnes, making it the second-largest gold buyer globally after Poland. The RBI's strategy aligns with a global trend among central banks to bolster gold reserves as a hedge against inflation and foreign currency risks amid economic uncertainties.
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) appointed M. Rajeshwar Rao, Deputy Governor, to oversee the Monetary Policy and Economic Research Departments after Michael Patra completed his term on January 15, 2025.
6.	Reserve Bank of India	<ul style="list-style-type: none"> The RBI has authorized overseas branches of authorized banks to open Indian Rupee (INR) accounts for non-residents, aiming to enhance the global use of the Indian Rupee in cross-border transactions and investments. This move facilitates settling transactions with non-residents, supports Foreign Direct Investment (FDI), and allows Indian exporters to receive export proceeds and manage payments, reducing currency conversion costs.
7.	Reserve Bank of India	<ul style="list-style-type: none"> In November 2024, the RBI sold a record \$20.2 billion in the foreign exchange market to stabilize the rupee amid foreign portfolio investor (FPI) outflows. Despite purchasing \$30.8 billion and selling \$51.1 billion in the spot market, the rupee depreciated by 0.48% against the US dollar, increasing the RBI's net short position in the forward market to \$58.9 billion.
8.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has introduced stricter guidelines for Asset Reconstruction Companies (ARCs) to enhance transparency and accountability in borrower settlements, aligning them with bank and NBFC practices. ARCs must now establish board-approved policies detailing one-time settlement criteria, exposure-based sacrifices, and security valuation methods. For dues exceeding ₹1 crore, an Independent Advisory Committee (IAC) will assess borrower financials before recommending settlements, which must then be deliberated by the Board of Directors, including at least two independent members. For settlements below ₹1 crore, ARCs can follow board-approved policies, but asset acquisition officials cannot approve settlements to avoid conflicts of interest. Quarterly reporting is mandated, covering settlement trends, fraud/wilful default cases, and recovery timelines. Wilful defaulters and fraud cases will follow stringent procedures regardless of settlement amount, ensuring no undue leniency. These guidelines take immediate effect, reinforcing compliance and consumer protection in the ARC settlement process.
9.	RBI	<ul style="list-style-type: none"> HSBC India has received RBI approval to open 20 new branches across key cities, marking the largest foreign bank expansion in over a decade. The branches will target cities like Amritsar, Bhopal, Lucknow, Surat, and Vishakhapatnam, focusing on growing wealth pools and catering to affluent, high net worth, and ultra-high net worth clients with domestic and international banking needs.





S.No.	Name	Details
10.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has mandated banks and regulated entities (REs) to use the '1600xx' numbering series exclusively for transactional calls and the '140xx' series for promotional communications to enhance the security of digital transactions and combat financial fraud. Banks are required to monitor and clean customer databases by utilizing the Mobile Number Revocation List (MNRL) available on the Digital Intelligence Platform (DIP) developed by the Department of Telecommunications (DoT) to identify and remove invalid or revoked numbers. Additionally, financial institutions must develop standard operating procedures (SOPs) for updating registered mobile numbers after verification and strengthen monitoring of accounts linked to revoked numbers to prevent misuse.
11.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) imposed monetary penalties on Canara Bank, Bank of India, and Jammu & Kashmir Bank for regulatory compliance failures. Jammu & Kashmir Bank was fined ₹3.31 crore for violations related to financial inclusion and KYC norms. Bank of India faced a ₹1 crore penalty for non-compliance with the Banking Regulation Act, 1949, while Canara Bank was fined ₹1.63 crore for issues with priority sector lending, interest rates, and financial inclusion.
12.	Reserve Bank of India	<ul style="list-style-type: none"> In 2024, the Reserve Bank of India's (RBI) Integrated Ombudsman Scheme recorded a 32.81% increase in bank customer complaints, totaling 9.34 lakh. The rise reflects growing concerns over delays in service, transaction errors, and inadequate redressal, highlighting the need for better customer service and grievance handling in the banking sector.
13.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has approved the formation of the National Urban Cooperative Finance and Development Corporation (NUCFDC) to enhance the operational efficiency of Urban Cooperative Banks (UCBs) in India. This initiative addresses challenges like regulatory compliance, financial stability, and technological advancement. The move comes as the number of UCBs has declined from 1,926 in 2004 to about 1,500 in 2024. NUCFDC aims to provide crucial support, including IT infrastructure and operational assistance.
14.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has set the interest rate for the Government of India Floating Rate Bonds 2035 (GOI FRB 2035) at 6.66% per annum, effective from January 25, 2025 to January 24, 2030. The rate is based on the prevailing 5-year yield on Government of India securities as of January 24, 2025, reflecting current market conditions.
15.	Reserve Bank of India	<ul style="list-style-type: none"> Despite facing global uncertainties, the Reserve Bank of India (RBI) Governor Sanjay Malhotra is optimistic about India's economic prospects, citing high consumer and business confidence in 2025 and expecting an improvement in the second half of the financial year. <p>Key Highlights :</p> <ul style="list-style-type: none"> Focus on Financial Stability: Malhotra emphasized that the RBI's focus remains on preserving financial stability, supporting higher economic growth, and ensuring systemic stability in financial institutions. Growth and Inflation: India recorded a slowdown in GDP growth to 5.4% in Q2 of FY24, with a 6% growth in the first half of the fiscal year. There are discussions about the possibility of RBI reducing policy rates to support growth, especially as inflation moderates. Strong Business Confidence: The RBI Governor highlighted that businesses are entering 2025 with robust balance sheets and high profitability, contributing to an improved investment scenario. Financial Sector Resilience: Malhotra noted that financial sector regulators are intensifying reforms and strengthening surveillance.





S.No.	Name	Details
		<ul style="list-style-type: none"> Stress test results indicate that both banks and NBFCs will maintain capital levels above regulatory minimums even under adverse scenarios. Commitment to Financial Inclusion: Malhotra reaffirmed the RBI's commitment to developing a modern, customer-centric, technologically advanced, and financially inclusive financial system to support India's growth aspirations. Global Economic Resilience: While acknowledging challenges from geopolitical conflicts, trade uncertainties, and economic policy issues, Malhotra pointed out that the global economy shows resilience, and declining inflation may help improve global purchasing power. Medium-Term Outlook and Risks: The medium-term outlook remains uncertain, with risks from geopolitical tensions, financial market instability, climate events, and rising global indebtedness. Other risks include asset valuation concerns, challenges in the non-bank financial sector, and new emerging technologies.
16.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank Innovation Hub (RBIH) has partnered with Vivifi Finance to launch a pilot project aimed at providing unsecured loans to gig workers. The pilot aims to develop a digital platform for providing loans to cab-hailing app drivers, such as those working with Ola and Uber, food delivery drivers employed by Swiggy and Zomato, and other gig workers. <p>Key Highlights:</p> <ul style="list-style-type: none"> The RBI innovation hub is running a pilot with Vivifi Finance and three other gig platforms, where alternate data is being used to underwrite these gig workers. The Reserve Bank Innovation Hub is a wholly owned subsidiary of the Reserve Bank of India (RBI), established to promote and foster an environment that accelerates innovation across the financial sector. Unified Lending Interface (ULI) is a digital public infrastructure designed to provide lenders with access to critical financial, non-financial, and alternative data for informed credit decisions. Currently, 36 lenders, including banks and NBFCs, are onboarded, leveraging over 50 data services such as authentication, land records from six states, satellite data, property searches, dairy insights, and document verification. The RBIH initially launched the Public Tech Platform for Frictionless Credit to develop an end-to-end digital solution for agriculture loans. This platform was subsequently renamed the Unified Lending Interface and entered its pilot phase on August 17, 2023.
17.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) mandates that Authorized Dealer Category-I Banks report gold derivative transactions to the Clearing Corporation of India Limited. (CCIL) trade repository. Effective Date: The reporting requirement will start from February 1, 2025 for all over-the-counter (OTC) transactions in gold derivatives conducted by banks and eligible customers. Report Submission: Banks must submit reports by noon (12:00 PM) on the next business day, including any amendments or unwinding of transactions. Retrospective Reporting: Banks are required to retrospectively report all matured and outstanding transactions from April 15, 2024, to February 28, 2025, to ensure data completeness. Quarterly Reporting: Banks must submit a quarterly report on gold derivative transactions at exchanges in International Financial Services Centres (IFSC) and overseas, including transactions by eligible customers/constituents at IFSC exchanges. This report should be submitted within ten days of the succeeding quarter, starting from the quarter ending December 31, 2024.





S.No.	Name	Details
		<ul style="list-style-type: none"> Legal Framework: These guidelines are issued under the powers vested in the RBI under Section 45W of the RBI Act, 1934, Foreign Exchange Management Act, 1999, and Banking Regulation Act, 1949. Scope: The guidelines apply to both domestic market transactions and those conducted in International Financial Services Centres (IFSC) or overseas.
18.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has issued guidelines for lenders participating in Government Debt Relief Schemes (DRS), focusing on the sacrifice of interest, principal, and loan account status. DRS are typically announced by states to provide financial relief to borrowers, especially during natural calamities, or as political promises during elections. These schemes target specific segments of borrowers, such as farmers. <p>Key Highlights:</p> <ul style="list-style-type: none"> Model Operating Procedure (MOP): RBI has shared a Model Operating Procedure (MOP) with State Governments, which includes steps for consultation with State Level Bankers' Committee (SLBC) and District Level Consultative Committee (DCC), and guidelines for the scheme's design and funding. Provision for Dues Pending Beyond 90 Days: For any dues pending from the Government for more than 90 days, RBI has mandated a 100% provision, emphasizing that lenders must actively pursue the settlement of these dues. DRS as a Last Resort: RBI stresses that DRS should only be considered as a last resort and must be implemented following proper consultation and within a well-defined framework to avoid financial instability. No Receivables from Government: Lenders are prohibited from creating any receivable against the Government concerning DRS. Until the receipt of funds from the Government, lenders must continue applying prudential norms to the borrower accounts. Lender's Action for Settlement: Lenders must take necessary actions to follow up with the Government for the early settlement of dues and ensure proper handling of borrowers' accounts under the DRS. Applicability of Guidelines: These guidelines apply to all Commercial Banks (including Regional Rural Banks and Local Area Banks), Primary (Urban) Co-operative Banks, State and Central Co-operative Banks, Non-Banking Financial Companies (NBFCs), Housing Finance Companies, and All-India Financial Institutions. Impact on Financial Stability: The RBI emphasizes that DRS must be carefully designed to avoid creating financial instability or moral hazards, and should address critical aspects like borrower identification, scheme timelines, and claim settlements. Role of Lenders in the Process: Lenders should ensure that any sacrifice in interest or principal under DRS is done in a manner that complies with the relevant asset classification, provisioning norms, and credit discipline.
19.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has lifted the restrictions on Chennai-based Asirvad Micro Finance and Delhi-based DMI Finance, effective immediately. Reason for Lifting Restrictions: The RBI was satisfied with the companies' actions to comply with regulatory guidelines, including revamped processes and systems, and their commitment to ensure adherence to regulations, particularly regarding fairness in loan pricing.
20.	Reserve Bank of India	<ul style="list-style-type: none"> KredX, a supply chain finance platform, has announced that it has received final approval from the Reserve Bank of India (RBI) to commercially launch its Trade Receivables Discounting System (TReDS) platform under the brand name DTX (Domestic Trade Exchange). With this, KredX becomes the fifth RBI-regulated TReDS platform in India, marking a significant milestone in its journey to revolutionise supply chain financing.





S.No.	Name	Details
21.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) came up with new guidelines for Asset Reconstruction Companies (ARCs) to streamline and provide an efficient settlement process for the dues of borrowers. The new guidelines were set in motion on January 20, 2025, after a detailed review of existing rules and regulations. The guidelines aim to streamline the settlement process for borrowers' dues and enhance transparency in the recovery of Non-Performing Assets (NPAs). The focus is on settlements for borrowers who have defaulted on loans, with debts managed by ARCs, ensuring fairness and efficiency in settlements while protecting the interests of both borrowers and financial institutions.

SEBI News

S.No	Announcement	Key Details
1.	Securities and Exchange Board of India	The Securities and Exchange Board of India (SEBI) is launching the Integrated SEBI Portal for Technical Glitches (iSPOT) on February 3, 2025 , to replace the outdated email system. This new, structured portal will allow Market Infrastructure Institutions (MIIs) , including stock exchanges and depositories, to report technical issues with detailed root cause analysis (RCA) . The initiative aims to improve transparency, efficiency, and real-time issue resolution , enhancing the overall financial market infrastructure .
2.	SEBI	On January 26, 2025 , SEBI launched " Dharohar – Milestones in the Indian Securities Market ", a digital repository preserving the history of India's securities market . This initiative highlights key milestones in the market's evolution over 150+ years , offering valuable insights into India's financial market development.
3.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has imposed a ₹9 lakh penalty on Stockholding Services for violating regulatory norms. The violations were identified during Sebi's thematic inspection conducted between April 2022 and June 2023.
4.	Securities and Exchange Board of India	<ul style="list-style-type: none"> Capital markets regulator Securities and Exchange Board of India (SEBI) announced the introduction of the Mutual Funds Lite (MF Lite) framework to ease the compliance process for companies launching passively managed mutual fund schemes. The framework is designed to encourage new flows, encourage innovation and promote investment diversification in the mutual fund sector.
5.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has updated the timelines for credit rating agencies (CRAs), shifting from "days" to "working days" to improve ease of doing business and standardize processes.
6.	Securities and Exchange Board of India	<ul style="list-style-type: none"> As per Securities and Exchange Board of India (SEBI) Chairperson Madhabi Puri Buch, total capital market fundraising in FY2025 is expected to rise by 21% to ₹14.7 lakh crore from ₹11.8 lakh crore in FY2024.
7.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has proposed raising the investment threshold for granular disclosures by foreign portfolio investors (FPIs). The current threshold of Rs 25,000 crore will be increased to Rs 50,000 crore for FPIs to provide detailed disclosures of their holdings.
8.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has partnered with the National Institute of Securities Markets (NISM) to launch an e-learning course on municipal bonds. Objective of the Course: The course aims to enhance the understanding of municipal bonds among municipal corporations, urban local bodies, and other stakeholders, helping them leverage bonds for urban infrastructure development. Encouraging Municipal Bond Issuance: The initiative promotes the issuance of municipal bonds as an alternative funding mechanism for urban infrastructure projects. Municipal Bonds Overview: Municipal bonds (muni bonds) are debt securities issued by urban local governments and agencies. They are used to fund everyday obligations and finance capital projects such as highways, roads, and schools.





S.No	Announcement	Key Details
9.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) tightened rules for initial public offerings (IPO) of small and medium enterprises, and tweaked the framework for merchant bankers and custodians by raising their minimum net-worth requirements. Tightened IPO Rules for SMEs : SEBI has proposed raising the minimum application size for Small and Medium Enterprises (SME) IPOs from ₹1 lakh to ₹2-4 lakh.

Banking Current Affairs of December 2024

S. No.	Bank Name	Purpose
1	YES Bank	<p>YES Bank announced the appointment of Manish Jain as Executive Director (Whole-Time Director), approved by the Reserve Bank of India (RBI). The appointment, effective from December 11, 2024, is for a three-year term. Jain, who joined the bank in September 2023, brings extensive experience in corporate and wholesale banking. The appointment is subject to YES Bank's shareholders' approval.</p>
2	South Indian Bank	<ul style="list-style-type: none"> South Indian Bank has expanded its banking infrastructure by opening its second mega currency chest at Kakkanad, near Kochi, making it its sixth currency chest in total. Inauguration Ceremony:The facility was inaugurated by Thomas Mathew, Regional Director (Kerala & Lakshadweep), Reserve Bank of India (RBI), Thiruvananthapuram. Geographical Coverage:The newly inaugurated currency chest at Kakkanad will serve the bank's branches in Ernakulam and other adjacent regions. Strategic Strengthening:This move strengthens South Indian Bank's infrastructure and reinforces its position as a leading financial institution committed to adapting to the evolving needs of customers in the region.
3	State Bank of India	<ul style="list-style-type: none"> The State Bank of India (SBI) has introduced a customized vehicle loan product exclusively for Uber's fleet partners. Loan Features:The product offers low-cost, tailored financing solutions and ensures hassle-free loan disbursement to fleet partners. Strategic Partnership:The partnership between SBI and Uber combines SBI's extensive financial services network with Uber's technology platform. The initiative aims to help fleet partners expand their fleet and scale up operations, contributing to the growth of the ride-hailing industry. SBI's Auto Loan Market Share:SBI holds a 2% market share in auto loans across India, reinforcing its leadership in vehicle financing.
4	Bank of India	<ul style="list-style-type: none"> Bank of India (BoI) plans to raise an additional Rs 5,000 crore through the issuance of infrastructure bonds. The bond issuance is in line with the current soft interest rate trends. Previous Infrastructure Bond Issuances:In November 2024, BoI raised Rs 5,000 crore through a 10-year infrastructure bond with a coupon rate of 7.41%. Earlier in July 2024, the bank raised another Rs 5,000 crore through a similar bond offering, but at a slightly higher coupon rate of 7.54%. In total, BoI has raised Rs 10,000 crore in two tranches of infrastructure bonds. Infrastructure bonds are exempt from regulatory reserve requirements such as the Statutory Liquidity Ratio (SLR) and Cash Reserve Ratio (CRR), making them particularly attractive for banks. Commercial banks are expected to raise over Rs 1 trillion through infrastructure bonds in FY25, nearly doubling the amount raised in FY24. Other public sector banks such as State Bank of India (SBI), Bank of Baroda (BoB), Canara Bank, Bank of Maharashtra, and Indian Bank have also raised significant amounts through infrastructure bonds this year. Bank of India has appointed cricket icon Sachin Tendulkar as its Global Brand Ambassador under a three-year deal, strengthening its brand association, similar to SBI's appointment of MS Dhoni in 2023.
5	Federal Bank	<ul style="list-style-type: none"> Federal Bank has launched Esteem Savings Account, setting a new standard in personalised banking experiences. This premium banking solution reflects Federal Bank's commitment to providing tailored financial services for customers aged 55 and above, addressing their diverse needs.





S. No.	Bank Name	Purpose
6	SBI Card	<ul style="list-style-type: none"> • SBI Card surpassed 20 million credit cards in circulation, marking a significant achievement in its credit card business, which started in 1998. • Between FY19 and FY24, SBI Card experienced a growth rate of around 25% CAGR (Compound Annual Growth Rate) in the number of cards in force and a 26% CAGR in spends. • SBI Card is the second-largest credit card issuer in India, following HDFC Bank. • As of January 2024, HDFC Bank had also achieved the milestone of 20 million cards in circulation, with 22.64 million cards in October 2024. • According to RBI data for October 2024, SBI Card's circulation stood at nearly 19.8 million, showing a slight increase from 19.58 million in September 2024. • The total number of outstanding credit cards in India rose by 12.85% YoY (Year-on-Year) to 106.88 million in October 2024. • HDFC Bank and SBI Card led the additions with 241,119 and 220,265 new cards, respectively
7	Axis Bank	<ul style="list-style-type: none"> • Axis Bank, a private sector bank in India, launched the 'ARISE Women's Savings Account', aimed at addressing the financial needs of women. • The account provides healthcare benefits alongside a comprehensive financial solution tailored for women.
8	Federal Bank	<ul style="list-style-type: none"> • The Federal Bank launched an initiative called "Kaliyum Karyavum" to teach life skills to school children through traditional art forms. • Objective of the Initiative: The event aims to educate children on essential life skills such as financial literacy, time management, and healthy digital screen usage habits. • It uses captivating traditional art forms as a medium to engage students in these lessons. • Bank's Cultural Legacy: With over 90 years of history, Federal Bank is deeply rooted in Kerala and is utilizing its understanding of the state's cultural heritage to enhance the learning experience. • Focus on Cultural Preservation and Learning: "Kaliyum Karyavum" aims to bring age-old cultural forms to the present generation while promoting engaging and impactful learning methods.
9	IDFC FIRST Bank	<ul style="list-style-type: none"> • IDFC FIRST Bank has introduced India's first AI-powered holographic digital avatar of legendary actor Amitabh Bachchan. • This move is aimed at setting a new benchmark in customer engagement and digital innovation. • The avatar is powered by a Holographic Extended Reality (HXR) device, which features touch capability, allowing users to interact directly with the digital version of Amitabh Bachchan.
10	Bank of Baroda	<p>Bank of Baroda introduced two initiatives aimed at enhancing lending to Micro, Small, and Medium Enterprises (MSMEs):</p> <ol style="list-style-type: none"> 1. Baroda Mahila Swavalamban: A loan scheme for women-led MSMEs. 2. Baroda Smart OD: A digital overdraft facility offering short-term working capital finance for GST-registered MSMEs. <p>Baroda Mahila Swavalamban Scheme:</p> <ul style="list-style-type: none"> • Target Audience: Women-owned MSMEs with Udyam and GST registration, or those with at least 51% ownership by women. • Loan Limit: The scheme offers loans ranging from Rs 20 lakh to Rs 7.5 crore. • Interest Rate: Starting at Baroda Repo Linked Lending Rate (BRLLR), currently 9.15%. • Collateral: No additional collateral is required for loans up to Rs 5 crore if secured by a CGTMSE (Credit Guarantee Fund Trust for Micro and Small Enterprises) guarantee. • Repayment Period: Loans can be repaid over up to 120 months, including the moratorium period. • Processing Charges: 50% rebate on processing charges. • Eligibility Criteria for Baroda Mahila Swavalamban: Women-led MSMEs complying with MSME guidelines as per the MSME Act 2006 and its amendments. <p>Baroda Smart OD Facility:</p> <ul style="list-style-type: none"> • Target Audience: GST-registered MSMEs, particularly individual/proprietorship current account holders of the bank. Credit Assessment: The facility leverages digital footprint and GST returns for credit assessment. • Overdraft Limit: Ranges from Rs 0.50 lakh to Rs 25 lakh. • Tenure: The overdraft facility is available for a 12-month tenure. • Interest Rate: 10% per annum.





