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CLASSES

Current Banking

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English

Part-2



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ii.In volume terms, early-stage deals made up 60–62% of the total funding in CY21 and CY22, with an average ticket size of USD 4 million per deal.

- Nearly 25% of all funding activity in CY22 was in the SaaS (Software as a Service) segment, which saw funding values rise by 20% from CY21 to CY22.

iii.Growth and late-stage funding deals accounted for 88% of funding activity in CY22 in terms of value, accounting for 38% of overall deal count.

- In CY22, funding for late-stage deals decreased by 52%.
- During CY22, growth-stage deals had an average ticket size of USD 43 million and late-stage deals had an average ticket size of USD 94 million.

iv.The global venture capital dry powder pile has increased to nearly USD 590 billion, with the majority of these funds committed in CY21 and CY22.

v.The number of mergers and acquisitions (M&A) transactions fell by 17% in CY22 compared to CY21, with 60% of the transactions occurring in the SaaS, e-commerce + D2C, and EdTech sectors.

- The three industries with the highest number of M&A deals were e-commerce (61), D2C (61), and SaaS (60).

vi.As of December 2022, Bengaluru (Karnataka), the National Capital Region (NCR), and Mumbai (Maharashtra), accounted for close to 82% of all startups in India in terms of city-wise startup funding.

- In the top 3 cities, as much as 28% of startups have raised more than USD 20 million.
- Bengaluru had the most unicorns, followed by the NCR and Mumbai.

About PricewaterhouseCoopers (PwC India):

Chairperson – Sanjeev Krishan

Headquarters – Kolkata, West Bengal

NPCI allows UPI transactions for Non-Resident Accounts linked to International Numbers

The National Payments Corporation of India (NPCI) has allowed UPI (Unified Payments Interface) transactions for non-resident bank accounts like Non-Residential External (NRE) and Non-Resident Ordinary (NRO) linked to international mobile numbers.

- Initially, the transactions from mobile numbers of 10 countries – Singapore, Australia, Canada, Hong Kong, Oman, Qatar, United States of America (USA), Saudi Arabia, United Arab Emirates (UAE) and the United Kingdom (UK) – will be enabled
- This means Non-resident Indians (NRIs) from these countries can transact through UPI.
- This decision has been taken to expand and boost the global use of UPI.
- NPCI has mandated all UPI members, including banks and payments platforms, to comply with the norms by 30th April 2023.

Key Points:

i.Banks engaged in such type of accounts should ensure that only those accounts complying with the Foreign Exchange Management Act (FEMA) use this facility, and should adhere to the guidelines issued by the Reserve Bank of India (RBI).

ii.This allows the diaspora to use it not just when they come to India but also when they are abroad. They can make instant transfers and use it on e-commerce portals.

iii.All onboarding and transaction level checks — such as cooling period and risk rules — will be applicable as per existing UPI guidelines.

Additional info:

i.NPCI allowed UPI transactions to and from NRO/NRE accounts linked to Indian numbers in October 2018.

ii.NRIs couldn't access the UPI network since SIM binding, which is an important security feature of UPI, was available only to Indian SIM cards.

Bajaj Allianz Life, Punjab & Sind Bank enter into strategic partnership

On January 11, 2023, a corporate agreement was signed between Punjab & Sind Bank, a Public Sector Bank (PSB), and Pune (Maharashtra) based Bajaj Allianz Life Insurance Company (BALIC).

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

Signatories:

The agreement was signed by Swarup Kumar Saha, Managing Director(MD) & Chief Executive Officer (CEO), Punjab & Sind Bank and Tarun Chugh, MD & CEO, BALIC in New Delhi, Delhi.

Key Points:

- i.PSB is the 25th Scheduled Commercial Bank (SCB) that has partnered with BALIC for distributing its life goals-based product suite.
- ii.BALIC will provide seamless service to customers which include responding to customer support requests made via WhatsApp or a self-service tool like the Bajaj Allianz Life LifeAssist App, in addition to the well-trained bank employees servicing the life insurance division.

About Punjab & Sind Bank:

MD & CEO– Swarup Kumar Saha

Headquarters– New Delhi (Delhi)

Tagline– Where service is a way of life

Exim Bank Raises USD 1 billion through 10-year Sustainability Bond Issue

Export-Import Bank of India (**Exim Bank**) has raised **USD 1 billion** via a 10-year Sustainability Bond issue in the **144A/Reg-S format** under its Environmental Social Governance (**ESG**) **Framework**. According to the Exim Bank, the net proceeds of Sustainability Bond will be used towards eligible projects under its ESG Framework, including renewable energy, clean transportation, access to essential services and basic infrastructure, affordable housing, and sustainable water and wastewater management.

- India Exim Bank becomes the first Indian issuer to open the markets for dollar and sustainability bond issuances in 2023, by issuing at a coupon rate of CT10 (US 10-year Treasury Bond) +190 basis points.

SEBI allows AIFs to participate in CDS transactions; allows MFs to switch from Active to Passive ELSS schemes

On January 12, 2023, the Securities and Exchange Board of India (SEBI) has amended the SEBI (Alternative Investment Funds-AIF) Regulations, 2012 to allow Alternative Investment Funds (AIFs) to participate in the Credit Default Swaps (CDS) market as protection buyers and sellers.

- Regulations **16(1)(aa)**, **17(da)**, **18(ab)** and **20(11)** of AIF Regulations enable AIFs to participate in CDS.
- This permit will facilitate deepening of the domestic corporate bond segment, and enable business entities to hedge risks associated with the bonds market.

What is CDS?

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

Key Points:

- i.Category-I and Category-II AIFs can buy CDS on underlying investment in debt securities only for the purpose of hedging.
- ii.Category-III AIFs can purchase CDS for hedging or any other permissible purpose.
- iii.With regard to selling, Category-II and Category-III AIFs may sell CDS by earmarking unencumbered government bonds or Treasury bills equal to the amount of the CDS exposure.
 - Category III AIFs are allowed to sell CDS within the permissible limits.

- iv. AIFs will have to report details of CDS transaction to the custodian by the next working day.
- v. Any unhedged position, which would result in gross unhedged positions across all CDS transactions exceeding 25% of investable funds of the scheme of an AIF, should be taken only after intimating to all unit holders of the scheme.
- vi. Category I and II AIFs cannot borrow or utilize funds directly or indirectly except for meeting temporary funding requirements for not more than 30 days, not more than four occasions in a year and not more than 10% of the investable funds.

vii. AIFs which transact in CDS will have to maintain a **30-day cooling off period** between the two periods of borrowing.

The information for the same was provided by SEBI in exercise of powers conferred under Section 11(1) of the SEBI Act,

1992 to protect the interests of investors in securities and to promote the development of the securities market.

[Click Here for Official Circular](#)

SEBI allows MFs to switch from active to passive ELSS schemes

SEBI also allowed Mutual Funds (MFs) with active Equity-Linked Savings Schemes (ELSS) to launch passively managed open-ended ELSS schemes.

- This will provide a cost-effective and tax-saving alternative to individual investors.

What is in the scheme?

i. For switching, MF is required to stop all fresh inflows or subscriptions, including systematic investment plans (SIPs) and systematic transfer plans (STPs), to the actively managed ELSS scheme.

- This will be done through a written communication about the proposed change, along with reasons and benefits of such change, is sent to each unitholder.

ii. AMC will provide an option to investors to redeem their units without exit load subject to lock-in requirements.

iii. After completion of **three years** from the date of stopping inflows in the actively managed ELSS scheme, the scheme will be merged with the passively managed ELSS scheme and the investments will be managed through the passively managed scheme.

iv. The passive ELSS scheme should be based on one of the indices comprising equity shares from the top 250 companies in terms of market capitalization.

Points to be noted:

i. It should be noted that the investments under the ELSS scheme have a three-year lock-in period, which is the shortest lock-in period as compared to other tax-efficient products. Investors can also get a tax deduction of up to Rs 1.5 lakh per financial year under Section 80C of the IT (Income Tax) Act.

ii. The asset under management of actively managed ELSS scheme has increased 5% to Rs 1.55-lakh crore in December 2022 from Rs 1.47-lakh crore in January 2023.

- Currently, there are 42 actively managed ELSS schemes.

SEBI allows launch of multiple contracts of same commodity

SEBI has allowed the stock exchanges to launch multiple contracts of a commodity to attract more participation of investors in commodity derivatives market. For its implementation exchanges are required to make necessary amendments to the relevant bye-laws, rules and regulations, and inform the same to their members.

- This decision follows the request of stock exchanges to launch multiple contracts on same commodity for greater participation.
- Earlier only single contract is required for particular commodity, except for gold, silver and precious metals.

The information for the same was provided by SEBI in exercise of powers conferred under Section 11(1) of the SEBI Act, 1992.

[Click Here for Official Circular](#)

About Securities and Exchange Board of India (SEBI):

Chairperson- Madhabi Puri Buch

Headquarters- Mumbai, Maharashtra

Establishment- 1992

UBI Sanctions 150 Agri Drone Loans for Garuda Kisan Drones under AIF

On 12th January 2022, Chennai-based Drone Startup, **Garuda Aerospace Pvt Ltd**, partnered with the Union Bank of India (**UBI**). Under this partnership, 150 Garuda Agri Kisan drones have received sanction for Loan under the Union Kisan Pushpak Scheme.

- This partnership is for the Agriculture Infrastructure Fund (AIF) scheme and capital subsidy under submission on Agriculture Mechanization (SMAM).

Key Points:

- i. The UBI has launched the **Union Kisan Pushpak Scheme** for financing Kisan Drones in the field of digitisation of land records and operations in crop production, spraying of fertilisers, chemicals, growth promoters and pesticides which helps farmers in growing their crop yield and improving their income.
- ii. The AIF scheme will finance 150 drone applications that will benefit the farmer community and create 150 skilled pilots who will engage to become entrepreneurs and improve farmers income.
- iii. Garuda Aerospace is training 1 lakh youth free of cost and is targeting to sell 5,000 drones before 31st March 2023.

Points to note:

- i. Garuda Kisan drone is the 1st to receive the Agri drone loan in July 2022 from Union Minister of Agriculture and Farmer Welfare Narendra Singh Tomar.
- ii. AIF Scheme has about Rs 1 lakh crore out of which Rs 1,000 crores have been allocated to drones.
 - The AIF loans are collateral-free and can secure up to Rs.10 lakhs with three months of EMI relaxation and a 5 percent interest rate for the youth and farmers.

About Union Bank of India (UBI):

Managing Director (MD) & Chief Executive Officer (CEO) - A. Manimekhalai

Headquarters - Mumbai, Maharashtra

Establishment - 1919

Tagline - Good People To Bank With

SBI Launches E-Bank Guarantee (E-BG) Facility

State Bank of India (SBI) has launched an **e-Bank Guarantee (e-BG) facility** in association with National e-Governance Services Limited (**NeSL**) to enhance transparency and reduce turnaround time from days to minutes. NeSL's Digital Document Execution (**DDE**) platform, which provides e-Stamp and e-Sign functions, will facilitate the e-Bank Guarantee process and also the beneficiaries will instantly receive an e-Bank Guarantee on NeSL's platform without further verification.

- The introduction of e-BG will replace the existing issuance of guarantees through physical stamping and wet signatures with e-stamping and e-signature.

Retail Inflation Eases to One-Year Low of 5.72% In December 2022

According to data provided by the Ministry of Statistics and Programme Implementation (MoSPI), **Retail Inflation** as measured by the **Consumer Price Index (CPI)** decreased to a one-year low of **5.72%** in December 2022.

- This decrease was primarily caused by a sharp deflation (-15.08%) in vegetable prices and an easing of price pressures in the broader "food and beverages" category.

In November 2022, the retail inflation rate was 5.88%.

Retail inflation

- The consumer price index measures retail inflation by monitoring price changes in the most commonly purchased consumer goods and services.
- It is estimated for a given list of items such as food, housing, apparel, transportation, electronics, medical care, education, and so on.

Key Points:

i. For the second month in a row, **Headline Inflation**, or **Wholesale Price Inflation (WPI)**, stayed below the upper limit of the Reserve Bank of India's (RBI's) medium-term target of 2-6%.

ii. Food price inflation, which makes up about 40% of the CPI basket, decreased from 4.67% in November 2022 to 4.19% in December 2022.

iii. In December 2022, **Core CPI Inflation**—the measure of inflation that **excludes food and fuel**—remained strong at 6.1%, with evidence of significant inflation in the services sector.

iv. For the first time in 11 months, inflation dropped to below 6% in November 2022.

- The RBI projected 6.7% inflation for fiscal year 2022-23 (FY23).

v. In December 2022, the Monetary Policy Committee (MPC) raised the repo rate by 35 basis points (bps) to 6.25%, the fifth increase in the current fiscal year (FY23), bringing the policy rate to its highest level since August 2018.

Alibaba Sells 3.1% Stake in Paytm for USD 125 million via Block Deal

On 12th January 2023, China's **Alibaba Group** sold a **3.1% stake** in Indian digital payments firm **Paytm** for USD 125 million through a block deal. Alibaba, which owned a 6.26% stake in Paytm as of September 2022, sold its stake at Rs 536.95 apiece.

- Paytm's parent company, One97 Communications, got listed on the Indian stock exchanges on 18 November 2021 after an Initial Public Offering (IPO). Paytm raised USD 2.5 billion in India's largest IPO.

Apax Partners Sells its Entire Stake in Shriram Finance

On 13th January 2023, Private equity player **Apax Partners' subsidiary Dynasty Acquisition** is likely to sell its entire stake, up to **1.73 crore shares or 4.63 percent stake**, in **Shriram Finance** through a block deal. As per the report, Apax will offer up to a 6 percent discount on deals. The deal size is Rs 2,250 crore including the green shoe option. Kotak Securities is likely to be the broker for the deal.

- **In 2015**, Apax had acquired a stake in Shriram City from TPG Capital. Presently, Apex holds a **4.63 percent stake** in Shriram Finance, the merged entity of Shriram City and Shriram Transport.

