



### Current Affairs - June 2021 to August 2021

Month

Type



- ▶ **114** Current Affairs were found in **Last Three Months** for Type - **Banking and Economy**.

#### 1. ▶ RBI Monetary Policy Rates as on Today (3-October-2021 )

- ▶ Repo Rate - 4.00 %
- ▶ Reverse Repo - 3.35 %
- ▶ Bank Rate - 4.25 %
- ▶ CRR (Cash Reserve Ratio) - 3.5 %
- ▶ SLR(Statutory Liquidity ratio) - 18.00 %
- ▶ Marginal Standing Facility (MSF) Rate - 4.25 %

### Economy

- ▶ RBI issued draft rule with modifications in existing regulation, related to foreign investment to discourage *round-tripping*.
  - ✎ As per draft, if any investment made outside India in an entity, in turn, invests in India will be treated as round-tripping if the purpose is to escape tax.
  - ✎ This is as same definition and rationale used by tax department under General Anti Avoidance Rule (GAAR), which companies have been complaining is quite broad in its scope.
- ▶ 15th Finance Commission recommended grants worth 2.37 Lakh Crores for Rural local bodies (RLBs/ PRIs) during 2021–22 to 2025–26. Out of which, 1.42 Lakh Crores has been recommended for water and sanitation.

3. ▶ *Pradhan Mantri Jan-Dhan Yojana (PMJDY) - National Mission for Financial Inclusion*, completed 7 years of successful implementation, on Aug 28, 2021.
  - ✍ So far, over 43 crore bank accounts have been opened under it, storing over 1.46 Lakh crores. Out of these accounts, 36.86 crore (86%) are operative.
  - ✍ 55% Jan-Dhan account holders are women and 67% Jan Dhan accounts are in rural and semi-urban areas.
4. ▶ *United States Agency for International Development (USAID) and US International Development Finance Corporation (DFC)* jointly sponsored a **\$50 million** loan guarantee for Indian women and small business borrowers by tying up with private sector lender **Kotak Mahindra Bank**
  - ✍ Under it, KMB will provide loans for on-lending to non-bank lenders in MSME and microlending space, likely to benefit 30000 women borrowers and 7500 MSMEs.
5. ▶ Amazon launched its first Digital Kendra in India in Surat (Gujarat), to enable MSMEs avail third party services including training on benefits of eCommerce, GST and taxation support, shipping and logistics support and digital marketing services.
6. ▶ An online platform for debt trading has been set up by 10 major Banks (including SBI, ICICI, Canara, Standard Chartered, Kotak Mahindra, Deutsche Bank, Bank of Baroda, PNB, Axis Bank and HDFC Bank), for trading of corporate loans in secondary market, Called *Secondary Loan Market Association (SLMA)*.
  - ✍ It has been formed on recommendation of RBI's Task Force on Development of Secondary Market for Corporate Loans.
7. ▶ As per Govt data related to Agriculture Trade -
  - ✍ Exports - USD 41.25 billion in 2020-21, compared to USD 35.16 billion in 2019-20 (17.34 % Increase).
  - ✍ Imports - USD 20.67 billion in 2020-21 , compared to USD 20.64 billion in 2019-20 (.002 % Increase).
  - ✍ Balance of Agri. Trade (Exports -Imports), improved from USD 14.51 billion in 2019-20 to USD 20.58 billion in 2020-21.
8. ▶ As per RBI -
  - ✍ India's external debt at end-March 2021 stood at US\$ 570 billion, with increase of US\$ 11.5 billion over end-March 2020.
  - ✍ External debt to GDP ratio increased to 21.1 %, compared to 20.6 % at end-March 2020.
9. ▶ As per RBI Data, For full year FY21, current account balance recorded a surplus of 0.9% of GDP, due to contraction in trade deficit to \$102.2 billion, from \$157.5 billion in FY20. This is first time that India has recorded an annual current account surplus in 17 years.
  - ✍ Balance of payment position improved due to large inflows in form of FDI and FPI. Net FDI inflows at \$44 billion in FY21, were higher \$43 billion in FY20. Net FPI also increased to \$36.1 billion in 2020-21.
10. ▶ As per RBI's Bi-monthly Monetary Policy Review -
  - ✍ RBI retained real GDP growth prediction at 9.5% for FY 21-22.

✎ Key Monetary Policy Rates also kept unchanged -

✎ Repo Rate - 4.00 %

✎ Reverse Repo - 3.35 %

✎ Bank Rate - 4.25 %

✎ CRR (Cash Reserve Ratio) - 4 %

✎ SLR(Statutory Liquidity ratio) - 18.00 %

✎ Marginal Standing Facility (MSF) Rate - 4.25 %

11. ▶ As per UNCTAD's World Investment Report 2021 -

✎ FDI in India -

✎ FDI In India stood at US\$ 64 billion in 2020, increase of 27 % over 2019. It makes Making India 5th largest FDI inflow receiver globally.

✎ The hike is attributed primarily to acquisitions in information and communication technology (ICT) industry.

✎ In Term of FDI Outflows, India ranks 18th, with outflows of US\$ 12 billion in 2020, compared to US\$ 13 billion in 2019.

✎ Global -

✎ Global FDI flows stood at US\$ 1 trillion in 2020, down from US\$ 1.5 trillion in 2019.

✎ Top FDI Inflow Nations - US, China, Hong Kong, Singapore, India

✎ Top FDI Outflow Nations - China, Luxembourg, Japan, Hong Kong, US

12. ▶ As per data by Ministry of Commerce and Industry -

✎ Highest ever merchandise exports of USD 95 billion in Q1 of 2021-22 has been achieved, which is 85% higher than exports of Q1 of 2020-21. Govt has set target of USD 400 billion merchandise exports in 2021-22.

✎ India received highest ever FDI inflow in 2020-21 of USD 81.72 billion, higher by 10% compared to USD 74.39 billion in 2019-20.

✎ Number of startups recognised by DPIIT has crossed 50,000 and is spread across 623 districts in India.













13. ▶ Bank of Maharashtra emerged at top among public sector lenders in terms of loan and deposit growth during FY 2020-21.

✎ It recorded 13.45 % increase in advances at Rs 1.07 lakh crores, followed by Punjab & Sind Bank (8.39 % growth).

✎ BoM's deposits also saw 16 % growth, most among PSBs.

14. ▶ Bharat Broadband Network Limited (BBNL), on behalf of Department of Telecommunication, invited global tender for Development (*Creation, Upgradation, Operation & Maintenance and Utilisation*) of **BharatNet**, through Public Private Partnership model in 9 separate packages across 16 states, for concession period of 30 years.


✎ Under this, Govt will provide maximum Grant of 19041 Crores, as Viability Gap Funding.


