



Current Affairs - February 2023

Month Type



- **22 Current Affairs were found in Month - February 2023 for Type - Banking and Economy.**

1. RBI Monetary Policy Rates as on Today (17-May-2023)

- Repo Rate - 6.50 %
- Reverse Repo - 3.35 %
- Bank Rate - 6.75 %
- CRR (Cash Reserve Ratio) - 4.5 %
- SLR (Statutory Liquidity ratio) - 18.00 %
- Marginal Standing Facility (MSF) Rate - 6.75 %

Economy

- Stock exchange NSE received approval from capital markets regulator SEBI, to set-up a **social stock exchange** as a separate segment, aimed at benefitting social enterprises contributing to sustainable development goals.
 - Any social enterprise, Non-Profit Organization (NPOs) or For-Profit Social Enterprises (FPEs), that establishes its primacy of social intent can get listed on SSE segment.
- India Business Council - UAE Chapter (UIBC-UC)** has been established to boost Bilateral Trade and Investment between India and UAE, on the occasion of 1st anniversary of India-UAE Comprehensive Economic Partnership Agreement (CEPA).
 - UIBC-UC is aimed at playing crucial role in increasing bilateral trade to USD 100 billion and attracting USD 75 billion investment from UAE to India.
- Mobicule** launched **mCollect** Repossession module for banks and NBFCs, that maps all complex processes in repossession of an asset, as a part of its debt collection and recovery product.
- PhonePe** launched new feature called **UPI International**, that will allow Indians traveling abroad (UAE, Singapore, Mauritius, Nepal, and Bhutan) to pay foreign businesses using Unified Payments Interface (UPI).
- Airtel Payments Bank launched its **BizKhata** current account for small merchants, with features such as Instant activation, Zero minimum balance and others.
- Asian Development Bank (ADB) proposed to provide \$20-\$25 billion to India during next 5 years, to fund India's infrastructure creation under PM Gati Shakti initiative, and social development / climate action.
- Chinese e-commerce giant **Alibaba** sold its remaining 3.16 % stake in Indian Digital Payments Firm **Paytm**, for approx \$167 million.
 - Earlier In January 2023, Alibaba had sold its 3.1 % in Paytm for \$125 million.
 - With these 2 deals, Alibaba has sold its entire 6.26% stake in Paytm.
- E-commerce Firm **Amazon** joined Indian government's **ONDC (Open Network for Digital Commerce)** platform, beginning with integration of its Smart Commerce and logistics services with ONDC network.
 - ONDC is set up by Commerce Ministry's Department for Promotion of Industry and Internal Trade (DPIIT) to provide small e-commerce stores and online sellers with a level playing field.
- Edelweiss General Insurance rebranded itself as **Zuno General Insurance**, with focus on digital insurance space.
- Govt extended PM-KUSUM scheme till March 2026, as its implementation was significantly affected due to the poandemic.
 - Launched in 2019, Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) aimed at adding solar capacity of 30800 MW by 2022, with central financial support of over 34000 crores.
- India's Adani Group acquired strategic Israeli port of **Haifa** for **USD 1.2 billion**.

12. ▶ Indian PM Narendra Modi and Singapore PM Lee Hsien Loong jointly launched **cross-border linkage** between **India** and **Singapore**, using their respective Fast Payment Systems - **Unified Payments Interface** (India) and **PayNow** (Singapore).
- ✍ UPI-PayNow linkage will enable users of the two fast payment systems in either country to make instant and safe cross-border funds transfers using their respective mobile apps. Funds can be transferred using UPI-id / mobile number / Virtual Payment Address (VPA).
 - ✍ To begin with, an Indian user can remit up to ₹60,000 in a day (around SGD 1000).
 - ✍ Notably, RBI also issued a facility to enable all in-bound travellers visiting India to make local payments using Unified Payments Interface (UPI), while they are in India.
13. ▶ Inflation and Trade data (Jan 2023) -
- ✍ **Inflation and Trade Data for January 2023 -**
 - ✍ Wholesale price Index Based (**WPI**) -
 - ✍ WPI based inflation fell to **4.73 %** in January 2023, which is lowest in 24 months.
 - ✍ WPI Inflation in last 12 months -
 - ✍ December 2022 - 4.95 %
 - ✍ November 2022 - 5.85 %
 - ✍ October 2022 - 8.39 %
 - ✍ September 2022 - 10.07 %
 - ✍ August 2022 - 12.41 %
 - ✍ July 2022 - 13.93 %
 - ✍ June 2022 - 15.18 %
 - ✍ May 2022 - 15.88 % (**30 Year High**)
 - ✍ April 2022 - 15.08 %
 - ✍ March 2022 - 14.55 %
 - ✍ Feb 2022 - 13.11 %
 - ✍ Jan 2022 - 12.96 %
 - ✍ Consumer Price Index (**CPI**) Based (retail inflation) -
 - ✍ CPI-based inflation rate for January 2023 rose to **6.52 %**.
 - ✍ CPI Inflation in Last 12 Months -
 - ✍ December 2022 - 5.72 %
 - ✍ November 2022 - 5.88 %
 - ✍ October 2022 - 6.77 %
 - ✍ September 2022 - 7.41 %
 - ✍ August 2022 - 7.01 %
 - ✍ July 2022 - 6.71 %
 - ✍ June 2022 - 7.01 %
 - ✍ May 2022 - 7.04%
 - ✍ April 2022 - 7.79 % (**8 Year High**)
 - ✍ March 2022 - 6.95 %
 - ✍ Feb 2022 - 6.07 %
 - ✍ Jan 2022 - 6.01 %
 - ✍ **Trade -**
 - ✍ Overall Trade in January 2023 (Merchandise + Services) -
 - ✍ Overall Imports - 66.42
 - ✍ Overall Exports - 65.15
 - ✍ Overall Trade Deficit - 1.27 **Billion USD**
 - ✍ Compared to Last Month (December 2022)
 - ✍ Overall Imports - 73.80
 - ✍ Overall Exports - 61.82
 - ✍ Overall Trade Deficit - **11.98 Billion USD**
14. ▶ Japan approved to provide Official Development Assistance (ODA) to India, including INR 1728 crores for *Mumbai Trans-Harbour Link Project (III)* and INR 560 crores for *Establishment of Mizoram State Super-Specialty Cancer and Research Centre*.