Aditya Birla Health Insurance Inks Bancassurance Partnership with Punjab & Sind Bank

The Aditya Birla Health Insurance Co. Ltd. (**ABHICL**) and **Punjab & Sind Bank** have established a bancassurance partnership for the distribution of health insurance products through the bank's branch network in India.

- This collaboration would allow ABHICL to expand its national footprint and serve the 1,528 branches and customers of Punjab & Sind Bank.
- ABHICL is the health insurance joint venture of Aditya Birla Capital Ltd. (ABCL).

Note: Mayank Bathwal is the Chief Executive Officer (CEO) of ABHICL.

Key Points:

i. Through this collaboration, customers and staff of Punjab & Sind Bank will have access to ABHICL's extensive lineup of health-first insurance plans, which are designed to reward customers for leading healthy lifestyles.

- It offers unique products such as incentivized wellness benefits of up to 100% Health Returns™ and a chronic management programme with Day 1 coverage for asthma, high blood pressure, high cholesterol, and diabetes; nutrition and fitness wellness coaching; and mental health counselling, among others.

ii. As a result of this partnership, ABHICL currently has 18 bancassurance partners and more than 70,000 direct sales agents functioning across India.

About Punjab & Sind Bank:

MD & CEO – Swarup Kumar Saha

Established – 1908

Headquarters – New Delhi, Delhi

Tagline – Where Service is a Way of Life

Russian VTB Bank launches Direct Payments in Rupees

Russian VTB Bank, Russia's second-largest bank, launched direct payments in rupees, which will significantly increase bilateral trade and investment.

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

- The mechanism of direct settlements allows for the setting of the price of a product and the payment in the national currency, as well as getting individual quotes on market terms.
- Additionally, it eliminates preliminary transaction coordination.
- In November 2022, 9 Russian banks, including VTB, opened unique vostro accounts in India to promote trade between Russia and India.

WDRA Signed MoU with SBI to Support Farmers

Warehousing Development and Regulatory Authority (WDRA) has signed a memorandum of understanding (MoU) with the State Bank of India (SBI) to help farmers in availing low interest-rate loans.

- **Objective:** The MoU was signed with the intent to promote awareness about the new loan product called 'Produce Marketing Loan' to fund against e-NWRs (electronic Negotiable Warehouse Receipt) with features such as nil processing fee, no additional collateral and attractive interest rates.
- Along with the inherent security and negotiability of the e-NWR system, the 'Produce Marketing Loan' will improve rural liquidity and increase farmers' income.

As per the statement of the Ministry of Food and Consumer Affairs, a conference on "Digital financing against e-Negotiable Warehouse Receipts and way forward" was held at NABARD (National Bank for Agriculture and Rural Development), Mumbai, Maharashtra.

- **Objective:** To interact with bankers to increase post-harvest pledge finance against e-NWRs issued by warehouses registered by WDRA and create mechanisms that would improve the ease of doing business.
- Loaning against e-NWRs during FY 2022-23 has crossed Rs 1,500 crore.

About Warehousing Development and Regulatory Authority (WDRA):

Establishment – 2010

Chairman – T K Manoj Kumar

Headquarters – New Delhi

SIDBI partners with VFS to extend MSME loans up to Rs 5 lakh at 13% pa

The Small Industries Development Bank of India (SIDBI) has tied up with Kolkata (West Bengal) based VFS Capital Limited to extend loans to the MSME (Micro, Small & Medium Enterprises) and SME sector.

- Under this agreement, VFS Capital will extend MSME loans upto Rs 5 lakh at 13% interest rate per annum.
- Under this scheme, VFS Capital plans to disburse Rs 30 to 40 crore in this financial year.
- The loan volume of Microfinance institutions (MFIs) is expected to grow to around Rs 1,100-1,200 crore by 2022-23 from Rs 805 crore in the previous financial year.

Key Points:

- i.VFS Capital also plans to expand its footprint in the north-western part by launching operations in Rajasthan. At present, it operates in 13 states.
- ii.It gives loans to promising and existing entrepreneurs who require funds for seed money or working capital. This helps firms access resources and increase their capacity and efficiency.
- iii.Its MD (Managing Director) and CEO (Chief Executive Officer) is **Kuldip Maity**.

About Small Industries Development Bank of India (SIDBI):

It is the principal financial institution for the development of MSMEs in India

Chairman & Managing Director– Sivasubramanian Ramann

Headquarter– Lucknow, Uttar Pradesh

Establishment– 1990

ILO Report 'WESO Trends' 2023: Jobs Growth Slow, Unemployment High, More People Pushed to Poverty

According to the [“World Employment and Social Outlook: Trends 2023”](#) (WESO Trends), released by the **International Labour Organization (ILO)**, the present global economic slowdown is anticipated to worsen social and economic inequalities.

- As a result, more workers will be forced to accept lower-quality, poorly paid jobs with no job security or social protection, increasing inequality that has already been worsened by the COVID-19 crisis.

According to projections, global employment would expand by 1.0% in 2023, a significant drop (less than half the level) from the 2.3% growth rate in 2022.

- Global unemployment is expected to rise slightly in 2023, by roughly 3 million, to 208 million. This amounts to a 5.8% unemployment rate.

Key Highlights of the Report:

i.The limited labour supply in high-income countries is a major factor in the projected moderate growth in global unemployment.

- This would reverse the decline in unemployment seen globally between 2020 – 2022.

ii.The report also defines the **'Global Jobs Gap'** as a new, comprehensive indicator of unmet employment needs.

- In **2022**, the global jobs gap was **473 million** people, equivalent to a 12.3% job gap rate. It's nearly 33 million more than in 2019.
- It comprises the 205 million unemployed (an unemployment rate of 5.8%) and the 268 million people who wished to work but did not meet the criteria for being deemed unemployed.

iii.According to the report, “job quality” remains a major issue, along with unemployment, and “decent work is fundamental to social justice.”

iv.Due to the current slowdown, many workers will be forced to accept lower-quality jobs, often at extremely low pay and with insufficient hours.

- The report claims that the total working hours per person in the Asia-Pacific (APAC) region remain below pre-pandemic levels.

v.The first instance of **“stagflation,”** a period of high inflation and low growth since the 1970s, has been brought on by rising geopolitical tensions, an uneven COVID-19 pandemic recovery, and supply chain bottlenecks that are slowly fading.

- Stagflation is an economic condition defined by stagnant economic growth, high unemployment, and high inflation. Stagflation is a combination of stagnant growth and rising inflation.

vi.According to the report, young people and women are doing significantly worse on the labour market.

- In 2022, the global labour force participation rate for women was 47.4%, compared to 72.3% for men.

- This 24.9 % point gap suggests that there are two economically inactive women for every economically inactive man.

vii. Young people (aged 15 – 24) have 3 times the rate of unemployment of adults and have great difficulty finding and keeping decent jobs.

- More than one-in-five young people (23.5%) are not in employment, education, or training (NEET).

About the International Labour Organization (ILO):

ILO is the only tripartite United Nations (UN) agency that brings together governments, employers, and workers from 187 member countries. It was founded at the Paris Peace Conference under the Treaty of Versailles.

- India is a founder member of the ILO.

Director-General– Gilbert Fossoun Hounbo

Headquarters– Geneva, Switzerland

Establishment– 1919

South Indian Bank ties up SAIL for Financing Dealers

A Memorandum of Understanding (MoU) has been inked between the South Indian Bank (SIB) and Steel Authority of India Limited (SAIL) to provide financial assistance to the dealers of SAIL across India.

Signatories:

The MoU was exchanged between **Praveen Joy**, Head-Transaction Banking Group, SIB and **Surendra Kumar Sharma**, Chief General Manager (CGM), Finance & Accounts, SAIL.

Key Points:

- The bank will serve the MSME (Micro, Small & Medium Enterprises) and corporate customers of SAIL by providing financial assistance for working capital, especially steel procurement through its 928 branches.
- It will boost India’s steel production, in lines with the Central government’s infrastructure and industrial push.

About South Indian Bank (SIB):

MD & CEO– Murali Ramakrishnan

Headquarters– Thrissur, Kerala

Tagline– Experience Next Generation Banking

About Steel Authority of India Limited (SAIL):

Chairman– Soma Mondal (First Female Chairperson of SAIL)

Headquarters– New Delhi, Delhi

Mastercard expands Girls4Tech Programme to promote STEM Studies among Girl Students

On 17th January 2023, Mastercard announced the expansion of its flagship Girls4Tech, STEM (Science, Technology, Engineering and Math) education programme in India. This programme will benefit over 10,800 girls from 30 government schools in Tamil Nadu.

- The Girls4Tech programme is supported by the Mastercard Impact Fund in partnership with the American India Foundation (AIF).
- It aims to reach an additional 1 lakh female students in India by 2024 to encourage them to pursue STEM education; this includes 10,800 students in Tamil Nadu. STEM courses will be offered to girls aged 8 to 14.
- In 2020-2021, the programme reached 17,820 girls across 3 districts in Tamil Nadu, with an aim to narrow the gender gap in STEM.

India’s FY23 fiscal deficit to be at Rs 17.5 Lakh cr, FY24 Rs 17.95 Lakh cr: SBI Report

The State Bank of India (SBI) in its Ecwrap report has estimated India’s fiscal deficit for FY 2023-24 (FY24) at around Rs 17.95 lakh crore or 6% of GDP (Gross Domestic Product).

This will result in a fiscal consolidation of 40 bps from FY23.

- In FY23, the fiscal deficit is expected to come to Rs 17.5 lakh crore. However, higher nominal GDP growth (15.4%) estimates will help in keeping the fiscal deficit at 6.4% of the GDP.

Highlights:

i. The net market borrowing of the Central Government in FY24 will be around **Rs 11.7 lakh crore**, and with repayments of Rs 4.4 lakh crore, gross borrowing is expected at Rs 16.1 lakh crore.

ii. In FY24, the overall gross borrowing by the **Central and States** is estimated at Rs 24.3 lakh crore (up from Rs 22.2 lakh crore in FY23) and net borrowings Rs 17 lakh crore (Rs 16.7 lakh crore in FY23).

- In FY24, the government expenditure can increase by around 8.2% over FY23 estimates to Rs 46 lakh crore

iii. For FY23, the total receipts of the government are estimated to be higher than Budget Estimates (BE) by around Rs 2.3 lakh crore, due to higher direct tax receipts (Rs 2.2 lakh crore), higher GST (Goods and Service Tax) receipts (Rs 95,000 crore) but lower dividends (Rs 40,000 crore), lower fuel tax net of cess (Rs 30,000 crore) and lower disinvestment receipts (Rs 15,000-20,000 crore).

- On the other hand, the expenditure is likely to be on the higher side of the BE by around Rs 3 lakh crore due to higher subsidy bill and additional spending.

iv. The subsidy bill which increased significantly in FY23 is estimated to be reduced in FY24 to around Rs 3.8-4 lakh crore and capital expenditure is expected to grow by 12%.

Points to be noted:

i. So far in FY23, the Central Government's fiscal deficit was recorded the highest in **September 2022 at Rs 3.52 lakh crore**, followed by June at Rs 2.1 lakh crore and October at Rs 1.8 lakh crore.

ii. The SBI report also noted that due to the global environment of declining inflation, it will be challenging for the Central Government to follow the roadmap for fiscal consolidation for the upcoming Indian budget for 2023-24.

- It will be difficult to set a nominal GDP number significantly higher than 10%, with a deflator of 3.5%.

Tamilnad Mercantile Bank Limited bags Best Small Bank Award 2022

Tamilnad Mercantile Bank (TMB) Limited has bagged the **Best Small Bank award** in the best banks survey for the year 2022 done by Business Today-KPMG (BT-KPMG Best banks survey).

The award was received by **S. Krishnan**, Managing Director (MD) and Chief Executive Award (CEO) of TMB limited, from Nitin Gadkari, Minister of Road Transport and Highways (MoRTH) of India, in a function held in Mumbai, Maharashtra.

- The bank received this award in the category of banks with a book size of less than Rs. 1 lakh crore.
- The TMB has shown its ability to perform well enough to win the respective category.

PNB Becomes the First PSB to Launch Credit Card Against FDs Digitally

Punjab National Bank (PNB) has become the first Public Sector Bank (PSB) to introduce a credit card against fixed deposits (FDs) digitally, for customers who do not fulfill the eligibility criteria for regular credit cards.

- PNB has introduced two types of consumer credit cards: '**PNB Global Gold**' and '**PNB Global Classic**', which are designed to meet various income levels and customer needs.

These are global credit cards that were developed in association with the payment gateway provider, VISA.

Key Features & Benefits

i. The PNB credit card will initially be offered at 84 locations and will have no joining fee, renewal fee, annual fee, or fuel surcharge.

ii. Customers of the bank can get a RuPay or VISA credit card digitally in exchange for a single or multiple FDs with an 80% credit limit.

iii. PNB credit card benefits over FD include no document submission; no branch visits; no joining fees; instant

issuance of a virtual credit card; comprehensive insurance coverage (on the RuPay variant); advantages of Unified Payments Interface (UPI) linkage on the RuPay Credit Card; exciting reward points and promotions.

Latest FD Rates of PNB

i. PNB has raised the interest rate on FDs across various tenures by 50 basis points (bps) in an effort to attract deposits. The revised FD rates are effective from **January 1, 2023**.

ii. The interest rate on one- to three-year term deposits under Rs. 2 crore has increased by 50 bps to 6.75%, from the previous rate of 6.25%.

iii. The interest rate on FDs on any domestic deposit with maturities of less than Rs. 2 crore has increased by an additional 50 bps in favour of senior citizens.

iv. The rate for the **PNB Uttam Scheme**, which does not offer a premature withdrawal option, has been revised to 6.80% from 6.30%.

v. In addition to the new interest rates, PNB will continue to offer competitive interest rates of 8.1% annually for a fixed deposit of 666 days.