-  It shall cover estimated 3.61 lakh Villages across Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland and Arunachal Pradesh.
- 15. ▶ BharatPe launched *12% Club* app, to allow consumers to invest and earn up to 12 % annual interest or borrow at a similar rate, in partnership with LenDenClub (RBI-approved NBFC).
- 16. ▶ China overtook UAE to become India's second-largest export destination in FY21 (2020-21), after US.
  -  India's exports to China hiked by 28% in FY21 to over \$50 billion. While exports from India to UAE came down by 42% to \$17 billion.
- 17. ▶ Competition Commission of India (CCI) has imposed Penalty worth INR 200 Crores on Maruti Suzuki India Limited (MSIL), for indulging in anti-competitive conduct of Resale Price Maintenance (RPM) in passenger vehicle segment, by implementing Discount Control Policy with dealers.
  -  It was found that MSIL had an agreement with its dealers whereby dealers were restrained from offering discounts to customers beyond those prescribed by MSIL.
  -  If a dealer wanted to offer additional discounts, prior approval of MSIL was mandatory.
- 18. ▶ Competition Commission of India Approvals (July 2021) -
  -  Approved acquisition of *SB Energy Holding Limited* by *Adani Green Energy Limited*.
  -  Approved \$450 million investment from Japanese-conglomerate Softbank into Bundl Technologies, parent of Indain food tech Firm Swiggy.
  -  Approved acquisition of *Mukand Limited*, by Bajaj Sevashram, Bachhraj & Company, Bachhraj Factories and Sanraj Nayan Investments.
- 19. ▶ Competition Commission of India Approvals (June 2021) -
  -  Approved combination relating to BYJU'S (Think & Learn Private Limited)'s acquisition of Aakash Educational Services Limited (AESL).
    -  Edtech Startup Byju's had earlier acquired tutorial chain Aakash Educational Services (AESL) for \$950 million.
  -  Approved acquisition of 51% equity share capital in each of 3 Electricity Supply Companies of Odisha - *Western Electricity Supply Company of Odisha, Southern Electricity Supply Company of Odisha* and *Central Electricity Supply Company of Odisha*, by Tata Power Company.
    -  It relates to acquisition of 51% of equity share capital in each utility by TPCL from Grid Corporation of Odisha Limited (GRIDCO).
    -  Approved acquisition of Zuarinagar plant of Zuari Agro Chemicals by Paradeep Phosphates Limited.
- 20. ▶ Confederation of Indian Industry (CII) elected **T V Narendran** (CEO & MD of Tata Steel) as its new President for 2021-22.


21. ▶ Department for Promotion of Industry and Internal Trade (DPIIT) initiated a project on *Open Network for Digital Commerce* (ONDC), tasked to Quality Council of India (QCI).
- ✎ It aims at promoting open networks developed on open sourced methodology, using open specifications and open network protocols independent of any specific platform.
  - ✎ Govt has also set up a 9 member panel for development of an Open Network for Digital Commerce (ONDC), designed to curb digital monopolies.
22. ▶ Department of Animal Husbandry & Dairying (DAHD) has setup **Dairy Investment Accelerator** under its Investment Facilitation Cell, to provide dedicated focus towards promoting & facilitating investments in Indian Dairy sector, by serving as interface with investors and provide support across investment cycle.
23. ▶ Facebook announced new programme called *Small Business Loans Initiative*, launched in partnership with lending platform Indifi, to help Indian Small and Medium Businesses (SMBs) that advertise on Facebook to get quick access to credit through independent lending partners.
24. ▶ Finance Minister Nirmala Sitharaman and Lyonpo Namgay Tshering (Finance Minister of Bhutan) jointly launched BHIM–UPI in Bhutan.
- ✎ Bhutan is first country to adopt UPI standards for its QR deployment, and first neighbouring country to accept mobile based payments through BHIM App.
  - ✎ This launch also made Bhutan second country after Singapore to have BHIM-UPI acceptance at merchant locations.
25. ▶ Finance Minister Nirmala Sitharaman announced several measures to provide relief to diverse sectors affected by 2nd wave of COVID-19 pandemic.
- ✎ 17 measures amounting to 6,28,993 crores were announced, including two measures announced earlier - additional Subsidy for DAP & P&K fertilizers, and extension of Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) from May to November, 2021.
  - ✎ Announced Measures are -
    - ✎ **1.10 lakh crore Loan** Guarantee Scheme for COVID Affected sectors - Under this, additional credit of 1.1 lakh crore will be provided to businesses, including 50000 crores for health sector.
    - ✎ Emergency Credit Line Guarantee Scheme (**ECLGS**) -
      - ✎ Govt has expanded Emergency Credit Line Guarantee Scheme (ECLGS), launched as part of Aatma Nirbhar Bharat Package in May 2020, by Rs 1.5 lakh crores.
      - ✎ Under expanded scheme, limit of admissible guarantee and loan amount is proposed to be increased above existing level of 20% of outstanding on each loan.

 Overall cap of admissible guarantee is thus raised from Rs. 3 lakh crore to Rs. 4.5 lakh crores.


#### **Credit Guarantee Scheme** for Micro Finance Institutions -


 This new scheme aims to benefit small borrowers who are served by network of Micro Finance Institutions.

 Guarantee will be provided to Banks for loans to new or existing NBFC-MFIs or MFIs for on lending upto Rs 1.25 lakh to approximately 25 lakh small borrowers.

 Loans from banks to be capped at MCLR plus 2%. Maximum loan tenure will be 3 years, and 80% of assistance to be used by MFI for incremental lending. Interest rates will be at least 2% below maximum rate prescribed by RBI.


 It focuses on new lending, and not on repayment of old loans.

 Guarantee cover will be available for funding provided by MFIs to MFIs/NBFC-MFIs till March 31, 2022 or till guarantees for an amount of 7,500 crores are issued, whichever is earlier.

 Guarantee will be provided upto 75% of default amount for upto 3 years through National Credit Guarantee Trustee Company (NCGTC).

#### **Scheme for Tourists Guides/ Stakeholders** -

 This new scheme aims at providing relief to people working in tourism sector.


 Working capital/loans will be provided to people in tourism sector to discharge liabilities and restart businesses, covering 10700 Regional Level Tourist Guides and about 1000 Travel and Tourism Stakeholders (TTS).


 TTS's will be eligible to get a loan upto 10 lakh each while tourist guides can avail loan upto Rs 1 lakh each.


#### Free **one month tourist visa** to 5 lakh tourists -

 This new scheme aims at boosting tourism sector, envisaging giving free Visas to first 5 lakh Tourists visiting India.


#### **Extension** of Aatma Nirbhar Bharat Rozgar Yojana -

 ANBRY, which was launched on 1st Oct, 2020, incentivizes employers for creation of new employment, restoration of loss of employment through EPFO.


 Under this, subsidy is provided for 2 years from registration for new employees with wages under 15000 for both Employer's and Employee's share of contribution (total 24% of wages) for establishments upto 1000 employees; and only employee's share (12% of wages) in case of over 1000 employees.


 Govt has now extended date of registration under the scheme from 30-6-2021 to 31-03-2022.

#### **Additional Subsidy** for DAP & P&K fertilizers -

 Additional subsidy to farmers for DAP and P&K fertilizers was announced recently. Existing Nutrient Based Subsidy (NBS) was 27500 crores in FY 2020-21, which has been increased to 42275 crores in FY 2021-22.

 **Free food grains** under Pradhan Mantri Garib Kalyan Yojana (PMGKY) -


 Govt extended Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY-III) till Deepawali 2021 (Nov 4, 2021). Under it, over 80 crore people will continue to get decided amount of free food grain every month.

 Estimated financial implications of the scheme will Rs 93,869 crore, bringing the total cost of PMGKY to Rs 2,27,841 crores.

 **Strengthening Public Health -**

 23220 crores additional support for public health with emphasis on children and paediatric care/paediatric beds.

 **8 Special Measures for Boosting growth and employment -**

 Release of Climate Resilient Special Traits Varieties - ICAR has developed bio-fortified crop varieties having high nutrients. 21 such varieties of rice, peas, millet, maize, soyabean, quinoa, buckwheat, winged bean, pigeon pea & sorghum will be dedicated to the nation.