S. No.	Bank Name	Purpose
11	Axis Bank	<ul style="list-style-type: none"> Axis Bank predicts India's Gross domestic product (GDP) growth will rise to 7% in FY26. The growth will be driven by a reboot in the capex cycle, back-ended fiscal spending in FY25, reduction in cash reserve ratio (CRR), and potential macroeconomic easing to stimulate credit growth.
12	Karnataka Bank	<ul style="list-style-type: none"> Karnataka Bank has launched its first 'Retail Assets Centre' (RAC) in JP Nagara, Bengaluru, to streamline the bank's retail loan processing. The RAC serves as a centralized hub for various retail loan processes, including: Business coordination, Credit underwriting, Credit sanctions, Credit operations, Disbursements, Post-disbursement services Objective: The RAC is aimed at catering to the growing demand for retail loan products and improving operational efficiency.
13	ICICI Bank	<ul style="list-style-type: none"> ICICI Bank has signed a Memorandum of Understanding (MoU) with Commonwealth Bank of Australia (CBA). The partnership aims to support customers across the Australia-India corridor, enhancing bilateral trade and investment opportunities.
14	Bank of Baroda	<p>BOBCARD has launched the TIARA Credit Card, a premium, women-centric offering designed to empower modern women. Key features include rewards on travel, dining, international purchases, and lifestyle; health perks like free health packages and personal accident cover; and lifestyle benefits with vouchers from brands like Myntra, Nykaa, and Lakme Salon. Additional perks include OTT memberships, movie ticket discounts, unlimited lounge access, and reduced forex mark-up. The card is powered by the RuPay network and comes with a joining fee of ₹2,499 + GST.</p>

RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1	Lifting of Supervisory Restrictions on Navi Finserv	<ul style="list-style-type: none"> The RBI lifted restrictions on Navi Finserv after the company addressed regulatory concerns related to loan pricing and lending norms.
2	Increase in UPI Lite Wallet and Per-Transaction Limits	<ul style="list-style-type: none"> The UPI Lite wallet limit was raised to Rs 5,000 and the per-transaction limit to Rs 1,000 to enhance offline payment capabilities and enable seamless, higher-value transactions.
3	SFBs Allowed to Offer Pre-Sanctioned Credit via UPI	<ul style="list-style-type: none"> Small Finance Banks can now offer pre-sanctioned credit lines through UPI, targeting underserved groups to improve financial inclusion and provide smaller, short-term credit products.
4	RBI Podcast Series Launch	<ul style="list-style-type: none"> RBI's new podcast series will focus on monetary policy and financial literacy, aiming to enhance public communication and financial education.
5	Secured Overnight Rupee Rate (SORR)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) is developing SORR as a new benchmark for interest rate derivatives. It is based on secured money market transactions such as repo and TREPS. SORR aims to be robust, trade-based, and resistant to manipulation, aligning with global best practices like SOFR to promote transparency in India's benchmark-setting methodology.
6	Interest Rate Ceilings on FCNR(B) Deposits	<ul style="list-style-type: none"> The RBI has raised the interest rate ceilings on FCNR(B) deposits to attract foreign capital. Banks can now offer ARR plus 400 basis points for 1-3 year deposits and ARR plus 500 basis points for 3-5 year deposits. This move aims to support the rupee and increase dollar inflows. However, its impact may be limited due to the availability of cheaper global funding options. The relaxation will be in effect until March 31, 2025.
7	MuleHunter.AI	<ul style="list-style-type: none"> The Reserve Bank of India Innovation Hub (RBIH) has launched MuleHunter.AI, an advanced AI tool to detect mule bank accounts used for illicit activities like money laundering and online financial fraud. MuleHunter.AI leverages machine learning to improve fraud detection compared to traditional systems, addressing the growing problem of online financial fraud, which accounts for 67.8% of cybercrime cases in India.





SEBI News

S.No	Announcement	Key Details
1	SEBI imposed ₹9 lakh penalty on Reliance Securities Ltd (RSL)	<ul style="list-style-type: none"> Penalty for violating stock broker norms during April 2022 to December 2023, including poor record-keeping, unauthorized terminal use, and lack of office segregation.
2	Securities and Exchange Board of India Issues Guidelines for Uniform Nomination Standards in Securities Markets	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has notified new rules requiring securities market participants to offer a nomination option to beneficial owners. The rules aim to enhance investor convenience and introduce uniform standards across the Indian securities market for nomination facilities. The new rules, amending the Depositories and Participants Regulations, became effective on November 28. Key Highlights : Nomination for Incapacitated Investors: The rules allow a nominee to act on behalf of an investor in the event of incapacitation, ensuring continuity in transactions. Mandatory Nomination Option: Every market participant must provide the beneficial owner with an option to nominate a person to transfer their securities upon their death. Joint Ownership Nomination: In cases of joint ownership, the owners can collectively nominate a person to receive the securities if all joint owners pass away. Non-liability Clause: Depositories and participants will not be held liable for any actions based on the nominations provided by the beneficial owner.
2	SEBI clarified digital platforms' SDP registration	<ul style="list-style-type: none"> Digital platforms are not required to register as Specified Digital Platforms (SDPs). Preventive measures for SDP recognition are voluntary, with no regulatory framework.
3.	Securities and Exchange Board of India	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) launched the website for the Association of Registered Research Analysts of India (ARRAI) on December 16, 2024. ARRAI's Purpose: ARRAI represents SEBI-registered research analysts in India, aiming to promote the interests of research analysts and contribute to the regulatory framework.

Banking Current Affairs of November 2024

S. No.	Bank Name	Purpose
1	State Bank of India (SBI)	Awarded the title of "Best Bank in India for 2024" by Global Finance Magazine during its 31st Annual Best Bank Awards in Washington.
2	Ujjivan Small Finance Bank	Received RBI approval for foreign exchange services, with the 'Authorised Dealer Category 1 licence' to offer a range of foreign exchange products and services.
3	Solex Energy & State Bank of India (SBI)	Partnered to provide financing options for solar projects under SBI's Surya Shakti Solar Finance Scheme, offering loans up to ₹10 crore.
4	GAIL (India) Limited & VERBIO India	Signed an MoU to develop compressed biogas projects using agricultural residue, supporting rural incomes and renewable energy.
5	Slice & North East Small Finance Bank	Completed merger to consolidate assets, operations, and brand identities, enhancing presence in India's northeastern region.
6	State Bank of India (SBI) & India Exim Bank	Supporting businesses in African countries by addressing the trade finance gap, as discussed during the India Entrepreneurs Forum (IEF).





S. No.	Bank Name	Purpose
7	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI) is aiming to secure a \$1.25 billion five-year loan, which would be the largest dollar-denominated loan from India's financial sector in 2024. The loan, arranged by CTBC Bank, HSBC, and Taipei Fubon Bank, will be used for general corporate purposes.
8	Canara Bank	<ul style="list-style-type: none"> State-owned Canara Bank is setting a significant target for loan recovery, aiming to recoup approximately ₹6,000 crore from bad loans in the second half of the current fiscal year (H2 FY25). This strategic goal reflects the bank's ongoing efforts to improve asset quality while building on its recent financial performance.
9	Punjab & Sind Bank (PSB)	<ul style="list-style-type: none"> Punjab & Sind Bank (PSB) has launched an e-Bank Guarantee (e-BG) facility in partnership with National e-Governance Services Ltd (NeSL), replacing the traditional paper-based process with a fully digital system using e-stamping and e-signatures, enhancing efficiency, transparency, and reducing verification time.
10.	IDFC FIRST Bank	<ul style="list-style-type: none"> IDFC FIRST Bank, in collaboration with Swift, has launched a real-time tracking service for international money transfers. This service, available on the bank's mobile app and internet banking, makes IDFC FIRST Bank the first Indian bank to offer end-to-end traceability for cross-border payments.
11.	Deutsche Bank	<ul style="list-style-type: none"> Deutsche Bank has injected ₹5,113 crore into its Indian operations, marking its largest capital infusion into the country in recent years. This move, aimed at funding growth and expanding services across corporate, investment, and private banking, demonstrates the bank's long-term commitment to India.
12.	State Bank of India	<ul style="list-style-type: none"> State Bank of India (SBI), in partnership with APIX—a global collaborative platform for financial institutions and FinTechs—has launched the 'SBI Innovation Hub' at the Singapore Fintech Festival from November 6-8, 2024.
13.	Karnataka Bank Ltd	<ul style="list-style-type: none"> Karnataka Bank Ltd. has launched two student-focused financial products, 'KBL Peak' and 'KBL Genius', to support students in achieving academic goals and managing finances. Launched on World Prematurity Day, these products reflect the bank's commitment to India's educational and economic growth. 'KBL Peak' offers education loans up to ₹2 crore, while 'KBL Genius' features a student savings account with free cyber insurance.
14.	State Bank of India (SBI)	<ul style="list-style-type: none"> State Bank of India (SBI), the country's largest lender, has successfully raised \$500 million through five-year bonds from international investors. The issuance, conducted through SBI's London branch, received overwhelming interest, with bids totaling \$3 billion, demonstrating strong global investor confidence in the bank's creditworthiness.
15.	State Bank of India (SBI)	<ul style="list-style-type: none"> The State Bank of India (SBI) marked the centenary of its iconic Horniman Circle Branch with the unveiling of a ₹100 commemorative coin by Finance Minister Nirmala Sitharaman. The event also saw the release of the 5th edition of <i>The Evolution of the State Bank of India</i>, covering its transformation from 1981 to 1996. From just 100 branches in 1920, SBI now has over 22,640 branches and plans further expansion in FY25.
16.	IndusInd Bank	<ul style="list-style-type: none"> IndusInd Bank and UNICEF have launched a strategic initiative under the bank's CSR program to promote Disaster Resilient Communities and Climate Risk-Informed Administrative Systems.
17.	Punjab National Bank	<ul style="list-style-type: none"> Punjab National Bank (PNB) has joined the Partnership for Carbon Accounting Financials (PCAF), marking a key step in its climate action journey.

RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> Reported a decrease in India's foreign exchange reserves by \$2.163 billion, totaling \$688.267 billion for the week ending October 18.
2.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> Successfully transported 102 tonnes of gold from the Bank of England to secure storage in India, reinforcing the nation's reserves.





Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
3.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) confirmed that SBI, HDFC Bank, and ICICI Bank will remain Domestic Systemically Important Banks (D-SIBs). Starting April 2025, SBI and HDFC Bank will face increased additional capital requirements. The D-SIB framework, updated in 2023, designates these banks as too important to fail and mandates higher capital buffers for financial stability.
4.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has introduced a new framework that allows Foreign Portfolio Investors (FPIs) to convert their investments into Foreign Direct Investment (FDI) if their holdings exceed the 10% equity threshold in Indian companies.
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has added 10-year Sovereign Green Bonds (SGrBs) to the list of Government securities available for non-resident investment under the Fully Accessible Route (FAR). These bonds, to be issued in the second half of fiscal year 2024-25, align with India's growing inclusion in global bond indices.
6.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has introduced six amendments to its KYC Master Directions, effective November 6, 2024, to enhance customer onboarding and align with current legal standards. These updates aim to streamline the KYC process, making financial transactions more secure, accessible, and reliable for consumers and financial institutions alike.
7.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) has increased the transaction limit for UPI 123Pay from ₹5,000 to ₹10,000, benefiting India's 400 million feature phone users. Launched in March 2022, UPI 123Pay enables internet-free digital transactions through IVR, missed calls, and sound-based payments. Additionally, the UPI Lite wallet limit has been raised from ₹2,000 to ₹5,000. Key upgrades include enhanced security with Aadhaar-based OTP authentication, improved payment initiation methods, and standardized tagging for better tracking. These changes aim to enhance financial inclusion and boost digital payment adoption.
8.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India (RBI) and the Maldives Monetary Authority (MMA) signed a Memorandum of Understanding (MoU) to promote the use of local currencies—Indian Rupee (INR) and Maldivian Rufiyaa (MVR)—in cross-border transactions. Signed by RBI Governor Shaktikanta Das and MMA Governor Ahmed Munawar, the MoU aims to enhance bilateral trade, reduce transaction costs, and optimize settlement times, enabling exporters and importers to invoice and settle payments in their respective domestic currencies.

SEBI News

S.No	Announcement	Key Details
1.	SEBI's Proposed Reforms for REITs and InvITs	<ul style="list-style-type: none"> Interest Rate Derivatives: SEBI proposes allowing REITs, SM REITs, and InvITs to use interest rate derivatives like swaps to hedge against rate fluctuations, stabilizing cash flows for long-term projects. Fixed Deposits in Leverage Calculations: Fixed deposits may be considered as cash equivalents in leverage calculations for REITs and InvITs, enabling better financial management. Locked-in Units Transferability: SEBI suggests allowing the transfer of locked-in units among sponsors and their affiliates, similar to promoter rules in listed companies, to provide flexibility while maintaining commitment. Quarterly Reporting Alignment: Proposed changes require InvITs to report quarterly results based on standalone performance, aligning with REIT standards and increasing transparency. Nomination and Remuneration Committees (NRCs): SEBI recommends a mix of independent and non-executive directors in NRCs of REIT and InvIT managers, mirroring listed company governance standards.





S.No	Announcement	Key Details
		<ul style="list-style-type: none"> • Definition of Common Infrastructure: Expanded to include facilities like power plants and water treatment systems that serve multiple REIT assets, allowing for more efficient operations. • Liquid Mutual Fund Investments: SEBI is considering allowing REITs to invest in liquid mutual funds for better cash flow management and diversification options. • Public Consultation: SEBI has invited public feedback on these proposals, with comments open until November 13, 2024.
2.	SEBI's Proposed Changes to Securitisation Framework	<ul style="list-style-type: none"> • Minimum Investment Requirement: • SEBI suggests setting a minimum "ticket size" of Rs 1 crore for investments in securitised debt instruments (SDIs), aimed at attracting high-net-worth individuals and institutional investors. • Investor Limit for Private Placements: • Private placements will have a cap of 200 investors; any issuance seeking more investors must be reclassified as a public offer. • Public Offer Regulations: • For public offers, SEBI mandates an offer duration between three to ten days, with aligned advertising guidelines to ensure transparent disclosures. • Dematerialisation of Instruments: • All securitised debt instruments must be dematerialised, enhancing transparency, reducing fraud risk, and simplifying ownership tracking. • Risk Retention and Minimum Holding Period: • Originators must retain a minimum of 10% of the securitised asset pool (5% for assets with shorter maturities) to align their interests with investors. • Clean-Up Call Option: • The clean-up call feature allows originators to repurchase up to 10% of securitised assets to maintain asset quality. • Liquidity Facilities: • SEBI mandates liquidity facilities to address cash flow timing issues, ensuring steady investor payouts. • Redefining Underlying Assets: • Eligible assets include listed debt securities, accepted trade receivables, rental incomes, and equipment leases. Single-asset securitisation is excluded. • Minimum Track Record: • Originators must have a minimum of three years of operational experience to engage in securitisation, ensuring market stability.
3.	SEBI Abolishes 1% Security Deposit Mandate for Public Issues	<ul style="list-style-type: none"> • SEBI Update: SEBI abolished the 1% security deposit for companies launching public issues under the SEBI (ICDR) Regulations, 2018. • Effective Date: The rule is effective immediately, as announced on November 21, 2024. • Previous Rule: Companies had to deposit 1% of the issue size with stock exchanges before public issues. • Purpose of Deposit: Addressed investor grievances such as refund delays, non-allotment, or non-dispatch of securities. • Replaced Mechanisms: ASBA, UPI-based payments, and mandatory demat allotments now streamline the process. • Consultation Paper: Proposed changes discussed in February 2024. • Applicability: Changes are immediately applicable across all public issues. • Implications: Reduces compliance burden, speeds up the public issue process, and removes outdated requirements. • Modern Features: Enables digital payments and automated investor grievance redressal systems. • Relevant Regulation: Falls under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.





Other Important Banking Related Current Affairs

- Public Sector Banks (PSBs) reported strong performance in the first half of FY 2024-25, with an 11% year-on-year growth in aggregate business, reaching Rs 236 trillion. Net profit surged 25.6% to Rs 85,520 crore, and operating profit grew by 14.4%.
- Union Finance Minister Nirmala Sitharaman inaugurated five "Nari Shakti" branches of Union Bank of India in Bengaluru, Chennai, Visakhapatnam, and Jaipur. These branches are designed to promote financial inclusion and support women entrepreneurs, particularly in manufacturing and services. The initiative focuses on empowering women with accessible finance, skills training, and advisory services, aligning with India's goal of gender-focused economic growth.
- SBI Mutual Fund has become the first fund house in India to exceed ₹10 lakh crore in assets under management (AUM), reaching ₹10.99 lakh crore in the September quarter, up from ₹9.88 lakh crore in June. This milestone positions SBI MF ahead of its competitors, ICICI Mutual Fund and HDFC Mutual Fund, which have AUMs of ₹8.41 lakh crore and ₹7.47 lakh crore, respectively.
- In a move to enhance apprenticeship programs across India, the **Ministry of Skill Development and Entrepreneurship (MSDE)** has restructured the **Central Apprenticeship Council (CAC)**, tasked with reforming existing rules and promoting industry adoption of on-the-job training.
- India's smartphone market became the second largest globally by unit volume and third by value in Q3 2024, accounting for 15.5% of global shipments, just behind China's 22%. By value, India's market share rose slightly to 12.3%, up from 12.1% the previous year, surpassing the US, which held a 12% share.
- Canara HSBC Life Insurance** has launched **OmniGen AI**, a groundbreaking **generative AI solution** designed to optimize **risk evaluation** in **underwriting**. Powered by **Amazon Web Services (AWS)**, the system helps underwriters make faster, more accurate decisions by leveraging a comprehensive set of data points. The AI-driven models aim to **reduce errors**, improve **consistency**, and accelerate **policy issuance**.

Banking Current Affairs of October 2024

S. No.	Bank Name	Purpose
1.	IndusInd Bank	The board of IndusInd Bank has approved the reappointment of Sumant Kathpalia as Managing Director and Chief Executive Officer (MD & CEO) for another three-year term from March 24, 2025, to March 23, 2028, pending approval from the Reserve Bank of India (RBI) and shareholders.
2.	Federal Bank	Federal Bank has signed an MoU with Bhashini, an AI-powered language translation platform, to integrate vernacular language support into its AI chatbot, Feddy. <ul style="list-style-type: none"> This collaboration, inspired by the Reserve Bank Innovation Hub's (RBIH) initiative for local language banking, aims to make banking services more inclusive and accessible across India. With Feddy now capable of responding in 14 languages, customers will have greater ease in accessing banking services, particularly in their native languages, marking a significant step in enhancing the accessibility of financial services.
3.	HDFC Bank	<ul style="list-style-type: none"> HDFC Bank has officially announced the divestment of its entire 100% stake in HDFC Education and Development Services Pvt. Ltd (HDFC Edu) to Vama Sundari Investments for ₹192 crore. This all-cash transaction, valued at ₹9.60 per share, aligns with the bank's strategy to comply with regulatory requirements and streamline its operations following the merger with e-HDFC Ltd.
4.	Bank of Baroda	<ul style="list-style-type: none"> Announced its decision to sell its Oman operations to Bank Dhofar as part of a broader strategy to rationalize its foreign business footprint. This acquisition will take place on a going concern basis, pending approval from regulatory authorities. The total business of BoB's Oman operations is valued at 113.35 million Omani Rials, with a net worth of 25.54 million Omani Rials.
5.	Axis Bank	<ul style="list-style-type: none"> International Finance Corporation (IFC) has partnered with Axis Bank to provide a \$500 million loan aimed at scaling up blue finance and green projects in India. This is IFC's first blue investment in the country and the largest climate finance initiative by IFC in India to date. Blue loans focus on funding water and wastewater management, reducing ocean plastic pollution, restoring marine ecosystems, and promoting offshore renewable energy, among others.