About the Punjab National Bank (PNB):

MD & CEO – Atul Kumar Goel

Established – 1894

Headquarters – New Delhi, Delhi

Tagline – The name you can bank upon

SBI raises Rs 9,718 crore via Second Infrastructure Bond Issuance

On 18th January 2023, the State Bank of India (SBI), India's largest bank, raised **Rs 9,718 crore** through its 2nd infrastructure bond issuance at a coupon rate of 7.70% per annum for the 15-year bond. The pricing of 7.70% represents a spread of 17 basis points (bps) over the G-Sec (Government Security) curve. This is the 2nd fundraising of SBI since December 2022.

- On 6th December 2022, SBI raised Rs 10,000 crore through its maiden infrastructure bond issuance at a coupon rate of 7.51%, at a spread of 17 bps over the corresponding G-Sec curve.
- The fund proceeds will be used to improve long-term funding sources for affordable housing and infrastructure.
- The offer received a strong reaction from investors, as evidenced by bids of Rs 14,805 crore, representing a 2.96-times oversubscription from 118 bidders.

EY Report projects Indian economy to be \$26-trillion by 2047

According to the estimates released by consulting firm EY (Ernst & Young) in its report 'India@100: Realising the potential of a \$26 trillion economy', India's economy will reach USD 26 trillion by 2047.

- Notably, the year 2047 will mark the 100th year of India's independence.
- The per capita income is expected to increase to USD 15,000 which will place India among the ranks of developed economies

The report was launched by Union Minister Ashwini Vaishnaw, Ministry of Electronics and Information Technology and Ministry of Railways, on the sidelines of the World Economic Forum (WEF) being held at Davos, Switzerland.

Key Points:

i. The report underscores the growth trajectory of the Indian economy, that is projected to be the highest for any large economy over the coming decades.

ii. It recommends ensuring macro-economic stability and resilience, and continued thrust on reforms.

iii. Under the most preferred scenario, India is likely to cross the critical thresholds of USD 5 trillion, USD 10 trillion and USD 20 trillion in market exchange rate terms in FY28, FY36 and FY45, respectively,

iv. EY has recognised key enablers of growth that will impact sectors across India and play a critical role in propelling the growth engine. These are as follows:

1. World's Information Technology and Services Hub
2. Digitalisation: A Force Multiplier
3. Reaping the demographic dividend
4. Making domestic manufacturing competitive
5. Building the infrastructure of the future
6. Transition to sustainable energy
7. Policy recommendations

About EY (Ernst & Young):

Global Chairman and CEO– Carmine Di Sibio

Headquarters– London, United Kingdom

LIC launches Guaranteed Return Life Insurance Plan 'Jeevan Azad'

The Life Insurance Corporation of India (LIC) has unveiled Jeevan Azad (Plan No. 868), a new non-linked, non-participating plan designed for individual savings and life insurance.

- The plan offers an attractive combination of protection and savings.

Key Points:

i. LIC Jeevan Azad is a limited-period payment endowment plan that provides financial support to the family in the case of the untimely death of the life assured during the policy term and also addresses liquidity requirements through a loan facility.

- The survivor will also get a guaranteed lump sum amount on the maturity date.

ii. Subject to a certain condition, the plan also offers participants the option of receiving death or maturity benefits in instalments.

iii. It provides three optional riders under the plan for the payment of an additional premium: LIC's Accidental Death and Disability Benefit Rider, LIC's New Term Assurance Rider, and LIC's Premium Waiver Benefit Rider.

Key Features of 'Jeevan Azad' Plan

i. The minimum **basic sum assured** is Rs. 2 lakh, while the maximum is Rs. 5 lakh.

ii. There will be no medical checkup for an amount assured of up to Rs 3 lakh, while it is needed for a sum assured of above Rs 3 lakh.

iii. The policy can be purchased for a minimum of 15 years and a maximum of 20 years, with the premium-paying term determined as the policy term minus 8 years.

iv. The minimum entry **age** is 90 days completed, while the maximum entry age is 50 years.

v. Regular **premium payments** can be made at yearly, half-yearly, quarterly, or monthly intervals.

vi. The death benefit is paid if the life assured passes away during the policy's term, after the commencement of the risk but before the maturity date.

vii. The death benefit will be the "**Sum Assured on Death**," which is the higher of the "Basic Sum Assured" or 7 times the annualized premium.

- The death benefit cannot be less than 105% of the "total premiums paid" up to the date of death.

About the Life Insurance Corporation of India (LIC):

Chairperson– Mangalam Ramasubramanian Kumar

Established – 1956

Headquarters – Mumbai, Maharashtra

Paytail Partners with HDB Financial Services to Offer Loans for Lifestyle Products

i. Paytail Commerce Private Limited (**Paytail**) has partnered with **HDB Financial Services Limited** to provide **loans on lifestyle products** such as bicycles, electric vehicles (EVs), mobile devices, consumer durables, and kitchen appliances.

- The loan amount varies from Rs. 5,000 to Rs. 3 lakhs.

- It provides a 24-month Equated Monthly Instalment (EMI) period, based on the amount borrowed and the product segment.

ii. Customers will benefit from the partnership by receiving instant digital finance for in-store purchases as well as the option to pay for the product in easy instalments.

- It would also enable retailers in over 85,000 stores across India to create opportunities for cross-selling and up-selling their products.

iii. HDB Financial Services Limited is a prominent Non-Banking Financial Company (NBFC). G. Ramesh is the MD & CEO of HDB Financial Services Limited.

iv. Paytail is a fintech firm that provides merchants with instant digital finance and simple EMIs. Vikas Garg is the Co-founder & CEO of Paytail.

Canara bank sells its entire 40% Stake in CIBL to SBI

Canara Bank is set to sell its entire **40%** stake in the Russian joint venture (JV) Commercial Indo Bank LLC (CIBL) to the JV partner State Bank of India (SBI). The cash consideration for the transaction is equivalent to USD 14.67 million. (Rs 114 crore). The transaction is expected to be completed on or before 31st March 2023.

- Post-acquisition, the State Bank of India will hold a 100% stake in CIBL.
- CIBL, incorporated in 2003 in Russia, is a JV between SBI, (60% stake), and Canara Bank (40% stake).

Key Points:

i. The share transaction comes after Canara Bank and SBI signed a share sale agreement for the sale of equity shares in CIBL.

ii. On 30th November 2022, with the approval of the Central Bank of the Russia Federation (Bank of Russia) and based on the share sale agreement, Canara Bank transferred the entire shares it had in CIBL to the SBI.

About Canara Bank:

Non-Executive Chairman- Vijay Srirangan

Headquarters- Bangalore, Karnataka

Establishment- 1906

Tagline- 'Together we can'

About State Bank of India (SBI):

Chairman- Dinesh Kumar Khara

Headquarters- Mumbai, Maharashtra

Establishment- 1955

Tagline- 'The Banker to Every Indian'

World Economic Forum 2023 Summit held in Davos, Switzerland

The **World Economic Forum (WEF)** held its 53rd Annual Meeting, "**World Economic Forum—2023**" [**Davos Summit**], from January 16 to 20, 2023, in the highest city in Europe, Davos, Switzerland.

- The theme of the WEF Summit 2023 is "Cooperation in a Fragmented World."

The WEF hosted the event in collaboration with the Swiss government and the Canton of Graubünden.

World Economic Forum- 2023 [Davos Summit]

i. The WEF 2023 Summit featured 2,700 leaders from 130 countries, including 52 heads of state/government.

ii. The five-day conclave, which includes business executives, political figures, investors, and academics, is being held in person for the first time in three years, since the COVID-19 pandemic began in 2019.

iii. Every year in January, the WEF convenes in Davos, a small town in the Swiss Alps which attracts some of the world's wealthiest and most powerful people.

World leaders at WEF 2023 Summit

i. Top political leaders who attended the forum included: German Chancellor Olaf Scholz, European Commission President Ursula von der Leyen, European Parliament President Roberta Metsola, South Korean President Yoon Suk-yeol, South Africa President Cyril M. Ramaphosa, Spain Prime Minister Pedro Sanchez, Swiss President Alain Berset, and Finland Prime Minister Sanna Marin.

- German Chancellor Olaf Scholz, was the only member of the Group of Seven (G-7) to attend the WEF 2023.

ii. UN Secretary General Antonio Guterres and Chinese Vice Premier Liu He also attended the forum, while Ukrainian President Volodymyr Zelensky attended it virtually.

- Joe Biden, President of the United States (US) did not attend the event.
- Russia skipped WEF 2023 for a second time due to the severe sanctions the West enforced on it as a result of the war in Ukraine.

Oxfam India: India's richest 1% own more than 40.5% of total wealth

According to the non-profit organisation Oxfam India's report, "**Survival of the Richest: The India Supplement**," the top 1% of Indians currently own more than 40.5% of the nation's entire wealth in 2021, while the bottom 50% of the population (700 million) has only about 3% of the nation's total wealth.

- The report uncovered that there is a growing disparity between the rich and the poor and also highlighted how progressive tax policies might lessen inequality in India.

Backdrop

i. The charitable organisation Oxfam International released a report titled "**Survival of the Richest**" on the first day of the WEF 2023 Summit in Davos, Switzerland.

ii. According to the report, the richest 1% have acquired about two-thirds of all new wealth worth USD 42 trillion created since 2020, roughly twice as much as the bottom 99% of the world's population.

- Over the last ten years, the richest 1% have accumulated around half of all new wealth.

"Survival of The Richest: The India Supplement" - Some Key Findings

i. Indian billionaires' wealth has increased by 121%, or Rs. 3608 crore a day in real terms (around Rs. 2.5 crore every minute), since the COVID-19 pandemic started in January 2019 and ended in November 2022.

- There were 166 billionaires in India in 2022, a rise from 102 in 2020.

ii. In 2022, Gautam Adani, the richest person in India, had his wealth rise by 46%, while the combined wealth of India's 100 richest reached USD 660 billion.

- According to Bloomberg's wealth index, Adani was the second-richest person in the world in 2022.
- He also topped the list of those whose wealth surged the most globally in 2022.

iii. The bottom 50% of the population contributed about 64% of all goods and services tax (GST) in India, while the wealthiest 10% contributed just 4%.

- Meanwhile, the poor in India are "unable to afford even basic necessities to survive", while the number of hungry Indians has grown from 19 crore to 35 crore.

Chief Economists Outlook – January 2023': Global recession likely in 2023

According to the WEF Centre for the New Economy's "[Chief Economists Outlook – January 2023.](#)" released at the WEF 2023 Summit, nearly two-thirds of chief economists believe a global recession is likely in 2023, with 18% believing it is extremely likely.

- This prediction is more than double that of the September 2022 survey.
- The survey was carried out in November -December 2022.

Key Points:

i. The chief economists assert that geopolitical tensions continue to influence the global economy and that they expect greater monetary tightening in the United States (US) and Europe.

- They predict weak or very weak growth in Europe in 2023, while 91% predict weak or very weak growth in the United States.
- According to the previous report, the equivalent numbers for Europe and the US were 86% and 64%, respectively.

ii. According to the report, South Asia and the Middle East and North Africa (MENA) would be the two most powerful regions in 2023.

iii. A modest improvement since the September 2022 report can be seen in South Asia, where 85% of respondents anticipate moderate (70%) or high (15%) growth.

iv. A few regional economies, like Bangladesh and India, could gain from global trends like the diversification of manufacturing supply chains away from China.

v. Inflation is predicted to be high in 2023, ranging from 5% in China to 57% in Europe.

- Recently IMF (International Monetary Fund) forecasts global inflation to be 6.5% in 2023 from 8.8% in 2022.

Garuda Aerospace unveiled India's first-ever carbon-neutral drone at WEF 2023 Summit

On January 19, 2023, Garuda Aerospace Pvt Ltd (**Garuda Aerospace**), India's largest and most valuable drone startup firm, unveiled **India's first-ever carbon-neutral drone** at the Indian Sustainability Lounge of the WEF 2023 Summit.

- The debut of a carbon-neutral, sustainable drone is in accordance with WEF's climate action goals.

Key Points:

i. Garuda Aerospace will revolutionize the agriculture industry by producing over 25,000 drones over the next 15 months.

ii. Garuda Aerospace's Directorate General of Civil Aviation (DGCA) -approved, Made in India drones use a range of multibillion-dollar industries, including agriculture, infrastructure, industry 4.0, and defence.

- Garuda's growth strategy is to become India's first drone unicorn firm by impacting 1 billion lives.

'Kisan Drone Yatra' by Garuda Aerospace

i. Prime Minister Narendra Modi launched the "Kisan Drone Yatra," a project of Garuda Aerospace Pvt. Ltd., and thus signified the start of the second agricultural Green Revolution (2.0).

ii. The 100 "Kisan Drones" were launched in 100 villages across 16 Indian states, including Uttar Pradesh, Punjab, and Goa, to spray pesticides in farmland.

- The Kisan Drone Yatra was launched from Manesar in Gurgaon, Haryana.

iii. Agnishwar Jayaprakash is the Founder and CEO of Garuda Aerospace.

Maharashtra Signs MoUs Worth Rs. 1.36 Lakh Crore at WEF 2023 Summit

At the WEF 2023 Summit, **Maharashtra** Chief Minister Eknath Shinde signed Memorandums of Understanding (MoUs) worth **Rs. 1.36 lakh crore** with global investors.

- The state of Maharashtra attracted investors with its strong infrastructure, a favorable business environment, and government support.
- According to estimates, the investments would generate more than 66,500 jobs over the long run and will help Maharashtra achieve its goal of having an economy worth USD 1 trillion.

WEF Launches Initiative to Unlock USD 3 Trillion A Year for Nature, Climate

WEF established **Giving to Amplify Earth Action (GAEA)** to assist unlock the **USD 3 trillion** in funds required each year to achieve net zero, reverse nature loss, and restore biodiversity by **2050**.

- GAEA is a global initiative to support and grow new and ongoing public, private, and philanthropic partnerships (**PPPPs**).
- It has around 45 partners, including HCL Technologies, which is represented by its chairperson, Roshni Nadar Malhotra.