 Revival of North Eastern Regional Agricultural Marketing Corporation (NERAMAC) -

 NERAMAC was established in 1982 to support farmers of North-East in getting remunerative prices of agriculture produces.

 It proposes to set up North-Eastern Centre for Organic Cultivation, facilitating equity finance to entrepreneurs.

 A revival package of 77.45 crores has been announced to support and revive NERAMAC.

 33000 crores Boost for Project Exports through National Export Insurance Account (NEIA) -

 NEIA promotes Medium and Long Term project exports by providing covers to buyer's credit, given by EXIM Bank, to less credit-worthy borrowers and supporting project exporters.

 It has been decided to provide additional corpus to NEIA over 5 years, enable it to underwrite additional 33000 crores of project exports.


 88000 crores boost to Export Insurance Cover -

 Export Credit Guarantee Corporation (ECGC) promotes exports by providing credit insurance services.

 It has been decided to infuse equity in ECGC over 5 years to boost export insurance cover by Rs. 88,000 crore.

 19041 crores for Broadband to each Village through BharatNet PPP Model -

 Out of 250000 Gram Panchayats, 156223 Gram Panchayats have been made service ready by May 2021.

 It is proposed to implement BharatNet in PPP model in 16 States (bundled into 9 packages), on viability gap funding basis. For this, additional 19041 crores will be provided.

 Total outlay under BharatNet will be enhanced to Rs. 61,109 crore.

- ✎ 3.03 lakh crores for Reform-Based Result-Linked Power Distribution Scheme -
  - ✎ Revamped Reforms-Based power distribution scheme of financial assistance to DISCOMS was announced in Budget 2021-22, aiming at state specific intervention in place of “one size fits all”.
  - ✎ Under this, it is aimed to provide assistance for installation of 25 crore smart meters, 10000 feeders, 4 lakh km of LT overhead lines. Ongoing works of IPDS, DDUGJY and SAUBHAGYA will also be merged in the scheme.
  - ✎ Outlay for the scheme is 303058 crores, out of which Central Government’s share will be 97631 crores.
- ✎ Extension of Tenure of PLI Scheme for Large Scale Electronics Manufacturing -
  - ✎ PLI scheme provides incentive of 6% to 4% on incremental sales of goods under target segments that are manufactured in India, for a period of five years.
  - ✎ Incentives are applicable from 01.08.2020 with base year as 2019-20. However, amid pandemic, companies have been unable to achieve incremental sales condition.
  - ✎ It has been decided to extend the tenure of the scheme launched in 2020-21 by one year i.e. till 2025-26.
- ✎ New streamlined process for PPP Projects and Asset Monetization -
  - ✎ A new policy will be formulated for appraisal and approval of PPP proposals and monetization of core infrastructure assets, including through InvITs.
  - ✎ It will ensure speedy clearance of projects, as Current process for approval of Public Private Partnership (PPP) projects is long.

26. ▶ Finance Minister Nirmala Sitharaman launched 250 crores worth alternate investment fund (AIF), for small and mid-sized export-oriented companies, called *Ubharte Sitaare*. It is jointly sponsored by Exim Bank of India and SIDBI. While fund size is 250 crore, it will have a greenshoe option (over-allotment option) of Rs 250 crore.

- ✎ Launched from Lucknow (UP), this Fund will identify Indian enterprises with potential advantages that are currently underperforming or unable to tap their potential to grow.


27. ▶ Finance Minister Nirmala Sitharaman launched asset monetisation pipeline of Central ministries and public sector entities, **National Monetisation Pipeline (NMP Volumes 1 & 2)**, developed by NITI Aayog, based on mandate for *Asset Monetisation* under Budget 2021-22.

- ✎ Report on NMP has been organised into two volumes. Volume I is a guidance book, detailing conceptual approaches and potential models for asset monetisation. Volume II is actual roadmap for monetisation, including the pipeline of core infrastructure assets under Govt.



- ✎ NMP estimates monetisation potential of Rs 6.0 lakh crores through core assets of Central Government, over 4 years upto 2025. This includes more than 12 line ministries and more than 20 asset classes.
  - ✎ Top 5 sectors capture 83% of aggregate pipeline value. These include - Roads (27%) followed by Railways (25%), Power (15%), oil & gas pipelines (8%) and Telecom (6%).
28. ▶ Finance Minister Nirmala Sitharaman unveiled 4th edition of Public Sector Bank (PSB) Reforms Agenda 'EASE 4.0' for 2021-22 -
- ✎ As per annual report for PSB Reforms Agenda EASE 3.0 -
    - ✎ SBI, Bank of Baroda and Union Bank of India won awards for best performing banks for PSB Reforms EASE 3.0 based on the EASE index.
    - ✎ PSBs reported profits and accelerated on technology-driven reforms in 2020-21. PSBs reported profit of 31817 crore in FY21 as compared to loss of 26016 crore in FY20, as first year when PSBs have reported profit after five years of losses.
    - ✎ Gross NPA stood at 6.16 lakh crore as of March 2021, reduction of 62000 crore from March 2020 levels.
    - ✎ Credit@click was a flagship initiative under EASE 3.0. Nearly 4.4 lakh customers benefitted through such simplified credit access.
    - ✎ In FY21, PSBs collectively disbursed 40819 crores of fresh retail loans through leads sourced from several digital channels.
    - ✎ 72% of financial transactions happening at PSBs is now through digital channels.
    - ✎ Overall score of PSBs increased by 35% between March-2020 and March-2021, with average EASE index score improving from 44.2 to 59.7 out of 100.
  - ✎ Next edition of EASE reforms (EASE 4.0) aims to further agenda of customer-centric digital transformation into PSBs' ways of working -
    - ✎ It will additionally include *Dial-a-loan* doorstep facilitation, Promoting Processes automation, Co-lending with NBFCs etc.
  - ✎ Govt also approved Indian Banks' Association's (IBA) proposal to increase family pension to 30% of last salary drawn, taking family pension to 30000 to 35000 per family of bank employees. Govt also approved to increase employers contribution under NPS to 14% from 10%.
29. ▶ Finance Ministry allowed housing finance companies (HFCs) with asset size of over 100 crores to recover dues using SARFAESI law. Earlier, HFCs with assets over 500 crores were allowed to use SARFAESI law to recover dues.
30. ▶ Fintech firm PayU acquired India's First payment gateway **BillDesk**, for **\$4.7 billion**, as largest acquisition in India's digital payments space.
31. ▶ Flipkart launched *Shopsy* app, to enable over 25 million people to start online businesses by 2023. Shopsy users will be able to share catalogues of a wide selection of 15 crore products offered by Flipkart sellers.

