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GK DIGEST

Prepared by:

Ramandeep Singh

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Table of Contents

RBI Extends Payments Infrastructure Development Fund Scheme Till 2025.....	2
About	2
“RBI Cancels Licences of Botad Peoples Co-operative Bank and Adarsh Mahila Nagari Sahakari Bank”	2
Key Points.....	3
CBI & Kisetsu Saison Finance Partners for MSME Loan	3
Key Highlights.....	3
RBI proposes new dividend payment rule for banks, lenders with lower NPAs may offer higher dividends.....	3
Details	3
RBI has issued guidelines for inoperative accounts and unclaimed deposits	3
Key Facts	3
RBI grants Payment Aggregator Licence to Tata Pay & DigiO4	4
About	4
RBI penalises five Gujarat-based cooperative banks.....	4
key Points.....	4
RBI Issues Master Direction on Commercial Paper & Non-Convertible Debentures 2024	4
Details	4
Bajaj Finserv launched India’s First Credit Pass, Powered by CIBIL	4
Key Highlights.....	4
Customer Complaints should be communicated in 30 days: RBI IO for RE Directions, 2023.....	5
Key Facts	5
SBI raises USD 250 million through Green Bonds to Finance Green Projects.....	5
About	5
The definition of politically exposed persons has been revised by RBI for KYC purposes	5
Details	5
IRDAI Eases Norms for Investment in Infrastructure by Insurance Companies	5
Key Facts	5

RBI doubles Minimum Capital Requirement to Rs 200 cr for SFBs.....	6
Key Highlights	6
IndusInd Bank introduces Samman RuPay Credit Card for Government Employees	6
Key Points	6
OB Introduced Savings Account Portability Online Scheme to Transfer Savings Account Online	6
About	6
Kotak Mahindra Life launches unit-linked term insurance plan	7
Details	7
Zerodha Fund House Launches India’s 1st Growth Liquid ETF Scheme	7
Key Facts	7
Karnataka Bank & Digivridhi Partners to offer Financial Service to Dairy Farmers	7
Key Highlights	7
RBI imposes penalties on Dhankaxmi Bank, Punjab & Sind Bank and ESAF Small Finance Bank	7
Key Points	7
SBI raising USD 300mn through medium Term bonds; S&P and Fitch assigned BBB Rating	8
About	8
SBI Launches Green Rupee Term-Deposit FD Scheme.....	8
Details	8
ISB’s DLabs, RBI Innovation Hub, and Union Bank Launch ‘Build for Billions	8
Key Facts	8
ICICI Bank Canada Launches “Money2India (Canada)”, a Mobile Banking App	9
Key Highlights	9
KBL and NBFC Clix Capital Enter Co-Lending Partnership for MSME.....	9
Key Points	9
RBI Cancels Licence of Karnataka’s Hiriyyur Urban Co-Op Bank	9
About	9

CCI Approves Amalgamation of Shriram LI Holdings with Shriram Life Insurance9
 Details 10

RBI’s working group has proposed framework for State guarantees 10
 Key Facts 10

Bank of Baroda Launched ‘BoB 360 Term Deposit Scheme’ with High-Interest Rates 10
 Key Highlights..... 10

ICICI Prudential Life Launched ICICI Pru Guaranteed Pension Plan Flexi 10
 Key Points..... 10

CCI approves merger of Fincare Small Finance Bank with AU Small Finance Bank..... 10
 About 11

HDFC Bank is the first bank to cross the milestone of 2 crore credit cards-in-force 11
 Details 11

SBI Life has Launched ‘Saral Swadhan Supreme’ and ‘Smart Swadhan Supreme’ 11
 About 11

SEBI releases Framework for Offer for Sale to employees through Stock Exchange 11
 Key Points..... 11

Reliance Home Finance headed for voluntary liquidation, surrenders CoR 12
 Key Highlights..... 12

Zomato has received final approval from RBI to operate as online payment aggregator 12
 Details 12

RBI has revised eligibility norms for Urban Co-operative Banks (UCBs) 12
 Key Facts 12

Canara HSBC Life Insurance Launches iSelect Guaranteed Future Plus 12
 About 12

WB introduces USD 100mn Plastic Waste Reduction-Linked Bond to Tackle Plastic Pollution 12
 Key Points..... 13

BOB Financial Solutions rebranded as “BOBCARD Limited” 13
 Key Highlights 13

NSRCEL IIM-B and SIDBI Launch Accelerator Fund for Startups..... 13
 Details 13

RBI bars Paytm Payments Bank from accepting deposits after February 29..... 13
 About 13

Banking Awareness Question Bank: January 2024..... 13

BANKING & FINANCIAL AWARENESS GK DIGEST: JANUARY 2024

RBI EXTENDS PAYMENTS INFRASTRUCTURE DEVELOPMENT FUND SCHEME TILL 2025

Current Context: The Reserve Bank of India (RBI) has extended the Payments Infrastructure Development Fund (PIDF) scheme until December 31, 2025.