Key Points:

i. The goal of leading the earth to a 1.5-degree Celsius warming path is threatened by energy and cost of living problems.

ii. The recent agreement at the UN Biodiversity Conference [Convention on Biological Diversity (CBD) COP15] in Montreal (Canada) to conserve 30% of all land and sea is impressive but weak in the face of a worsening biodiversity crisis.

iii. **GAEA's growing body of philanthropic partners includes:** Active Philanthropy, the African Climate Foundation, André Hoffmann Family Office, the Arab Foundations Forum, Bezos Earth Fund, BMW Foundation,

Children's Investment Fund Foundation, the Clean Air Fund, Climate Leadership Initiative, ClimateWorks Foundation, Eleven Eleven Foundation, the Gordon and Betty Moore Foundation, Growald Climate Fund, IKEA Foundation, Laudes Foundation, Noa's Ark Foundation, Open Society Foundations, the Patrick J. McGovern Foundation, Pearl Initiative, Philanthropy Asia Alliance (by Temasek Trust), Philea, The Rockefeller Foundation, Trottier Family Foundation, United Nations Foundation, the Wellcome Trust, WINGS, Workday Foundation.

Other Significant WEF 2023 Summit Events

Telangana Secures Rs 21,000 Crore Worth of Investments During WEF 2023 Summit

Telangana attracted investments of **Rs. 21,000 crore** across various sectors, during the recently ended annual WEF 2023 Summit in Davos, Switzerland.

- The Telangana delegation was led by K. T. Rama Rao, Telangana's Minister for Industries & Commerce and Information Technology.

IMF: Fragmentation Can Cost Up to 7% Of Global GDP

Kristalina Georgieva, Managing Director (MD) of the **International Monetary Fund (IMF)**, remarked that fragmentation can cost as much as 7% of the world's gross domestic product (GDP), during a session on the global economy on the last day of the WEF 2023.

Adani Group Pledges to Grow 100 Million Trees by 2030

The **Adani Group** has pledged to grow **100 million trees by 2030**, in accordance with India's commitment at COP21 to establish additional carbon sinks of 2.5–3.0 billion metric tonnes of carbon dioxide (CO₂).

- The 100 million trees would include both mangroves and terrestrial trees.

This pledge was made on **1t.org**, the "**Trillion Trees Platform**" of the WEF.

- 1t.org is a multi-stakeholder platform that supports a global movement to conserve, restore and grow 1 trillion trees by 2030 in support of the United Nations Decade on Ecosystem Restoration.

This commitment by Adani Group is among the most ambitious corporate pledges made globally and the highest 1t.org pledge in India to date.

Renew Power Explores Green Hydro Project in India, Egypt

ReNew Power in India, a unit of New York-listed ReNew Energy Global Plc, is currently exploring green hydrogen potential, particularly in Egypt, after signing a framework agreement at the COP27 climate conference in 2022.

- The company has a total capacity of 13 gigawatts (GW) of wind and solar energy, including projects that are still in development.
- It currently generates close to 1.8% of India's annual electricity demands.

According to government data, India, one of the top producers of greenhouse gases (GHGs), plans to increase its production of renewable energy from its present output of roughly 120 GW to 500 GW by 2030.

Hyderabad Selected to Host WEF Center for The Fourth Industrial Revolution

The WEF has designated Hyderabad (Telangana) as its **Center for the Fourth Industrial Revolution (C4IR)**, which will focus on healthcare and life sciences.

- The C4IR Telangana will be an autonomous, non-profit organisation and the only one of its kind in India.

Maharashtra approves M&M proposal to set up Rs 10,000-cr EV plant in Pune at the WEF 2023

During the WEF 2023 Summit, **Mahindra & Mahindra Ltd (M&M)** announced that the Maharashtra government has approved its proposal to establish a Rs. 10,000-crore electric vehicle (EV) plant in Pune (Maharashtra) under its industrial promotion scheme for EVs.

- Through a subsidiary, M&M will invest these funds over the course of 7-8 years to set up the factory and to develop and manufacture its upcoming Born Electric Vehicles (BEVs).

About World Economic Forum (WEF):

Founder & Executive Chairman – Professor Klaus Schwab

Managing Director (MD) – Saadia Zahidi

Headquarters – Cologny, GenevaCanton, Switzerland

Established – 1971

SEBI Launches Information Database On Municipal Bonds

Ashwani Bhatia, a whole-time member of the **Securities and Exchange Board of India (SEBI)**, has launched an **Information Database**, comprising a repository of municipal bond information, on its website to assist municipal debt issuers and other stakeholders in the municipal debt market.

- Municipal bonds are a reliable alternative source of funding for projects carried out by municipal corporations.

[Click here for official notification.](#)

Backdrop:

The market regulator SEBI has organized an outreach programme on municipal bonds and municipal finance in New Delhi, Delhi, as part of its efforts to develop the bond markets.

Objective: To provide a unified platform for stakeholders to address the problems of Municipal Debt Securities Issuers, investor requirements, and the extant regulatory framework, as well as to recommend steps to boost awareness of and traction in the municipal debt securities market.

Key Points:

- i. The information database includes statistics and regulations, circulars, guidance notes, and frequently asked questions (FAQs) issued by SEBI in relation to municipal debt securities.
- ii. The repository offers sample letters and certificates from different intermediaries, as well as a number of checklists for pre-listing requirements, which an issuer who wants to enter the municipal bond market can obtain.

Efforts made by SEBI to develop the bond markets

- i. SEBI established a regulatory framework for the issuance, listing, and trading of municipal debt securities in **2015**, which was reviewed again in 2019.
- ii. **Ten** municipal corporations in India have issued **12** issues of municipal bonds, raising close to **Rs. 2000 crore** since 2017, despite the fact that the municipal debt market in India is still in its infant stage.
 - The funds raised have been used for a range of development projects, including residential projects, water supply projects, tertiary sewage treatment plants and more.

About the Securities and Exchange Board of India (SEBI):

Chairperson– Madhabi Puri Buch

Headquarters– Mumbai, Maharashtra

Establishment– 1992

Paytm, Citi Ends Partnership for Co-branded Credit Card – Paytm CITI Card

Citibank and Paytm(One97 Communication Ltd) have ended their partnership for a co-branded credit card Paytm CITI Card ahead of the merger of Citibank's commercial banking business with Axis Bank.

- The customers were informed that the Paytm CITI Card will be shut down, and they will be offered other cards they could opt for.
- The cardholders will be offered uninterrupted benefits with the Paytm HDFC Bank credit card.

Key highlights:

- i. The customers will be offered the Citi Rewards Credit Card as a replacement to their Citi Paytm Credit Card, which should be chosen to consent for the same.
- ii. The consent to swap to another Citi-branded Credit Card will also serve as consent for the transfer of the cardholder's banking relationship with Citibank to Axis Bank.
 - Failure to consent, will lead to the closure of the Citi Paytm credit card effective January 30, as Citi India will no longer be able to provide services on the Citi Paytm Credit Card

Background:

In March 2022, Axis Bank announced acquiring Citigroup's retail banking business in India for Rs. 12,325 crore, subject to requisite approvals.

- After the acquisition of around 30 lakh unique Citibank customers, Axis Bank will now have about 2.85 crore savings accounts, over 2.3 lakh Burgundy customers and 1.06 crore cards, which

increased Axis Bank's credit card customer base by 31 percent with 25 lakh additional cards, making it amongst the top 3 players in the Indian market.³

- The tie-up with Citibank reportedly ended in November 2022.

About CitiBank:

Citibank India is a foreign bank in India with a full-service onshore platform.

It is a subsidiary of Citigroup headquartered in New York, United States of America.

Chief Executive Officer (CEO) – Ashu Khullar (Citi India)

Headquarters – Mumbai, Maharashtra

About One97 Communication Limited (Paytm):

Founder & Chief Executive Officer (CEO) – Vijay Shekhar Sharma

Headquarters – Noida, Uttar Pradesh (UP)

HDFC donates Rs 5 cr to Uttarakhand CM for Kedarnath Utthan Charitable Trust

On 21st January 2023, HDFC Bank Limited donated **Rs 5 crore** to Uttarakhand Chief Minister (CM) Pushkar Singh Dhama for the Kedarnath Utthan Charitable Trust.

Bakul Sikka, the Circle Head of the HDFC Bank, and Gaurav Jain, the Head of Government Relations, were also present on the occasion.

- Pushkar Singh Dhama informed that as many as 270 families have been shifted to different locations so far.
- More than Rs 3.27 crores have been distributed as advance relief to 218 affected families in Joshimath, Chamoli, Uttarakhand.
- To provide immediate assistance to the 8 affected tenants, Rs 4 lakhs have been allocated, at a rate of Rs 50,000 for each family.

AIF Exceeds Rs. 30,000 Crore in Capital Raised for Agriculture Infrastructure Projects

According to the Ministry of Agriculture & Farmers Welfare (MoA&FW), the **Agriculture Infrastructure Fund (AIF)** has raised **more than Rs. 30,000 crore** in capital for agricultural infrastructure projects, with a sanctioned amount of Rs. 15,000 crore.

Agriculture Infrastructure Fund (AIF)

i. AIF is a financing facility that was introduced on July 8, 2020, for the creation of post-harvest infrastructure and community farm assets across India.

- It was developed as a Central Sector Scheme (CSS) by the Department of Agriculture and Farmers Welfare (DA&FW), MoA&FW.

ii. This scheme would disburse **Rs. 1 lakh crore** by the fiscal year **2025-26**, while interest subvention and credit guarantee support will be provided until **2032-33**.

- Agricultural infrastructure projects at farm-gate and aggregation points (Primary Agricultural Cooperative Societies, Farmer Producer Organisations (FPOs), Agriculture Entrepreneurs, Start-Ups, etc.) will be funded by means of this financing facility of Rs. 1 lakh crore.
- It also supports other groups like Self Help Groups (SHGs), Joint Liability Groups (JLGs) etc.

iii. Under the **Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) scheme**, eligible borrowers of this financing facility would have access to credit guarantee coverage for loans up to **Rs. 2 crore**.

iv. There will be a 3% annual interest subsidy on all loans made through this financing facility, up to a maximum of Rs. 2 crore. This subvention will be available for a maximum period of 7 years.

v. It allows for convergence with all schemes of the Union or State government.

- Infrastructure projects help farmers get better prices for their produce, modernize agricultural programmes and practices, and reduce post-harvest losses.

About the Ministry of Agriculture & Farmers Welfare (MoA&FW):

Union Minister – Narendra Singh Tomar (Constituency- Morena, Madhya Pradesh)

Minister of State (MoS) – Kailash Choudhary (Constituency- Barmer, Rajasthan)

AU Small Finance Bank Launches Credit Card Offering Platform – SwipeUp

On 23rd January 2023, **AU Small Finance Bank Limited**, India's largest Small Finance Bank(SFB), launched the **first-of-its-kind "SwipeUp platform"**, that allows other bank Credit Cardholders to get upgraded AU Credit Cards.

This new facility for credit card users is similar to mobile number portability which allows to change service provided while retaining the same number.

- The cards issued in SwipeUp platform are different from current credit cards offered by AU Small Finance Bank. The new range of cards will offer a high value proposition to customers.
- This card is made from biodegradable plastic, intended towards a healthy environment.

Key highlights:

i. SwipeUp platform helps customers to upgrade the benefits of credit cards according to their lifestyle. The bank primarily focuses on the customers who hold Credit Cards of any other Bank and can benefit from an upgraded Credit Card matching their current lifestyle.

ii. The credit cardholders of other banks can provide details of their existing credit cards and check their eligibility for upgrading their cards within a few seconds.

- These cards will have a higher credit limit, higher cashback, better reward points with a quick end-to-end digital process, zero membership fees, and various other features.

Note – Earlier in 2023, AU SFB has launched LIT, a fully customisable credit card to help customers curate a card specific to their needs.

About AU Small Finance Bank:

Managing Director (MD) and Chief Executive Officer (CEO) – Sanjay Agarwal

Headquarters – Jaipur, Rajasthan

Establishment – Received the SFB licence in 2015 and commenced operations as SFB in 2017.

ADB & NSFTPL Signs USD 131 Million Loan to Support the JLN Port Upgradation & Enhance International Trade

The Asian Development Bank (ADB) and Nhava Sheva Freeport Terminal Private Limited (NSFTPL) signed **USD 131 million loan** to upgrade the Jawaharlal Nehru (JLN) Port Container Terminal located in Navi Mumbai, Maharashtra to enhance international trade in India through efficient, transparent, and state-of-the-art logistics infrastructure.

- The loan comprises USD 61.4 million from ADB's ordinary capital resources and USD 69.6 million from Leading Asia's Private Infrastructure Fund (LEAP) administered by ADB.

Key highlights:

i. NSFTPL is a special purpose vehicle jointly owned by J M Baxi Ports and Logistics Limited (JMBPL) and CMA Terminals.

ii. The funds will be used to upgrade existing berths and yards and install additional energy efficient equipment such as electric quay cranes, which shall increase the terminal's container handling capacity and attract vessels operating on important international shipping lanes.

Note – Nhava Sheva Freeport Terminal is a key terminal for India and the deal with ADB will increase India's potential in becoming a USD 10 trillion economy by 2035.

About Asian Development Bank (ADB):

President – Masatsugu Asakawa

Headquarters – Mandaluyong city, Metro Manila, Philippines

Members – 68 members (49 from Asia and the Pacific and 19 outside)

HDFC to Raise at least Rs 30 Billion through Issue of 10-year Bonds

Housing Development Finance Corp (HDFC) plans to raise at least **30 billion rupees (USD 370.5 million)** through the sale of bonds maturing in 10 years. The company has invited bankers and investors to bid

for coupons and commitments. The issue will also have a greenshoe option to retain an additional Rs 20 billion and will close for subscription later this week.

- The bonds are rated AAA by CRISIL and will have a put option at the end of the third year.

Tata Motors, ICICI Bank tie up to offer Financing Solutions to its EV Dealers

Tata Motors has tied up with ICICI Bank to offer financing solutions to its authorized passenger Electric Vehicle (EV) dealers. Under this, the bank will provide inventory funding to the authorized passenger EV dealers in addition to the bank's funding to dealers for diesel and petrol models.