32. ▶ Foreign exchange reserves of India crossed \$600 billion mark for the first time, making India get past Russia, to become 4th largest Forex reserve Holder. Top 3 - China, Japan, Switzerland.
33. ▶ GST revenue collected in July 2021 is **1.16 Lakh** crores of which CGST 22197 crores, SGST 28541 crores, IGST 57864 crores and Cess 7790 crores.
34. ▶ GST revenue collected in May 2021 is 1.03 Lakh crores (CGST 17592 crores, SGST 22653 Crores, IGST 53199 crores and Cess 9265 crores).
35. ▶ Govt kept interest rates unchanged on Small Savings Schemes for Q2 (July-Sept) of 2021-22 -



Scheme Name	Interest Rate
Post Office Savings Account	4%
5-Year Post Office Recurring Deposit (RD) Account	5.8%
Post Office Time Deposit (TD) Account – 1, 2, 3 Years	5.5%
Post Office Time Deposit Account (TD) – Five Years	6.7%
Post Office Monthly Income Scheme Account (MIS)	6.6%
Senior Citizen Savings Scheme (SCSS)	7.4%
Public Provident Fund (PPF)	7.1%

National Savings Certificates (NSC)	6.8%
Kisan Vikas Patra (KVP)	6.9%
Sukanya Samriddhi	7.6%

36. ▶ Govt hiked foreign direct investment (FDI) limit in pension fund management to 74% from 49%, under national pension system (NPS).
37. ▶ Gross GST revenue collected in June 2021 remained **92849** crores (CGST 16424 crores, SGST 20397 crores, IGST 49079 crores and Cess 6949 crores).
38. ▶ HDFC Bank launched overdraft facility for small retailers in partnership with CSC SPV, Known as ‘Dukandar Overdraft Scheme’, aimed at helping shopkeepers and merchants ease cash crunch amid Pandemic. Bank will provide OD Limit between 50000 - 10 Lakh under the scheme, as per profile.
39. ▶ Health insurer *Max Bupa* rebranded itself as *Niva Bupa*. This came after Max India, which owned 51 % in the insurer, sold its stake to True North in February 2019 for 510 crores.
40. ▶ ICICI Bank has cut India’s first set of *swaption* deals with HSBC and Standard Chartered Bank, initiating new era of risk management in India's interest-rate derivatives market, to draw more overseas funds into local debt assets.
- ✎ *Swaption* interest-rate derivative product helps both local borrowers and investors to rein in funding costs in a rising rate scenario and retain investment returns in a falling rate scenario.
  - ✎ In June 2019, RBI had issued guidelines for *swaption* deals. A swaption contract gives buyer the right, but not the obligation, to enter into an interest-rate swap deal.
41. ▶ ICICI Bank tied up with SWIFT to help overseas partner banks to send instant remittances on behalf of their customers to beneficiary in India. This makes ICICI Bank first bank in Asia-Pacific and 2nd globally to offer the facility, called ‘SWIFT gpi Instant’, for cross border inward payments.
42. ▶ India extended soft loan of USD 108.28 million to Eswatini (Swaziland) for construction of its Parliament building, through Exim Bank .
- ✎ India also extended a USD 100 million Line of Credit to Sri Lanka to help finance various projects in solar energy sector.

43. ▶ India overtook US to become 2nd most sought-after manufacturing destination globally, according to real estate consultant Cushman & Wakefield.
- ✎ China remains at Top, followed by India, US, Canada and Czech Republic.
44. ▶ India signed \$2.5 million project readiness financing (PRF) loan with Asian Development Bank, to support project preparation and design activities to upgrade major district roads in **Sikkim**.
45. ▶ India signed \$300 million loan agreement with *Asian Development Bank (ADB)*, as additional financing to scale up improvement of rural connectivity to help boost rural economy in **Maharashtra**, under project named *Maharashtra Rural Connectivity Improvement Project*.
46. ▶ India signed **\$250 million** Loan agreement with World Bank, for Second Dam Rehabilitation and Improvement Project (DRIP-2), which aims at improving safety and performance of dams across India.
- ✎ The project will be implemented in approximately 120 dams across the states of Chhattisgarh, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Odisha, Rajasthan, and Tamil Nadu.
47. ▶ India signed **\$32 Million** loan with World Bank for **Mizoram Health Systems Strengthening Project**, to improve management capacity and quality of health services in Mizoram.
48. ▶ India signed **\$484 million** loan agreement with Asian Development Bank (ADB), to improve transport connectivity and facilitate industrial development in Chennai–Kanyakumari Industrial Corridor (CKIC) in Tamil Nadu.
- ✎ CKIC is part of India’s East Coast Economic Corridor (ECEC), which stretches from West Bengal to Tamil Nadu and connects India to production networks of South, Southeast, and East Asia.
49. ▶ India signed **\$500 million** loan agreement with **Asian Development Bank** (ADB), to expand metro rail network in **Bengaluru**, with construction of two new metro lines totaling 56 km in length.
- ✎ Project will construct two metro lines, along Outer Ring Road and National Highway 44 between Central Silk Board and Kempegowda International Airport with 30 stations.
  - ✎ Additional \$2 million technical assistance grant from ADB will help state government formulate urban development plans and their implementing frameworks, focusing on TOD and multimodal integration.
50. ▶ India's NPCI International Payments Ltd (NIPL) partnered with UAE's oldest private bank *Mashreq Bank*, to launch Unified Payments Interface (UPI) payment system in **UAE**.
51. ▶ Indian Overseas Bank (IOB) became second most-valued listed public sector bank, with market capitalisation of over 50000 crores, surpassing PNB and BOB.
52. ▶ India’s billionaire investor Rakesh Jhunjhunwala announced to launch his own ultra-low-cost airline called **Akasa Air**, With 40 % ownership and an investment of USD 35 million.

53. ▶ India's first sectoral index in Agri commodities basket, named *GUAREX*, has been launched by National Commodity and Derivatives Exchange Limited (NCDEX).
- ▶ *GUAREX* is a price based sectoral index that tracks the movement in the futures contracts of guar gum refined splits and guar seed on a real-time basis. Weightage of guarseed and guar gum refined splits in the index will be 63 and 37 %, respectively.
54. ▶ IndusInd Bank and Karnataka Bank have been empanelled by RBI to act as an 'Agency Bank', enabling it to carry out transactions related to all kinds of government-led businesses.
55. ▶ Injeti Srinivas (IFSCA Chairperson) launched pilot run/soft launch of International Bullion Exchange, which is scheduled to go live on October 1, 2021 (Foundation Day of IFSCA).
- ▶ As announced in Budget 2020-21, International Financial Services Centres Authority (Bullion Exchange) Regulations 2020 were notified in December 2020, which cover Bullion Exchange, Clearing Corporation, Depository and Vaults.
  - ▶ International Bullion Exchange shall reportedly be *Gateway for Bullion Imports into India*, wherein all bullion imports for domestic consumption shall be channelized through it.
  - ▶ It is expected to bring all market participants at a common transparent platform for bullion trading and provide efficient price discovery and enable greater integration with other segments of financial markets and help establish India as a dominant trading hub.
56. ▶ International Financial Services Centres Authority (IFSCA) has issued a framework for Setting up and operating International Trade Finance Services Platform (ITFS) for providing Trade Finance Services at International Financial Services Centres (IFSCs).
- ▶ It will enable Exporters and Importers to avail various types of trade finance facilities at competitive terms, for their international trade transactions through a dedicated electronic platform (ITFS).
57. ▶ Japan announced USD 9.3 million worth of cold chain equipment and related assistance to India to help fight against COVID-19 pandemic.
58. ▶ Kandla SEZ has been awarded IGBC Platinum Rating, making it First Green SEZ to achieve IGBC Green Cities Platinum Rating for Existing Cities.
59. ▶ Kerala Financial Corporation (KFC) announced Scheme for funding up to 10 crores for startups, called *Startup Kerala*.
- ▶ It will support startups in all stages of their growth. Assistance will be 25 lakh for productisation, 50 lakh for commercialization and 100 lakh for scaling up.
60. ▶ Kerala Govt announced financial package of over approx 5650 crores to help revive state economy that has been reeling due to COVID-19 pandemic. It mainly aims to assist small-scale farmers and traders. Highlights -

- ✍ State Govt will provide subsidized loans and announced new loan schemes under Kerala State Financial Enterprise (KSFE) and Kerala Financial Corporation (KFC). State Govt will give subsidized loans and will bear 4% of interest of loans for 6 months for loans up to 2 lakh.
- ✍ MSMEs have been given a building tax exemption during facilitation period (Jul - Dec 2021).
- ✍ State Govt also decided to provide loans up to 1 crore at 5% interest rates for 500 business enterprises in a year, for entrepreneurs under age of 50.
- ✍ State announced a moratorium of 1 year for loans that will be taken by the small-scale enterprises from KFC.