S. No.	Bank Name	Purpose
6.	Bank of Baroda	<ul style="list-style-type: none"> • Bank of Baroda (BoB) has introduced a new 400-day term deposit scheme known as the 'bob Utsav Deposit Scheme', aimed at offering higher interest rates to various categories of depositors during the festive season. • This scheme not only provides competitive interest rates for general depositors but also caters specifically to senior and super senior citizens, making it a beneficial investment option for a wide range of customers. <p>The interest rates offered under this scheme vary based on the category of the depositor:</p> <ul style="list-style-type: none"> • General Citizens: The scheme provides an interest rate of 7.30%. • Senior Citizens (aged 60 and above): Eligible for a higher interest rate of 7.80%. • Super Senior Citizens (aged 80 and above): Benefiting from the highest interest rate in the category, 7.90%. • Non-Callable Deposits: Offering interest rates as high as 7.95%, making it an attractive option for customers who do not require premature withdrawal.
7.	HDFC Bank	<ul style="list-style-type: none"> • HDFC Bank has officially opened its first branch in Singapore as part of its strategy to expand its international operations. • Granted a wholesale banking license by the Monetary Authority of Singapore (MAS), effective from October 15, 2024, the bank aims to offer a variety of financial products and services to residents of Singapore.
8.	Jio Payments Bank	<ul style="list-style-type: none"> • Jio Payments Bank, a subsidiary of Jio Financial Services, has successfully obtained a mutual fund distribution license from the Association of Mutual Funds in India (AMFI). • This Category 1 Execution-only Platform (EOP) license enables Jio Payments Bank to distribute the direct plans of various mutual fund schemes, marking a significant step in its expansion within the financial services sector.
9.	State Bank of India (SBI)	<ul style="list-style-type: none"> • State Bank of India (SBI) successfully raised ₹5,000 crore through the issuance of Additional Tier-I (AT-I) bonds, marking its first issuance for the current financial year. The bonds, which carry a coupon rate of 7.98%, are aimed at strengthening the bank's capital base and comply with Basel-III norms.
10.	State Bank of India	<ul style="list-style-type: none"> • State Bank of India (SBI) has been awarded the title of Best Bank in India for 2024 by Global Finance Magazine during its 31st Annual Best Bank Awards, held in Washington, coinciding with the Annual Meetings of the IMF and the World Bank. SBI Chairman CS Setty accepted the award, highlighting the bank's dedication to exceptional services and its role in promoting financial inclusion across the nation.
11.	Ujjivan Small Finance Bank	<ul style="list-style-type: none"> • Ujjivan Small Finance Bank has secured approval from the Reserve Bank of India (RBI) for foreign exchange services, marking a significant milestone in its operational capabilities. The bank has been granted the 'Authorised Dealer Category 1 licence,' allowing it to offer a comprehensive range of foreign exchange products and services.
12.	State Bank of India	<ul style="list-style-type: none"> • Solex Energy has partnered with the State Bank of India (SBI) to provide financing options for solar projects, targeting commercial, industrial, and institutional customers. Under this collaboration, SBI will offer loans up to ₹10 crore through its Surya Shakti Solar Finance Scheme, aiming to make solar energy more accessible and affordable in India.
13.	North East Small Finance Bank	<ul style="list-style-type: none"> • Fintech firm Slice has successfully merged with North East Small Finance Bank over a year after receiving approval from the Reserve Bank of India (RBI). This merger consolidates their operations, assets, and brand identities into one institution, enhancing the bank's footprint in India's northeastern region.
14.	State Bank of India (SBI) and India Exim Bank	<ul style="list-style-type: none"> • The State Bank of India (SBI) and India Exim Bank are actively supporting businesses in African countries by addressing the trade finance gap, as highlighted by the South African heads of the two organizations during the India Entrepreneurs Forum (IEF).
15.	IndusInd Bank	<ul style="list-style-type: none"> • IndusInd Bank has partnered with Tata Power Renewable Energy Limited (TPREL) to provide collateral-free solar financing solutions for Micro and Small Enterprises (MSEs) in India. This strategic alliance aims to facilitate easy access to solar energy financing, promoting sustainability and reducing operational costs for MSEs.





RBI News

Current Affairs related to Regulatory authorities		
S.No.	Name	Purpose
1.	Reserve Bank of India	<ul style="list-style-type: none"> • RBI action: The Reserve Bank of India has barred four NBFCs from sanctioning and disbursing loans for charging exorbitant interest rates. • Affected NBFCs: The four entities are Asirvad Microfinance, Arohan Financial Services (MFI), DMI Finance, and Navi Finserv (founded by Flipkart co-founder Sachin Bansal). • Ban effective date: The ban take effect on October 21, 2024, allowing time for pending transactions to close. • Monetary policy warning: RBI Governor Shaktikanta Das had cautioned NBFCs and MFIs about prioritizing excessive returns and charging high fees and penalties in the October 8, 2024 monetary policy statement. • Supervisory concerns: The action was based on supervisory concerns about excessive weighted average lending rates (WALR) and interest spread over cost of funds. • RBI inspections: Detailed inspections of NBFC-MFIs were conducted in the first quarter of the financial year, focusing on pricing policies and interest rates charged to customers.
2.	Reserve Bank of India	<ul style="list-style-type: none"> • Rupee Resilience: The Indian rupee settled at 83.97 against the US dollar due to active RBI intervention, preventing it from breaching the critical 84 mark. • RBI's Role: The Reserve Bank of India intervened in non-deliverable forwards (NDF) and local spot markets, helping stabilize the rupee amid pressure from foreign portfolio outflows, rising crude oil prices, and a strengthening dollar index. • Key Factors Affecting the Rupee: <ol style="list-style-type: none"> 1. Foreign equity outflows from India. 2. Rising crude oil prices. 3. Strong US dollar index. • Forward Premiums: Dollar-rupee forward premiums dropped by 11 basis points to 2.27%, influenced by higher US Treasury yields and better-than-expected US job data. • US Economic Impact: The US added 254,000 jobs in September, exceeding the forecast of 140,000, narrowing the interest rate differential between the US and India. • India's Forex Reserves: India's foreign exchange reserves surged past \$700 billion, supported by RBI interventions and foreign currency assets. • Historical Trends: The rupee has hit new lows over the past two months due to fears of a slowing US economy and declining interest in emerging market currencies. • Future Outlook: The rupee's future trajectory will depend on US economic indicators and Federal Open Market Committee decisions regarding interest rates. • RBI's Market Activity: In FY24, RBI has net bought \$19.2 billion in the spot market, though net dollar sales have totaled \$2.4 billion, reflecting a tightening balance of payments and widening trade deficit.
3.	Reserve Bank of India	<ul style="list-style-type: none"> • Revised Framework (2024-2027): The RBI, with the Government of India's concurrence, has introduced a revised Currency Swap Framework for SAARC countries for the period 2024-2027. • INR Swap Window: A new INR Swap Window has been introduced with a corpus of ₹250 billion to offer swap support in Indian Rupees, providing various concessions. • US Dollar/Euro Swap Window: The existing US Dollar/Euro Swap Window will continue, with a corpus of US\$ 2 billion for SAARC countries. • Currency Swap Facility: Originally launched on November 15, 2012, the SAARC Currency Swap Facility provides financial backstop support for foreign exchange liquidity or balance of payment crises for SAARC countries. • Bilateral Swap Agreements: The facility will be available to SAARC member countries, subject to them signing bilateral swap agreements with the RBI.
4.	Reserve Bank of India	<ul style="list-style-type: none"> • The Reserve Bank of India (RBI) has appointed Aviral Jain as Executive Director (ED) with effect from October 01, 2024. • Prior to being promoted to ED, Jain was serving as Regional Director for Maharashtra. As Executive Director, he will look after the several departments for the smooth functioning of RBI.





Current Affairs related to Regulatory authorities

S.No.	Name	Purpose
5.	Reserve Bank of India	<ul style="list-style-type: none"> The Reserve Bank of India on Tuesday said 98 per cent of the ₹2,000 denomination notes have been returned since its May 2023 move to withdraw the currency notes. The total value of notes of the denomination has reduced to ₹7,117 crore from the ₹3.56 lakh crore on May 19, 2023, the central bank said. On May 19, 2023, the RBI announced a surprise decision to withdraw the ₹2,000 currency notes. The move was prompted on quality concerns and the denomination introduced after the demonetisation of November 2016 fulfilling its purpose. The central bank said ₹2,000 notes continue to be legal tender and can be exchanged at 19 issue offices of the RBI either physically or sent by post for a credit into bank accounts.
6.	Reserve Bank of India (RBI)	<ul style="list-style-type: none"> Purpose of Alert List: Identifies entities unauthorized to operate under the Foreign Exchange Management Act, 1999 (FEMA) or electronic trading platforms (ETPs) for forex transactions. Recent Update: 13 new entities added to the list, bringing the total to 88. Notable Additions: TDFX, Inefex, Ranger Capital, and others now included for unauthorized forex activities. Consumer Warning: RBI advises consumers to avoid unauthorized platforms and verify any forex entity's authorization status. Promotion of Unauthorized Services: Entities may promote unauthorized forex platforms or claim to provide training and advisory services, potentially misleading users. Verification of Authorization: Presence on the list doesn't confirm authorization; consumers should check RBI's official list for verification.
6.	Reserve Bank of India (RBI)	<p>MPC Reconstitution: Government reconstituted the Monetary Policy Committee (MPC) ahead of RBI's October 7-9 review.</p> <p>New Members: Ram Singh, Saugata Bhattacharya, and Nagesh Kumar appointed to MPC.</p> <p>MPC Role: Sets benchmark interest rates and manages inflation (CPI target range of 2-6%).</p> <p>RBI Act, 1934: Established Reserve Bank of India (RBI), operational since April 1, 1935.</p> <p>Key Appointments:</p> <ul style="list-style-type: none"> Ram Singh: PhD, postdoc from Harvard. Saugata Bhattacharya: Former Axis Bank Chief Economist. Nagesh Kumar: PhD, experience with international organizations. <p>RBI Objectives: Regulation of banknotes, currency, credit system, and monetary stability.</p> <p>Key Functions: Issues banknotes, manages torn or disfigured banknotes, and legal tender status.</p>

SEBI News

S.No	Announcement	Key Details
1	SEBI Allows MFs to Sell Credit Default Swaps (CDS)	<ul style="list-style-type: none"> The Securities and Exchange Board of India (SEBI) has permitted Mutual Funds (MFs) to sell Credit Default Swaps (CDS), a financial derivative used to protect against the default of corporate bonds. This move aims to improve liquidity in the corporate bond market by helping MFs better manage credit risk. The step will also enhance investor confidence in corporate bonds, which could lead to a more active and liquid market for such bonds, improving overall pricing efficiency.
2	SEBI Amended Delisting Regulations (Fixed Price Process)	<ul style="list-style-type: none"> SEBI has amended the Delisting of Equity Shares Regulations to introduce a fixed price process for voluntary delisting, as an alternative to the Reverse Book Building (RRB) process. Under this framework, promoters can buy back publicly held shares at a price that is at least 15% higher than the "fair price" of the stock. The amended regulations also reduce the participation limit for successful delisting under the RRB process from 90% to 75%. However, at least 50% of public shareholders must tender their shares for the delisting to be successful. This change is designed to simplify and expedite the delisting process, encouraging more companies to opt for voluntary delisting.





S.No	Announcement	Key Details
3	SEBI Established FPI Outreach Cell	<ul style="list-style-type: none"> SEBI has set up a dedicated Foreign Portfolio Investor (FPI) Outreach Cell under its Alternative Investment Fund (AIF) and FPIs Department (AFD). This cell is designed to enhance direct engagement with FPIs, address their concerns, provide guidance, and resolve any operational issues they may face in accessing the Indian securities market. The initiative aims to strengthen India's position as a preferred investment destination for global investors by making the process more efficient and investor-friendly.
4	SEBI Mandates UPI for Public Debt Securities Applications	<ul style="list-style-type: none"> SEBI has mandated that individual investors applying for public debt securities (such as bonds) through intermediaries for amounts up to Rs 5 lakh must use the Unified Payments Interface (UPI) to block funds. This new provision aims to improve transparency in the payment process and minimize the chances of fraud or errors by automating the blocking and payment procedures. The UPI system is expected to be safer and faster, providing a more efficient and secure way for investors to block funds when applying for public debt securities.
5	SEBI Announced New Framework to Curb Excessive Speculation in Stock Market Securities	<ul style="list-style-type: none"> On 20th November 2024, SEBI introduced a set of 6 new measures to curb excessive speculation in stock market securities, particularly with index derivatives. These measures are designed to reduce risks, especially for individual traders involved in speculative trading. The key measures include: <ol style="list-style-type: none"> Upfront collection of option premiums from buyers (Effective from 1st February 2025), Removal of Calendar Spread treatment on expiry day (Effective from 1st February 2025), Intraday monitoring of position limits (Effective from 1st April 2025), Adjustments in contract size for index derivatives (Effective from 20th November 2024), Rationalization of Weekly Index derivatives products (Effective from 20th November 2024), and Increased tail-risk coverage on the day of options expiry (Effective from 20th November 2024). <p>These steps are designed to ensure a more stable market by reducing the impact of excessive speculative trading on market prices.</p>
6	SEBI Introduced New Regulations for InvITs and REITs	<ul style="list-style-type: none"> SEBI introduced several amendments to the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and SEBI (Real Estate Investment Trusts) Regulations, 2014. The key changes include: <ol style="list-style-type: none"> A reduction in the trading lot size for privately placed Infrastructure Investment Trusts (InvITs) to Rs 25 lakh, aimed at attracting more investors and improving liquidity in the InvIT market. A new distribution timeline, requiring Real Estate Investment Trusts (REITs) and InvITs to distribute returns to unit holders within 5 working days from the record date. This change is expected to improve transparency and ensure faster returns for investors, making these financial instruments more attractive to potential investors.
7	JFSL & BlackRock Received In-Principle Approval from SEBI to Set up Mutual Fund Business	<ul style="list-style-type: none"> Jio Financial Services Limited (JFSL), a Non-Banking Financial Company (NBFC) backed by Reliance Industries, has received in-principle approval from SEBI to launch a Mutual Fund (MF) business in partnership with BlackRock Financial Management Inc., the world's largest asset management firm. This partnership will offer a range of investment solutions to Indian investors, combining JFSL's strong local presence with BlackRock's global expertise. This approval is a significant step towards expanding mutual fund offerings in India.
8	SEBI Changes Nomination Rules for Demat Account, Mutual Fund Investments	<ul style="list-style-type: none"> SEBI has amended the nomination rules for Demat accounts and Mutual Fund investments, allowing investors to designate up to 10 nominees. This change, approved in September 2024, provides investors with more flexibility in managing their investments, particularly for succession planning, and ensures that their assets can be easily transferred to the designated nominees in case of the investor's death.





S.No	Announcement	Key Details
9	SEBI Extends Digital Relaxation for AGMs	<ul style="list-style-type: none"> SEBI has extended the relaxation for Annual General Meetings (AGMs) until 30th September 2025. This extension allows companies listed on Indian stock exchanges to continue conducting AGMs using digital communication methods, thereby eliminating the need to send physical copies of financial statements to shareholders. This policy reduces costs, minimizes the environmental impact, and ensures easier access for shareholders to important company information.
10	SEBI Introduces New Asset Class and Liberalizes MF Lite Framework	<ul style="list-style-type: none"> New Asset Class: SEBI introduces a new asset class and liberalizes the MF Lite framework to enhance investment landscape. MF Lite Framework: Designed for passively managed mutual fund schemes with a ₹10 lakh minimum investment limit, offering greater flexibility and risk potential. Passive Schemes Management: Existing AMCs can separate passive schemes into distinct entities for better management and relaxed disclosure/regulatory requirements. T+0 Settlement Cycle: Expanded from 25 to the top 500 scrips, with differential brokerage rates for same-day settlement. Rights Issue Timeline: Reduced from 317 to 23 working days post-approval, compared to 40 working days for preferential allotments. Investment Advisors & Research Analysts: SEBI reviews regulations to simplify compliance and registration, expected to increase registered professionals. Expanded Definitions: Clarifications on "connected person" and "immediate relative," now including firms, partners, and broader definitions of relatives. Trading Facilities: Investors can now use UPI block mechanism or a 3-in-1 trading facility, alongside existing methods. Quicker Violation Resolution: Measures introduced for faster resolution of violations.
11	SEBI Introduces New Asset Class and Liberalizes MF Lite Framework	<ul style="list-style-type: none"> New Asset Class & MF Lite Framework: SEBI introduces a new asset class and liberalizes the MF Lite framework for passively managed mutual fund schemes, with a minimum investment of ₹10 lakh per investor, enhancing flexibility and risk potential. Separate Management of Passive Schemes: AMCs can now separate passive schemes into distinct entities, allowing separate management of active and passive schemes, with relaxed disclosure and regulatory requirements. T+0 Same-Day Settlement Cycle: The optional T+0 cycle has been expanded from 25 to the top 500 scrips, with differential brokerage rates for investors opting for this settlement cycle. Rights Issue Timeline: SEBI reduces the timeline for rights issue completion from 317 to 23 working days post-approval, significantly quicker than 40 working days for preferential allotments. Regulation Review for Advisors: SEBI simplifies compliance and registration for Investment Advisors and Research Analysts, aiming to increase the number of registered professionals. Expanded Definitions: Amendments clarify the terms "connected person" and "immediate relative", expanding their scope to include firms, partners, and broader definitions of relatives. New Trading Facilities: Investors can now trade using UPI block mechanism or a 3-in-1 trading facility, alongside existing methods, with measures for quicker resolution of violations.
12	SEBI Imposes ₹12 Lakh Fine on NSE Data And Analytics for Regulatory Violations	<p>SEBI Fine: Imposed a ₹12 lakh fine on NSE Data and Analytics for regulatory violations during an inspection.</p> <p>Inspection Details: Conducted on September 6-7, 2023, covering operations from April 2022 to July 2023.</p> <p>Violations:</p> <ul style="list-style-type: none"> Lack of IT infrastructure segregation between NSE Data and Analytics and NSE. Delayed acknowledgment letters (61 cases, exceeded 10-day limit). Cybersecurity lapses (unaddressed vulnerabilities, data center security deficiencies). <p>Corrective Actions: NSE Data and Analytics has taken corrective measures but remains fully responsible for compliance.</p> <p>Regulator: SEBI enforces compliance in the Indian financial market, ensuring adherence to operational standards.</p>





Other Important Banking Related Current Affairs

- The Life Insurance Corporation of India (LIC) has significantly boosted its stake in **Bank of Maharashtra from 4.05% to 7.10%**, as disclosed in an exchange filing on October 5, 2024. This increase follows the allotment of **25.96 crore** equity shares priced at ₹57.36 each through a Qualified Institutional Placement (QIP). This strategic move reflects LIC's confidence in the bank's growth potential and is aimed at strengthening its balance sheet to support expansion plans.
- Union Commerce Minister Piyush Goyal has informed that the Indian and UAE governments are working on **interlinking the UPI of India and the AANI of UAE**. It will facilitate seamless cross-border transactions between two countries. This will benefit over 3 million Indians residing in the UAE enabling them to use the power of UPI and AANI.
- Pakistan is witnessing widespread protests after the government raised **taxes by 40%** as part of a **\$7 billion bailout deal** with the **International Monetary Fund (IMF)**.
- HDFC Life, a prominent player in India's insurance sector, has earned dual accolades for its commitment to **Diversity, Equity, and Inclusion (DEI)** by **Avtar and Seramount**. Recognised among the **Best Companies for Women in India (BCWI)** and as **'Exemplars of Inclusion'** in the Most Inclusive Companies Index (MICI), HDFC Life stands out for its supportive ecosystem not only for women but also for people with disabilities, the **LGBTQ+ community**, and diverse cultural backgrounds.

Economy/Business Current Affairs

Economy/Business Current Affairs of March 2025

GDP & GROWTH RATE as per October 2024

- Crisil has forecasted **India's GDP growth** to stay at **6.5%** in **FY26**, with the **RBI's MPC** likely to reduce the **repo rate** by **50-75 basis points** to boost growth. While lower than the previous year's **9.2%**, it aligns closely with the **pre-pandemic average** of **6.6%**, maintaining India's position as the **fastest-growing major economy**.
- **Morgan Stanley** projects India's **GDP** will reach **\$5.7 trillion** by fiscal **2028**, making it the **third-largest economy**, surpassing **Germany** and **Japan**. India, currently the fifth-largest economy, is expected to overtake Japan by **2026**. India's share in **global GDP** will rise from **3.5%** in 2023 to **4.5%** by **2029**, driven by strong policies, improved infrastructure, and a growing consumer market. In a bullish scenario, GDP could reach **\$10.3 trillion** by **2035**.