- This partnership envisages making EVs and their purchase process more accessible and seamless.
- The EV dealers can also avail flexible repayment tenures.

BOB Financial Solutions Limited launches Vikram Credit Card Dedicated to Soldiers

BOB Financial Solutions Limited (BFSL), a wholly owned subsidiary of Bank of Baroda, launched 'Vikram – the contactless RuPay credit card' dedicated to the Indian defence, paramilitary, and police personnel on the occasion of 74th Republic Day celebrations i.e. January 26, 2023.

- It will be offered as Lifetime Free (LTF) and it comes with reward points and an activation gift of a complimentary OTT (Over-The-Top) subscription.

Key Points:

- i. The credit card also offers an Accidental Death cover of Rs 20 lakh.
- ii. Other features include a 1% fuel surcharge waiver, LTF add-ons, EMI (Equated Monthly installments) offers, and periodic merchant offers.
- iii. BFSL already has exclusive co-branded credit cards with the Indian Army (Yoddha), Indian Navy (Varunah), Indian Coast Guard (Rakshamah) and Assam Rifles (The Sentinel).
- iv. This credit card honours the protectors of our nation for their selfless services.

About Bank of Baroda (BoB):

Managing Director (MD) & Chief Executive Officer (CEO) – Sanjiv Chadha

Headquarters – Vadodara, Gujarat

Establishment – 1908

About BOB Financial Solutions Limited (BFSL):

MD & CEO– Shailendra Singh

Headquarters – Mumbai, Maharashtra

Tagline– Credit Reimagined

PNB & Aadhar Housing Finance Enters into Co-Lending Partnership to offer home loans

Punjab National Bank (PNB) and Aadhar Housing Finance Limited (AHFL) have entered into a **co-lending agreement** to offer **home loans** at competitive interest rates. The main aim of this partnership is to reach out to a large section of society including economically weaker, lower, and middle-income groups for providing easy, convenient, and efficient home finance solutions to customers.

- The agreement was signed in presence of Kalyan Kumar, Binod Kumar, M. Paramasivam, Executive Directors, Sunil Kumar Chugh, Chief General Manager from PNB and Rishi Anand, Managing Director (MD) & Chief Executive Officer (CEO), DK Tripathi, Executive Vice Chairman from Aadhar Housing Finance Limited.

NARCL Acquires First Stressed Asset – Jaypee Infratech

The National Asset Reconstruction Company Limited (NARCL) has acquired its first stressed asset, **Jaypee Infratech** from lenders led by **IDBI Bank**. The total exposure of all the banks to Jaypee Infratech was over Rs 9,000 crore, while IDBI Bank's exposure was Rs 3,750 crore.

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Headquarters – Mumbai, Maharashtra

Tagline– Credit Reimagined

PNB & Aadhar Housing Finance Enters into Co-Lending Partnership to offer home loans

Punjab National Bank (PNB) and Aadhar Housing Finance Limited (AHFL) have entered into a **co-lending agreement** to offer **home loans** at competitive interest rates. The main aim of this partnership is to reach out to a large section of society including economically weaker, lower, and middle-income groups for providing easy, convenient, and efficient home finance solutions to customers.

- The agreement was signed in presence of Kalyan Kumar, Binod Kumar, M. Paramasivam, Executive Directors, Sunil Kumar Chugh, Chief General Manager from PNB and Rishi Anand, Managing Director (MD) & Chief Executive Officer (CEO), DK Tripathi, Executive Vice Chairman from Aadhar Housing Finance Limited.

NARCL Acquires First Stressed Asset – Jaypee Infratech

The National Asset Reconstruction Company Limited (NARCL) has acquired its first stressed asset, **Jaypee Infratech** from lenders led by **IDBI Bank**. The total exposure of all the banks to Jaypee Infratech was over Rs 9,000 crore, while IDBI Bank's exposure was Rs 3,750 crore.

- IDBI Bank received Rs. 253 crore, which is 15 percent of the Rs. 1,687.50-crore recovery in cash and Rs. 1,434.5 crore, an 85 percent of the recovery in the form of security receipts.
- The other lenders of the consortium will receive cash and security receipts depending on their exposure to the company.

HDFC Life Policyholders Can Now Pay Premiums Via NPCI's 'UPI 123PAY'

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

- The “first of its kind” UPI 123Pay aims to significantly streamline the premium payment procedure for HDFC Life policyholders.

About UPI 123PAY

i.In 2022, the Reserve Bank of India (RBI) released UPI 123Pay, a voice-based payment feature developed by the NPCI and launched to improve the digital penetration of financial services.

ii.UPI 123PAY empowers smartphone and feature phone users to make a variety of digital transactions based on four approaches.

- The 4 approaches include: Voice payments using an **IVR (Interactive Voice Response)** number, proximity sound-based payments, missed call-based payments, and app-based scan and pay on feature phones.

iii.Customers will be able to conduct financial transactions on this platform with or without an internet connection.

iv.This service is available to customers in a variety of regional languages, including Hindi, Marathi, Gujarati, Punjabi, Kannada, Tamil, etc.

v.A customer can begin a transaction after placing a secure call from their phone to the UPI number 080 4516 3571 and completing the UPI on-boarding formalities.

vi.This service would also enable HDFC Life policyholders who are not used to digital payments to take control of their policies with a single IVR call.

About HDFC Life Insurance Company Limited (HDFC Life):

HDFC Life is a joint venture between HDFC Ltd., India's leading housing finance institution and abrdn plc (formerly Standard Life Aberdeen plc) a global investment company.

MD & CEO – Vibha Padalkar

Established – 2000

Headquarters – Mumbai, Maharashtra

India Sells First Green Bonds at 5-6 Basis Points Below Sovereign Yields

India sold its first sovereign green bonds worth a total of **Rs 80 billion (USD 979.61 million)** at yields below comparable government bonds. The Reserve Bank of India (RBI) auctioned 40 billion rupees of 5-year bonds at a coupon rate of 7.10 per cent, 5 basis points below the 5-year sovereign yield. Another 40 billion rupees in 10-year bonds were sold at a 7.29%, 6 basis points below comparable government securities.

- These proceeds will be used for ‘green’ projects including solar power, wind and small hydro projects and other public sector projects that help in reducing the carbon footprint.

Star Health & Allied Insurance Partners with PNB for a Long Term Bancassurance Agreement

Star Health and Allied Insurance, renewed its strategic corporate agency Bancassurance tie-up with Punjab National Bank (PNB) for a long-term period.

- PNB will continue to distribute Star Health's insurance products across all their branches pan India.

Key highlights:

i.Under the agreement, Star Health's best-in-class health insurance products will be available through the PNB's

distribution network across India, providing customers with a one-stop solution for all their health insurance needs.

ii. This partnership shall enable both PNB and Star Health to further increase insurance penetration across India and ensure that health insurance is easily accessible across regions.

About Punjab National Bank (PNB):

Managing Director (MD) & Chief Executive Officer (CEO) – Atul Kumar Goel

Headquarters – New Delhi, Delhi

Establishment – 1895

Tagline – The name you can bank upon

NPST Launches a UPI API engine TimePay Evok for PAPG

NPST (Network People Services Technologies Ltd), a banking technology provider, has launched **Timepay Evok**, a UPI (Unified Payments Interface) API (Application Programming Interface) engine for PAPGs (Payment Aggregators and Payment Gateways).

Features of Timepay Evok:

i. The Timepay Evok, which is a modern-day payment platform will act as a one-stop UPI payment solution for digital merchants and ensures secure, reliable, and fast-paced payment collections.

ii. It has inbuilt solutions such as merchant onboarding, auto reconciliation, merchant dispute resolution and strong data points for customer support.

iii. It offers the QR POS (Quick Response Point of Sale) solution with UPI-based payments to make secure transactions and UPI AutoPay for making recurring payments through UPI.

Key Points:

i. Background:

- In June 2021, NPST received a Third-Party Application Provider (TPAP) registration from the National Payments Corporation of India (NPCI) for its TimePay solution.
- TPAPs are third-party providers like Google Pay, Amazon Pay or PhonePe that generate a distinct UPI handle for their customers.

ii. About NPST:

- It is an authorized Merchant Payment Service Provider, approved by NPCI, acquiring merchants, and providing payment applications to users across various segments.
- It serves as a Fintech partner to banks and financial institutes operating as Technology Service Providers (TSP), providing a certified digital payment solution including Mobile Banking, IMPS (Immediate Payment Service), Bhim UPI, and Wallet platform.

iii. About UPI (Unified Payments Interface):

- It was developed by the NPCI and launched in 2016. It facilitates 24*7 instant payments using a Virtual Payment Address (VPA) created by the customer instead of his/her bank account number.
- It provides security in both person-to-person (P2P) and person-to-merchant (P2M) transactions.
- Now it has made digital payments a habit and growing Indians towards a cashless economy.
- In December 2022, 382 banks were live on the UPI interface, with 7.82 billion financial transactions being carried out for a total value of nearly Rs. 12.82 trillion.

RenewBuy Launches Customised Health Insurance Product – RenewBuy Health Wellness plan

RenewBuy has launched its first line of customised health insurance products, **RenewBuy Health Wellness plan** with a focus on the large uninsured segment beyond the tier 1 markets.

- This new product aims to bridge that gap in purchasing such products in smaller cities compared to metro cities and has introduced various benefits in pre-hospitalization and Out-Patient Department (OPD) treatments.

About the product:

i. The product has new-age health insurance benefits, ranging from coverage of Rs. **2-5 lakhs** and is also available in **three variants** including Gold Plan, Silver Plan and Wellness Plan.

ii. **Benefits** – Senior citizens are offered with up to **70 percent** lower premiums and also up to **50 percent** lower premiums for people till 59 years of age and also includes maternity cover with a significantly low waiting period.

- All the 3- variants do not require any medical underwriting and offer OPD benefits, unlimited doctor-on-phone consultations, free lab tests, a heavy concession for offline OPD consultations, modern treatment under very low sum insured, no room rent capping and various other benefits under certain T&C.

About RenewBuy:

Chief Executive Officer (CEO)- Balachander Sekhar

Headquarters – Gurugram, Haryana

Nigeria Launches Domestic Card Scheme AfriGo to Boost Cashless Economy

The **Central Bank of Nigeria's** (CBN) governor, Godwin Emefiele, launched a domestic card scheme '**AfriGo**' to boost the cashless economy and compete with foreign cards like Mastercard and Visa.

- **Objective:** To save the country's foreign transaction fees.
- Through this launch, Nigeria was joining China, Russia, India and Turkey to be a country with a domestic card scheme.
- AfriGo is owned by CBN and Nigerian banks.
- The card scheme will provide more options for domestic consumers in a cost-effective and competitive manner.
- As per Godwin Emefiele's statement, the operations of foreign cards will continue to exist even after the launch of the domestic card.

Redesigned version of Naira:

i. Nigeria, being Africa's biggest economy, has more than 200 million people but the majority of them still use cash because they live in rural areas where there are no banks.

ii. To promote "financial inclusion" in remote areas, the CBN announced the launch of a cash swap programme introducing a **redesigned version** of the local currency, **the naira**.

Note – Africa's first digital currency, the e-naira was launched in October 2021.

About Nigeria:

Capital – Abuja

Currency – Nigerian naira (NGN)

President – Muhammadu Buhari

Aviva Life Insurance Launches Unit-Linked Aviva Signature Investment Plan

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

- Signature Millennial has an inbuilt premium waiver and a guaranteed amount for a dependent parent, spouse, or child after the death of the insured person. All future premiums are waived in case of death of the life insured during the policy term in the Signature Millennial option.
- While, Signature GenX enables customers to grow their wealth for up to 60 years through disciplined monthly savings.

Benefits – zero allocation charges, periodic milestone boosters every 3rd year starting at the end of the 6th policy year, up to 100 per cent mortality & policy administration charges at maturity, employs the "RetireSafe Strategy" to safeguard the accrued returns, and others.

In addition, the plan comes with various other benefits, including death benefits, top-up premium facility, rewards, premium redirection, and premium redirection.

NSE Ranked 3rd In The Equities Segment & World's Largest Derivatives Exchange in 2022

According to the Futures Industry Association (FIA), a derivatives trade body, the National Stock Exchange of India Ltd (NSE India) has once again emerged as the **world's largest** derivatives exchange in terms of the number of contracts traded in 2022.

- The NSE India has retained its top spot for a record-breaking 4th year in a row.

Furthermore, according to World Federation of Exchanges (WFE) statistics, the NSE was named the **3rd largest** exchange in the world in the equity segment by the number of trades (electronic order book) in 2022, up from 4th in 2021.

Key Points:

i. The benchmark equity index, the Nifty 50 (NIFTY), reached an all-time high of 18,887.60 in the calendar year (CY) 2022.

- Several product categories, including equity, equity derivatives, and currency derivatives, also experienced a great improvement in liquidity.

ii. In the equity segment, daily average turnover of **Exchange-Traded Funds (ETFs)** was Rs. 470 crore in CY 2022, a 51% increase year-on-year (Y-o-Y).

- In CY 2022, the daily average turnover of Sovereign Gold Bonds (SGB) in the secondary market was Rs. 7 crore, signifying a 59% rise YoY.

iii. Government securities, which have been made available in the NSE's equity segment, are seeing solid growth, though from a lower base, with daily average turnover reaching Rs. 3 crore in December 2022.

iv. The recently launched derivatives on the Nifty Financial Services index (FINNIFTY) have seen a successful increase in liquidity, similar to the derivatives on the Nifty 50 index (NIFTY) and the Nifty Bank index (BANKNIFTY).

v. NSE India intends to launch the **Social Stock Exchange** as a segment in the near future, subject to regulatory approvals.

- As a result, "social enterprises," in particular Non-Profit organizations, would be able to reach a wider audience, mobilize funds by issuing instruments like zero-coupon zero-principal bonds, facilitate participants to support philanthropic causes, and improve the ecosystem's efficiency and transparency.

vi. On the derivatives side, NSE is developing new products for the currency, interest rate, and commodity derivatives segments, and will eventually announce their launch, subject to regulatory approvals.