ABOUT

- It is **designed to offer financial aid to banks and non-bank financial companies (NBFCs)** for the deployment of point-of-sale terminals and other payment acceptance infrastructure.
- The scheme **aims to encourage the deployment of digital payment infrastructure** in North Eastern states, Jammu & Kashmir, Ladakh, and tier-III to VI centres.
- This extension **aims to continue fostering financial inclusion and supporting the country’s payment infrastructure.**

“RBI CANCELS LICENCES OF BOTAD PEOPLES CO-OPERATIVE BANK AND

ADARSH MAHILA NAGARI SAHAKARI BANK”

Current Context: On December 29, 2023, the Reserve Bank of India (RBI) cancelled the licences of two cooperative banks, one in Gujarat and one in Maharashtra.

KEY POINTS

- The **RBI cancelled its licence due to inadequate capital and earning prospects**. The bank had a negative net worth of ₹16.6 crore as of September 30, 2023.
- The **RBI cancelled its licence due to the same reasons** as the Botad Peoples Co-operative Bank.
- **The bank had a negative net worth of ₹63.2 crore** as of September 30, 2023. It had also been classified as a "weak" bank by the RBI since April 2022.

CBI & KISETSU SAISON FINANCE PARTNERS FOR MSME LOAN

Current Context: The Central Bank of India (CBI) and Kisetu Saison Finance have entered into a strategic co-lending partnership to offer loans to Micro, Small, and Medium Enterprises (MSMEs) on 28th December 2023.

KEY HIGHLIGHTS

- This co-lending arrangement is expected to result in a greater expansion of the portfolio by both entities.
- Co-lending or co-origination is a setup where banks and non-banks jointly contribute credit for priority sector lending.
- In this arrangement, both banks and Non-Banking Financial Companies (NBFCs) share the risk in a ratio of 80:20, with 80% of the loan with the bank and a minimum of 20% with the non-banks.

RBI PROPOSES NEW DIVIDEND PAYMENT RULE FOR BANKS, LENDERS WITH LOWER NPAS MAY OFFER HIGHER DIVIDENDS

Current Context: The Reserve Bank of India (RBI) recently proposed a new dividend payment rule for banks, aiming to reward lenders with lower non-performing assets (NPAs) with higher dividend payouts. This move is expected to incentivize banks to improve their asset quality and strengthen their financial stability.

Banking & Financial Awareness GK Digest January 2024

DETAILS

- Here are the **key takeaways of the proposed rule:**
- **Lower NPA threshold for dividend eligibility:** Previously, banks needed to have a net NPA ratio of up to 7% to be eligible for dividend declaration. The new rule proposes lowering this threshold to 6%. This means banks with better asset quality will have greater flexibility in distributing profits to shareholders.
- **Graded dividend payout based on NPA:** The proposal introduces a graded dividend payout system. Banks with the lowest NPA ratios (0%) would be allowed to pay out up to 50% of their profits as dividends, while those with higher NPA ratios would face restrictions. This incentivizes banks to actively manage their bad loans and maintain a healthy financial position.
- **Maintaining capital adequacy:** The new rule reiterates the importance of banks meeting the applicable regulatory capital requirements for the past three years before declaring dividends. This ensures that banks prioritize maintaining sufficient capital buffers to absorb potential losses.

RBI HAS ISSUED GUIDELINES FOR INOPERATIVE ACCOUNTS AND UNCLAIMED DEPOSITS

Current Context: The Reserve Bank of India (RBI) has indeed issued fresh guidelines to reduce the quantum of inoperative bank accounts and unclaimed deposits on January 1, 2024. The revised instructions will come into effect from April 1, 2024.