15. ▶ Misc. Economy / Financial News (Feb 2023) -

- 🔗 RBI Governor Shaktikanta Das laid foundation stone for establishment of a *Greenfield Data Centre* and *Enterprise Computing & Cybersecurity Training Institute* in Bhubaneswar (Odisha), to cater to emerging requirements of RBI and financial sector.
- 🔗 RBI barred State Bank of Mauritius (SBM)'s Indian subsidiary SBM Bank (India) from processing foreign exchange remittances under *Liberalised Remittance Scheme (LRS)*, amid certain supervisory concerns.
 - 🔗 Later, as a relief to customers, RBI allowed ATM/POS transactions under LRS through KYC compliant internationally active debit cards issued by bank.
 - 🔗 Under LRS scheme introduced in 2004, all resident Indian individuals are allowed to remit up to \$250000 per financial year for any transaction abroad.

16. ▶ Misc. Financial / Economy News (Feb 2023) -

- 🔗 Competition Commission of India (CCI) approvals -
 - 🔗 Approved acquisition of upto 25% shareholding in Hindustan Ports Private Limited (HPPL) by National Investment and Infrastructure Fund (NIIF), and proposed merger of Hindustan Infralog Private Limited (HIPL) into HPPL.
 - 🔗 Approved acquisition of 100% equity of Lanco Anpara Power Limited (LAPL) by Megha Engineering and Infrastructures Limited (MEIL).
 - 🔗 Approved acquisition of clinker, cement and power plants belonging to Jaiprakash Associates Limited and its associate, by Dalmia Cement (Bharat) Limited, for approx 5666 crores.
- 🔗 IREDA announced to establish an office in Gujarat's GIFT City, to finance Renewable Energy projects in foreign currency.
- 🔗 New India Assurance (NIA) launched *Pay as You Drive* policy, which offers a comprehensive motor insurance policy that charges premium based on usage of vehicle.
- 🔗 Hyderabad-based *Azad Engineering Private Limited* became first Indian company to supply critical rotating parts for nuclear turbines, signing a long-term supply agreement with General Electric (GE) Steam Power for supply of nuclear turbine parts, to be assembled on nuclear turbines manufactured in Belfort (France).
- 🔗 India's Reliance Consumer Products Ltd (RCPL), partnered with Sri Lanka-headquartered Maliban Biscuit Manufactories Ltd, to strengthen reach and enhance its FMCG portfolio.
- 🔗 MobiKwik became first fintech firm to support RuPay Credit Cards on UPI, to enable customers to make UPI payments using RuPay Credit Cards.
- 🔗 RBI expanded scope of Trade Receivable Discounting System (TReDS platform) by *allowing use of insurance facilities, permitting entities eligible to undertake factoring business to participate as financiers on TReDS and allowing secondary market operations* on the platform. It will boost trade of receivables increasing cash flows to MSMEs.
- 🔗 RBI announced to launch pilot project including *QR Code-based Coin Vending Machine (QCVM)* in collaboration with few leading banks, to improve distribution of coins.
 - 🔗 QCVM will dispense coins against debit to customer's bank account using Unified Payments Interface (UPI), Unlike cash-based traditional Coin Vending Machines. It will eliminate need for physical tendering of banknotes and their authentication.
- 🔗 SBI Opened its 3rd dedicated branch for start-ups, in Gurugram, after first two in Bangalore & Chennai.
- 🔗 Ujjivan Small Finance Bank launched *Hello Ujjivan*, as India's first banking app with *voice, visual, and vernacular* enabled features, to assist individuals with limited reading and writing skills.
- 🔗 Bank of Maharashtra (BoM) emerged as top performer among state-owned banks in terms of loan growth percentage, for 10 consecutive quarters.
- 🔗 Kotak Mahindra Bank launched *fjn*, as an integrated portal for its business banking and corporate clients.
- 🔗 HDFC Bank and UAE-based financial services company Lulu Exchange partnered to strengthen cross-border payments between India and Gulf Cooperation Council (GCC) region.
- 🔗 Saraswat Bank partnered with Singapore based digital banking solutions provider *Tagit*, to implement omnichannel digital banking solutions for its customers.
- 🔗 Indian GDP Growth Forecasts (Feb 2023) -
 - 🔗 Morgan Stanley - 6.2 % in FY 2024 (2023-24).