About the National Stock Exchange of India Ltd (NSE India):

MD & CEO – Ashishkumar Chauhan

Incorporated in – 1992 (commenced operations as a stock exchange in 1994)

Headquarters – Mumbai, Maharashtra

Edelweiss Mutual Fund House Launches India's First Passive Short-Duration Fund

Edelweiss Asset Management Limited, one of India's fastest-growing AMCs, has launched the "[Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Short Duration Index Fund](#)", India's first passive short-duration index fund.

- This New Fund Offer (NFO) is open for subscription from January 27, 2023 to February 10, 2023.
- It is a cost-effective index fund that could be an ideal option for investors wishing to include fixed income as part of their asset allocation strategy.

Edelweiss Asset Management Limited was established under the Companies Act of 1956 and is authorized by the Securities and Exchange Board of India (SEBI) to act as the AMC for Edelweiss Mutual Fund schemes.

Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Short Duration Index Fund

i. Edelweiss CRISIL IBX 50:50 Gilt Plus SDL Short Duration Index Fund, an open-ended index fund, would invest in 50% Indian Government Bonds (IGBs) and 50% State Development Loans (SDLs), subject to tracking errors.

- It will replicate the [Edelweiss CRISIL IBX 50:50 Gilt Plus SDL September 2028 Index Fund](#), which was launched in October 2022, as a new Target Maturity Index Fund. This fund is designed to invest in a diverse portfolio of IGBs and SDLs.

ii. The Government Security (G-Sec) component will be created by choosing the most liquid government bonds with a minimum outstanding of Rs. 10,000 crores falling in duration buckets starting from 1 year to 5 years.

iii. The SDL portion will be built by first selecting the most liquid state issuers in each of the eligible duration buckets, followed by picking the most liquid International Securities Identification Number (ISIN) in each of these buckets with a minimum outstanding of Rs. 500 crore.

- The index will be rebalanced every quarter, with the first business day of the month serving as the effective date.
- The minimum subscription amount that investors may invest to this relatively low credit risk and high interest rate risk instrument is Rs. 5,000.
- During the NFO period, the Net Asset Value (NAV) is restricted to Rs. 10 per unit.

iv. The scheme may also invest in money market instruments to meet regulatory liquidity requirements.

- Money Market Instruments will only include Treasury Bills (T-Bills) and G-Secs with a residual maturity of up to one year, Tri-Party Repos, and any other similar instruments as defined from time to time by the Reserve Bank of India (RBI).

About Edelweiss Asset Management Limited (Edelweiss Mutual Fund):

MD & CEO – Radhika Gupta

Founded – 2008

Headquarters – Mumbai, Maharashtra

SBM Bank raises Rs 99 crore from LIC through Tier-II Bonds

SBM Bank (India) Limited, the wholly-owned subsidiary of Mauritius-based SBM Group, has raised Rs 99 crore from Life Insurance Corporation (LIC) of India, through the issuance of the second tranche (tier II) of Basel-III compliant bonds on 24 January 2023.

- The SBM bank has raised the entire corpus from LIC, the largest financial organisation in India
- The bank issued its first tranche of tier-II bonds in April 2022, raising Rs 125 crore at a rate of 9.75%. This is the second tranche of those bonds.
- SBM Bank India has now raised a total of Rs 224 crore through Basel III compliant tier II bonds with this new round of capital raising from multiple investors.
- In 2022, SBM Bank India raised Rs 300 crore from the National Bank for Agriculture and Rural Development (NABARD) under the automatic refinance facility.

UN WESP 2023 slashes India's Economic Growth Forecast by 20 bps to 5.8% for 2023

The United Nations (UN) in its [World Economic Situation and Prospects \(WESP\) 2023 Report](#) slashed India's Gross Domestic Product (GDP) growth forecast for the calendar year 2023 by 20bps (Basis Points) to 5.8% (from an estimated 6.4% in 2022) amid tighter monetary policy and weak global demand.

- However, for FY 2023-24, it kept its growth forecast unchanged for India at 6%.

The report is written by the UN's Department of Economic and Social Affairs (**UNDESA**), the UN Conference on Trade and Development (**UNCTAD**), and the regional economic commissions for Africa, Europe, Latin America and the Caribbean, Asia and the Pacific, and Western Asia.

Key Points:

i. In India, the unemployment rate dropped to a four-year low of 6.4% in 2022 due to stepped-up urban and rural employment. But youth employment remained below pre-pandemic levels, particularly among young women.

ii. India's annual inflation is estimated at 7.1% in 2022 (exceeding the 2-6% target band) but is expected to reduce to 5.5% in 2023.

iii. Economic growth in India is projected to moderate in 2023, with higher interest rates weighing on investment and slower global growth weakening exports

iv. In India, the additional interest payments would amount to 8.7% of total government expenditures.

Global Scenario:

i. The global economic growth will slow down to 1.9% in 2023, one of the lowest in recent decades, from 3.1% previously forecast.

ii. The global growth in 2022 was 3% and it was expected to increase to 2.7% in 2024..

iii. The global trade will contract to 0.4% in 2023.

Banking, Finance & Economy Q&A: January 2023

1. Name the bank that has recently (in Dec '22) partnered with SBI Card to launch co-brand credit cards.

- 1) Union Bank of India
- 2) Canara Bank
- 3) Bank of India
- 4) Bank of Baroda
- 5) Punjab & Sind Bank

Answer- **5) Punjab & Sind Bank**

Explanation:

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

i. Under the partnership, three card variants have been launched including, PSB SBI Card ELITE, PSB SBI Card PRIME, and PSB SimplySAVE SBI Card.

2. What is the total loan amount provided by Asian Development Bank (ADB) (as of Dec '22) to the Shriram Finance Limited (SFL) to provide vehicle loans to women entrepreneurs?

- 1) USD 400 million
- 2) USD 300 million
- 3) USD 500 million
- 4) USD 100 million
- 5) USD 200 million

Answer- **4) USD 100 million**

Explanation:

Asian Development Bank (**ADB**) has sanctioned **USD 100 million** (about Rs 830 crore) External Commercial Borrowing (**ECB**), a five-year loan, under the lender's social finance framework to Shriram Finance Limited (**SFL**), a part of Shriram Group to provide vehicle loans to women entrepreneurs.

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

i. Besides the ADB loan, Shriram Finance has also raised USD 250 million from US Development Finance Corporation and USD 475 million through a 144A Bond from the international market in 2022.

3. Which bank has recently (in Dec '22) signed a Scheme Transfer Agreement (STA) to transfer the Mutual Funds schemes to LIC Mutual Fund (MF)?

- 1) YES Bank
- 2) IDBI Bank
- 3) HDFC Bank
- 4) ICICI Bank
- 5) IndusInd Bank

Answer- 2) IDBI Bank

Explanation:

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

About IDBI Bank Limited:

Managing Director (MD) & Chief Executive Officer (CEO)– Rakesh Sharma

Established- 1964

Headquarters– Mumbai, Maharashtra

4. Name the life insurance company that has recently (in Dec '22) launched the Emerging Opportunities Fund with Unit-Linked Insurance Plans (ULIPs).

- 1) Bajaj Allianz Life Insurance
- 2) Bharti AXA Life Insurance
- 3) Tata AIA Life Insurance
- 4) Birla Sun Life Insurance
- 5) Aviva Life Insurance

Answer- 3) Tata AIA Life Insurance

Explanation:

Tata AIA Life Insurance has established the **Emerging Opportunity Fund** with **ULIP** (unit-linked insurance plans), which is able to invest in mid-cap companies and rising market leaders with the potential to provide significant future growth.

i. The applications for ULIP plans with New Fund Offering (NFO) window were open till 31 December 2022.

ii. Tata AIA's ULIP offerings like Fortune Pro, Wealth Pro, Fortune Maxima, and Wealth Maxima can be used to invest in the Fund.

5. Which bank has recently (in Dec '22) won EAG Laureate Award at the International Olympiad of Financial Security in Sochi, Russia?

- 1) Indian Bank
- 2) Punjab National Bank
- 3) State Bank of India
- 4) Canara Bank
- 5) Bank of Baroda

Answer- 5) Bank of Baroda

Explanation:

Bank of Baroda, the second largest public sector bank in India after State Bank of India (SBI), won **EAG Laureate award** in the **International Olympiad of Financial Security** held at Sochi, Russia on 10 October 2022.

i. India is one of the nine members of the Eurasian group on combating money laundering and terrorism (EAG), a regional organisation similar to the Financial Action Task Force (FATF). The EAG was established in 2004 and is currently an associate member of the FATF.

6. Name the bank that has recently (in Dec '22) re-appointed 'Suresh Kishinchand Khatanhar' as the Deputy Managing Director (DMD) for 1 year w.e.f 15th January 2023.

- 1) YES Bank
- 2) ICICI Bank
- 3) IDBI Bank
- 4) HDFC Bank
- 5) Axis Bank

Answer- **3) IDBI Bank**

Explanation:

The Board of Directors of **IDBI Bank** Limited re-appointed **Suresh Kishinchand Khatanhar** as the Deputy Managing Director (**DMD**) of IDBI Bank for 1 year with effect from 15th January 2023, according to the Reserve Bank of India (RBI)'s approval.

- On 15th January 2020, the IDBI Bank Board appointed Suresh Khatanhar as DMD for a 3-year term.

About IDBI Bank Limited:

MD & Chief Executive Officer (CEO)- Rakesh Sharma

Headquarters- Mumbai, Maharashtra

Establishment- 1st July 1964

7. In January 2023, the Department of Economic Affairs (DEA) raised the interest rate on a number of small savings schemes for the fourth quarter (Q4) of FY23.

Which of the following points is 'Incorrect' with respect to Small Saving Schemes (SSS) & their interest rates as of January 2023?

- 1) The Interest Rate of Senior Citizens Savings Scheme Account (SCSS) has changed to 8.0% from 7.6%.
- 2) The 5 Year Recurring Deposit has remained unchanged with an interest rate of 5.8 %.
- 3) Kisan Vikas Patra (KVP) has changed to 190 months of maturity period with an interest rate of 7.0% from 124 months of maturity period with an interest rate of 6.9%.
- 4) The Public Provident Fund (PPF) has remained unchanged with the interest rate of 7.10%.
- 5) The Interest Rate of 2 Year Time Deposit has changed to 6.8% from 5.7%.

Answer- **3) Kisan Vikas Patra (KVP) has changed to 190 months of maturity period with an interest rate of 7.0% from 124 months of maturity period with an interest rate of 6.9%.**

Explanation:

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

- The rates on the various instruments have increased by 20 to 110 basis points (bps), and they now range from 4.0 % to 7.6 %.
 - i. The 5 Year Recurring Deposit has remained unchanged with an interest rate of 5.8 %.
 - ii. The Public Provident Fund (PPF) has remained unchanged with the interest rate of 7.10%.
 - iii. The Interest Rate of Senior Citizens Savings Scheme Account (SCSS) has changed to 8.0% from 7.6%.
 - iv. Kisan Vikas Patra (KVP) has changed to 120 months of maturity period with an interest rate of 7.2% from 123 months of maturity period with an interest rate of 7.0%
 - v. The Interest Rate of 2 Year Time Deposit has changed to 6.8% from 5.7%.
- [List of Various Small Savings Schemes with Interest Rates as of January 2023](#)

8. Which of the following points is/are 'correct' with respect to the 26th issue of the Financial Stability Report (FSR) released by RBI in December 2022?

- A) India's Current Account Deficit (CAD) widened to 4.4% of GDP in the Q2FY23, which is the highest since the June quarter of 2013.**
- B) India's foreign exchange reserves on BoP basis recorded a deficit of USD 30.4 billion compared to a USD 31.2 billion surplus in the Q2FY22.**
- C) As per the 26th Financial Stability Report (FSR), the Net Non-Performing Assets (NNPA) dropped to 10 years low of 1.3% in September 2022.**

- 1) Only A
- 2) Only A & B
- 3) Only B & C
- 4) Only A & C
- 5) All A, B & C

Answer- **5) All A, B & C**

Explanation:

According to the Reserve Bank of India (RBI) 26th issue of the Financial Stability Report (FSR), India's Current Account Deficit (CAD) widened to 4.4% of GDP in Q2FY23 from 2.2 percent of GDP in the previous Q2:2022-23 and 1.2 per cent in 2021-22

- India's Current Account Deficit (CAD) widened to 4.4 per cent of GDP which is the highest since the June quarter of 2013.
- i.** India's foreign exchange reserves on BoP basis recorded a deficit of USD 30.4 billion compared to a USD 31.2 billion surplus in the Q2FY22.
- ii.** The RBI also released the **26th** Financial Stability Report (**FSR**) which states the collective assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC) on risks to financial stability and the resilience of the financial system. It is published bi-annually.
- The Gross Non-Performing Asset (GNPA) ratio of scheduled commercial banks (SCBs) fell to a seven-year low of 5% and Net Non-Performing Assets (**NNPA**) have dropped to ten-year low of **1.3%** in September 2022.

9. Which bank has recently (in Jan '23) unveiled the Quick Response (QR) code bill payment system for Chamundeshwari Electricity Supply Corporation Limited (CESC) in Mysuru, Karnataka?

- 1) Bank of India
- 2) Union Bank of India

- 3) Indian Bank
- 4) Canara Bank
- 5) Bank of Baroda

Answer- 3) Indian Bank

Explanation:

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

i. This dynamic QR code that is linked to the unified payments interface (UPI) on printed electricity bills, will help customers in making their payments without visiting any online portal or physically going to any payment centre.

10. Name the organisation that has recently (in Jan '23) signed an agreement of Rs 2, 275 crores with the Tripura government to improve the power distribution network.