KEY FACTS

- Here are **some key points from the guidelines:**
- **Banks are required to undertake at least an annual review of accounts** where there are no customer-induced transactions for more than a year.
- The **guidelines focus on tracing customers and reducing fraud risk**.
- Banks are required **to contact the holder(s) of the inoperative account/unclaimed deposit through letters, email, or SMS**.
- Banks are required **to credit interest on savings accounts regularly irrespective of the fact that the account is in operation or not**.

- **No charges** shall be levied for activation of inoperative accounts.

RBI GRANTS PAYMENT AGGREGATOR LICENCE TO TATA PAY & DIGIO

Current Context: The Reserve Bank of India (RBI) granted the payment aggregator licence to Tata Pay and DigiO on January 1, 2024.

ABOUT

- This licence will **enable Tata Payments to facilitate e-commerce transactions through its platform.**
- **Tata Payments** is held through Tata Digital, the group's subsidiary entity, which houses its digital businesses.
- With **this licence, Tata can power all e-commerce transactions** within its subsidiary entities, which will **help it manage funds better.**
- In addition to **Tata Pay, Bengaluru-based identity verification startup DigiO**, backed by Groww, has also secured the payment aggregator licence as of January 1.
- **DigiO powers digital identification** for multiple fintechs and will be able to bundle in-payment services on top of it.
- This **development places Tata Pay and DigiO** alongside other platforms like **Google Pay, Razorpay, and Cashfree** that have secured the much sought-after licence.

RBI PENALISES FIVE GUJARAT-BASED COOPERATIVE BANKS

Current Context: The Reserve Bank has penalised five Gujarat-based cooperative banks for various lapses in complying with its regulations, with penalties varying from Rs 50,000 to Rs 5 lakh on each of them over the past one month.

KEY POINTS

- **Shree Bharat Co-operative Bank, Vadodara:** Penalized with Rs. 5 lakh.
- **Bhuj Commercial Co-operative Bank, Kachchh:** Penalized with Rs. 1.5 lakh .
- **Co-operative Urban Bank, Parlakhemundi:** Penalized with Rs. 1.5 lakh for violating various regulatory norms, including:
 - Capital adequacy ratio

Banking & Financial Awareness GK Digest January 2024

- Net owned funds ratio
- Statutory provisions
- Prudential norms on classification of non-performing assets
- **Limdi Urban Cooperative Bank, Dahod:** Penalized with Rs. 50,000 for non-compliance with deposit rate regulations.
- **The Kapadvanj Nagari Sahakari Bank, Kheda:** Penalized with Rs. 50,000 for violating various accounting norms.

RBI ISSUES MASTER DIRECTION ON COMMERCIAL PAPER & NON-CONVERTIBLE DEBENTURES 2024

Current Context: The Reserve Bank of India (RBI) has issued a Master Direction on Commercial Paper and Non-Convertible Debentures for the year 2024.

DETAILS

- This direction **applies to all persons/agencies dealing in Commercial Papers and Non-Convertible Debentures.**
- One of the key highlights of this direction is that issuers of Commercial Papers (CPs) and Non-Convertible Debentures (NCDs) are **required to disclose information on any payment default through various channels, including publicly disseminating such information through their websites.**
- The Reserve Bank of India (RBI) **issued the revised Master Direction on Commercial Paper and Non-Convertible Debentures** on January 3, 2024.

BAJAJ FINSERV LAUNCHED INDIA'S FIRST CREDIT PASS, POWERED BY CIBIL

Current Context: Bajaj Finserv has indeed launched India's first Credit Pass powered by CIBIL on 3rd January 2024. This subscription service allows you to track and monitor your credit health.

KEY HIGHLIGHTS

- Here are **some key features and benefits of the Credit Pass:**
- **Credit Score Checks:** You can check your updated CIBIL Score every month.

- **Personalised Dashboard:** Get a summary of all your loans and credit cards in one place.
- **Credit Health Report:** You can access features like credit factors, account summary, and more.
- **Credit Score Simulator:** This tool allows you to check how different credit scenarios can potentially impact your existing CIBIL Score.
- The Credit Pass is available in **two subscription plans:**
- **Standard Plan:** Priced at Rs. 59 for 6 months.
- **Premium Plan:** Priced at Rs. 99 for 12 months.

CUSTOMER COMPLAINTS SHOULD BE COMMUNICATED IN 30 DAYS: RBI IO FOR RE DIRECTIONS, 2023

Current Context: As per the Master Direction - RBI (Internal Ombudsman for Regulated Entities) Directions, 2023 issued by the Reserve Bank of India (RBI), customer complaints filed with any regulated entity (RE) must be communicated within 30 days of receipt.