61. ▶ LIC Cards Services launched a contactless prepaid gift card **Shagun**, in collaboration with IDBI Bank on RuPay platform, to foray into market of e-gift cards.
62. ▶ LIC launched centralized web-based workflow-based IT platform called *e-PGS*, to provide a centralized collection and payment accounting with high level of bank integration.
63. ▶ LIC launched mobile application *ANANDA (Atma Nirbhar Agents New Business Digital Application)*, for its distribution agents.
64. ▶ Life Insurance Corporation of India (LIC) will now have a Managing Director and Chief Executive Officer, instead of an Executive Chairman, after Finance Ministry amended LIC (Employees) Pension (Amendment) Rules.
65. ▶ MSME Ministry announced inclusion of Retail and Wholesale trades as MSMEs, to benefit 2.5 Crore Retail and Wholesale Traders. It will enable them to avail benefit of priority sector lending under RBI guidelines, and will allow them to register on Udyam Registration Portal.
66. ▶ Malaysia surpassed Indonesia to become India's biggest Crude Palm Oil (CPO) exporter in 2020-21, after Indonesia imposed heavy taxes on exports of edible oil. Malaysia's palm oil exports to India surged 238 % to 2.42 million tonnes in first seven months of 2020-21 marketing year.
67. ▶ Manila (Philippines) Based funding agency Asian Development Bank (ADB) approved **USD 112 million** loan to finance water supply infrastructure in **Jharkhand** State, named *Jharkhand Urban Water Supply Improvement Project*.
68. ▶ Misc. Corporate News (July 2021) -
  - ✍ ICICI Bank launched customized solutions for Doctors, titled *Salute Doctors*.
  - ✍ HDFC Bank launched *SalaamDilSey* initiative to show gratitude to doctors for their tireless service during pandemic.
  - ✍ Axis Bank partnered with Amazon Web Services (AWS), to power its digital transformation programme.
  - ✍ Indian Bank launched its flagship Business Mentoring Program *MSME Prerana*, in Maharashtra.
  - ✍ Vman Aviation and France's Airbus Helicopters signed first aircraft purchase order by a GIFT city (Gujarat International Finance Tech) based leasing company, under Atmanirbhar Bharat Abhiyan of India.

- ✍️ Razorpay partnered with Mastercard to launch *MandateHQ*, as a payment interface to help card-issuing banks to enable recurring payments for their customers.
- ✍️ Paytm launched *Postpaid Mini*, to provide small-ticket loans ranging 250 - 1000, in partnership with Aditya Birla Finance.
- ✍️ SBI General Insurance launched new health insurance plan named *Arogya Supreme*, designed to ensure that customers can have full health insurance coverage, including 20 basic covers and 8 optional covers.
- ✍️ Export Import Bank of India extended USD 35.26 million loan for a power transmission project being executed by Kalpataru Power Transmission in Senegal, under National Export Insurance Account (NEIA) scheme.
- ✍️ Adani Group completed takeover of Mumbai International Airport, becoming India's biggest airport operator with 8 airports. With this, Adani group's airports now account for 25% of total footfalls and 33% of air cargo in India.
- ✍️ Telangana Govt's business incubator *T-Hub* partnered with NITI Aayog's Atal Innovation Mission (AIM), to foster innovation and entrepreneurship across healthcare sector. T-Hub will run a three-month cohort-based programme - AIC T-Hub Foundation, for startups creating solutions in healthcare.
- ✍️ Federal Bank launched *FEDDY*, Artificial Intelligence-powered virtual assistant to help customers with banking-related queries.
- ✍️ LIC Launched *Arogya Rakshak Health Insurance* Plan, as a non-linked, non-participating, regular premium, individual plan. It provides fixed-benefit health insurance cover against certain specified health risks and provides timely support in case of medical emergencies.
- ✍️ Payments Firm Razorpay acquired artificial intelligence (AI)-based risk analysis platform TERA Finlabs.
- ✍️ Microsoft acquired San Francisco(US) Based *RiskIQ* for 500 Million USD, which is a provider of cybersecurity services, including malware and spyware monitoring and mobile app security.
- ✍️ Google Cloud launched its new Cloud Region in Delhi NCR (as 2nd in India), after 1st in Mumbai.
- ✍️ ICICI Bank and HPCL Launched Co-Branded Credit Card *ICICI Bank HPCL Super Saver Credit Card*.
- ✍️ Reliance Retail Ventures (RRVL) acquired majority stake in local search company Just Dial for 3497 crores. Reliance Retail will now hold 40.95% stake in Justdial.
- ✍️ Lending platform U GRO Capital signed co-lending partnership with Bank of Baroda, for lending to MSMEs.
- ✍️ Paisalo Digital has been selected by State Bank of India as its National Corporate Business Correspondent for financial inclusion by providing banking services through kiosks.
- ✍️ Bangalore International Airport signed 10 year partnership with IBM, to set up *Airport in a Box* platform, to help Bangalore Airport improve its productivity.

- ✎ Google-parent Alphabet announced to launch a new robotics company called *Intrinsic*, which will focus on building software for industrial robots. It will be carved out of X, Alphabet's Moonshot factory that houses futuristic firms.
- ✎ RBI imposed penalty of 5 crore on Axis Bank, for non-compliance with certain RBI directions.

69. ▶ Misc. Corporate News / Events (August 2021) -

- ✎ LIC Cards and IDBI Bank partnered to launch two variants of co-branded RuPay Credit Cards called Lumine Platinum and Eclat Select.
- ✎ Singapore based DBS and Temasek partnered to jointly launch a US\$500 million growth stage debt financing platform, called *EvolutionX Debt Capital*.
  - ✎ Notably, DBS has been named global winner for Most Innovative in Digital Banking by Financial Times publication, The Banker.
- ✎ Edtech platform BYJU'S acquired Singapore-based Great Learning which focuses on professional and higher education, for 600 million USD.
- ✎ Secure financial messaging services provider SWIFT launched SWIFT Go Service, which enables consumers to send fast and secure cross-border payments anywhere across world, from their bank accounts.
- ✎ RBI imposed penalty of 50.35 lakh on Nashik based Janalaxmi Co-operative Bank, for non-compliance with RBI directions on *Placement of Deposits with Other Banks by Primary (Urban) Co-operative Banks*.
- ✎ SEBI allowed payments banks to carry out activities of investment bankers, to provide easy access to investors to participate in public and rights issues by using various payment avenues.
- ✎ Education financing platform GyanDhan received NBFC license from RBI. It aims to disburse 650 crores worth of education loans in FY22.
- ✎ Canadian pension fund Ontario Municipal Employees' Retirement System (OMERS) acquired 19.4 % stake in India-based renewable power producer Azure Power Global for \$219 million, from International Finance Corporation and IFC GIF Investment Company.
- ✎ Suryoday Small Finance Bank (SSFB) launched *Health and Wellness Savings Account* to help customers manage their wealth and health, amid challenging covid-19 pandemic scenario.
- ✎ RBI imposed penalty of 1 Crore on Netherlands Based Cooperatieve Rabobank UA, for deficiencies in abiding by certain regulatory compliances.
- ✎ HCL Technologies' Became 4th Indian IT Firm to touch 3 Lakh Crores Market Cap, after TCS, Infosys and Wipro.
  - ✎ Also, HCL's CSR Arm HCL Foundation launched an online portal *My e-Haat*, to empower artisans and strengthen value chain of handicraft sector in India.