- 1) World Bank
- 2) International Monetary Fund
- 3) Asian Infrastructure Investment Bank
- 4) Asian Development Bank
- 5) African Development Bank

Answer- 4) Asian Development Bank

Explanation:

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

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

i. The state government will undertake massive renovation of two power projects – Rukhia in Sepahijala district and Gumati Hydro project in Gomati district.

ii. Apart from the ADB funding, an additional amount of Rs 800 crore will be spent to improve the power distribution of the state.

11. Who has been recently (in Jan '23) appointed as the Managing Director (MD) and Chief Executive Officer (CEO) of Indian Overseas Bank (IOB) for a period of 3 years?

- 1) Ajay Kumar Srivastava
- 2) Sanjay Vinayak Mudaliar
- 3) Partha Pratim Sengupta
- 4) S Srimathy
- 5) Vivek Aggarwal

Answer- 1) Ajay Kumar Srivastava

Explanation:

Ajay Kumar Srivastava has been appointed as Managing Director (**MD**) and Chief Executive Officer (**CEO**) of Indian Overseas Bank (**IOB**), a public sector bank (PSB), for a period of **3 years** with effect from the date of assumption of office on or after 1st January 2023.

- i. Prior to this appointment, Ajay Kumar Srivastava was serving as the Executive Director of IOB.
- ii. He was appointed following the superannuation of **Partha Pratim Sengupta**, MD & CEO of IOB, on 31st December 2022.

12. Which of the following banks is/are mentioned under the list of Domestic Systemically Important Banks (D-SIBs) as per the data released by the Reserve Bank of India (RBI) in January 2023?

- 1) State Bank of India
- 2) ICICI Bank
- 3) HDFC Bank
- 4) Both 1 & 2
- 5) All 1, 2 & 3

Answer- **5) All 1, 2 & 3**

Explanation:

On January 2, 2023, the Reserve Bank of India (RBI) released the 2022 list of Domestic Systemically Important Banks (**D-SIBs**) based on the data from March 31, 2022. In this, State Bank of India (SBI), ICICI Bank, and HDFC Bank kept the status as D-SIBs, under the same bucketing structure as in the 2021 list of D-SIBs.

- D-SIBs are interconnected entities, whose failure can impact the whole of the financial system and create instability. They are also known as 'too-big-to fail' banks.

i. **SBI** will be in the 3rd bucket with an Additional Common Equity Tier (CET)- 1 requirement as a percentage of Risk Weighted Assets (RWAs) of 0.60%.

ii. **ICICI Bank, and HDFC Bank** will be in the 1st bucket with an Additional CET-1 requirement as a percentage of RWAs of 0.20%.

13. Microsoft recently (in Jan '23) Partnered with _____ for its Digital Transformation Journey and _____ for Mobile Banking Experience.

- 1) Yes Bank, HDFC Bank
- 2) Yes Bank, ICICI Bank
- 3) HDFC Bank, Yes Bank
- 4) UCO Bank, Punjab National Bank
- 5) Indian Bank, Axis Bank

Answer- **3) HDFC Bank, Yes Bank**

Explanation:

HDFC Bank partnered with **Microsoft** for the next phase of its digital transformation journey and unlocked business value by transforming the application portfolio, modernising the data landscape and securing the enterprise with Microsoft Cloud.

- HDFC Bank as a part of its Future Ready strategy is developing in-house IPs and also partnering with several companies including FinTechs' to co-create technology IPs.

On 3rd January 2023 **Yes Bank** partnered with Microsoft to introduce the next generation mobile application (app) for providing personalised banking experience to its customers.

- The app will run on Microsoft's enterprise-grade cloud platform, and will support YES Bank in scaling up services by bringing merchants and ecosystem partners on to a common platform.

14. Name the Indian startup Accelerator that recently (in Jan '23) Partnered with ICICI Bank & Infosys Finacle to Foster Start-Up Ecosystem.

- 1) TLabs Startup Accelerator
- 2) India Accelerator
- 3) DevX Startup Accelerators
- 4) Indian Angel Network Startup Accelerator
- 5) Cisco Launchpad Startup Accelerator

Answer- 2) India Accelerator

Explanation:

India Accelerator (IA), a seed-stage accelerator programme, has launched "i3 Launchpad," which was developed in partnership with ICICI Bank and Infosys Finacle, which is part of EdgeVerve Systems, a wholly-owned product subsidiary of Infosys.

- "i3 Launchpad" is a programme that fosters and co-innovate with India's start-up ecosystem.
- Objective: To support a network of entrepreneurs on a quest to develop brands with global impact.

i.The i3 Launchpad programme accepts start-ups from all sectors of the economy. It will admit two cohorts annually, with a target of 12 to 18 start-ups in each cohort.

15. Which insurance company recently (in Jan '23) signed the Corporate Agency Pact with Sundaram Finance?

- 1) Niva Bupa Health Insurance Company Limited
- 2) HDFC Standard Life Insurance Company Limited
- 3) Bajaj Allianz Life Insurance Company Limited
- 4) Life Insurance Corporation of India
- 5) Bharti AXA Life Insurance Company Limited

Answer- 1) Niva Bupa Health Insurance Company Limited

Explanation:

Niva Bupa Health Insurance Company Limited (formerly Max Bupa Health Insurance Company), a standalone health insurer, has signed a Corporate Agency Agreement with Sundaram Finance Limited, a diversified financial services group.

- According to the agreement, Sundaram Finance will provide a limited selection of Niva Bupa's indemnity plans to an increasing range of its current and former clients

16. Which cricketing legend recently (in Jan '23) featured in the Bandhan Bank's new campaign 'Jahaan Bandhan, Wahaan Trust'?

- 1) Yuvraj Singh
- 2) Virender Sehwag
- 3) MS Dhoni
- 4) Sourav Ganguly
- 5) Sachin Tendulkar

Answer- 4) Sourav Ganguly

Explanation:

On 3rd January 2023, Bandhan Bank launched its integrated marketing campaign 'Jahaan Bandhan, Wahaan Trust' featuring the Bank's brand ambassador, cricketing legend, **Sourav Ganguly**.

The 'Jahaan Bandhan, Wahaan Trust' campaign was conceived by Leo Burnett Orchard, who was brought in as Bandhan Bank's creative agency in August 2022.

The campaign emphasises the 'trust' that the brand has been able to earn in a span of seven years as a Bank and over the last two decades in the various avatars prior to the Bank.

17. What was the value of India's external debt as of Q2 FY23 (July-September 2022), which showed a decrease of USD 2.3 billion from Q1 FY23 (April to June 2022)?

- 1) USD 510.5 billion
- 2) USD 710.5 billion
- 3) USD 515.5 billion
- 4) USD 630.5 billion
- 5) USD 610.5 billion

Answer- **5) USD 610.5 billion**

Explanation:

As per the figures from the Ministry of Finance, India's external debt stood at **USD 610.5 billion** in Q2 FY23 (July-September 2022) showing a decrease of USD 2.3 billion from Q1 FY23 (April to June 2022).

- The external debt to GDP (Gross Domestic Product) ratio stood at 19.2% at the end of Q2FY23 as compared to 19.3% at end of Q1FY23.

i. Valuation gains were USD 10.6 billion.

ii. Excluding the valuation effect, the increase in external debt would have been USD 8.3 billion instead of a decrease of USD 2.3 billion at end Q2FY22 over end Q1FY22.

18. Lingam Venkata Prabhakar has recently (in Jan '23) retired from the post of Managing Director (MD) and Chief Executive Officer (CEO) of which bank?

- 1) Union Bank of India
- 2) Canara Bank
- 3) Bank of Baroda
- 4) Bank of India
- 5) IndusInd Bank

Answer- **2) Canara Bank**

Explanation:

Lingam Venkata Prabhakar, the Managing Director (**MD**) and Chief Executive Officer (**CEO**) of **Canara Bank** retired from his services, on attaining the age of superannuation.

i. He also served as the Chairman of Canara Robeco Asset Management Co. Ltd, Canara HSBC OBC Insurance Company Ltd & Canfin Homes Ltd and the Chairman of the IBA Standing Committee on Payment Systems & Banking Technology.

ii. He is a member (Vice-President) of Governing Council of the Indian Institute of Banking & Finance (IIBF) & National Institute of Bank Management (NIBM).

19. Who was appointed as the interim Chief Executive Officer (CEO) of BharatPe, after the resignation of Suhail Sameer in January 2023?

- 1) Nishant Jain
- 2) Shashvat Nakrani
- 3) Ankur Jain
- 4) Nalin Negi

5) Vijay Kumar Aggarwal

Answer- **4) Nalin Negi**

Explanation:

Suhail Sameer, the Chief Executive Officer (CEO) of BharatPe, a Fintech startup, has announced has resigned from the CEO position and will transition into strategic adviser with effect from 7th January 2023.

i. Nalin Negi, Chief Financial Officer (CFO) of BharatPe, is set to take over as the **interim CEO** of BharatPe.

ii. BharatPe also revealed that the company has employed an “executive search firm” to help with succession planning and to help identify a new CEO.

20. In January 2023, SEBI amended the Securities Contracts (Regulation) Act,____, which will allow Indian state-run companies to continue to be exempt from the Minimum Public Shareholding (MPS) norm that requires listed companies to maintain a ____ public shareholding.

1) 1956; 35%

2) 2000; 49%

3) 1956; 25%

4) 2000; 51%

5) 1998; 25%

Answer- **3) 1956; 25%**

Explanation:

The Securities and Exchange Board of India (SEBI) has amended the Securities Contracts (Regulation) Act, **1956** which will exempt Indian state-run companies from the Minimum Public Shareholding (**MPS**) norm that requires listed companies to maintain a **25%** public shareholding.

i. These exempted entities will be the government and public sector undertakings (PSUs) that hold together or individually majority stake from the MPS norm.

ii. Currently, as per SEBI norms, a company is required to have a MPS of 25% within one year of the merger with/acquisition of a company or three years after listing.

- Now, with the above changes in the regulations, IDBI Bank will also be exempted from MPS.

21. Name the organisation that has recently (in Jan' 23) signed a USD 220 million loan agreement with the GoI to improve the power sector in Tripura.

1) World Bank

2) International Monetary Fund

3) Asian Development Bank

4) Asian Infrastructure Investment Bank

5) African Development Bank

Answer- **3) Asian Development Bank**

Explanation:

The **Asian Development Bank** (ADB) and the Government of India (**GoI**) signed a **USD 220 million loan** pact for Tripura Power Distribution Strengthening and Generation Efficiency Improvement Project.

i. The loan amount will be utilized towards improving energy security, quality of supply, efficiency, and resilience of the power sector in Tripura.

22. Which bank recently (in Jan' 23) launched the 'first-of-its-kind' digital solutions for Exporters?

- 1) Axis Bank
- 2) ICICI Bank
- 3) YES Bank
- 4) HDFC Bank
- 5) State Bank of India

Answer- 2) ICICI Bank

Explanation:

In a **first-of-its-kind industry** initiative, **ICICI Bank** Limited, has launched **Digital Solutions For Exporters**, a comprehensive set of banking and value-added services on a single platform.

i. The initiative intends to improve operational efficiency of exporters by decongesting the current time-consuming manual procedures.

ii. Key Services and Offerings of the Digital Solutions for Exporters are Insta Export Packing Credit (EPC), Trade (Application Programming Interface) APIs, Trade Accounts, Paperless Exports Solutions, Foreign Exchange Solution, Digital Letter of Credit facility (e-LC), Electronic Bills of Lading (e-BL) and Value Added Services.

23. Name the life insurance company that has recently (in Jan '23) launched the "iTerm Prime" insurance plan.

- 1) Aviva Life Insurance
- 2) Reliance General Insurance
- 3) Exide Life Insurance
- 4) Bajaj Allianz Life Insurance
- 5) Aegon Life Insurance

Answer- 5) Aegon Life Insurance

Explanation:

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

i. The flagship term insurance plan, iTerm Prime, gives a minimum sum assured for a life cover of Rs. 25 lakhs with no maximum limit on a consumer's requirement.

ii. The minimum entry age is 18 years, while the maximum age for regular pay is 65 years and 50 years for limited pay.

iii. The product also has a "Special Exit Value" (SEV) option, which allows the policyholder to get a refund of all premiums when they reach the age of 55.

24. In which Small Finance Bank (SFB), the SBI Funds Management Limited (SBIFML-SBI Mutual Funds) acquire 9.99% equity capital through various schemes of SBI Mutual Fund?

- 1) Ujjivan SFB
- 2) Equitas SFB
- 3) Suryoday SFB
- 4) Utkarsh SFB
- 5) Capital SFB

Answer- 2) Equitas SFB

Explanation:

The Reserve Bank of India (RBI) approved SBI Funds Management Limited (SBIFML – SBI Mutual Funds) to acquire up to 9.99% of the paid-up equity capital of Equitas Small Finance Bank (SFB) (formerly Equitas Microfinance Ltd) through various schemes of SBI Mutual Fund.

i. This approval by RBI is subject to compliance with the provisions of the Banking Regulation Act, 1949, Master Direction on Prior Approval for Acquisition of shares or voting rights in private sector banks and Master Direction on Ownership in Private sector Banks issued by RBI, provisions of the regulations issued by SEBI, provisions of the Foreign Exchange Management Act, 1999 and any other statutes as applicable.

- This is valid for a year till 2nd January 2024.

25. Which of the following points is/are 'Incorrect' with respect to the "Annual Report of the Ombudsman Schemes for the period April 01, 2021 – March 31, 2022 released by RBI in January 2023?

A) Issues related to ATM /debit cards were the highest at 17.28% of the total received at the Office of Banking Ombudsman (OBO) from April 1 to October 11, 2021.

B) Complaints relating to digital modes of payment and transactions were the highest in number, constituting 42.12% of the total complaints received during the year.

C) The volume of complaints received under the Ombudsman Schemes/Consumer Education and Protection Cells during 2021-22 increased by 9.39% at 4,18,184 as compared to FY21.