ECONOMY NEWS

- **GST collections** in **February 2025** rose by **9.1% YoY**, totaling **₹1.84 lakh crore**, reflecting strong domestic economic activity and improved compliance. The breakdown includes **Central GST (CGST) ₹35,204 crore**, **State GST (SGST) ₹43,704 crore**, **Integrated GST (IGST) ₹90,870 crore** (with ₹41,702 crore from imports), and **Compensation Cess ₹13,868 crore**.
- India's **circular economy** is expected to generate over **\$2 trillion** in market value and create nearly **10 million jobs** by **2050**, as per **Union Minister Bhupender Yadav**. At the **12th Regional 3R and Circular Economy Forum**, he highlighted the shift towards a sustainable, **reuse and recycle-based system**. India is also interested in hosting the **World Circular Economy Forum 2026**, launching key **initiatives, MoUs**, and reports to promote **sustainable waste management** and urban **circular economy practices**.

- India's **agriculture trade surplus** has been shrinking despite growth in exports like **basmati rice, spices, coffee, and tobacco**. The surge in imports of **pulses and edible oils** has contributed to this decline. The surplus peaked at **\$27.7 billion** in 2013-14, and dropped to **\$16 billion** in 2023-24. For **April-December 2024**, the surplus fell to **\$8.2 billion**, down from **\$10.6 billion** in the previous year.
- India's **retail inflation** dropped to a **seven-month low** of **3.61%** in February 2025, driven by a decline in **food inflation** to below 4% for the first time in nearly two years. This broad-based reduction, particularly in perishable goods and protein-based food items, has raised expectations for a potential **rate cut** by the **Reserve Bank of India (RBI)** in the upcoming April meeting.
- India's **Consumer Price Index (CPI)** for **February 2025** shows a **year-on-year inflation** of **3.61%**, marking the **lowest inflation rate** since **July 2024**. This represents a **65 basis points** decline from **January 2025**. A significant drop in **food inflation**, especially in **rural areas**, contributed to this moderation.

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- India's **Index of Industrial Production (IIP)** for **January 2025** showed a **5.0% growth**, up from **3.2%** in **December 2024**. The **manufacturing sector** led the growth at **5.5%**, followed by **mining** (4.4%) and **electricity** (2.4%). The IIP index for January 2025 stands at **161.3**, up from **153.6** in January 2024.
- **Moody's Ratings** projects India's **economic growth** to exceed **6.5%** in **FY 2025-26**, up from **6.3%** in **FY 2024-25**. The growth will be fueled by increased **government capital expenditure**, **tax cuts**, and **monetary easing**. However, Moody's warns of a moderate decline in **asset quality** in the **banking sector**, particularly due to stress in **unsecured retail loans**, **microfinance**, and **small business loans**.
- **Fitch Ratings** has affirmed the **Long-Term Issuer Default Rating (IDR)** of **Union Bank of India** and **Punjab National Bank (PNB)** at '**BBB-**' with a stable outlook. The **Viability Rating (VR)** has been upgraded to '**bb-**' from '**b+**', reflecting improved **financial performance** and **asset quality**. The ratings reflect strong **government support** and a favorable **operating environment**.
- India's **net FDI** dropped significantly to **\$1.4 billion** during April 2024–January 2025, down from **\$11.5 billion** a year earlier. This decline was due to increased **repatriation by investors** and higher **outward FDI** by Indian firms. However, **gross FDI** grew by **12.4% YoY**, reaching **\$67.7 billion**, as per the **RBI's** March 2025 bulletin.
- India's **foreign exchange reserves** surged by **\$15.267 billion** to reach **\$653.966 billion** during the week ending **March 7, 2025**, marking the sharpest rise in over two years. This increase was driven by a **\$10 billion forex swap** by the **Reserve Bank of India (RBI)** on **February 28, 2025**. The previous week's reserves were **\$638.698 billion**, and the all-time high remains **\$704.885 billion** (September 2024).
- India's **wholesale inflation** rose to **2.38%** in **February 2024**, slightly up from **2.31%** in January. The increase was driven by higher prices in **manufactured food products**, **textiles**, and **non-food articles**, though a decline in the **Food Index** provided some relief.
- In **February 2025**, India's **digital payments ecosystem** showed mixed trends, with **UPI transactions** declining **MoM**, while **FASTag** and **AePS** saw steady growth. Despite this, the industry continued expanding **YoY**, driven by increased adoption of **cashless transactions** across the country.
- **Razorpay**, a leading **fintech company**, has launched its **payment solutions** in **Singapore**, marking a major expansion after its success in **India** and **Malaysia**. The move aligns with Singapore's **digital-first economy** and growing **real-time payments** ecosystem. Razorpay aims to simplify **cross-border transactions**, reduce **payment costs**, and introduce **AI-driven financial tools** to empower businesses in Singapore.
- **SBI Life Insurance** has launched two new **child insurance products**—'**SBI Life – Smart Future Star**' and '**SBI Life – Smart Platina Young Achiever**'—to secure children's **financial future**. These products aim to provide **financial safeguards** amidst rising **education costs**, evolving **career aspirations**, and increasing **lifestyle expenses**, ensuring children can pursue their dreams without financial constraints.
- **GRM Overseas Limited** has launched a new marketing campaign for its **10X Classic Chakki Fresh Atta**, with **Bollywood actor Salman Khan** as the brand ambassador. Titled "**Better Half Ki Better Choice**", the campaign highlights the product's **quality**, **hygiene**, and **nutrition**, positioning it as the preferred choice for households. With the tagline "**10 Ka Dum**", the campaign promotes **branded packaged wheat flour** over traditional unpackaged options.
- **Star Health Insurance** launched the **SheTARA campaign** in **Tamil Nadu** to celebrate **International Women's Day**. The initiative promotes **preventive healthcare** among women and encourages more women to join as **insurance agents**. With **42% of India's women workforce** (6.3 lakh) based in Tamil Nadu, the state is an ideal location for this campaign.
- Credit disbursement to **priority sectors** like **agriculture**, **MSME**, and **social infrastructure** has grown by **85%**, rising from **₹23.01 lakh crore** in 2019 to **₹42.73 lakh crore** in 2024. The **RBI** and **government** have implemented measures to ensure **credit discipline**, **responsible lending**, and **technological adoption**. **Public Sector Banks (PSBs)** are collaborating with **FinTechs** to enhance **banking services** and facilitate **seamless lending**.

BUSINESS NEWS

- **Paytm** has partnered with **Perplexity**, an **AI-driven answer engine**, to integrate **AI-powered search** into the Paytm app, enabling users to ask questions, explore topics in **local languages**, and make informed **financial decisions**. Perplexity offers **real-time responses** with **in-line citations**, providing **accurate** and **reliable** answers, especially for **finance** and **market trends**.
- **PhonePe** has launched the '**Insuring HEROES**' campaign ahead of **International Women's Day 2025**, aiming to **enhance financial security for women** by offering **exclusive discounts on term life and health insurance**. Available on the **PhonePe app** from **March 6 to March 9, 2025**, the campaign provides **up to 30% off on term life insurance** and **15% off on health insurance**, making **affordable insurance more accessible for women**.
- Digital payment transactions in India surged from **8,839 crore** in **FY 2021-22** to **18,737 crore** in **FY 2023-24**, reflecting a **46% CAGR**. This growth was led by **UPI**, which grew at **69% CAGR**, contributing to over **70%** of digital payments. The **Incentive Scheme for RuPay Debit Cards** and **BHIM-UPI** transactions has been pivotal in boosting **digital transactions** nationwide.
- India's **digital payment ecosystem** saw over **18,000 crore** transactions in **FY 2024-25** (till January 2025), driven by **UPI adoption**, **fintech collaborations**, and **government initiatives**. To ensure security, **RBI** and **NPCI** implemented **AI-driven fraud detection** systems and awareness campaigns, while the government strengthened **cybercrime reporting** mechanisms to enhance **user safety** in digital transactions.





- The **MSME sector** in India has seen significant growth in **credit availability** and a reduction in **Non-Performing Assets (NPAs)**, with the **gross NPA ratio** decreasing from **11% in 2020** to **4% in 2024**. Measures by the **government** and **RBI** have strengthened **loan recovery mechanisms** and ensured financial stability, improving the health of the MSME credit sector.
- In 2024, **India** became the top source of **Foreign Direct Investment (FDI)** into **Dubai**, surpassing the **United States**, **France**, and the **United Kingdom**. Dubai maintained its status as the world's leading destination for **Greenfield FDI projects** for the fourth consecutive year, driven by its **business-friendly environment**, **tax policies**, and **infrastructure**, positioning it as a global investment hub.
- IIFL Finance has rebranded seven of its branches as **'Shakti' branches** to mark **Women's Day**, staffed entirely by women in the **Delhi NCR** and **Mumbai MMR**. This initiative aims to empower women in the **financial services sector**, promote **diversity**, **equity**, and **inclusion**, and support **women entrepreneurs** while advancing **financial literacy** in underserved communities.
- The **Finance Ministry** has approved the issuance of **Zero Coupon Bonds (ZCBs)** by **Power Finance Corporation (PFC)** to raise up to ₹10,000 crore. ZCBs are issued at a discount and redeemed at full face value upon maturity, with the return for investors being the difference between the issue price and the face value.
- In **February 2025**, **UPI** saw a 5.2% decline in transaction volume, totaling **16.11 billion** transactions. Despite this drop, **PhonePe**, **Google Pay**, and **Paytm** maintained their market dominance, with **Flipkart's Super.money** debuting in the top five UPI apps. This decline signals a possible shift in **user behavior** or market **saturation**.
- In a historic move, the **Insurance Regulatory and Development Authority of India (IRDAI)** granted **Valueatics Reinsurance**, backed by **Prem Watsa** and **Kamesh Goyal**, the **first private reinsurance license** in India. This marks a significant step in fostering competition in the reinsurance sector, ending **GIC Re's monopoly** that has lasted since 1972. The approval was granted during **Debasish Panda's** final board meeting as IRDAI Chairperson on **March 12, 2025**.
- The **Insurance Regulatory and Development Authority of India (IRDAI)** has re-designated **Life Insurance Corporation of India (LIC)**, **The New India Assurance Company**, and **General Insurance Corporation of India (GIC Re)** as **Domestic Systemically Important Insurers (D-SIIs)** for **2024-25**. These insurers are deemed critical to the stability of the Indian financial system due to their size, market importance, and interconnectedness with both the domestic and global economy.
- **Adar Poonawalla**, CEO of **Serum Institute of India**, sold his stake in **Magma General Insurance** to **Patanjali Ayurved** and **DS Group** for **₹4,500 crore**, giving them a **98% stake**. This strategic acquisition strengthens **Magma Insurance's** position, leveraging Patanjali's rural reach and DS Group's financial expertise. The company offers over **70 insurance products**, with a **gross written premium (GWP)** of **₹3,295 crore** in 2024, projected to rise to **₹3,650-3,700 crore** in 2025.
- The **Union Cabinet** approved a ₹1,500 crore incentive scheme for banks to promote **UPI transactions** below ₹2,000 in FY 2024-25. Banks will receive a 0.15% incentive on transactions by **small merchants**, with part of the payout based on maintaining reliable **UPI infrastructure**. The initiative aims to boost **digital payments** adoption, especially among **small businesses**, without imposing merchant fees.
- The **Union Cabinet**, led by **Prime Minister Narendra Modi**, approved the **Revised Rashtriya Gokul Mission (RGM)** with an allocation of ₹3,400 crore (plus ₹1,000 crore) for the 15th Finance Commission cycle (2021-26). The mission focuses on boosting **milk production**, **genetic improvement**, and **farmer incomes**, while preserving **indigenous bovine breeds** through scientific interventions.
- **BPCL** has inaugurated a **3.2 MW AC floating solar power plant** at the **Kochi Refinery**, marking a major step toward **sustainable energy**. **Chief Secretary Sarada Muralaeddharan** inaugurated the project on **March 22, 2025**. Built on an **8-acre rainwater harvesting pond**, the plant is part of BPCL's efforts to integrate **renewable energy**, with an investment of **₹28.93 crore**.
- The **Indian government** has formed the **Inter-Ministerial-Industry Committee on Fintech (IMICF)** to address **regulatory concerns** and create a long-term strategy for the **financial technology (fintech)** sector. Chaired by the **Secretary of the Department of Financial Services (DFS)**, the committee will evaluate fintech's impact on the **banking and financial services industry (BFSI)**, identify growth obstacles, and study **global best practices in governance and regulation**.
- **Adar Poonawalla**, CEO of **Serum Institute of India**, sold his stake in **Magma General Insurance** to **Patanjali Ayurved** and **DS Group** for **₹4,500 crore**, giving them a **98% stake**. This strategic acquisition strengthens **Magma Insurance's** position, leveraging Patanjali's rural reach and DS Group's financial expertise. The company offers over **70 insurance products**, with a **gross written premium (GWP)** of **₹3,295 crore** in 2024, projected to rise to **₹3,650-3,700 crore** in 2025.





Economy/Business Current Affairs of February 2025

GDP & GROWTH RATE as per October 2024

- India's economy is expected to grow at **6.5%** in FY26, up from 6.4% in FY25, according to **Crisil's report**. Key growth drivers include **lower inflation, rate cuts by the RBI, normal monsoon, and stable global crude oil prices**. However, challenges such as **global trade barriers, weak exports, and the need for stronger private sector investments** remain.
- Indian banks are expected to see a **decline in net interest margins (NIMs)** by 10 basis points in FY 2025-26 due to the **RBI's rate cut** of 25 basis points to 6.25%. This cut will impact **floating rate loans** like housing, SME, and retail loans, leading to **lower interest rates** and margin compression. **Non-banking financial institutions (NBFIs)** will also face challenges, with increased **competition** and declining **yields**, affecting profitability.
- India's urban unemployment rate remained steady at **6.4%** in the October-December quarter of **FY25**, according to the **Periodic Labour Force Survey (PLFS)**. This shows stability in urban employment, despite shifts in **gender-specific job trends, youth employment, and labor force participation**. The data offers crucial insights into **urban labor market conditions** for policymakers.
- India's total **exports** grew **7.2% YoY** from **April 2024 to January 2025**, driven by key industries like **electronics manufacturing and aerospace**. This growth reflects India's increased **global trade engagement**, though **U.S. tariffs** pose a potential challenge to sustaining this momentum.
- India's economy is projected to grow at **6.4%** in **Q3 FY25**, up from **5.4%** in the previous quarter. This growth is driven by **higher government spending and a rebound in exports**. **Gross Value Added (GVA)** is expected to rise by **6.6%**, with **industry at 6.2%, services at 7.7%, and agriculture at 4.0%**. A key highlight is the record **\$36.9 billion in service exports** in December 2024.
- **State Bank of India (SBI)** has revised **India's GDP growth forecast for FY25 to 6.3%**, slightly below the **National Statistical Office (NSO)** projection of **6.4%**. This adjustment reflects concerns over slowing economic momentum, especially in **lending, manufacturing, and aggregate demand**. Policymakers are focusing on sustaining growth through **fiscal and monetary measures**.

ECONOMY NEWS

- The **Department for Promotion of Industry and Internal Trade (DPIIT)** has released the **Wholesale Price Index (WPI)** for **January 2025**, reporting an annual inflation rate of **2.31% (provisional)** compared to January 2024. The increase in inflation is primarily due to the rising prices in the categories of **manufactured food products, food articles, non-food articles, and textiles**. The **month-over-month (MoM) WPI change** for January 2025 stood at **(-) 0.45%** compared to December 2024, indicating a marginal decline in wholesale prices.

- India's **retail inflation**, measured by the **Consumer Price Index (CPI)**, eased to **4.31%** in **January 2025**, its lowest in five months, down from **5.22%** in December. This decline is primarily due to a sharp drop in **food prices**, especially **vegetables**, which saw a rise of only **11.35%** compared to **26.6%** in December, driven by fresh **winter supplies**.
- India's **industrial output growth** slowed to **3.2%** in **December 2024**, down from **5%** in November, according to the **Index of Industrial Production (IIP)**. The slowdown was mainly due to weaker performance in the **manufacturing sector**, which grew only **3%**, while **electricity generation** saw strong growth. This decline raises concerns about the country's **economic momentum** heading into **2025**.

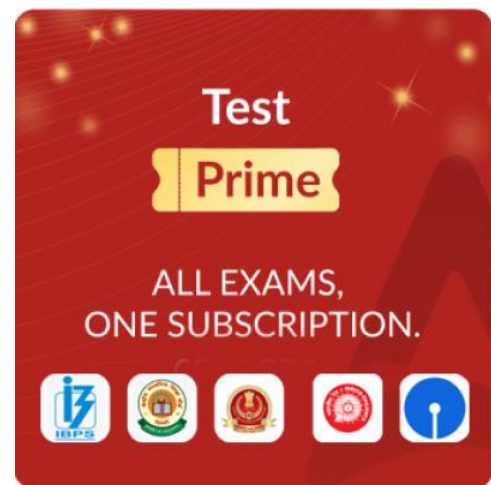
BUSINESS NEWS

- The **Financial Intelligence Unit of India (FIU-IND)** imposed a **₹9.27 crore penalty** on **Bybit Fintech Limited** for violating the **Prevention of Money Laundering Act (PMLA)**. The penalty follows Bybit's expansion in **India** without proper **registration** with the FIU-IND, as required by Indian laws. The action reflects the government's heightened scrutiny of **crypto platforms**, with additional measures including blocking Bybit's **websites** under the **Information Technology Act, 2000 for non-compliance**.
- The **National Payments Corporation of India (NPCI)** has proposed an increase in **ATM interchange fees** for both **cash and non-cash** transactions to address rising **operational costs** and support ATM network expansion. The last fee revision was in **2012**, and rising costs of **ATM maintenance, security, and cash loading** prompted this move. The **Reserve Bank of India (RBI)** formed a committee in **2019** to review the fees, leading to the recommendation for higher interchange charges.
- Zomato has rebranded itself as **"Eternal"** from February 6, 2025, reflecting a shift in its vision and consolidating its business verticals. The name **"Eternal"** had been used internally for over two years, signaling a transformation. The new identity integrates four key divisions while keeping the original **Zomato brand for food delivery**.
- **India Post Payments Bank (IPPB)** and **PNB MetLife India Insurance** have formed a **bancassurance partnership** to make **life insurance** more accessible across India. The collaboration leverages IPPB's extensive network to offer PNB MetLife's solutions, particularly in **remote and underserved regions**, aiming to bridge the **financial security gap** and provide affordable insurance to a broader customer base.
- **Gopal Vittal**, Vice Chairman and MD of **Bharti Airtel**, became the **Acting Chair** of the **GSMA Board**, following the resignation of **José María Álvarez-Pallete**, Chairman and CEO of **Telefónica**. This leadership transition highlights changes in the **global telecommunications industry** and its influential roles.