KEY FACTS

- **This applies to:**
- **Banks:** All commercial banks, cooperative banks, and small finance banks.
- **NBFCs:** Non-banking financial companies, including housing finance companies, microfinance institutions, and investment companies.
- **Non-bank System Participants:** Entities involved in payment systems, financial markets, and other RBI-regulated activities.
- **Credit Information Companies:** CICs responsible for collecting and maintaining credit information about individuals and businesses.
- This mandate emphasizes the RBI's focus on improving consumer grievance redressal within regulated entities and enhancing customer service standards.

SBI RAISES USD 250 MILLION THROUGH GREEN BONDS TO FINANCE GREEN PROJECTS

Current Context: On 4th January 2024, The State Bank of India (SBI) has indeed raised USD 250 million through the issuance of Green Notes to fund sustainable projects.

ABOUT

- This **successful placement is part of SBI's USD 10 billion** medium-term note program.
- The Green Notes, which are senior unsecured floating rate notes, **were issued on a floating rate basis of 1.20%** above the **Secured Overnight Financing Rate (SOFR)** and have been listed on the India International Exchange.
- The **proceeds will be allocated to eligible green projects** according to the Bank's Environmental, Social, and Governance (ESG) Financing Framework.
- The **issuance of these green bonds** is a step **towards building up a green portfolio.**

THE DEFINITION OF POLITICALLY EXPOSED PERSONS HAS BEEN REVISED BY RBI FOR KYC PURPOSES

Current Context: The Reserve Bank of India (RBI) has indeed revised the definition of Politically Exposed Persons (PEPs) for Know Your Customer (KYC) purposes on 4th January 2024.

DETAILS

- **As per the amendment to the Master Direction on KYC,** PEPs are now defined as "individuals who are or have been entrusted with prominent public functions by a foreign country, including the heads of states/governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials".
- **Bank accounts of PEPs have additional KYC norms** under the current provisions and special due diligence has to be undertaken by a senior bank official.

IRDAI EASES NORMS FOR INVESTMENT IN INFRASTRUCTURE BY INSURANCE COMPANIES

Current Context: The Insurance Regulatory and Development Authority of India (IRDAI) has recently relaxed certain norms on investment in Infrastructure Debt Funds (IDFs) of Non-Banking Financial Companies (NBFCs) by insurance companies on 5th January 2024.

KEY FACTS

- Previously, **insurers were permitted to invest in IDFs backed by the central government** on a case-by-case basis.
- The new regulation **allows insurers to make investments in IDF-NBFCs which are registered** with the Reserve Bank of India (RBI) and have a **minimum credit rating of AA or its equivalent by a Credit Rating Agency** registered with the Securities and Exchange Board of India (SEBI) to be eligible for the investment.
- This move is **aimed at encouraging investments in the infrastructure sector** and enhancing the ease of doing business.
- It is also in line with the **RBI's decision to enable IDF-NBFCs to play a greater role** in financing the infrastructure sector.

RBI DOUBLES MINIMUM CAPITAL REQUIREMENT TO RS 200 CR FOR SFBS

Current Context: The Reserve Bank of India (RBI) has indeed doubled the minimum capital requirement for Small Finance Banks (SFBs) to Rs 200 crore. This move is part of the revised guidelines issued by the RBI.

KEY HIGHLIGHTS

- For Primary (Urban) Co-operative Banks (UCBs) that wish **to voluntarily transition into SFBs, the initial net worth requirement will be Rs 100 crore.**
- This **must be increased to Rs 200 crore within five years** from the commencement of business.
- Payments Banks can **apply for conversion into SFBs after five years of operations** if they are otherwise eligible as per the guidelines.
- In fact, Fino **Payments Bank has already applied** for an SFB license as per regulatory guidelines on Payments Bank conversion to SFB.
- SFBs are expected **to offer basic banking services, accepting deposits and lending to unserved and underserved** sections, including small business units, small and marginal farmers, micro and small industries, and entities in the unorganised sector.

INDUSIND BANK INTRODUCES SAMMAN RUPAY CREDIT CARD FOR GOVERNMENT EMPLOYEES

Current Context: IndusInd Bank launched the 'Samman RuPay Credit Card' for government employees on January 9, 2024. This credit card is UPI-enabled and offers a range of exclusive benefits.