17. ▶ NSE's index services subsidiary *NSE Indices Limited* launched India's first Municipal Bond Index, **Nifty India Municipal Bond Index**, which will track performance of municipal bonds issued by Indian municipal corporations across maturities and has investment-grade credit ratings.

- ✎ Presently, index has 28 municipal bonds issued by 10 issuers all having credit ratings in AA rating category. Index constituents are assigned weights based on their outstanding amount.
- 18. ▶ National Statistical Office (Ministry of Statistics and Programme Implementation) released -
 - ✎ **Quarterly GDP Estimates** for *October-December (Q3) of 2022-23* -
 - ✎ Real GDP at Constant (2011-12) Prices in Q3 (2022-23) is estimated to be 40.19 lakh crores, as against 38.51 lakh crores in Q3 (2021-22), showing growth of **4.4 %**
 - ✎ Earlier 4 Quarter GDP Growth -
 - ✎ Q2 FY 23 (2022-23) - 6.3 %
 - ✎ Q1 FY 23 (2022-23) - 13.5 %
 - ✎ Q4 FY 22 (2021-22) - 4.1 %
 - ✎ Q3 FY 22 (2021-22) - 5.4 %
 - ✎ Nominal GDP (GDP at Current Prices) in Q3 (2022-23) is estimated to grow at 11.20 %.
 - ✎ **Second Advance Estimates** of National Income **2022-23** -
 - ✎ Real GDP or GDP at Constant (2011-12) Prices in 2022-23 is estimated at 159.71 lakh crores, as against First Revised Estimates of GDP for 2021-22 of 149.26 lakh crore, estimating growth in real GDP during 2022-23 at **7.0 %**, as compared to 9.1 % in 2021-22.
 - ✎ Also, Nominal GDP (GDP at Current Prices) in 2022-23 is estimated to grow at 15.9 %, as compared to 18.4 % in 2021-22.
 - 19. ▶ RBI Announced hike in Key Monetary Policy Rates. New Rates -
 - ✎ Repo rate - **6.50 %** (Hiked by 25 basis points).
 - ✎ Standing Deposit Facility Rate - 6.25%
 - ✎ Marginal Standing Facility Rate - 6.75%
 - ✎ Bank Rate - **6.75 %**
 - ✎ Reverse Repo Rate - 3.35 %
 - ✎ CRR - 4.50 %
 - ✎ SLR - 18.00 %
 - ✎ History of Key rate Hikes throughout 2022 & 2023 -
 - ✎ 6.25% to 6.50% (08 Feb 2023)
 - ✎ 5.90% to 6.25% (21 Dec 2022)
 - ✎ 5.40% to 5.90% (30 Sep 2022)
 - ✎ 4.90% to 5.40% (8 Aug 2022)
 - ✎ 4.40% to 4.90% (8 June 2022)
 - ✎ 4.00% to 4.40% (4 May 2022)
 - ✎ GDP Growth Rate Projections -
 - ✎ Revised real GDP growth rate for FY 23 (2022-23) is 6.8 % (Compared to 7.0 % projected earlier), with Q3 and Q4 at 4.4 and 4.2 % respectively.
 - 20. ▶ RBI announced its second global hackathon **HARBINGER 2023 – Innovation for Transformation**, with theme **Inclusive Digital Services**.
 - ✎ Problem Statements include -
 - ✎ Innovative, easy-to-use, digital banking services for differently abled (Divyaang).
 - ✎ RegTech solutions to facilitate more efficient compliance by Regulated Entities (REs).
 - ✎ Exploring use cases/solutions for CBDC-Retail transactions, including transactions in offline mode.
 - ✎ Increasing Transactions Per Second (TPS)/ throughput and scalability of blockchains.
 - ✎ Winner will be felicitated with an amount of 40 lakh, while Runner-up will get 20 lakh.
 - 21. ▶ Tata Group owned **Air India** placed order for total **470** aircrafts with **Airbus** (250) and **Boeing** (220).
 - ✎ Order comprises 40 *Airbus A350*, 210 *Airbus A320/321 Neo*, 20 *Boeing 787*, 10 *Boeing 777-9* wide-body aircraft, and 190 *Boeing 737 MAX* single-aisle aircraft. It is largest aircraft order in history of Indian aviation.
 - ✎ Also, Air India also signed MoU with British Aero engine Manufacturer **Rolls Royce** for 68 *Trent XWB-97* engines, as biggest order for *Trent XWB-97* globally, which exclusively powers *Airbus A350-1000*. It will make Air India largest operator of *Trent XWB-97* in world.

Read Important Ones