- Zepto, the Indian **quick commerce** startup, became the second most downloaded app globally in the **food and drinks category**, surpassing **KFC** and **Domino's**, with **McDonald's** at the top. The company's **300% growth** in the second half of 2024, driven by features like "**buy now, pay later**", highlights the rapid expansion of India's quick commerce sector, with **Blinkit**, **Zomato**, and **Swiggy** also ranking in the top 10.
- India is introducing new **HSN codes** for **Geographical Indication (GI)-tagged rice** varieties like **Red Rice**, **Black Rice**, and **Kalanamak Rice** to improve export processes. These distinct codes will help **recognize** specialty rice varieties, avoid trade barriers, and ensure fair pricing and **global recognition** for premium rice.
- **Reliance Consumer Products Ltd (RCPL)** has launched a **sports hydration drink** brand, **Spinner**, co-created with **Muttiah Muralitharan**. Priced at ₹10 for a 150 ml bottle, it offers an affordable alternative to brands like **Gatorade** and **Powerade**. Spinner plans to collaborate with **IPL teams** and aims to create a **\$1 billion** sports beverage category within three years.
- **Tata Elxsi** and **Garuda Aerospace** have partnered to create a **Centre of Excellence** for **drone design, engineering, and certification**. The **Memorandum of Understanding (MoU)**, signed at **Aero India 2025**, supports India's **self-reliance** in **UAV technology** and aligns with the '**Make in India**' initiative. The collaboration aims to develop **indigenous drone solutions** for **defence, agriculture, and smart city** applications.
- **Tata Consultancy Services (TCS)** has secured a major IT transformation deal with **UPM**, a Finland-based sustainable materials company. The partnership will focus on **cloud migration, digital transformation, and enhancing operational efficiency**. TCS will manage IT functions such as **data center operations, network services, and end-user support** for UPM's 19,000 employees, ensuring a seamless technology-driven ecosystem.
- Actor **Pankaj Tripathi** has co-founded **Velvet**, a **cinematic audio storytelling platform** launched in **October 2024**. The platform, which focuses on **Hindi audio content**, aims to deliver immersive storytelling experiences. Velvet has already gained significant traction, attracting over **10,000 listeners** on its platform and over **1 million** through distribution partners like **Josh App** in India and **Future Today Group** in the US. Tripathi aims to elevate India's rich **storytelling tradition** into an engaging audio experience.
- Indian banks are expected to see a **decline in net interest margins (NIMs)** by 10 basis points in FY 2025-26 due to the **RBI's rate cut** of 25 basis points to 6.25%. This cut will impact **floating rate loans** like housing, SME, and retail loans, leading to **lower interest rates** and margin compression. **Non-banking financial institutions (NBFIs)** will also face challenges, with increased **competition** and declining **yields**, affecting profitability.
- **Reliance Industries** and **Disney** have launched **JioHotstar**, merging **JioCinema** and **Disney+ Hotstar**. This new platform offers a **comprehensive streaming experience**, combining **live sports, premium entertainment, and exclusive international content**. Users of the original platforms will need to transition to JioHotstar for uninterrupted access to their favorite **shows, movies, and sports events**.
- **Campa Cola**, owned by **Reliance Consumer Products**, has secured the **Rs 200 crore co-presenting rights** for **IPL 2025**, replacing **Coca-Cola's Thums Up**. This move signifies Reliance's strategy to scale its **market presence** and introduce new **sports drinks** during the IPL season, challenging global beverage giants.
- Meta's **Project Waterworth** is a groundbreaking initiative to lay a **50,000-kilometer undersea cable** connecting **India, the US, Brazil, and South Africa**. The project aims to improve **high-speed internet services** and facilitate **digital inclusion**, supporting everything from **cloud computing** to **AI applications**. It is designed to meet the growing demand for fast, secure, and reliable digital infrastructure, boosting economic growth and innovation across five continents.
- **IRDAI** launched the **Bima Trinity** plan at the 9th **Bima Manthan** to transform India's insurance sector. The plan includes **Bima Sugam**, a unified digital marketplace aimed at simplifying the process of buying, servicing, and claiming insurance policies. This initiative seeks to make insurance **accessible, affordable, and efficient** for all, driving **inclusive growth** in the industry.
- **Reliance New Energy Battery Limited**, a subsidiary of **Reliance Industries**, has secured a **10 GWh capacity** under the **PLI Scheme for Advanced Chemistry Cell (ACC) Battery Storage**. The **Ministry of Heavy Industries (MHI)** signed a **Programme Agreement** with the company on **February 17, 2025**, marking a significant step in **India's domestic battery manufacturing** and reducing **import dependence**.
- **N. Chandrasekaran**, Chairman of **Tata Group**, has been awarded an **honorary knighthood** by the **United Kingdom** on **February 14, 2025**. This prestigious recognition honors his exceptional role in enhancing **India-UK business relations**, particularly through his leadership in **Tata Group's investments and collaborations** in the UK.





- India's **smartphone exports** hit a record **Rs 1.55 trillion** in the April 2024 to January 2025 period, a 56% rise from the previous year. This growth, driven by the **Production-Linked Incentive (PLI) scheme**, has been fueled by global giants like **Apple** and **Samsung**, with Apple contributing 70% of total exports. The government's push for local production has transformed India into a major smartphone manufacturing hub.
- **360 ONE Asset** plans to acquire a **15% stake** in **Bharti AXA Life Insurance**, bringing fresh capital to support its **expansion** and **innovation**. This investment will enhance **product offerings**, **distribution networks**, and enable the company to strengthen its position in the competitive **life insurance market**, catering to the growing demand for **tailored insurance solutions**.
- **LIC** has launched the '**One Man Office**' (**OMO**) initiative on **February 17, 2025**, aimed at enhancing the efficiency of its agents by providing **24x7 digital services**. The initiative supports **LIC's vision of 'Insurance for All by 2047'** by offering tools for **policy sales**, **customer service**, and **business management**. This digital transformation allows agents to work independently and productively without a traditional office setup, benefiting both **policyholders** and **LIC**.
- **Tata Power** has partnered with **Amazon Web Services (AWS)** to modernize its **digital infrastructure** and support India's shift to a **smarter, sustainable energy ecosystem**. The collaboration focuses on using **cloud technology** to improve **operational efficiency**, enhance **grid resilience**, and provide consumers with advanced **energy management tools**.
- **Zomato** has launched '**Nugget**', an **AI-powered customer support platform** that automates and streamlines customer service. Developed over three years, it now handles **15 million monthly interactions** across Zomato's ecosystem, including **Blinkit** and **Hyperpure**. This initiative underscores Zomato's focus on **AI-driven solutions** to enhance **customer experience** and **operational efficiency**.

the slowest growth in three months, reflecting a slight dip in **consumer spending** post-holidays. Despite this, **GST revenues** remained above ₹1.7 lakh crore for **10 consecutive months**, with the **December quarter** averaging ₹1.82 lakh crore (up **8.3% YoY**). **Domestic transactions** grew by **8.4%** to ₹1.32 lakh crore, while revenue from **imports** rose by **3.9%**. **Net GST collections** grew **3.3% YoY**, influenced by higher **refunds**.

- India's coffee exports reached a record **\$1.14 billion** between April and November FY24, marking a **29% growth** from the previous year. This surge is driven by rising global demand for **Robusta coffee** and challenges in major coffee producers like **Brazil** and **Vietnam**. India's premium coffee, especially from **Karnataka**, is gaining traction in markets like **Italy**, **Russia**, **UAE**, **Germany**, and **Turkey**. Total exports for FY24 are projected to reach **\$1.28 billion**, a 12.22% increase.
- India achieved a **36% reduction** in **GDP emission intensity** from 2005 to 2020, aligning with its **climate action targets** under the **Paris Agreement**. In 2020, total **greenhouse gas emissions** were **2,959 million tonnes** (excluding LULUCF), showing a **7.93% decrease** from 2019. This progress supports India's goal to meet its **Nationally Determined Contribution (NDC)** target of a **45% emissions reduction** by 2030.
- **Nomura** revised its forecast for **India's fiscal year 2025 GDP growth** to **6.7%**, down from **6.9%**, following a **6.7% growth** in the **April-June quarter**, below expectations. Key factors influencing the downgrade include **reduced government spending** during elections, **weak consumer demand** due to high **interest rates** and **moderating wage growth**, and a slowdown in **industrial activity**, reflected in declining sales of **passenger and commercial vehicles**.
- The **Government of India** plans to update the base year for calculating **GDP** from **2011-12** to **2022-23** to better reflect the current economic landscape. This is the first revision in over a decade. A **26-member Advisory Committee on National Accounts Statistics (ACNAS)**, chaired by **Biswanath Goldar**, has been formed to identify new data sources and refine the methodology for compiling **National Accounts Statistics**.
- India's GDP is projected to grow by 6.4% in 2024-25, down from 8.2% in 2023-24. Key sectors showing strong growth include **Agriculture** (3.8%), **Construction** (8.6%), and **Financial, Real Estate, and Professional Services** (7.3%). **Private Final Consumption Expenditure** is expected to rise by 7.3%, reflecting stronger consumer spending, while **Government Final Consumption Expenditure** is forecasted at 4.1%, signaling increased government spending.
- India's **GDP growth forecast** for FY25 has been revised down to **9.7%**, slightly below the earlier estimate of **10.5%**. Despite this, the government's **fiscal deficit target** of **4.9% of GDP** remains on track. To offset the lower growth, **capital expenditure** will be reduced by **₹1-1.5 trillion**, ensuring fiscal discipline and keeping the **deficit** within the target of **₹16.13 trillion**.

Economy/Business Current Affairs of January 2025

GDP & GROWTH RATE as per October 2024

- India's economy is projected to grow at **6.5-6.8%** in FY2025, driven by **domestic consumption**, **infrastructure development**, and **digitisation**, with growth rising to **6.7-7.3%** in FY2026. However, challenges like **geopolitical tensions**, **trade disputes**, and **global liquidity** may affect the long-term outlook. India's **resilience** in **services**, **manufacturing exports**, and **stable capital markets** can offset global uncertainties and support growth.
- India's **GST collection growth** slowed to **7.3% YoY** in **December 2024**, with gross revenue at **₹1.77 lakh crore**, compared to **₹1.65 lakh crore** in December 2023. This marks





- SBI has revised its **GDP growth forecast** for FY25 to **6.3%**, slightly lower than the **NSO's** projection of **6.4%**. The adjustment reflects concerns over **slowdown in lending and manufacturing**, along with a **high base effect**. Key factors include **agriculture growth** of 3.8%, a **slowdown in industry** (6.2%) and **services** (7.2%), and a rise in **private consumption** (7.3%). **Investment growth** is expected at 6.4%, lower than the previous year. Despite these challenges, **per capita nominal GDP** is set to rise by ₹35,000.
- India's economy is projected to grow by **6.6% to 6.8%** in **FY2025-26**, reflecting its resilience and role in regional economic growth. **Bank of Baroda** forecasts **6.8% growth**, driven by strong indicators like **increased air passenger traffic, higher PMI, GST collections, and enhanced rabi crop sowing**, supporting agricultural growth and overall economic expansion.
- India's **GDP growth** is projected to rise to **6.7%** in FY25, after moderating to **6.4%** in the current fiscal year, down from **8.2%** previously. **Food inflation** declined, with **CPI inflation** cooling to **5.2%** in December. This trend, alongside stable **non-food inflation** at **3.1%**, may pave the way for a potential **rate cut** by the **Reserve Bank of India (RBI)**.
- India is projected to become the world's **fourth-largest economy** by 2026, surpassing **Japan**, driven by **6.8% GDP growth** in FY2024-25 and **7.7% growth** in FY2025-26, according to **PHDCCI**. Strategic policies aim to boost economic **resilience** and **sustainable development**.
- India is projected to remain the fastest-growing major economy, with a 6.7% growth rate for fiscal years 2025-26 and 2026-27, according to the World Bank. Key drivers include the expanding **services sector**, strengthening **manufacturing**, and government initiatives to improve **logistics infrastructure** and **tax reforms**.
- FICCI revised India's economic forecast, projecting a **6.4% GDP growth** and **4.8% CPI-based inflation** for fiscal year **2024-25**, reflecting a cautious outlook due to **global uncertainties** and **domestic challenges**.
- The **IMF** has revised India's **FY25 economic growth forecast** to **6.5%**, down from earlier projections, citing **global economic uncertainties, domestic inflation, and investment slowdown**. Despite this, the IMF maintained a stable outlook for **FY26**. The revision reflects challenges impacting India's post-pandemic recovery, including **geopolitical risks** and inflation.
- The **Confederation of Indian Industry (CII)** projects India's **GDP growth** at **7%** for **FY 2025-26**, driven by rising **private investments** and **employment generation**. A CII survey reveals that **75%** of respondents view the economic climate as favorable for investments, with **70%** of firms planning to invest in FY'26.
- Deloitte India has revised its **GDP growth** projection for the **fiscal year 2024-25** to a **range of 6.5% to 6.8%**, citing global trade uncertainties and domestic challenges. The firm emphasizes the need for cautious optimism as the economy navigates these complexities.

ECONOMY NEWS

- India's **net direct tax collection** reached **₹16.90 lakh crore** by **January 12, 2025**, a **15.88% increase** year-on-year. Key highlights include **₹8.74 lakh crore** from **personal income tax**, **₹7.68 lakh crore** from **corporate tax**, and **₹44,538 crore** from **Securities Transaction Tax (STT)**, reflecting robust economic activity and market trading.
- India's **retail inflation** dropped to **5.22%** in **December 2024**, from **5.48%** in November, mainly due to slower food price increases, especially in **vegetables, cereals, and pulses**. **Food inflation** fell to **8.39%**, while **core inflation** decreased to **3.5%**. **Rural areas** saw inflation at **5.76%**, compared to **4.58%** in urban areas.
- India's **wholesale price inflation** rose to **2.37%** in **December 2024**, up from **1.89%** in November. Key drivers included **manufactured products** (+2.14%), **non-food articles** (+2.46%), and **fuel and power** (improved deflation of -3.79%). The rise in non-food articles reflects increased costs in sectors like **oilseeds**. India's **wholesale price inflation** rose to **2.37%** in **December 2024**, up from **1.89%** in November. Key drivers included **manufactured products** (+2.14%), **non-food articles** (+2.46%), and **fuel and power** (improved deflation of -3.79%). The rise in non-food articles reflects increased costs in sectors like **oilseeds**.
- The global ratings agency **Moody's** has downgraded India's economic growth forecast for the fiscal year 2024-2025 to **7%**, **down from the 8.2% growth recorded in the previous fiscal year**.

BUSINESS NEWS

- Reliance Industries, led by **Mukesh Ambani**, acquired **Karkinos Healthcare** for **₹375 crore** through **Reliance Strategic Business Ventures Ltd (RSBVL)**. The deal involves 10 million equity shares and 36.5 million optionally convertible debentures. Karkinos, founded in 2020, specializes in **early cancer detection** and management, with partnerships across **60 hospitals** and plans for a **150-bed cancer hospital** in **Imphal, Manipur**.
- The **Department for Promotion of Industry and Internal Trade (DPIIT)** has partnered with **boAt**, an Indian audio and wearables brand, to support **DPIIT-recognized startups** in the **D2C** and **manufacturing** sectors. The collaboration aims to provide **mentorship, resources, and guidance**, helping startups scale locally and globally. Key initiatives include **tailored mentorship programs** covering stages like **prototype development**, with expert support from both **boAt's industry expertise** and government backing.
- **BharatPe**, India's leading **fintech** company, plans to sell up to **25%** of its **49% stake** in **Unity Small Finance Bank** to raise around **\$800 million (Rs 6,500 crore)**. This move aims to meet **RBI's regulatory requirements**. **BharatPe** has appointed **Rothschild & Co** to manage the stake sale.





- **Suzuki Motor Corporation** will acquire a **26% stake** in **NDDB Mirda Ltd**, a bio-gas venture by the **National Dairy Development Board (NDDB)**, with an initial investment of **₹8.84 crore**. The deal supports Suzuki's use of **Compressed Bio-Gas (CBG)** for enhancing vehicle performance and sustainability. Suzuki has the option to increase its stake to **49%** over time.
- **Bajaj Broking** has partnered with **Tamilnad Mercantile Bank (TMB)** to offer a **3-in-1 account** that integrates **banking, broking, and investment services**. TMB customers can now trade online, access a unified platform, and benefit from **easy fund transfers, reduced paperwork, and advanced trading features** supported by **research insights** for informed decisions.
- Ahead of the **Maha Kumbh Mela** (January 13 - February 26, 2025) in **Prayagraj**, **PhonePe** has partnered with **ICICI Lombard** to offer specialized insurance for attendees. **Coverage options** include **₹59** for train/bus travelers and **₹99** for domestic flight travelers. The insurance provides **hospitalization** up to **₹50,000**, **personal accident cover** up to **₹1 lakh**, **OPD treatment, trip cancellation** up to **₹5,000**, and more, including **baggage loss** and **missed flight reimbursements**.
- **Swiggy** launched '**Snacc**' on **January 7, 2025**, in select **Bengaluru** areas, offering snacks, beverages, and meals with a **15-minute delivery** promise. The app features a menu with items like **chocolate cookies, Indian breakfast, coffee, eggs, and sandwiches**. Collaborating with brands like **Blue Tokai** and **The Whole Truth**, Snacc operates independently from **Swiggy's Bolt**. In a competitive **quick commerce** market, **Zomato** (with **Blinkit's Bistro**), **Zepto**, and **Magicpin** (with **magicNOW**) have also introduced rapid food delivery services.
- India aims for **\$100 billion** in combined exports from the **Food & Beverage (F&B), agriculture, and marine sectors** over the next five years, with a targeted **14-15% annual growth**. This goal was highlighted by **Piyush Goyal** at **Indusfood 2025**. Last year, India achieved **\$50 billion** in exports, with contributions from **APEDA** and **MPEDA**.
- India's **factory output** surged by **5.2%** in **November 2024**, the highest in six months, driven by a **favorable base effect** and increased demand during the festive season. The **cumulative growth** for **April-November 2024** stands at **4.1%**, down from **6.5%** in the same period last year, reflecting a slowdown. Key contributors include **manufacturing, capital goods, and consumer durables**.
- On **January 10, 2025**, the **Indian rupee** hit an all-time low of **₹86** against the **US dollar**, driven by factors such as the **strengthening US dollar, FII outflows** (₹7,170.87 crore on January 9), and **rising crude oil prices**. These factors contributed to a significant depreciation of the rupee, marking economic challenges.
- In **December 2024**, **e-way bills** reached **8.8 crore**, marking a **9.3% increase** from the previous month and a **7.4% rise** from December 2023. This reflects a **strong economic recovery**, driven by increased **transportation and trade movements**. The surge aligns with seasonal trends, highlighting higher consumption during the festive season.
- **NPCI International Payments Ltd (NIPL)** has partnered with UAE-based **fintech firm Magnati** to enable **Unified Payments Interface (UPI)** transactions for Indian travelers in the UAE. This collaboration aims to integrate **UPI** into the UAE's **payment ecosystem**, allowing Indian visitors to make seamless payments using their preferred method.
- **Shriram Housing Finance** has rebranded as **Truhome Finance** following its acquisition by **Warburg Pincus** and **QIA**, Qatar's sovereign wealth fund. The rebranding reflects the company's focus on enhancing **accessibility to affordable home loans** across diverse **socio-economic segments**.
- The government has launched **Entity Locker**, a secure, cloud-based digital platform developed by the **National eGovernance Division (NeGD)** under the **Ministry of Electronics and Information Technology (MeitY)**. Building on the success of **DigiLocker**, Entity Locker is designed to streamline the management, verification, and secure sharing of documents for a wide range of entities, including corporations, MSMEs, trusts, startups, and societies. By leveraging advanced technology, the platform aims to enhance operational efficiency and establish a more secure and efficient digital governance system.
- In a decisive move to address liquidity constraints in the **Indian banking system**, the Reserve Bank of India (RBI) has conducted a series of **Variable Rate Repo (VRR) auctions**, infusing a substantial **₹76,000 crore** into the financial ecosystem. This initiative aims to alleviate the liquidity deficit and stabilize short-term interest rates, particularly the call money rates, which had been trading above the **RBI's repo rate of 6.5%**.
- **Bharti Airtel and Bajaj Finance** have formed a partnership to create one of **India's largest digital platforms** for financial services, leveraging Airtel's customer base and distribution network with Bajaj Finance's diverse product offerings. The collaboration aims to enhance financial inclusion through a seamless user experience on the **Airtel Thanks App**, offering products like gold loans and business loans. This strategic move builds on **India's growing digital infrastructure**, with a focus on underserved regions and accessible financial solutions.
- **Tata AIG General Insurance Company** has launched **CyberEdge**, a comprehensive cyber insurance solution designed to protect Indian businesses from **escalating cyber risks**. This initiative aligns with the company's strategic goal to **capture 25% of the cyber insurance market** within the **next five years**.





- **Tata AIA Life Insurance** has unveiled **'Shubh Muhurat,'** a life insurance solution designed to assist families in financially preparing for their children's weddings. This initiative aims to address the escalating costs associated with weddings in India, a sector valued at **over ₹10.7 lakh crore in 2024.**
- **Skydo Technologies,** a Bengaluru-based fintech firm, has received **in-principle authorization** from the Reserve Bank of India (RBI) to function as a **Payment Aggregator-Cross Border (PA-CB) entity.** This approval underscores Skydo's commitment to providing compliant, seamless, and cost-effective cross-border payment solutions for Indian exporters.
- **Shri Vikram Dev Dutt, Secretary of the Ministry of Coal,** virtually inaugurated digital classrooms in government schools across Jharkhand. These classrooms are part of **'Digi Vidya,'** a **Corporate Social Responsibility (CSR) initiative** by **Coal India Limited (CIL) subsidiaries.** The event was attended by **Shri PM Prasad, Chairman of CIL, Smt. Rupinder Brar, Additional Secretary of the Ministry of Coal,** and other senior officials.
- The **Central Consumer Protection Authority (CCPA)** issued notices to **Ola** and **Uber** over claims of **differential pricing** based on mobile operating systems, with **iPhone users** allegedly charged higher fares than **Android users.** **Union Minister Pralhad Joshi** directed the CCPA to investigate, ensuring **consumer rights** and **fair trade practices.** In response, both companies denied the allegations, stating they do not differentiate pricing based on the **mobile device** used and are willing to cooperate with the CCPA.
- In 2024, **UPI** accounted for **83%** of India's **digital transactions,** up from 34% in 2019, highlighting its rapid adoption. The total transaction volume exceeded **208.5 billion,** while traditional payment methods like **NEFT, RTGS,** and **IMPS** saw a decline from **66%** in 2019 to **17%** by 2024.
- The **Government of India** has approved a **₹500 crore capital infusion** into the **Industrial Finance Corporation of India (IFCI)** for **2024-25.** This move, aimed at strengthening IFCI's financial health, comes ahead of its **restructuring and consolidation.** The infusion includes ₹499.99 crore for **share capital subscription** and efficient use of savings to avoid extra cash outflow.
- **CheQ,** an Indian fintech company, has launched **Wisor,** India's first **AI-driven credit card expert.** Wisor offers **personalized credit assistance** with an intuitive Q&A interface, **comprehensive spend analysis** across cards and merchants, and **optimized rewards management.** This tool helps users maximize credit card rewards and manage spending efficiently with personalized insights.
- The **Insolvency and Bankruptcy Code (IBC)** is facing a slowdown, with **recovery rates** for banks dropping from 40% in **2022-23** to 28% in **2023-24.** This decline, due to prolonged **resolution timelines** and the erosion of **non-performing assets (NPAs),** has led banks to explore alternative recovery

methods. The number of cases admitted to the **National Company Law Tribunal (NCLT)** also decreased, from 501 to 417 cases.