KEY POINTS

- Here are **some key features:**
- **Cashback:** 1% cashback on all retail spends up to Rs. 20,000.
- **Movie Tickets:** Complimentary movie tickets.
- **No Charges on Cash Advances:** No charges for cash withdrawals.
- **Waivers:** Waivers on surcharges for transactions done through IRCTC and fuel purchases.
- **Joining Fee:** No joining fee.
- **Renewal Fee:** Rs. 199, which can be waived by spending Rs. 75,000 in a year
- This card is **designed to provide financial incentives and simplify the day-to-day transactional experience** of government employees.

IOB INTRODUCED SAVINGS ACCOUNT PORTABILITY ONLINE SCHEME TO TRANSFER SAVINGS ACCOUNT ONLINE

Current Context: The Indian Overseas Bank (IOB) has introduced a scheme called 'Savings Account Portability Online'. This scheme is designed to simplify the process of transferring savings accounts for customers who frequently move locations due to various reasons such as career shifts or educational pursuits.

ABOUT

- Here's how it works:
 - Customers **need to log in to the IOB website and access the 'Transfer of Savings Accounts'** section.
 - They then **enter their account number and registered mobile number.**
 - A one-time password (OTP) is sent to the registered mobile number.
 - After entering the OTP, customers can specify the desired branch for transfer and submit.
 - A new page opens, revealing the account number and the name and code of the destination branch, confirming the successful transfer.

- This scheme aims to eliminate the need for filling out numerous forms and waiting for weeks for the account transfer to materialize.

KOTAK MAHINDRA LIFE LAUNCHES UNIT-LINKED TERM INSURANCE PLAN

Current Context: Kotak Mahindra Life Insurance has launched a new product named 'T.U.L.I.P' (Term with Unit-Linked Insurance Plan) on January 11, 2024.

DETAILS

- This plan offers life cover up to 100 times of the annual premium.
- It also provides a customer the opportunity to earn returns like a ULIP and additional protection against critical illnesses and accidental death.
- The T.U.L.I.P plan offers comprehensive protection like a term plan and also the opportunity to grow their wealth like a ULIP.
- It is launched with eight options and is aimed at taking care of customer's core financial needs.
- The plan also comes with the flexibility to withdraw money in case of a financial emergency.
- Unit-linked insurance Plans (ULIPs) are a category of life insurance that offers an opportunity to grow your money over the long term and protect your family through life cover.

ZERODHA FUND HOUSE LAUNCHES INDIA'S 1ST GROWTH LIQUID ETF SCHEME

Current Context: Zerodha Fund House has launched India's first growth liquid ETF named 'Zerodha Nifty 1D Rate Liquid ETF'. This ETF replicates the Nifty 1D Rate Index, which measures the returns generated by market participants lending in the overnight market.

KEY FACTS

- The scheme opened for public subscription on January 08, 2024, and closed on January 12, 2024.
- The scheme seeks to invest in Tri Party repo on Government securities or treasury bills (TREPS).
- The Scheme aims to provide investment returns that, before expenses, correspond to the returns of the NIFTY 1D Rate Index, subject to tracking error.
- The fund manager of this scheme is Apurv Parikh.

Banking & Financial Awareness GK Digest January 2024

- This ETF offers a simple and effective way to manage cash with low interest and credit risk. It's a type of ETF that aims to provide easy liquidity with relatively less risk.

KARNATAKA BANK & DIGIVRIDDDHI PARTNERS TO OFFER FINANCIAL SERVICE TO DAIRY FARMERS

Current Context: The partnership between Karnataka Bank and Digivridddhi (DGV) to offer financial services to dairy farmers and milk societies was announced on January 9, 2024.

KEY HIGHLIGHTS

- The services will be made available at village dairy co-operative societies associated with milk unions of the Karnataka Milk Federation (KMF).
- Initially, these services are being made available to milk societies associated with the Chamaraanagar Milk Union, and will be rolled out to farmers of other unions in rapid succession.
- The partnership aims to provide seamless and innovative end-to-end digital product offerings to the dairy farmers and provide access to institutional credit, while easing and digitizing payments across the dairy value chain.
- H. Srikrishnan, the Managing Director and Chief Executive Officer of Karnataka Bank, mentioned that this partnership is part of their efforts to accelerate fintech initiatives and collaborations across various verticals to enhance access to markets and customer experience.

RBI IMPOSES PENALTIES ON DHANKAXMI BANK, PUNJAB & SIND BANK AND ESAF SMALL FINANE BANK

Current Context: The Reserve Bank of India (RBI) imposed penalties on Dhanlaxmi Bank, Punjab & Sind Bank, and ESAF Small Finance Bank on January 12, 2024.