- ✎ Also, IT Firm Infosys crossed \$100 billion in market capitalisation, becoming 4th Indian company to do so, after Reliance Industries (\$140 billion), TCS (\$115 billion) and HDFC Bank (\$100.1 billion).
- ✎ Cryptocurrency exchange CoinDCX became India's first crypto unicorn, after raising \$90 million led by Facebook co-founder Eduardo Saverin's fund B Capital, valuing it at \$1.1 billion.
- ✎ Asian Development Bank began a green housing initiative in India aiming to reduce carbon emissions and conserve water and energy, through a tie-up with low cost housing financier IIFL Home Finance.
- ✎ Equitas Small Finance Bank launched *Equitech*, as a fintech accelerator programme aimed at start-up ecosystem.
- ✎ AU Small Finance Bank Launched app *AU 0101*, to provide consolidated banking services and its Brand Campaign *BADLAAV Humse Hai*.
- ✎ RBI partially lifted digital ban on HDFC Bank, which was put in December 2020, barring it from issuing new credit cards.
- ✎ HDFC Bank introduced *Green & Sustainable Deposits*, directed towards financing green and sustainable housing credit solutions, aimed at promoting environment conservation. It offers interest rates up to 6.55% p.a, for deposit period 36-120 months.
- ✎ SBI Life Insurance launched a unique age protection solution called *SBI Life eShield Next*, which enhances protection coverage as insured achieves life's milestones.
- ✎ TCS crossed 13-lakh-crore mark in market value, becoming 2nd Indian Company to do so after Reliance Industries.
- ✎ Kotak Mahindra Bank deployed a secure, Do It Yourself (DIY) Digital Repayment Platform called *Neo Collections*, for missed loan repayments, in a tie-up with Creditas Solutions.
- ✎ World Bank Group member IFC extended \$75 million support to Industrial real estate and logistics parks' developer IndoSpace's logistics, to develop logistics and industrial parks with an objective to enhance warehousing and supply chain infrastructure in India.
- ✎ Tata Power will set up India's first large scale battery storage of 50 megawatt hour (MWh) along with a 50 MW solar plant at Leh, with project valued at 386 crores.
- ✎ Karnatak Vikas Grameena Bank (KVGB) launched *Farmer Registration and Unified Beneficiary Information System (FRUITS)* portal, an e-governance project of government of Karnataka, to assist Farmers in availing crop loans and other facilities easily.
- ✎ Bharat Petroleum (BPCL) launched AI-enabled chatbot named *Urja* as a self-service platform for customers, for faster resolution of issues. URJA is first such chatbot in oil and gas industry in India, launched under Project Anubhav of BPCL.
- ✎ ICICI Bank's Germany Unit launched a digital and instant Blocked Account for students aspiring to study in Germany.
  - ✎ In a Blocked Account, students must keep a certain amount of money, in order to get a Balance Confirmation Certificate (BCC), a mandatory requirement for a student Visa in Germany.

- ✎ Bajaj Finserv received SEBI approval to start Mutual Fund business, paving way for it to set up an Asset Management Company (AMC).
- ✎ RBI imposed penalty of 3 crore on *Transaction Analysts (India)*, for contravention of certain provisions related to Issuance and Operation of PPIs.
- ✎ Flipkart-owned payments platform PhonePe received an insurance broking licence from IRDAI, enabling it to distribute insurance products from all insurance companies in India, on its platform.
- ✎ Payments system RuPay launched campaign titled *#FollowPaymentDistancing*, to promote and encourage contactless payments.
- ✎ LoanTap, Digital lender with its own NBFC, launched LIMITLESS Credit line backed Cards, in association with SBM Bank (State Bank of Mauritius) and Rupay network.

70. ▶ Misc. Corporate News / Events (June 2021) -


- ✎ e-pharmacy PharmEasy acquired Medlife, to make PharmEasy largest player in domestic online pharmacy sector.
- ✎ India Post Payments Bank and Mahindra Rural Housing Finance partnered for cash management solutions, enabling IPPB to offer cash management and collection services to MRHFL through its access points and postal service providers.
- ✎ RBI imposed penalty of 2 crore on Punjab National Bank and 4 crores on Bank of India, for non-compliance with certain RBI Norms.
- ✎ DBS Bank has been named by Forbes at top, out of 30 domestic and international banks in India for 2nd consecutive year.
- ✎ HDFC Bank announced its plans to become carbon-neutral by 2031-32.
- ✎ SBI launched collateral-free *Kavach Personal Loan*, to enable customers to meet medical expenses for Covid treatment. Under it, customers can avail loans up to 5 lakhs at effective interest rate of 8.5 % per annum.
- ✎ Payments services provider BharatPe acquired multi-brand loyalty platform *PAYBACK India*.
- ✎ IndusInd Bank launched *Easy Credit* digital lending platform to enable customers to meet financial requirements, from their homes.
- ✎ ICICI Bank launched *ICICI STACK for Corporates*, as a comprehensive set of digital banking solutions for corporates and their entire ecosystem.
- ✎ As per Bank for International Settlements, Indian banks' credit-to-GDP ratio rose to 5 year high of 56% in 2020, having total outstanding bank at \$1.52 trillion in India. Higher credit-to-GDP ratio indicates aggressive and active participation of the banking sector in real economy.
- ✎ SBI Card partnered with Fabindia, a retail platform for a wide range of handcrafted products by artisans, to launch an exclusive co-branded contactless credit card.
- ✎ Paisabazaar.com and SBM Bank India Jointly launched *Step Up Credit Card*, a credit builder product designed for consumers with limited access to formal credit, due to ineligible credit score.

 Bharti Airtel partnered with Tata group's TCS, for implementing 5G network solutions for India.


 Fertiliser cooperative IFFCO will set up a nano urea liquid manufacturing plant in Argentina, in partnership with *Instituto Nacional de Asociativismo y Economia Social (INAES)* and *Cooperative Confederation of Argentina 'Cooperar'*.

71. ▶ NITI Aayog recommended divesting government stake in Central Bank of India and Indian Overseas Bank (IOB) as part of privatisation initiatives announced in Union Budget.

72. ▶ National Asset Reconstruction Company Ltd (NARCL) has been incorporated (also called bad bank), by Corporate Affairs Ministry.

 It aims at becoming one-stop solution for stressed banking systems assets. Under first phase, 22 stressed accounts amounting 89000 crores have been identified to be transferred to NARCL.

73. ▶ National Commodity and Derivatives Exchange (NCDEX) launched India's first sectoral indices in agri-commodities space namely **GAUREX** and **SOYDEX**.

 GUAREX is a return-based index. It will track price movement in futures contracts of its guar gum refined splits and guar seed on a real-time basis. Weightage of guar gum refined splits will be 36.57 % and guar seed will be 63.43 %.

 SOYDEX will follow price changes in futures contracts of refined soy oil and soybean. Weightage of refined soy oil will be 32.08 % and soybean will be 67.92 %.