- India's **foreign exchange reserves** declined to **\$625.87 billion** as of **January 10, 2025,** from **\$634.59 billion** the previous week. The **Reserve Bank of India (RBI)** has been intervening in the **forex market** to stabilize the **rupee,** which has depreciated against the **U.S. dollar,** leading to a depletion of reserves amidst global economic challenges.
- **Jio** has launched **JioSoundPay,** a free feature on the **JioBharat** phone to simplify **UPI payments** for small businesses in India. This feature provides **instant, multilingual audio confirmations** for every transaction, helping small merchants like **kirana stores, vegetable vendors,** and **roadside eateries** handle payments seamlessly, reflecting Jio's commitment to simplifying digital tools for everyday users.
- **CRED** has launched the **beta version** of the **e₹ wallet,** making it the first **fintech platform** to adopt India's **central bank digital currency (CBDC),** the **e-rupee.** This initiative, in collaboration with the **RBI** and **YES Bank,** enables users to store and transact using digital currency, marking a significant step in India's **digital payments** transformation.
- The Indian government has launched the **Mutual Credit Guarantee Scheme (MCGS-MSME)** with a ₹100 crore corpus to boost the **MSME manufacturing sector.** The initiative aims to enhance **credit availability** for MSMEs, enabling them to acquire essential equipment and machinery without requiring **collateral.**
- **Tata Steel** has become the first Indian company to develop **hydrogen-compliant pipes** for transporting hydrogen, marking a significant step in **India's clean energy transition.** The **API X65 pipes,** produced at Tata Steel's **Khopoli plant** and made from steel at its **Kalinganagar facility,** align with **India's National Hydrogen Mission** and global sustainability goals. This innovation highlights Tata Steel's commitment to **clean energy** and infrastructure development.
- The **National Payments Corporation of India (NPCI)** is enforcing new compliance measures for **UPI transactions** starting **February 1, 2025.** **UPI transaction IDs** will now be strictly **alphanumeric,** with special characters like **@, #, \$, %** banned to enhance **security,** ensure **uniformity,** and improve **transaction efficiency** in India's growing digital payments ecosystem.
- The **Insurance Regulatory and Development Authority of India (IRDAI)** has introduced a new directive to protect **senior citizens** from sharp increases in **health insurance premiums.** Insurers are now restricted from raising premiums for individuals aged **60 and above** by more than **10% per year** without prior approval. This initiative aims to ensure **affordable** and **accessible health insurance** for the elderly.





Economy/Business Current Affairs of December 2024

GDP & GROWTH RATE as per October 2024

- India's **GST revenue** grew by **8.5%** to **₹1.82 lakh crore** in November 2024, driven by a **9.4%** increase in **domestic transactions**. Key figures include **Central GST** at ₹34,141 crore, **State GST** at ₹43,047 crore, **Integrated IGST** at ₹91,828 crore, and **Cess** at ₹13,253 crore. This follows a record **₹2.10 lakh crore** collection in April 2024.
- **Morgan Stanley** revised **India's GDP growth** projection for FY25 to **6.3%** from **6.7%**, following a **5.4% GDP growth** in Q2 FY25, the lowest since March 2023. The slowdown is attributed to weaker **private consumption** and **capital expenditure**, though the **services sector** remained resilient. Despite this, **Morgan Stanley** expects a **recovery** in H2 FY25, driven by **government spending**, improved **rural demand**, and **easing financial conditions**.
- The **OECD** has upgraded **India's GDP growth forecast** for **FY25** to **6.8%**, citing strong **public infrastructure spending**, **private consumption**, and agricultural recovery. This growth momentum is expected to continue through **FY25** and **FY26**, driven by **investment** and **rural income growth**. Despite global uncertainties and geopolitical risks, India's **economic resilience** points to a promising future.
- Retail **inflation** for agricultural and rural workers declined in **October 2024**, easing to **5.96%** for farm workers and **6%** for rural laborers, down from **6.36%** and **6.39%** in September. This reflects an improvement compared to **October 2023** inflation rates. The **Consumer Price Index (CPI)** for both groups rose slightly, indicating a small increase in the cost of living. **CPI-AL** was 1,315 points and **CPI-RL** was 1,326 points, showing an uptick from September.
- The **Asian Development Bank (ADB)** has downgraded India's **GDP growth forecast** for **FY25** to **6.5%** and **FY26** to **7%**, citing weak industrial output, low public spending, and tight monetary policies. **Q2FY25** saw a slowdown to **5.4%** growth. Despite these challenges, India's economy remains supported by strong **agriculture**, resilient **services**, and falling **crude oil prices**.
- India's **GDP growth projections** for **FY25** have been downgraded by multiple agencies due to global and domestic challenges. **CARE Ratings** lowered its estimate from **6.8%** to **6.5%**, citing **corporate profitability contraction**, reduced **public capex**, and sluggish **urban consumption**. **Fitch Ratings** revised its forecast to **6.4%**, while the **Asian Development Bank (ADB)** pegged it at **6.5%**.

ECONOMY NEWS

- India's **FDI** rose by **45%** to **USD 29.79 billion** in H1 of FY 2024-25, driven by growth in **services**, **computer**, **telecom**, and **pharma** sectors. The **July-September quarter** saw a 43% increase, totaling **USD 13.6 billion**. **Maharashtra** was the top recipient. Key investors included **Mauritius**, **Singapore**, and the **US**, with **non-conventional energy** also attracting significant FDI.
- The **National Small Industries Corporation Limited (NSIC)** achieved a milestone by paying a record **Rs. 37.97 crore** dividend to the **Government of India** for FY 2023-24. **NSIC's revenue** increased by **18.16%** to **Rs. 3,273 crore**, and its **Profit After Tax (PAT)** rose by **14.55%** to **Rs. 126.56 crore**. The **dividend cheque** was presented by **Dr. Subhransu Sekhar Acharya** to **Jitan Ram Manjhi** and **Shobha Karandlaje**.
- India's **retail inflation** is projected to have fallen to **5.53%** in **November**, down from **6.21%** in October, primarily due to moderating **vegetable prices**, especially **tomatoes**. The decline reflects a slowdown in **core inflation** and offers relief to households. **Edible oil price reductions** and seasonal drops in vegetable prices also helped stabilize inflation. The **Reserve Bank of India (RBI)** maintains steady interest rates, signaling a cautious approach amid economic slowdowns.
- India's **retail inflation** dropped to **5.48%** in November from **6.21%** in October, mainly due to falling **food prices**, particularly vegetables. This brought inflation within the **Reserve Bank of India's (RBI)** target range, fueling hopes of a potential **rate cut** in early 2025. **Industrial production** also showed growth, enhancing economic optimism. However, **core inflation** and volatile food prices remain concerns. **Food inflation** decreased to **9.04%**, driven by lower vegetable prices, though some items like **potatoes** and **garlic** continued with high inflation.
- India's **industrial output** growth slowed to **3.5%** in **October 2024**, a significant drop from **11.9%** in the same month last year. The **Index of Industrial Production (IIP)** stood at **149.9**, up from **144.9** in October 2023. The slowdown was attributed to weaker performance in the **mining**, **electricity**, and **manufacturing** sectors.

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BUSINESS NEWS

- In the **July-September 2024-25** quarter, **Singapore** became the largest source of **FDI** for India, contributing **50%** of the total **USD 13.6 billion** inflows, a **43% increase**. From **April 2000 to March 2024**, Singapore's cumulative FDI in India reached **USD 159.94 billion**, emphasizing its crucial role in India's **economic growth**.
- In **October 2024**, India's **UPI** set a record with **16.58 billion transactions** worth **Rs 23.5 trillion**. This marked a **10% increase** in volume and **14% in value** from September, driven by a surge in **person-to-merchant transactions** during the festive season. The daily average surpassed **535 million transactions** valued at **Rs 75,801 crore**, with **45% year-on-year growth** in volume and **37% in value**.
- The Indian government **abolished the windfall tax** on **crude petroleum, petrol, diesel, and Aviation Turbine Fuel (ATF)**, effective **November 2, 2024**. Introduced in **July 2022** to curb excessive profits from oil companies during the **Russia-Ukraine war**, the tax aimed to stabilize **domestic supplies** and fund welfare programs. Its removal follows a **review** by the **PMO, Revenue Department, and Petroleum Ministry**, citing stabilizing **crude prices** and reduced revenue from the tax.
- The **World Bank** approved a **\$188.28 million loan** to **Maharashtra** to boost economic growth in its underdeveloped districts. Provided by the **IBRD**, the loan has a **15-year maturity** with a **five-year grace period**. The project aims to enhance **district-level governance**, improve **e-governance services**, and encourage **private sector involvement** to accelerate **economic development** and **job creation**.
- The **Union Ministry of Home Affairs (MHA)** has granted **FCRA licenses** to **USIN Foundation** and reinstated **CNI's license**, allowing the **Church of North India** to resume receiving foreign funds for **social and religious activities**. This decision reflects the MHA's ongoing scrutiny of **NGOs** and increasing **regulatory oversight**.
- India's **gold reserves** reached **882 tonnes** in October 2024, with the **Reserve Bank of India (RBI)** adding **27 tonnes**. This marks a five-fold increase in gold purchases, totaling **77 tonnes** in 2024. The RBI's acquisition in October accounted for **45%** of global central bank gold purchases. Of India's total gold reserves, **510 tonnes** are held domestically.
- The **Adani Group** plans to invest **\$2 billion** in acquiring **ports in Europe** to strengthen its global presence in sea trade. **Adani Ports & Special Economic Zones Ltd. (APSEZ)** aims to acquire two or three terminals in Europe, which handles **40% of global sea trade**. Domestically, APSEZ currently handles **27%** of India's cargo, with plans to increase it to **40%** by 2030. The group operates ports in **Sri Lanka, Israel, Australia, Tanzania, and Greece**.
- India has surpassed **\$1 trillion** in **FDI inflows** from **April 2000 to September 2024**, reaching **\$1,033.4 billion**. This growth is driven by favorable government policies and strong economic performance, with key sectors like **services, software, telecommunications, and manufacturing** attracting investments. Major sources of FDI include **Mauritius (25%), Singapore (24%), and the US (10%)**. Other investors include the **Netherlands, Japan, UK, and UAE**.
- **Jayen Mehta**, Managing Director of **Amul**, has had his tenure extended until **2029-2030**. Having been with **GCMMF** since 1991, Mehta has significantly contributed to shaping the **Amul** brand. His leadership follows his interim MD role in January 2023, succeeding **R.S. Sodhi**, who led for over a decade.
- Coca-Cola has sold a 40% stake in **Hindustan Coca-Cola Holdings (HCCH)** to **Jubilant Bhartia Group** for **₹12,500 crore**, aligning with its global refranchising strategy. The deal strengthens Coca-Cola's presence in India, while Jubilant Bhartia will leverage its expertise from businesses like **Domino's** and **Dunkin'** to drive growth in **Hindustan Coca-Cola Beverages (HCCB)**, Coca-Cola's largest bottler in India.
- India's **atomic power capacity** has nearly doubled from **4,780 MW** in 2014 to **8,081 MW** in 2024, achieving this in just **10 years**—a milestone that historically took over **60 years**. By **2031-32**, the capacity is projected to triple to **22,480 MW**, reinforcing India's leadership in **nuclear energy**.
- **BMW Group** and **UNICEF** have partnered to provide **quality STEM education** to 100,000 marginalized children, focusing on **girls in Assam, Jharkhand, Tamil Nadu, and West Bengal**. The initiative aims to bridge **educational gaps** and promote **gender equality**. This program is part of a global collaboration between BMW and UNICEF, targeting over **10 million children** worldwide.
- The **Asian Development Bank (ADB)** has approved a **\$500 million loan** to support **India's renewable energy expansion** and **climate-resilient infrastructure**. This initiative aims to reduce **carbon emissions** and address India's vulnerability to **natural disasters**, aligning with the country's **sustainable development goals**.
- **Max Life Insurance** has rebranded as **Axis Max Life Insurance** following **Axis Bank's** increased stake in the company. The rebranding features a new logo combining Axis's iconic 'A' and burgundy color, symbolizing trust and modernity. This move aims to expand the company's reach, enhance **customer service**, and drive long-term growth, particularly beyond metro and tier 1 cities.





Economy/Business Current Affairs of November 2024

GDP & GROWTH RATE as per October 2024

- **Moody's Ratings** has maintained its **7.2% GDP growth forecast** for **India** in **2024**, despite signs of slowdown in **urban demand** and mixed corporate results in **Q2**. The rating agency cited positive economic indicators such as strong **household consumption**, increased **rural demand**, robust **investment**, and **manufacturing activity**.
- India has emerged as the fastest-growing economy among **G20 countries**, with a projected **7% GDP growth** for 2024, showcasing its economic resilience amidst global challenges. This ranking, released during the ongoing **G20 summit** in **Rio de Janeiro, Brazil**, highlights disparities in growth rates. **Indonesia** follows with **5% growth**, while **China** ranks third with **4.8%**.
- Morgan Stanley has revised India's **FY25 growth forecast** from **7% to 6.7%** due to weaker-than-expected **Q2 economic data**, now projecting **6.3% growth**. Despite this downgrade, the firm remains optimistic about a **recovery** in the latter half of FY25, expecting growth to rebound to **6.7-6.8%**, driven by **agricultural output** and **government spending**.
- In the **July-September 2024** quarter, India's **urban unemployment rate** fell to **6.4%**, the lowest in recent years, down from **6.6%** in the previous quarter. **Men's unemployment** decreased to **5.7%**, and **women's unemployment** dropped to **8.4%**. The **Labour Force Participation Rate (LFPR)** increased to **50.4%**, with women's LFPR slightly rising to **25.5%**. The **Worker Population Rate (WPR)** in urban areas was **47.2%**, with **men** at **70.7%** and **women** at **23.4%**, indicating positive trends in **job creation** and **labor force participation**.
- India's **foreign exchange reserves** dropped by a record **\$17.76 billion** to **\$657.8 billion** for the week ending November 15, 2024, marking the largest weekly decline since 1998. This drop was driven by the **strengthening of the US dollar**, the **Reserve Bank of India's (RBI) intervention** to protect the **rupee**, and falling **gold prices**.
- **S&P Global Ratings** maintained India's **GDP growth forecast** for **FY25** at **6.8%**, but revised **FY26** down to **6.7%** from **6.9%**. The agency raised its **inflation projection** for **FY25** to **4.6%**, citing persistent **food inflation** and **supply shocks** due to **climate factors**. The **Reserve Bank of India (RBI)**, tasked with maintaining **4% ± 2% inflation**, is expected to cut **policy rates** only once this fiscal year, with the **repo rate** steady at **6.5%** since February 2023.

ECONOMY NEWS

- Gross **Goods and Services Tax (GST)** collections in October reached Rs 1.87 lakh crore, marking an **8.9% increase year-on-year**.
- In the fortnight ending November 1, 2024, credit and deposit growth nearly aligned, with credit increasing by 11.9% and deposits growing by 11.83% year-on-year. This marks a shift from the previous period, where credit growth had consistently outpaced deposits, reflecting the impact of RBI's regulatory measures and a slowdown in sectors like unsecured loans and non-banking financial companies (NBFCs).
- India's merchandise exports grew by 17.3% in October 2024, reaching \$39.2 billion, the fastest pace in 28 months. This growth was driven by pre-Christmas inventory buildup in Western countries, boosting demand for products like engineering goods, electronics, chemicals, and garments.
- India's **Wholesale Price Index (WPI)**-based inflation surged to a **4-month high of 2.36% in October**, up from **1.84% in September**.
- India's outward foreign direct investment (FDI) reached \$3.7 billion in October 2024, a notable increase from \$2.55 billion in October 2023, according to the RBI. However, it showed a slight decline from \$3.77 billion in September 2024.
- India's industrial production grew by 3.1% in September 2024, recovering from a 0.1% contraction in August. This growth was driven by strong manufacturing performance and modest increases in electricity generation and mining. However, the growth rate slowed compared to 6.4% in September 2023, signaling a more tempered industrial recovery.
- India's inflation rate for October 2024 stood at 6.21%, with rural areas experiencing higher inflation at 6.68%, compared to 5.62% in urban areas. The Consumer Food Price Index (CFPI) rose by 10.87%, with rural inflation at 10.69% and urban inflation at 11.09%.
- National Stock Exchange of India (NSE) has launched its **official mobile app**, NSEIndia, and expanded its corporate website to support a **total of 12 languages**. This initiative aims to create a more inclusive financial ecosystem for millions of investors across India, allowing them to access market information in their preferred regional languages.
- In **FY24**, the Union Government collected **₹16,398 crore** in **GST** from **health and life insurance services**, marking a **680% increase** from **FY20**. However, this was a slight decrease from **₹16,770 crore** in **FY23**. **Life insurance** contributed **₹8,135 crore**, while **health insurance** contributed **₹8,263 crore**. Additionally, **₹2,045 crore** was raised from **reinsurance services**, with **₹561 crore** from life reinsurance and **₹1,484 crore** from health reinsurance. **Rashtriya Swasthya Bima Yojana** and **Jan Arogya Bima Policy** remain exempt from GST.





- India's **GDP growth** slowed to **5.4%** in Q2 FY 2024-25, down from **6.7%** in Q1, marking the lowest growth in **seven quarters**. **Gross Value Added (GVA)** growth also dropped to **5.8%** from **6.8%** in Q1. Compared to **Q2 FY 2023-24**, when GDP grew at **8.1%**, the current slowdown highlights significant **economic challenges**.
- India's **core sector growth** rose to **3.1%** in **October**, marking a recovery after a contraction in August. This growth, driven by coal, refinery products, and steel, follows a 2.4% increase in September. The core sector, which makes up 40% of the Index of Industrial Production (IIP), showed signs of improvement despite challenges in crude oil and natural gas.

BUSINESS NEWS

- **GAIL (India) Limited and VERBIO India** have signed a Memorandum of Understanding (MoU) to jointly develop agricultural residue-based **compressed biogas (CBG)** projects in India. This collaboration aims to turn agricultural waste into renewable energy, aligning with India's climate objectives and enhancing rural incomes.
- **Jio Financial Services Limited (JFSL)** has introduced **SmartGold**, a digital gold investment platform, allowing customers to invest in **24-karat physical gold** through the **JioFinance app**. This offering aligns with the company's broader strategy to enhance financial services accessibility during the **auspicious Dhanteras season**.
- **Jio Financial Services Ltd (JFSL) and BlackRock Inc.** officially announced the incorporation of two joint venture companies, **Jio BlackRock Asset Management Private Limited** and **Jio BlackRock Trustee Private Limited**, to enter the mutual fund sector in India.
- **Tata Power** has teamed up with **Noida International Airport (NIA)** to invest Rs 550 crore in renewable energy, including a 13 MW solar facility and 10.8 MW of wind power. This partnership supports NIA's sustainability goals and **Tata Power's** commitment to sustainable infrastructure in India's aviation sector.
- The **Asian Development Bank (ADB)** has approved a \$200 million loan to improve urban infrastructure and climate resilience in Uttarakhand through the **Uttarakhand Livability Improvement Project**.
- **Reliance Industries and Walt Disney** have finalized an \$8.5 billion merger of their Indian media assets, concluded on 14th November.
- **Nvidia and SoftBank Corp** have unveiled the world's first AI and 5G-integrated telecom network, **5G AI-RAN**, which transforms base stations into AI-powered computing hubs. This innovation, launched through the **AI-RAN Alliance** at Mobile World Congress, marks a major leap in telecom technology by enabling simultaneous management of AI and 5G operations.