- 1) Only A
- 2) Only B
- 3) Only C
- 4) Only A & B
- 5) Only B & C

Answer- **1) Only A**

Explanation:

The Reserve Bank of India (RBI) released the Annual Report of the Ombudsman Schemes for the period April 01, 2021 – March 31, 2022. Its details are as follows

i. Issues related to ATM (Automated Teller Machine)/debit cards were the highest at **14.65%** of the total received at the Office of Banking Ombudsman (OBO) from **April 1 to November 11, 2021.**

- These were followed by mobile/ electronic banking at 13.64%.

ii. Complaints relating to digital modes of payment and transactions were the highest in number, constituting 42.12% of the total complaints received during the year.

iii. The volume of complaints received under the Ombudsman Schemes/Consumer Education and Protection Cells during 2021-22 increased by 9.39% at 4,18,184 as compared to FY21.

Note- Reserve Bank of India (RBI) lifted restrictions on Mahindra & Mahindra Financial Services Limited (MMFSL) on recovery operations via third party collection agents.

26. Which bank has recently (in Jan '23) launched retail internet banking and a mobile banking app to provide secure banking?

- 1) Dhanlaxmi Bank
- 2) RBL Bank
- 3) South Indian Bank
- 4) IndusInd Bank

5) ICICI Bank

Answer- **1) Dhanlaxmi Bank**

Explanation:

Dhanlaxmi Bank has launched its new retail **internet banking 'DhanDelight'**, and retail **mobile banking app 'DhanSmart'** featuring latest information system security features to provide secure banking.

- The new services are built on an omni channel platform with multiple features covering various banking requirements.

i. In DhanDelight, the latest UI (User Interface) and UX (User Experience) enable customers to do the financial transactions more securely. The mobile app, DhanSmart, also offers dark themes to improve visual ergonomics, reduce eye strain and helps in conserving battery power.

27. Name the bank that has recently (in Jan '23) partnered with the British Airways Executive Club and Qatar Airways Privilege Club to introduce first-of-its-kind multi-branded credit cards.

- 1) HDFC Bank
- 2) YES Bank
- 3) ICICI Bank
- 4) Axis Bank
- 5) IndusInd Bank

Answer- **5) IndusInd Bank**

Explanation:

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

i. This multi-branded credit card will be launched and made available to consumers in the first quarter of FY 2023-2024.

ii. The credit card will be available in the Infinite variant of Visa and offers best-in-class rewards along with multiple benefits that will elevate international travel experience of customers.

28. Which finance company has recently (in Jan '23) applied for Universal Bank License to the Reserve Bank of India (RBI)?

- 1) Muthoot Finance Ltd
- 2) Repco Micro Finance Ltd
- 3) Asirvad Micro Finance Ltd
- 4) Annapurna Finance Pvt Ltd
- 5) Aditya Birla Finance Ltd

Answer- **4) Annapurna Finance Pvt Ltd**

Explanation:

RBI has received an application from **Bhubaneswar (Odisha)** based Annapurna Finance Private Limited (**AFPL**), formerly known as Annapurna Microfinance Private Limited, under the Guidelines for 'on tap' **Licensing of Universal Banks** in the Private Sector issued on 1st August 2016.

i. AFPL was the only entity to apply for a universal bank licence during the quarter ended December 31, 2022.

29. India's Goods and Services Tax (GST) revenues increased 15% year-on-year to _____ in December 2022.

- 1) Rs 1.50 lakh crore
- 2) Rs 1.78 lakh crore
- 3) Rs 1.23 lakh crore
- 4) Rs 1.49 lakh crore
- 5) Rs 2.10 lakh crore

Answer- 4) Rs 1.49 lakh crore

Explanation:

India's Goods and Services Tax (GST) revenues increased 15% year-on-year to **Rs 1.49 lakh crore** (USD 18.07 billion) in December 2022, suggesting robust economic activity during the holiday season.

i. In December 2022, for the 10th consecutive month, the GST revenues exceeded Rs 1.40 lakh crore. The GST collections were about Rs 1.46 lakh crore in November 2022.

30. How many entities were recently (in Jan' 23) selected for the fourth cohort of the Regulatory Sandbox (RS) to test anti-fraud solutions?

- 1) 5
- 2) 7
- 3) 4
- 4) 6
- 5) 9

Answer- 4) 6

Explanation:

The Reserve Bank of India (RBI) had selected **six entities** out of nine applications for the **Test Phase** under the **4th cohort** of Regulatory Sandbox (RS) on the theme 'Prevention and Mitigation of Financial Frauds'.

i. The selected entities will commence testing of their products on Anti-Fraud Solutions from February 2023.

Selected entities & their Products:

- **Bahwan Cybertek** for rt360 Real Time Monitoring System Product
- **Crediwatch Information Analytics** for Crediwatch EWS Product
- **enStage Software Private Limited** (Wibmo) for Trident FRM Product
- **HSBC in collaboration with Wibmo** for a closed user group AI/ML (Artificial Intelligence/Machine Learning) based solution.
- **napID Cybersec** for napID Fraud Filter Layer Product
- **Trusting Social** for Trusting Social CI & AV Product

31. In January 2023, the Securities and Exchange Board of India (SEBI) agreed to the Central Government request to reclassify its shareholding in _____ after its disinvestment as public holding.

- 1) ICICI Bank
- 2) IDBI Bank
- 3) HDFC Bank
- 4) YES Bank
- 5) Axis Bank

Answer- 2) IDBI Bank

Explanation:

The Securities and Exchange Board of India (**SEBI**) agreed to the Central Government request to reclassify its shareholding in **IDBI Bank** after its disinvestment as public holding.

- i. However, this is subject to the condition that the government's voting rights in the bank will not exceed 15% of the total voting rights after the sale.
- ii. This reclassification by the government must be specified in the letter of offer dispatched to the shareholders of the bank in connection with the open offer made by the acquirer.

32. Which company has recently (in Jan '23) received a debt broker license from the Securities and Exchange Board of India (SEBI)?

- 1) Hyperlink InfoSystem
- 2) Sasken Technologies
- 3) Dhoop Technologies
- 4) GoldenPi Technologies
- 5) Redington India Ltd

Answer- 4) GoldenPi Technologies

Explanation:

The Securities and Exchange Board of India (**SEBI**) has granted a debt broker license to **GoldenPi Technologies**, a Bengaluru (Karnataka)-based fintech company backed by Indian financial services provider Zerodha Broking Ltd.

- i. With this, **GoldenPi Technologies** became the **first** online bond platform (**OBP**) provider to obtain a debt brokerage licence from SEBI.
- ii. The licence is expected to boost investor trust in the online bond and debenture investment space.
- iii. SEBI relaxed certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to the dispatch of a hard copy of the annual report (financial statements) due in the year 2023 to debenture holders till September 30, 2023, which shall take effect immediately.
 - The earlier extension lasted until December 31, 2022.

33. Which organisation has recently (in Jan '23) launched the "Utkarsh 2.0" Medium-Term Strategy Framework for the period 2023-2025?

- 1) Insurance Regulatory and Development Authority
- 2) Securities and Exchange Board of India
- 3) Reserve Bank of India
- 4) Small Industries Development Bank of India
- 5) National Bank for Agriculture and Rural Development

Answer- 3) Reserve Bank of India

Explanation:

The Governor of the Reserve Bank of India (**RBI**), Shaktikanta Das, has launched the "**Utkarsh 2.0**" **Medium-Term Strategy Framework** for the period 2023-2025.

- i. Utkarsh 2.0 would enable the RBI to respond to socioeconomic challenges in both a proactive and reactive manner.
- ii. Utkarsh 2.0 relies on the strengths of Utkarsh 2022 by retaining the six vision statements, as well as the core purpose, values, and mission statement.

34. Name the bank that has recently (in Jan '23) partnered with Open Financial Technologies Pvt Ltd (OPEN) to launch a fully native digital current account.

- 1) Axis Bank
- 2) HDFC Bank
- 3) ICICI Bank
- 4) YES Bank
- 5) IndusInd Bank

Answer- 1) Axis Bank

Explanation:

Axis Bank Limited (Axis Bank), India's third-largest private sector bank, has partnered with Open Financial Technologies Pvt Ltd (**OPEN**), a digital banking firm, to give its customers a **fully native digital current account** journey.

- i. This is Axis Bank's first collaboration with a fintech company to develop a fully digital current account.
- ii. The existing Current account holders of Axis Bank will have access to over 250 banking services from Axis Bank as well as OPEN's financial automation tools for business management.

35. In January 2023, RBI announced that the maiden Sovereign Green Bonds (SGrBs) for an aggregate sum of _____ will be issued in two tranches in January and February 2023.

- 1) Rs 20, 000 crores
- 2) Rs. 8, 000 crores
- 3) Rs. 10, 000 crores
- 4) Rs. 12,000 crores
- 5) Rs. 16,000 crores

Answer- 5) Rs. 16,000 crores

Explanation:

The Reserve Bank of India (**RBI**) has announced that the maiden Sovereign Green Bonds (**SGrBs**) for an aggregate sum of **Rs. 16,000 crores** will be issued in two tranches of Rs. 8,000 crore each in January and February 2023, with the intention of mobilizing resources for green infrastructure.

- The proceeds would be used to fund public-sector projects that will help India reduce its carbon emissions.

S.No	Date of Auction	Amount	Security-wise Allocation
1	January 25, 2023	Rs. 8000 crores	i. 05 Year SGrB for Rs. 4,000 crores
			ii. 10 Year SGrB for Rs. 4,000 crores
2	February 09, 2023	Rs. 8000 crores	i. 05 Year SGrB for Rs. 4,000 crores
			ii. 10 Year SGrB for Rs. 4,000 crores

36. National Bank for Agriculture and Rural Development (NABARD) has recently (Jan '23) raised around Rs 5,000 crore through how many year bonds?

- 1) 2 years
- 2) 4 years
- 3) 5 years
- 4) 3 years
- 5) 6 years

Answer- 4) 3 years

Explanation:

Under its first issue of 'fund raising through bonds in 2023', National Bank for Agriculture and Rural Development (**NABARD**) has raised around **Rs 5,000 crore** via **3-year bonds**.

- i. The coupon for the 3-year bond was 7.63%. (The yield on 3-year government bonds was above 7.16 per cent).
- ii. The issue by NABARD had a base size of Rs 2,000 crore plus a green-shoe option of Rs 3,000 crore.

37. Name the organisation/Ministry that has recently (in Jan '23) signed an agreement with the "Hockey Wali Sarpanch" to support the farmers of Rajasthan's Lambi Ahir Village.

- 1) Asian Development Bank
- 2) Ministry of Agriculture & Farmers Welfare
- 3) World Bank
- 4) National Bank for Agriculture and Rural Development
- 5) Ministry of Skill Development and Entrepreneurship

Answer- 4) National Bank for Agriculture and Rural Development

Explanation:

To support the farmers of **Rajasthan's Lambi Ahir Village**, **Neeru Yadav**, fondly known as 'Hockey Wali Sarpanch' has made an agreement with National Bank for Agriculture and Rural Development (**NABARD**) to start a Farmers Producers Organisation (FPO), 'Sachhi Saheli Mahila Agro Producer Company Limited'.

- i. The FPO was started with the assistance of SIIRD (Society of Indian Institute of Rural Development). Neeru Yadav became the Board of Directors of the company.

38. Which of the following points is/are 'correct' with respect to the 1st First Advance Estimates (FAE) of National Income for FY23 released by National Statistical Office (NSO) in January 2023?

- A) As per the NSO's first FAE, the Indian economy will grow at a rate of 7% in FY23, up from 8.7% in FY22.
- B) Real GDP is estimated to be Rs 157.60 lakh crore in FY23, compared to a Provisional Estimate of GDP of Rs 147.36 lakh crore in FY22
- C) The Net National Income (NNI) of India is projected to rise by 6.6 % in FY23 as compared to 8.5 % in FY22.

- 1) All A, B & C
- 2) Only A & B
- 3) Only B & C
- 4) Only A & C
- 5) Only A

Answer- **1) All A, B & C**

Explanation:

The National Statistical Office (**NSO**), Ministry of Statistics and Program Implementation (MoSPI), has released its **First Advance Estimates (FAE)** of National Income for the financial year 2022-2023 (**FY23**) at both constant (2011-12) and current prices.

i. According to the NSO's first FAE, the Indian economy will grow at a rate of **7%** in **FY23**, up from 8.7% in FY22.

- **Real GDP**, or GDP at constant (2011-12) prices, is estimated to be **Rs 157.60 lakh crore** in FY23, compared to a Provisional Estimate of GDP of Rs 147.36 lakh crore in FY22, announced on May 31, 2022.
- **Nominal GDP**, or **GDP at current prices**, is estimated to be **Rs. 273.08 lakh crore** in FY23, compared to a Provisional Estimate of GDP of Rs. 236.65 lakh crore in FY22, announced on May 31, 2022.
 - The nominal GDP growth rate in FY23 is projected to be 15.4 %, down from 19.5 % in FY22.
- The Net National Income (**NNI**) of India is projected to rise by **6.6 %** in **FY23** as compared to 8.5 % in FY22.

39. In January 2023, Surinder Chawla was appointed as the Chief Executive Officer (CEO) of which Payments Bank?

- 1) Paytm Payments Bank
- 2) Fino Payments Bank
- 3) India Post Payment Bank
- 4) Airtel Payments Bank
- 5) Jio Payments Bank

Answer- **1) Paytm Payments Bank**

Explanation:

The Reserve Bank of India (**RBI**) has approved the appointment of **Surinder Chawla** as the new Chief Executive Officer (**CEO**) of **Paytm Payments Bank Limited (PPBL)**. The appointment has been approved by the RBI for a period of 3 years.

- Surinder Chawla is currently serving as Head of Branch Banking at RBL Bank (formerly known as Ratnakar Bank).

About Paytm Payments Bank:

Chairman- Vijay Shekhar Sharma

Headquarters- Noida, Uttar Pradesh

Establishment- 2017

40. In January 2023, _____ became the first state in India to go fully digital in its banking service.

- 1) Gujarat
- 2) Maharashtra
- 3) Madhya Pradesh
- 4) Delhi
- 5) Kerala

Answer- **5) Kerala**