74. ▶ National Insurance Company (NICL) launched a new facility, to enable Yak farmers in remote Himalayas to insure their Yaks. Yak Farmers incur regular losses due to deaths of the animal, in harsh environment.

75. ▶ National Statistical Office (under Ministry of Statistics and Programme Implementation) released estimates of Gross Domestic Product (GDP) for **first quarter (April-June) Q1 of 2021-22**, both at Constant (2011-12) and Current Prices-

 GDP at Constant (2011-12) Prices in Q1 of 2021-22 is estimated at 32.38 lakh crores, as against 26.95 lakh crores in Q1 of 2020-21, showing Growth of **20.1 %**. Growth in earlier 4 Quarters -


 Q4 of FY 2020-21 - 1.6 %

 Q3 of FY 2020-21 - 0.4 %


 Q2 of FY 2020-21 - (-7.5) %

 Q1 of FY 2020-21 - (-23.9) %

 Overall, India's GDP contracted by 7.3% in 2020-21

 GDP at **Current Prices** in Q1 of 2021-22 also shown growth **31.7 %**.

76. ▶ Newly elected Tamil Nadu Govt presented State budget for FY 22 (2021-22) -

 Expenditure for 2021-22 is estimated to be Rs 329035 crores, increase of 12.9% over actual expenditure in 2019-20 and 7.5 % over revised expenditure for 2020-21.

- ✎ Tax on petrol will be reduced by three rupees per litre, estimated to cause a revenue loss of Rs 1,160 crore a year.
- ✎ Around eight lakh houseless families in rural areas will be provided with a house in 5 years.
- ✎ Implementation of Old Age Pensions scheme will be overhauled and its coverage expanded to all deserving beneficiaries.
- ✎ A wage employment scheme will be implemented on a pilot basis to provide gainful employment to urban poor, with initial allocation 100 crores.
- ✎ Notably, Tamil Nadu presented a separate agricultural budget for FY 22, becoming third state to present a separate farm budget, after Karnataka and Andhra Pradesh.

- ✎ Introduced a scheme with a total outlay of 1245 crores, named after former CM of Tamil Nadu M Karunanidhi (Kalaigarin Anaithu Grama Orunginaintha Velaan Valarchi Thittam).

- ✎ To promote organic farming, State government will implement 'Organic Farming Development Scheme' at a cost of 33 crores.

77. ▶ Online Insurance aggregator Policybazaar received IRDAI approval to undertake insurance broking Business, to help expand its services. It will now surrender its web aggregator licence to IRDAI, to onboard new set of services.

78. ▶ PM Narendra Modi launched digital payment solution **e-RUPI**, as a person and purpose specific digital payment solution.

- ✎ e-RUPI is a cashless and contactless instrument for digital payment. It aims to ensure that money is being used for the purpose for which any help or any benefit is being provided.

- ✎ e-RUPI is a digital voucher which a beneficiary gets on his phone in form of an SMS / QR code. It is a pre-paid voucher, redeemable at any centre that accepts it.

79. ▶ Pension Fund Regulatory and Development Authority (PFRDA) increased maximum entry age of NPS (National Pension System) from 18-65 years to 18-70 years, to senior citizens, who are planning to be a part of NPS.

80. ▶ RBI Bi-Monthly Monetary Policy statement -

- ✎ RBI has cut its real GDP growth forecast for FY 22 (2021-22) to 9.5 %. It predicts economy to grow at 18.5 % in Q1, 7.9 % in Q2, 7.2 % in Q3 and 6.6 % in Q4.

- ✎ Policy rates have been kept unchanged at -

- ✎ Repo Rate : 4.00%

- ✎ Reverse Repo Rate : 3.35%

- ✎ Marginal Standing Facility Rate : 4.25%

- ✎ Bank Rate : 4.25%

- ✎ CRR : 4.00%

- ✎ SLR : 18.00%

81. ▶ RBI announced *Retail Direct* scheme, as a one-stop solution to facilitate investment in government securities (G-secs) by individual investors.
- ✎ Under this, retail investors can open and maintain *Retail Direct Gilt Account* (RDG Account) with RBI, through which they can directly buy and sell government securities (G-Secs), both primary and secondary.
82. ▶ RBI announced a separate on-tap liquidity window of Rs 15,000 crores, to help ailing businesses in contact intensive sectors. It has been opened till March 31, 2022, with tenors up to 3 years at repo rate.
83. ▶ RBI announced that benchmark securities of tenor 2, 3, 5, 10, 14-year tenor and Floating Rate Bonds (FRBs) will be, henceforth, issued using uniform price auction method.
- ✎ For other benchmark securities i.e. 30-year and 40-year, the auction will continue to be multiple price-based auction.
  - ✎ Under uniform price auction method, all successful bidders are required to pay for allotted quantity of government securities at the same rate, which is the auction cut-off rate.
84. ▶ RBI approved Government of UT of Ladakh to acquire 8.23 % stake in Jammu and Kashmir Bank.
85. ▶ RBI asked banks and financial institutions to use any widely accepted alternative reference rate (AAR) instead of LIBOR (London Interbank Offered Rates), as reference rate for entering into new financial contracts.
- ✎ Recently, Financial Conduct Authority (UK) announced that all LIBOR settings would either cease to be provided by any administrator or would no longer be representative.
  - ✎ RBI also advised financial institutions to cease using Mumbai Interbank Forward Outright Rate (MIFOR), a benchmark which references the LIBOR, latest by December 31, 2021.
86. ▶ RBI barred **Mastercard** from issuing new credit, debit and prepaid cards in India, for its failure to comply with its data storage norms.
- ✎ This action has been taken under Section 17 of Payment and Settlement Systems Act 2007.
  - ✎ RBI clarified that this will not impact existing Mastercard customers in India.
87. ▶ RBI cancelled Banking licence of Panvel (Raigad District), Maharashtra based Karnala Nagari Sahakari Bank. With this, process of paying the depositors of Bank will begin. as per DICGC Act 1961, up to 5 Lakh.
88. ▶ RBI cancelled licence of *Dr Shivajirao Patil Nilangekar Urban Co-operative Bank* (Latur, Maharashtra), stating it does not have adequate capital and earning prospects to carry on banking business.
89. ▶ RBI cancelled licence of Margao (Goa) based Madgaum Urban Co-operative Bank, ceasing it from carrying on banking business.
- ✎ Depositors get their money as per DICGC Act 1961, with ceiling 5 lakh per depositor.
90. ▶ RBI extended risk-based internal audit (RBIA) system to select housing finance companies to enhance quality of their internal audit system.

 RBI had earlier mandated RBIA framework for select NBFCs and urban co-operative banks by March 31, 2022.


 Now, RBI has extended the provisions issued for NBFCs to all deposit-taking housing finance companies (HFCs) also.

91. ▶ RBI granted *in-principle* approval to **Centrum Financial Services Limited** to set up a small finance bank, which will take over Troubled Punjab and Maharashtra Cooperative Bank (PMC Bank).

 As of now, 11 Small Finance Banks are Operational in India.

92. ▶ RBI included street vendors identified as part of PM Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi Scheme) in tier-1 and tier-2 centres as beneficiaries under *PIDF* (Payments Infrastructure Development Fund) Scheme.


 Street vendors in tier-3 to tier-6 centres will continue to be covered under the Scheme.

 PIDF Scheme was announced by RBI in January 2021, to encourage deployment of Points of Sale (PoS) infrastructure (both physical and digital modes) in tier-3 to tier-6 centres and northeastern states.