- **NTPC Limited and Oil and Natural Gas Corporation (ONGC)** have launched a 50:50 Joint Venture Company (JVC) through their green energy subsidiaries, **NTPC Green Energy Ltd. (NGEL)** and **ONGC Green Energy Ltd. (OGL)**. This collaboration, approved by **DIPAM and NITI Aayog**, aims to accelerate India's renewable and new energy objectives.
- **BEML Limited** has received the "Self-Certification" status for its defense equipment from the Department of Defence Production, Government of India. The certification was presented to **BEML's Chairman and MD, Shantanu Roy**, by **RA Govardhana** during an event at the company's headquarters.
- **Royal Enfield** has recently unveiled its highly anticipated **electric vehicle (EV) brand, "Flying Flea"**, an homage to one of the brand's most iconic models.
- The **International Finance Corporation (IFC)** has partnered with **Bajaj Finance Ltd. (BFL)**, committing \$400 million as part of a \$1 billion initiative to boost access to climate finance in India. The investment will focus on financing electric vehicles (EVs), energy-efficient consumer goods (EECG), and women-owned micro-enterprises, supporting India's climate goals and promoting financial inclusion.
- **Tata Electronics** has acquired a **60% stake** in **Pegatron's iPhone plant in Tamil Nadu**, India, marking a significant step in strengthening **Tata's** role as a major **Apple supplier**. This deal signifies a shift in the **geopolitical supply chain**, with **India** emerging as a key hub for **iPhone manufacturing**. The **joint venture** will see **Tata** managing daily operations, while **Pegatron** will offer **technical support**.
- **Punit Goenka**, the **Managing Director (MD) and Chief Executive Officer (CEO)** of **Zee Entertainment Enterprises**, resigned from his role as MD but will remain as CEO. This decision comes just days before a shareholders' meeting where Goenka was set to seek approval for a new five-year term as MD and CEO, starting January 1, 2025, and ending December 31, 2029.
- **Meta** plans to appeal a **₹213.14 crore** fine imposed by the **Competition Commission of India (CCI)** over its 2021 **WhatsApp privacy policy update**. CCI accuses Meta of **anti-competitive practices**, alleging the company forced users to accept new **data-sharing terms**, a claim Meta denies.
- On November 21, 2024, **Kenyan President William Ruto** announced the **cancellation** of multimillion-dollar deals with **Indian business tycoon Gautam Adani**, citing concerns over **bribery and fraud allegations**. This decision follows **U.S. indictments** against Adani, one of Asia's richest men, accusing him of **securities fraud** and a **bribery scheme** related to a **solar energy project** in India.





Economy/Business Current Affairs of October 2024

GDP & GROWTH RATE as per October 2024

- India has signed a **historic Trade and Economic Partnership Agreement (TEPA)** with **Switzerland, Iceland, Norway, and Liechtenstein** (forming the **European Free Trade Association (EFTA)**). The agreement grants India access to **99.6% of EFTA's market**, with projections of **\$100 billion in FDI** and **1 million direct jobs** over the next 15 years. It aims to boost India's **global market position** and support initiatives like **"Make in India"** and **"Atmanirbhar Bharat."**
- The **Confederation of Indian Industry (CII)** established a **strategy cell** in **Coimbatore** to help **manufacturing SMEs** develop sustainable growth strategies and compete globally. The cell offers **expert mentorship**, strategic advice, and support for **6 to 12 months** to help businesses scale. The initiative aims to make local industries **global players** with tailored support from a team of **six experts**.
- India's **milk production** reached **239.30 million tonnes** in 2023-24, a **3.78% increase**, maintaining its position as the world's largest producer. The growth, driven by better **milch cattle productivity** and higher **per capita milk availability**, was highlighted by **Union Minister Rajiv Ranjan Singh** on **National Milk Day**. **Per capita milk availability** rose from **459 gm** to **471 gm** per day. Despite a slight slowdown, India continues to lead globally in milk production and aims to boost **milk exports**.
- India has secured a **\$98 million loan** from the **Asian Development Bank (ADB)** to boost **horticulture productivity** through **plant health management**. The funding supports the **Atmanirbhar Clean Plant Programme (CPP)**, focusing on **disease-free planting material** systems to improve crop yield, quality, and climate resilience. The project, led by the **Ministry of Agriculture**, involves collaboration with the **National Horticulture Board, Indian Council of Agricultural Research**, and other stakeholders. Key objectives include setting up **clean plant centres** and enhancing regulatory frameworks for plant health.

ACQUISITION & MERGERS

- **DPIIT** has approved the **₹10,000-crore acquisition** of Reliance Capital (RCAP) by IndusInd International Holdings (IIHL), backed by the Hinduja Group. This acquisition helps resolve RCAP's ₹40,000-crore liabilities and moves the troubled financial entity closer to finalizing the deal.
- The **Competition Commission of India (CCI)** has approved **Alphabet Inc.'s subsidiary, Shoreline International Holdings LLC**, to acquire a stake in **Walmart-owned Flipkart**. This follows **Flipkart's May 2024 funding round**, where **Google** invested **\$350 million** of the **\$1 billion** raised. Additionally, CCI approved **MUFG Bank Ltd.'s** acquisition of an additional stake in **DMI Finance**, raising MUFG's shareholding to **20%**.

- **India's Foreign Exchange Reserves:** India's foreign exchange reserves reached a record high of **\$692.3 billion** as of September 20, 2024. The reserves increased by **\$2.84 billion** during the week, following a rise of **\$19.3 billion** in the previous five weeks. This growth is attributed to the Reserve Bank of India's interventions in the forex market and inflows into local stocks and bonds.
- **OECD Growth Forecast:** The Organisation for Economic Co-operation and Development (OECD) raised India's FY25 growth forecast to **6.7%**, up from **6.6%**, as per its Interim Economic Outlook released on September 25, 2024. Inflation is projected to rise to **4.5%** from an earlier estimate of **4.3%**. India's economy is expected to grow at **6.8%** in FY26, a **20 basis points** increase from the May forecast.
- **GST Taxation Group:** The Goods and Services Tax (GST) Council has formed a **10-member Group of Ministers (GoM)**, led by Minister of State for Finance Pankaj Chaudhary, to address future taxation of luxury, sin, and demerit goods as the compensation cess is set to expire in March 2026.
- **Revised Transaction Fees:** BSE and NSE announced revisions to their transaction fees, effective from October 1, 2024. The changes align with SEBI's directive to ensure a uniform fee structure across market infrastructure institutions (MIs).
- **Current Account Deficit (CAD):** India's CAD for the April-June 2024 quarter increased to **\$9.7 billion**, or **1.1% of GDP**, compared to **\$8.9 billion (1% of GDP)** in Q1 FY2024. This widening is attributed to a rise in the merchandise trade deficit, which expanded to **\$65.1 billion** from **\$56.7 billion** in the previous year.
- **IBC 8th Annual Day:** The Insolvency and Bankruptcy Board of India (IBBI) celebrated its Eighth Annual Day on October 1, 2024, highlighting the accelerated resolution of insolvency cases over the past eight years under the Insolvency and Bankruptcy Code (IBC).
- **Core Industries Index:** In August 2024, the Index of Eight Core Industries (ICI) showed a decline of **1.8%** compared to the same month in the previous year, although the Steel and Fertilizers sectors showed positive growth during this period.
- **Foreign Exchange Reserves Cross \$700 Billion:** India's foreign exchange reserves exceeded **\$700 billion** for the first time, reaching **\$704.89 billion** as of September 27, 2024. This milestone makes India the fourth country to reach such a level, alongside China, Japan, and Switzerland.
- **Wholesale Price Inflation (WPI):** India's WPI increased to **1.84%** in September 2024, driven mainly by a sharp rise in food prices, particularly vegetables such as onions, potatoes, and tomatoes.





- **IMF Growth Projections:** The International Monetary Fund (IMF) has maintained its growth projections for India at 7% for FY25 and 6.5% for FY26, citing that the post-pandemic recovery has largely run its course and the economy is aligning with its potential growth trajectory.
- **NIPFP Revised Growth Forecast:** The National Institute of Public Finance and Policy (NIPFP) has revised its growth forecast for India to 6.9-7.1% for FY25, noting a slowdown in growth during the June quarter due to reduced government consumption and contraction in net exports.
- **Gross Goods and Services Tax (GST) collections in October reached Rs 1.87 lakh crore, marking an 8.9% increase year-on-year. This robust collection, based on September sales, represents the second-highest level of monthly GST collections since the indirect tax regime's inception in July 2017.** The rise is primarily attributed to stronger domestic transactions, with revenue from imports experiencing slower growth, as detailed by the Ministry of Finance in data released.

ECONOMY NEWS

- **Fossil Fuel Dominance in Electricity Generation:** According to a report by the Reserve Bank of India (RBI), the dominance of fossil fuels in India's electricity generation is expected to end by 2030, with renewable energy surpassing 50% of global electricity generation. Achieving this will require tripling renewable energy capacity by 2030.
- **Manufacturing Employment Growth:** The Annual Survey of Industries (ASI) revealed that employment in manufacturing industries increased by 7.5% in FY23, reaching 1.85 crore. This represents a 22.14 lakh increase compared to pre-pandemic levels (2018-19), with average emoluments per person rising by 6.3%.
- **Asset Monetisation Target Raised:** NITI Aayog has raised the Asset Monetisation (AM) target for FY25 to Rs 1.9 trillion, up by Rs 23,000 crore. This will help achieve the overall target of Rs 6 trillion under the National Monetisation Pipeline (NMP) for FY22-FY25.
- **India's Foreign Reserves Milestone:** India became the fourth country to surpass \$700 billion in foreign reserves, with reserves reaching \$704.89 billion in the week ending September 27, 2024.
- **Unemployment Rates for Religious Minorities:** The Periodic Labour Force Survey (PLFS) by the Ministry of Statistics and Programme Implementation (MoSPI) indicated a rise in unemployment rates among India's religious minorities in 2023-24. Sikhs faced the highest unemployment rate of 5.8%, up from 5.1% in 2022-23, while Muslims and Christians also saw increases in their unemployment rates.
- According to a report released by the **International Monetary Fund (IMF)**, the world's total public debt is poised to surpass **\$100 trillion** this year for the first time. **Projected to reach 100% of global GDP by 2030, surpassing 99% (COVID peak).**

- India's foreign exchange reserves decreased by **\$2.163 billion**, bringing the total to **\$688.267 billion** for the week ending October 18

BUSINESS NEWS

- **Shankh Air:** India's latest airline, Shankh Air, is set to debut by the end of 2024 after receiving approval from the civil aviation ministry. The airline will be Uttar Pradesh's first scheduled airline, with hubs in Lucknow and the upcoming Noida International Airport, focusing on inter- and intra-state routes.
- **Reliance Group in Bhutan:** Anil Ambani's Reliance Group is planning to develop 1,270 megawatts of solar and hydroelectric power projects in Bhutan in partnership with Druk Holding and Investments Ltd (DHI), the commercial arm of the Bhutanese government.
- **Adani Group and Google:** The Adani Group will supply renewable energy from its solar-wind hybrid project in Khavda, Gujarat, to Google starting in 2025. The Khavda project, located in the world's largest renewable energy facility, aims to meet Google's carbon-free energy goal.
- **PFC Loan Issuance:** Power Finance Corporation (PFC) closed the largest-ever foreign currency term loan issued by an Indian PSU, amounting to USD 1.265 billion. The loan was executed through a facility agreement with multiple banks based in GIFT City, Gandhinagar.
- **ADB Loan for Himachal Pradesh:** The Asian Development Bank (ADB) approved a \$162 million loan to boost tourism in Himachal Pradesh, focusing on the revival of five districts severely impacted by the pandemic and developing sustainable and inclusive tourism infrastructure.
- **Tira's Luxury Launch:** Reliance's beauty platform, Tira, has launched the luxury skincare and haircare brand Augustinus Bader in India, bringing its scientifically advanced and award-winning formulas exclusively to the Indian market.
- **Indian Navy's MoU with Bajaj Allianz:** The Indian Navy signed an MoU with Bajaj Allianz Life Insurance to offer affordable life insurance to its civilian workforce, marking the "Year of Naval Civilians" with a focus on financial security.
- **HAL Gains Maharatna Status:** Hindustan Aeronautics Limited (HAL) has been upgraded to the status of Maharatna, becoming the 14th Central Public Sector Enterprise (CPSE) in India to achieve this distinction.
- **Navi's Growth in UPI:** Navi, co-founded by Sachin Bansal, has become India's fifth-largest player in the UPI space, processing 120.41 million transactions worth Rs 6,549.1 crore in September 2024.
- **India's Bonds in FTSE Russell:** FTSE Russell announced that India's sovereign bonds will be included in its Emerging Markets Government Bond Index (EMGBI) starting September 2025, potentially attracting billions into India's local bond market.





- **Paytm's UPI Expansion:** Paytm received approval from the National Payments Corporation of India (NPCI) to onboard new UPI users, which will increase Paytm's UPI transaction volumes and market position.
- **Deloitte's Economic Outlook:** Deloitte India projects that India's economy will grow between 7.0% and 7.2% in FY 2024-25, despite a 6.7% GDP growth in Q1 FY25.
- **Freo's Insurance Offering:** Freo, a digital finance app, received a corporate agent license from IRDAI to offer customized insurance products to its 25 million users, addressing India's low insurance penetration.
- **International Copper Association:** The ICA, representing 50% of global copper production, continues to be a prominent industry body promoting the usage and sustainability of copper worldwide.
- **Reliance and Nvidia AI Collaboration:** Mukesh Ambani's Reliance Industries has partnered with Nvidia to establish AI infrastructure in India, deploying Nvidia's GB 200 supercomputer technology for large-scale AI projects.
- **Nvidia Surpasses Apple:** Nvidia surpassed Apple to become the world's most valuable company, driven by soaring demand for its supercomputing AI chips.
- **GAIL and VERBIO CBG Projects:** GAIL (India) Limited and VERBIO India signed an MoU to jointly develop agricultural residue-based compressed biogas (CBG) projects in India, supporting renewable energy and rural incomes.
- **Jio Financial Services – SmartGold:** Jio Financial Services Ltd launched SmartGold, a digital gold investment platform that allows customers to invest in 24-karat physical gold through the JioFinance app.
- **Jio and BlackRock Mutual Fund Venture:** Jio Financial Services Ltd (JFSL) and BlackRock Inc. announced the creation of two joint venture companies, Jio BlackRock Asset Management and Jio BlackRock Trustee, to enter India's mutual fund sector.
- **AGEL and AESL Join UNEZA:** Adani Green Energy Limited (AGEL) and Adani Energy Solutions Limited (AESL) joined the Utilities for Net Zero Alliance (UNEZA), committing to achieving Net Zero by 2050 and helping India's energy transition.
- **InCorp Global's BATF Licence:** InCorp Global became the first firm at GIFT IFSC to receive a BATF (Bookkeeping, Accounting, Taxation, and Financial Crime Compliance) license, further enhancing its corporate services in India.

ACQUISITION & MERGERS

TIGA Investments Acquires Stake in Dream11

TIGA Investments, a Singapore-based investment firm, has received approval from the Competition Commission of India (CCI) to acquire a stake in Dream11's parent company, Dream Sports Inc (DSI). This deal is valued at over USD 150 million.

Mankind Pharma's Acquisition of Bharat Serums and Vaccines
CCI approved Mankind Pharma Ltd.'s acquisition of Bharat Serums and Vaccines Limited (BSV) for ₹13,630 crores, granting Mankind Pharma a full 100% stake in BSV's shareholding.

Merger of AIX Connect with Air India Express

The Directorate General of Civil Aviation (DGCA) has sanctioned the merger of AIX Connect (formerly AirAsia India) with Air India Express, effective from October 1, 2024. The unified entity will operate under the name "Air India Express" with a single airline code, IX. The merger is part of a larger integration plan which includes Vistara merging with Air India by November 12, 2024.

JM Financial's Stake Increase in JM Financial Credit Solutions and JM Financial Asset Reconstruction

CCI approved JM Financial Limited's (JMFL) acquisition of a 43% stake in JM Financial Credit Solutions Limited (JMFCSL) for approximately ₹1,282 crore. Additionally, JMFL will acquire a 71.79% stake in JM Financial Asset Reconstruction Company Limited (JMFARC) for ₹856 crore.

Patanjali's Home and Personal Care Business Acquisition

The CCI greenlit Patanjali Foods Limited's (PFL) acquisition of the Home and Personal Care (HPC) division of Patanjali Ayurved Limited (PAL) for ₹1,100 crore.

LIC's Stake Increase in Bank of Maharashtra

Life Insurance Corporation of India (LIC) raised its stake in Bank of Maharashtra (BOM) from 4.05% to 7.10% after acquiring 25.96 crore shares via a Qualified Institutional Placement (QIP), purchasing at an average price of ₹57.36 per share.

Government of India's Stake Sale in Cochin Shipyard Limited

The Government of India divested 5% of its stake in Cochin Shipyard Limited (CSL) through an Offer for Sale (OFS), valued at approximately ₹2,026 crore with shares priced at ₹1,540 each.

Central Bank of India's Acquisition in Future Generali Insurance Companies

CCI approved Central Bank of India's acquisition of a 24.9% stake in Future Generali India Insurance Company Limited (FGIICL) and a 25.18% stake in Future Generali India Life Insurance Company Limited (FGILICL).

Bharti Airtel's Increased Stake in Indus Towers

CCI approved Bharti Airtel's proposal to increase its shareholding in Indus Towers Limited to 50.005%, from the previous 48.95%, through a share buyback.

Aquilo House Pte. Ltd. Acquisition of Aavas Financiers Limited

CCI approved Aquilo House Pte. Ltd.'s acquisition of Aavas Financiers Limited (AFL), a housing finance company registered with the National Housing Bank (NHB) as a non-deposit-taking institution.





Previous Year Schemes Questions from All Bank Exams

Q1. As per the revised guidelines issued by the Finance Ministry, non-financial sector CPSEs must pay a minimum annual dividend of _____ of their net profit or _____ of their net worth, whichever is higher. (November 2024)

- (a) 20%, 3%
- (b) 25%, 5%
- (c) 30%, 4%
- (d) 35%, 6%
- (e) 30%, 5%

Ans.(c)

Sol. As per the revised guidelines issued by the Finance Ministry, non-financial sector CPSEs must pay a minimum annual dividend of **30% of their net profit or 4% of their net worth, whichever is higher.**

Details-

- **Financial Sector CPSEs:** Entities like NBFCs are required to pay a minimum dividend of 30% of profit after tax (PAT), subject to legal provisions.
- **Changes from 2016 Guidelines:** Earlier, the requirement was 30% of PAT or 5% of net worth, without specific provisions for financial sector CPSEs.
- **Objective:** The revision aims to optimize capital restructuring while ensuring regular and higher dividend payouts from CPSEs to the government.

Q2. The National Highways Authority of India (NHAI) announced plans to raise ₹1,000 crore through green bonds to fund environment-friendly initiatives for which expressway project? (December 2024)

- (a) Bengaluru-Chennai Expressway
- (b) Delhi-Mumbai Expressway
- (c) Eastern Peripheral Expressway
- (d) Delhi-Meerut Expressway
- (e) Mumbai-Pune Expressway

Ans.(b)

Sol. The National Highways Authority of India (NHAI) plans to raise ₹1,000 crore through green bonds for the **Delhi-Mumbai Expressway**, promoting sustainability in infrastructure development.

- **About the Delhi-Mumbai Expressway**
- Recognized as the costliest expressway in India, it incorporates cutting-edge technology and eco-friendly measures to balance development with sustainability.
- **Green Bond Utilization**
- Funds will be used for:
 - Plantation along avenues and medians.
 - Development of animal underpasses to support wildlife.
 - Installation of solar-powered streetlights to reduce carbon footprint.

- Rainwater harvesting systems and efficient stormwater drainage.
- Recycling and reuse of construction and operational waste.
- **Details of the Green Bond Issue**
- Total size: ₹1,000 crore.
- Includes a base issue of ₹500 crore and an additional green-shoe option to accommodate oversubscription up to ₹500 crore.

Q3. The Pension Fund Regulatory and Development Authority (PFRDA) recently launched a new investment option under the National Pension System (NPS) designed to provide flexibility and higher growth potential with equity investments. What is the name of this new plan?

- (a) Growth Equity Fund
- (b) Balanced Growth Fund
- (c) Balanced Life Cycle Fund
- (d) Life Cycle Advantage Fund
- (e) Prime Equity Balanced Fund

Ans.(c)

Sol. The Pension Fund Regulatory and Development Authority (PFRDA) launched the **Balanced Life Cycle Fund (BLC)** as a new investment option under the National Pension System (NPS).

- **Equity Allocation:**
- Allows subscribers to allocate up to 50% of their investments into equities until the age of 45.
- **Gradual Risk Reduction:**
- Equity allocation decreases progressively after 45 to minimise risk.
- **Automatic Rebalancing:**
- Automatically adjusts the mix of equity (Asset Class E), corporate bonds (Asset Class C), and government bonds (Asset Class G) based on the subscriber's age.
- **Key Advantage:**
- Offers flexibility and higher growth potential during prime working years while balancing risk nearing retirement.

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Q4. FTSE Russell announced the inclusion of Indian bonds in its Emerging Markets Government Bond Index, which will take effect from which of the following periods?

- (a) January 2026
- (b) March 2025
- (c) September 2025
- (d) December 2025
- (e) June 2026

Ans.(c)

Sol. FTSE Russell will include Indian bonds in its **Emerging Markets Government Bond Index from September 2025.**

Details:

Key Announcement:

- FTSE Russell is the **third index provider** to include Indian bonds in its emerging market bond index after **JP Morgan** and **Bloomberg Index Services.**

Weightage of Indian Bonds:

- India's bonds will make up **9.35% of the index** on a **market-value weight basis**, positioning it as the **second-largest component after China.**

Impact on Indian Bond Market:

- The inclusion is expected to bring significant inflows into India's government bond market, improving liquidity and global visibility.

Earlier Inclusion Announcements:

- **JP Morgan:** In September 2023, JP Morgan announced the inclusion of Indian bonds into its **Government Bond Index-Emerging Markets (GBI-EM).**
- **Bloomberg Index Services:** Has also previously included Indian bonds in its bond index series.

Significance of Inclusion:

- Strengthens India's presence in the global bond market.
- Reflects international confidence in India's fiscal and economic stability.

Q5. As of September 16, 2024, the National Payments Corporation of India (NPCI) increased the Unified Payments Interface (UPI) transaction limit to ₹5 lakh per transaction for which of the following purposes?

- (a) E-commerce payments
- (b) Tax payments
- (c) Utility bill payments
- (d) Loan repayments
- (e) International remittances

Ans.(b)

Sol. The **National Payments Corporation of India (NPCI)** increased the UPI transaction limit to **₹5 lakh per transaction** specifically for **tax payments** as of **September 16, 2024.**

- This enhancement facilitates larger transactions, ensuring smoother and more convenient payment options for taxpayers.

Key Points:

1. Purpose of Increase:

- The revision was introduced to handle **high-value tax payments** seamlessly via UPI.

2. Other UPI Limits:

- The transaction limits for general UPI use cases like utility bills and e-commerce payments remain lower than ₹5 lakh.

Q6. What is the current Public Provident Fund (PPF) interest rate for Q3 of FY 2024-25?

- (a) 7.0%
- (b) 7.1%
- (c) 7.5%
- (d) 7.7%
- (e) 8.0%

Ans.(b)

Sol. The current **Public Provident Fund (PPF)** interest rate for **Q3 of FY 2024-25** is **7.1%** per annum.

Other key features of the PPF scheme include:

- **Minimum Investment Tenure: 15 years.**
- **Investment Range:** Between **Rs. 500** and **Rs. 1.50 lakh** in a financial year.
- **Compounding:** Interest is compounded annually.

Q7. The National Payments Corporation of India (NPCI) has incorporated NBSL as its wholly owned subsidiary. In this context, what does the letter 'B' stand for in NBSL? (August 2024)

- (a) Bharat
- (b) Banking
- (c) Business
- (d) Blockchain
- (e) BHIM

Ans.(e)

Sol. The letter **'B'** in **NBSL** stands for **"BHIM"**.

- **NBSL:** NPCI BHIM Services Ltd. is a subsidiary of NPCI, where "BHIM" refers to Bharat Interface for Money, a digital payment application that facilitates simple and quick transactions.
- **Objective:** The incorporation of NBSL is aimed at addressing the growing demand for digital payments, supporting innovation, and promoting financial inclusion.

About NPCI:

- Established in 2008 as the umbrella organization for retail payments and settlement systems in India.
- **Products:** NPCI offers a range of services, including UPI, RuPay, IMPS, and BHIM, to promote secure and efficient digital payments.
- **Mission:** NPCI is focused on driving India toward a fully digital economy by providing affordable, accessible payment infrastructure.





Q8. What is the new upper transaction limit for tax payments using the Unified Payments Interface (UPI) as per the National Payments Corporation of India's recent update?

- (a) ₹1 lakh
- (b) ₹2 lakh
- (c) ₹3 lakh
- (d) ₹4 lakh
- (e) ₹5 lakh

Ans.(e)

Sol. The new upper transaction limit for tax payments using UPI has been raised to **₹5 lakh per transaction**.

Details-

- **NPCI Update:** The UPI transaction limit has been increased for high-value categories, effective from September 16, 2024.
- **Applicable Sectors:**
- **Tax Payments:** Users can pay up to ₹5 lakh per transaction.
- **Healthcare:** Verified hospitals can now accept payments up to ₹5 lakh.
- **Educational Fees:** Educational institutions are covered under the raised limit.
- **Financial Investments:** Applicable to IPOs, government securities, and select financial instruments.
- **Standard UPI Transactions:** The limit remains at ₹1 lakh for peer-to-peer transfers and other standard transactions.

Q9. What is the maximum income limit within a financial year for salaried resident individuals to be eligible to file the ITR 1 form for income tax returns in India?

- (a) Rs 25 lakh
- (b) Rs 50 lakh
- (c) Rs 75 lakh
- (d) Rs 1 crore
- (e) Rs 1.5 crore

Ans.(b)

Sol. Salaried resident individuals with a maximum income of **Rs 50 lakh** within a financial year are eligible to file the ITR 1 form.

- **ITR 1 Applicability:**
- Income source should primarily be salary or pension.
- Income may include a single property and other sources (excluding horse racing, gambling, lotteries, etc.).
- The taxpayer should not own property outside India.
- No foreign income should be received.
- Interest income from savings, deposits, and family pension is allowed.

Q10. In June 2024, which among the following became the first South American country to adopt a UPI-like instant payments system through a partnership with NPCI International Payments Limited (NIPL)?

- (a) Brazil
- (b) Argentina
- (c) Chile
- (d) Peru
- (e) Colombia

Ans.(d)

Sol. Peru is the **first South American country** to adopt a UPI-like instant payments system, following an agreement between **NPCI International Payments Limited (NIPL)**, the international arm of the **National Payments Corporation of India (NPCI)**, and the central bank of Peru.

This partnership aims to develop instant payment technology similar to UPI for Peru, enhancing its digital payments infrastructure.

NIPL had previously entered into a similar agreement with the **Bank of Namibia** earlier in 2024.

Static facts about Peru:

- **Capital:** Lima
- **Currency:** Peruvian Sol (PEN)
- **Official Language:** Spanish (with Quechua and Aymara also recognized in specific regions)
- **Continent:** South America

Q11. Which leading fintech unicorn recently announced the launch of its own UPI infrastructure named "UPI Switch", developed in partnership with Airtel Payments Bank, aiming to improve success rates by 4-5% and handle up to 10,000 transactions per second (TPS)?

- (a) Paytm
- (b) PhonePe
- (c) Razorpay
- (d) BharatPe
- (e) MobiKwik

Ans.(c)

Sol. **Razorpay**, a prominent fintech unicorn, has launched its own UPI infrastructure called "UPI Switch".

This product is developed in collaboration with Airtel Payments Bank and is designed to handle high transaction volumes of up to 10,000 transactions per second while improving success rates by 4-5%.

Q12. In the Monetary Policy Committee (MPC) meeting held in December 2024, what GDP growth percentage did the Reserve Bank of India (RBI) forecast for FY25?

- (a) 6.8%
- (b) 6.6%
- (c) 7.2%
- (d) 6.9%
- (e) 7.0%

Ans.(b)

Sol. In the December 2024 MPC meeting, the RBI forecasted **6.6%** GDP growth for FY25.

- **Key Predictions by RBI:**
- **FY25 (Full Year):** 6.6%
- **Q3 FY25 (October–December 2024):** 6.8%
- **Q4 FY25 (January–March 2025):** 7.2%
- **Q1 FY26 (April–June 2025):** 6.9%





Q13. As per the Reserve Bank of India's (RBI) Scale Based Regulations (SBR), how many non-banking finance companies (NBFCs) have been placed in the Upper Layer (NBFC-UL)?

- (a) 10
- (b) 12
- (c) 15
- (d) 18
- (e) 20

Ans.(c)

Sol. The Reserve Bank of India (RBI) has identified **15 non-banking finance companies (NBFCs)** in the Upper Layer (NBFC-UL) under the Scale Based Regulations (SBR).

Details:

What is NBFC-UL?

- The Upper Layer (NBFC-UL) represents NBFCs that are considered systemically significant and warrant **enhanced regulatory requirements**.
- NBFC-UL entities are selected based on their **asset size** and a **scoring methodology** specified in the RBI's Scale Based Regulation (SBR) framework.

Examples of NBFCs in NBFC-UL:

- LIC Housing Finance
- Bajaj Finance
- Shriram Finance
- Tata Sons
- Cholamandalam Investment and Finance Company

Enhanced Regulatory Requirements:

- NBFCs classified in the UL must comply with stricter guidelines, such as higher capital adequacy requirements and enhanced governance standards.
- These regulations apply for a **minimum of five years**, even if the NBFCs do not meet the criteria in subsequent years.

Scale Based Regulation (SBR) Framework:

- **Introduced on October 22, 2021**, the SBR framework categorises NBFCs into four layers:
 1. **Base Layer (NBFC-BL):** Least regulated.
 2. **Middle Layer (NBFC-ML):** Moderately regulated.
 3. **Upper Layer (NBFC-UL):** Stringently regulated.
 4. **Top Layer (NBFC-TL):** Reserved for exceptionally significant entities posing systemic risks.

Purpose of NBFC-UL Regulations:

- To strengthen the **stability** of the financial system.
- To address risks posed by systemically important NBFCs.
- To ensure better **governance, transparency, and efficiency** in non-bank lending.

Q14. The Reserve Bank of India (RBI) has approved Canara Bank to divest what percentage of its shareholding in Canara HSBC Life Insurance Company Ltd through an Initial Public Offering (IPO)? (December 2024)

- (a) 10.5%
- (b) 12.5%
- (c) 14.5%
- (d) 16.5%
- (e) 18.5%

Ans.(c)

Sol. The Reserve Bank of India (RBI) has approved Canara Bank to divest **14.5%** of its shareholding in Canara HSBC Life Insurance Company Ltd through an IPO.

- **Other Divestments:** Approval was also given to divest 13% in Canara Robeco Asset Management Company Ltd.
- **Timeline Compliance:** Canara Bank must reduce its stake in these entities to 30% by October 31, 2029, as per the exemption granted by the Government of India.

Q15. According to a study by the Reserve Bank of India (RBI), what is the expected percentage increase in total private sector investment in the current financial year compared to the previous financial year? (August 2024)

- (a) 34%
- (b) 45%
- (c) 54%
- (d) 65%
- (e) 70%

Ans.(c)

Sol. The RBI study shows an expected **54% increase** in total private sector investment for the current financial year compared to the previous year.

• **Investment Growth:**

- Expected increase to ₹2.45 trillion from ₹1.59 trillion in FY24.

• **Funding Sources Considered:**

- Bank and financial institution commitments
- External Commercial Borrowings (ECBs)
- Rights issues for capital expenditure

• **Investment Intentions:**

- Total intentions by private corporations reached ₹4.03 trillion, up by 56.6% over FY23.

• **Sector-Wise Allocation:**

- Infrastructure sector received the largest share (60%), led by:
 - Power
 - Roads and bridges
 - Ports and airports





Q16. How many foreign banks operating under the wholly owned subsidiary (WOS) model have been appointed as agency banks by the RBI as of 2023?

- (a) None
- (b) One
- (c) Two
- (d) Three
- (e) Five

Ans.(b)

Sol. As of 2023, **only one foreign bank**, DBS Bank India Limited, operating under the wholly owned subsidiary (WOS) model, has been appointed as an agency bank by the RBI. This appointment allows DBS Bank India Limited to conduct government-related transactions.

Agency Banks: Includes scheduled public and private sector banks, along with this sole foreign bank operating under the WOS model.

Q17. The Reserve Bank of India (RBI) has increased the threshold for bulk fixed deposits for Scheduled Commercial Banks and Small Finance Banks to ₹3 crore. What was the previous threshold for bulk deposits before this revision?

- (a) ₹1 crore
- (b) ₹1.5 crore
- (c) ₹2 crore
- (d) ₹2.25 crore
- (e) ₹2.5 crore

Ans.(c)

Sol. The previous threshold for bulk fixed deposits was **₹2 crore**, which has now been increased to **₹3 crore** by the RBI.

- **Bulk Deposits:** These deposits earn slightly higher interest rates as banks use them for managing liquidity.
- **Revised Definition:** Bulk deposits are now defined as "Single Rupee term deposits of ₹3 crore and above" for Scheduled Commercial Banks (excluding RRBs) and Small Finance Banks.
- **Local Area Banks:** The bulk deposit limit for Local Area Banks and Regional Rural Banks is set at ₹1 crore.
- **RBI's Policy Update:** This revision was announced during the bi-monthly monetary policy review in June 2024 to streamline the classification of deposits.

Q18. According to the revised guidelines by the RBI, deposit-taking housing finance companies (HFCs) are required to maintain liquid assets to the extent of what percentage of public deposits on an ongoing basis by January 1, 2025?

- (a) 10%
- (b) 12%
- (c) 13%
- (d) 14%
- (e) 15%

Ans.(d)

Sol. Deposit-taking HFCs are required to maintain liquid assets to the extent of **14% of public deposits** on an ongoing basis by January 1, 2025.

• **Liquid Asset Requirement:**

- Currently, deposit-taking HFCs must maintain 13% liquid assets against public deposits.
- By January 1, 2025, this requirement increases to 14%.
- By July 2025, they must maintain 15% of liquid assets.

• **Repayment Tenure for Public Deposits:**

- The RBI mandates that public deposits accepted or renewed by HFCs must now be repayable after a minimum period of 12 months and up to a maximum of 60 months.
- Existing deposits with maturities exceeding 60 months can be repaid according to their repayment profile.
- Previously, HFCs were permitted to accept or renew deposits for periods of up to 120 months.

• **Revised Ceiling on Public Deposits:** The permissible public deposit ceiling for HFCs has been reduced from 3 times to 1.5 times of Net Owned Fund (NoF), enhancing regulatory alignment with NBFCs.

Q19. The UDGAM portal, developed by the Reserve Bank of India (RBI), serves what primary purpose?

- (a) Providing a platform to search for unclaimed deposits
- (b) Enabling users to track loan applications across banks
- (c) Facilitating online payments for government services
- (d) Offering financial literacy resources to individuals
- (e) Allowing banks to process faster credit approvals

Ans.(a)

Sol. The **UDGAM** portal, which stands for **Unclaimed Deposits-Gateway to Access information**, is developed by the **Reserve Bank of India (RBI)** to help registered users search for **unclaimed deposits or accounts** across multiple banks in a centralized manner.

This portal simplifies the process of tracking unclaimed funds, which were previously scattered across different banks, ensuring easier access for the account holders or their heirs.

All unclaimed deposits/accounts that are part of Depositor Education and Awareness (DEA) Fund of RBI can be searched in UDGAM portal.

Q20. Which Indian private sector bank recently inaugurated its first branch in Singapore after receiving a wholesale banking license from the Monetary Authority of Singapore (MAS)?

- (a) ICICI Bank
- (b) Axis Bank
- (c) HDFC Bank
- (d) Kotak Mahindra Bank
- (e) Yes Bank





Ans.(c)

Sol. HDFC Bank, India's leading private sector bank, inaugurated its **first branch in Singapore**.

The bank was granted a **wholesale banking license** by the **Monetary Authority of Singapore (MAS)**, effective **15th October 2024**.

This move is part of HDFC Bank's international expansion strategy to offer banking services in Singapore and strengthen its global presence.

Q21. Which fintech firm recently completed its merger with North East Small Finance Bank, consolidating their operations and brand identities into a single institution?

- (a) KreditBee
- (b) ZestMoney
- (c) Slice
- (d) MoneyTap
- (e) FlexiLoans

Ans.(c)

Sol. Slice, a fintech firm, completed its merger with **North East Small Finance Bank**.

The merger consolidates their **operations, assets, and brand identities**, forming a single financial institution.

The merger process was finalized after obtaining the required **shareholder and regulatory approvals**.

Q22. In May 2024, Airbus Helicopters signed a Memorandum of Understanding (MoU) with which bank to provide financing solutions for the purchase of its helicopters in India?

- (a) State Bank of India (SBI)
- (b) Small Industries Development Bank of India (SIDBI)
- (c) HDFC Bank
- (d) Punjab National Bank (PNB)
- (e) Bank of Baroda

Ans.(b)

Sol. In May 2024, Airbus Helicopters signed an MoU with the **Small Industries Development Bank of India (SIDBI)** to provide financing solutions for civil helicopter operators in India interested in purchasing Airbus helicopters.

While Airbus will offer its industry knowledge and technical expertise, **SIDBI** will be responsible for evaluating potential operators and financing them exclusively for the purchase of Airbus helicopters.

Small Industries Development Bank of India Static Facts:

- The Small Industries Development Bank of India (SIDBI) is the **apex regulatory body for the overall licensing and regulation of micro, small and medium enterprise** finance companies in India.
- **Established:** 2nd April 1990
- **Headquarters:** Lucknow, Uttar Pradesh

Q23. As of March 31, 2024, which of the following private sector banks has been assigned Lead Bank responsibility under the Lead Bank Scheme?

- (a) HDFC Bank and Axis Bank
- (b) Kotak Mahindra Bank and Yes Bank
- (c) Jammu & Kashmir Bank and ICICI Bank
- (d) Axis Bank and ICICI Bank
- (e) HDFC Bank and IndusInd Bank

Ans.(c)

Sol. As of March 31, 2024, the private sector banks assigned Lead Bank responsibility are Jammu & Kashmir Bank and ICICI Bank under the Lead Bank Scheme, along with 12 public sector banks, covering 779 districts in the country.

Q24. Delhi Metro Rail Corporation (DMRC) has partnered with which bank to facilitate digital payment solutions, including the processing of National Common Mobility Card (NCMC) transactions for its commuters? (July 2024)

- (a) Airtel Payments Bank
- (b) ICICI Bank
- (c) HDFC Bank
- (d) Paytm Payments Bank
- (e) State Bank of India

Ans.(a)

Sol. Delhi Metro Rail Corporation (DMRC) has partnered with **Airtel Payments Bank** to facilitate digital payment solutions for commuters, including processing National Common Mobility Card (NCMC) transactions.

- **National Common Mobility Card (NCMC):**
- NCMC is a contactless payment card that can be used for various public transport systems, including metros and buses, and also for retail purchases, ATM withdrawals, and e-commerce transactions.
- The card provides seamless travel and payment options across the country in any open loop system.
- **Partnership Features:**
- Airtel Payments Bank will handle the processing and maintenance of NCMC transactions for customers.
- The bank will issue NCMC-enabled cards at metro stations for use in Delhi Metro and other public transport systems across the country.
- **Benefits for Commuters:**
- The partnership will enhance digital ticketing solutions, providing passengers with an easy and seamless experience for metro travel.
- Commuters can use the NCMC for traveling across all lines of the Delhi Metro, including the Airport Express line.





Q25. As per the recent announcement by the Reserve Bank of India (RBI), what is the updated per transaction limit for UPI Lite? (October 2024)

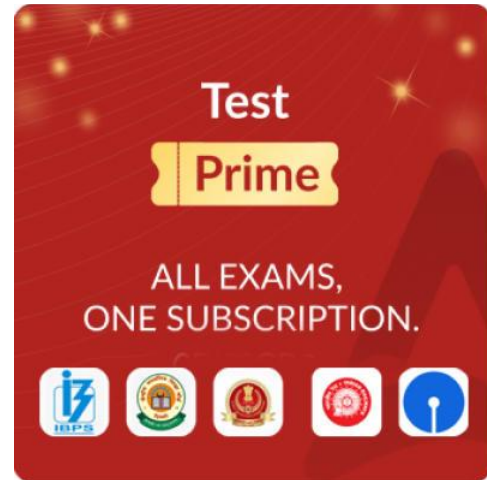
- (a) ₹500
- (b) ₹1,000
- (c) ₹2,000
- (d) ₹5,000
- (e) ₹10,000

Ans.(b)

Sol. The updated per transaction limit for UPI Lite has been increased to ₹1,000.

- **UPI Lite Per Transaction Limit:** The limit has been raised from ₹500 to ₹1,000, making it easier for users to conduct small-value transactions swiftly and efficiently.
- **UPI Lite Wallet Limit:** The total wallet limit for UPI Lite has also increased, going from ₹2,000 to ₹5,000.
- **Purpose:** These enhancements are aimed at promoting the further adoption of UPI by making it more accessible and user-friendly for small, everyday transactions.

- **UPI 123Pay:** In addition, the RBI has raised the per transaction limit for UPI 123Pay from ₹5,000 to ₹10,000, further broadening its usability for feature phone users.
- **Impact:** UPI continues to revolutionize India's financial landscape, promoting digital payments and financial inclusion, particularly with ongoing innovations like UPI Lite and UPI 123Pay.



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