93. ▶ RBI increased limit of fund transfer under Indo-Nepal Remittance Facility Scheme from Rs 50,000 per transaction to Rs 2 lakh per transaction. limit of 12 transactions in an year has also been removed.


 However, for cash-based transfers under Indo-Nepal Remittance Facility, per transaction limit of Rs 50,000 and annual limit of 12 Transactions, will still persist.

94. ▶ RBI issued Digital Payments Index (RBI-DPI) Rating 2021 for March 2021, which stands at 270.59 as against 207.84 for March 2020.

 RBI had earlier announced construction of a composite DPI rating, with March 2018 as base (100) to capture extent of digitisation of payments across country.

95. ▶ RBI issued its first **financial inclusion index**, to measure extent of financial inclusion in India.


 FI-Index is conceptualised as a comprehensive index incorporating details of banking, investments, insurance, postal and pension sector. It comprises of three broad parameters Access (35%), Usage (45%), and Quality (20%), with each of these consisting of various dimensions, computed based on a number of indicators.

 FI-Index has been constructed without any 'base year', and reads **53.9** for period ending **March 2021**, against 43.4 for period ending March 2017. It will be published annually in July every year.

96. ▶ RBI launched *Scheme of Penalty for non-replenishment of ATMs*, under which it will impose monetary penalties on ATMs/WLAs that run out of cash, effective from October 01, 2021.

 Cash-out at any ATM of more than ten hours in a month will attract a flat penalty of 10000 per ATM.

97. ▶ RBI notified enhancement of collateral free loans to self-help groups (SHGs) from **10** to **20 lakh** under Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM).

 DAY-NRLM is flagship programme of Govt, for promoting poverty reduction through building strong institutions of poor, and enabling them to access a range of financial services and livelihoods.


98. ▶ RBI ranked 2nd in terms of reserves transferred to government as a percentage of gross domestic product (GDP) for FY 2020-21, after Turkey.

 RBI transferred 99122-crore surplus to government for FY21, 73% higher than 57128 crores paid in 2019-20.

99. ▶ RBI revoked deposit-taking status of Dewan Housing Finance (DHFL), the first financial services firm to go for bankruptcy proceedings, and has reclassified it as a non-deposit taking housing finance company, before approving Piramal group's bid to take over it.

100. ▶ RBI updated rules for extending loans to directors of other banks and relatives of directors. Banks may now extend personal loans up to 5 crores to directors of other banks and directors' relatives other than spouses without board approval (up from earlier limit of 25 lakh).

101. ▶ RBI will put in place a *Platform for Regulated Entities for Integrated Supervision and Monitoring* (PRISM), a web-based end-to-end workflow automation system, to strengthen compliance by supervised entities (SEs).

 This is aimed at helping supervised entities to strengthen their internal defences and resilience and bringing focus on root cause analysis.

102. ▶ Rajasthan Govt introduced *Indira Gandhi Urban Credit Card Scheme*, to provide interest-free loan up to 50000 to street vendors, people in age group of 18-40 years working in service sector and unemployed of urban areas hit by Covid-19-induced financial crisis.

103. ▶ SBI launched *Aarogyam* healthcare business loan to provide enhanced support to healthcare sector amid the pandemic. Under this, entities in healthcare ecosystem can avail loans up to 100 crores, repayable in 10 years.


104. ▶ Small Industries Development Bank of India (SIDBI) launched programme *Digital Prayaas*, an App-based end to end digital lending tool platform, to facilitate loans to entrepreneurs from low-income groups, with objective to sanction a loan by the end of the day.

105. ▶ Small Industries Development Bank of India (SIDBI) provided the first approval under SIDBI **Cluster Development Fund** (SCDF), to Tamil Nadu Govt, for financing up to INR 524 Crores, to strengthen MSME clusters in State.

 Tamil Nadu is the first State to get funding under the SIDBI Cluster Development Fund.

106. ▶ Stock exchange BSE has set up a wholly-owned subsidiary *BSE Administration & Supervision Ltd (BASL)*, for carrying out administration and supervision activities of all Sebi-registered investment advisors.

107. ▶ UK's *Cairn Energy* secured a French Court order to seize several properties of Indian Government in France, to recover a part of USD 1.7 billion arbitration award. The Dispute -

 In 2006-2007, Cairn UK transferred shares of Cairn India Holdings to Cairn India. Indian Income tax authorities ruled that since Cairn UK has made capital gains, it must pay capital gains tax up to 24500 crores.

 However, Cairn Energy interpreted Indian laws on capital gains differently and refused to pay.

- ✎ Due to this, several rounds of litigation at High Court and Income-Tax Appellate Tribunal (ITAT) followed. Cairn Energy lost case at ITAT and a case on valuation of capital gains is pending before Delhi High Court.
  - ✎ Later in Dec 2020, Permanent Court of Arbitration at The Hague (Netherlands) ruled that Indian government was wrong in applying retrospective tax on Cairn. It asked Indian Government to return USD \$1.2 billion-plus interest and penalty to Cairn, amounting to approx 1.7 Billion USD.
108. ▶ Uttar Pradesh Govt approved proposal for 4480 crore loan from Punjab National Bank, for financing 594-km long Ganga Expressway project, India's 2nd longest expressway, which involves investment of approx 36000 crores.
- ✎ Ganga Expressway Phase-1 will connect Bijauli village on NH-334 in Meerut district with Judapur Dandu village on NH-19 in Prayagraj District.
  - ✎ It will pass through 12 districts of Uttar Pradesh - Meerut, Hapur, Bulandshahr, Amroha, Sambhal, Budaun, Shahjahanpur, Hardoi, Unnao, Raebareli, Pratapgarh and Prayagraj.
109. ▶ West Bengal Govt presented State Budget for FY 2021-22 (on July 7, 2021) -
- ✎ Expenditure estimated to be Rs 3,08,727 crore, an annual increase of 18% over the actual expenditure in 2019-20.
  - ✎ Tax proposals - Stamp duty for registration of sale or lease of land, houses, or flats will be reduced by 2% and market value for their registration will reduced by 10%.
  - ✎ Lakshmir Bhandar scheme will provide monthly support of 1000 to women from scheduled caste/tribe household and 500 to general category women.
  - ✎ New Krishak Bandhu Scheme will provide support to farmers (5000 to 10000 per acre). In addition, it provides for a one-time grant of 2 lakh rupees to family members of a farmer of 18 to 60 years of age in case of untimely death. Scheme has annual outlay of 3600 crore.
  - ✎ Student Credit Card Scheme: - Low interest loans will be provided to students at 4% and there will be a moratorium till one year after the completion of course of study.
110. ▶ Wipro Became 3rd Indian IT firm to achieve INR 3 trillion market capitalisation, after Tata Consultancy Services and Infosys.
- ✎ Reliance Industries is India's most valued company, with market cap of 14.05 trillion, followed by TCS (11.58) and HDFC Bank (8.33).
111. ▶ World Bank Group Member International Finance Corporation (IFC) provided loan of \$250 million to Indian Firm HDFC, to promote affordable green housing finance for low and middle income borrowers.
112. ▶ World Bank approved **\$125 million** Loan for **Resilient Kerala Program**, to support Kerala's preparedness against natural disasters, climate change impacts, disease outbreaks, and pandemics.



113. ▶ World Bank approved **USD 500 million** *Raising and Accelerating Micro, Small and Medium Enterprise (MSME) Performance (RAMP)* Program, to help boost India's MSME sector, targeting improvements in performance of 5.5 lakh MSMEs.

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