KEY POINTS

- **Dhanlaxmi Bank:** The RBI has levied a penalty of Rs 1.2 crore on Dhanlaxmi Bank for three violations. The bank did not offer higher interest rates to some senior citizens against the regular norm, did not obtain PAN for some deposits, and

extended gold loans for non-agriculture purposes exceeding 75% of the value of gold pledged against rules.

- **Punjab & Sind Bank:** The central bank has imposed a penalty of Rs 1 crore on Punjab & Sind Bank for violating lending rules.
- **ESAF Small Finance Bank:** ESAF Small Finance Bank will have to pay a penalty of Rs 30 lakh for deficiencies in customer service.

SBI RAISING USD 300MN THROUGH MEDIUM TERM BONDS; S&P AND FLITCH ASSIGNED BBB RATING

Current Context: The State Bank of India (SBI) issued the \$300 million medium-term bonds on Thursday, January 10, 2024. This fundraising round comes after SBI mopped up \$1 billion last week.

ABOUT

- The new issue is likely to be concluded soon and it has a green shoe option to raise extra amounts based on market conditions and pricing trends.
- S&P Global Ratings and Fitch Ratings have assigned a 'BBB-' long-term issue rating to these US dollar-denominated senior unsecured notes.
- The ratings reflect SBI's dominant market position, its strong deposits, and India's robust economic growth that supports SBI's loan growth, asset quality, and profitability.

SBI LAUNCHES GREEN RUPEE TERM-DEPOSIT FD SCHEME

Current Context: The State Bank of India (SBI) launched the SBI Green Rupee Term Deposit (SGRTD) scheme on Friday, January 12, 2024.

DETAILS

- Here are some **key features of the scheme:**
 - **Purpose:** It is an initiative to mobilize funds for financing green activities and projects and developing a green finance ecosystem in the country.
 - **Eligibility:** The scheme is open to Resident Individuals, Non-Individual, and NRI Customers.

- **Tenor:** The scheme offers three distinct tenors: 1111 Days, 1777 Days, and 2222 Days.
- **Rate of Interest:** The interest rate is 10 bps below the Card Rate for Retail and Bulk Deposit for the respective tenor.
- Here are the present effective interest rates:
 - 1111 Days: General Public - 6.65%, Senior Citizen - 7.15%
 - 1777 Days: General Public - 6.65%, Senior Citizen - 7.15%
 - 2222 Days: General Public - 6.40%, Senior Citizen - 7.40%
- **Additional Benefits:** Senior Citizens/ Staff/ Staff Senior Citizens are eligible for additional Interest Rate over the applicable Rate for the public under the Scheme.
- **Pre-mature withdrawal:** Allowed.
- **Loan facility:** Loan/ Overdraft facility is available against the Deposit.
- **TDS:** TDS is applicable as per Income Tax Rules.
- **Others:** Conversion from existing TDR to SGRTD and vice – versa is not allowed. The scheme is available through branch channel and will be made available through YONO & INB shortly.

ISB'S DLABS, RBI INNOVATION HUB, AND UNION BANK LAUNCH 'BUILD FOR BILLIONS'

Current Context: On 13th January 2024, DLabs at the Indian School of Business (ISB), in partnership with the Reserve Bank Innovation Hub (RBIH) and Union Bank of India, launched a startup accelerator program called 'Build for Billions'.

KEY FACTS

- This program is themed around financial inclusion for the informal economy.
- The informal economy includes gig workers, migrant workers, domestic workers, street vendors, carpenters, plumbers, electricians, and construction laborers.
- These workers face challenges such as low and volatile income, irregular income streams, limited access to credit and savings, and a lack of social security nets.
- 'Build for Billions' aims to support visionary fintech startups dedicated to addressing these issues.

- The 50-day equity-free accelerator offers comprehensive support, including mentorship, capacity building, resources, networking opportunities, the chance to pitch to banks and investors, and a unique piloting opportunity with Union Bank.

ICICI BANK CANADA LAUNCHES "MONEY2INDIA (CANADA)", A MOBILE BANKING APP

Current Context: ICICI Bank Canada launched a mobile banking app called "Money2India (Canada)" on 12th January 2024. This app offers one of the most trusted and reliable instant money transfer services in India.

KEY HIGHLIGHTS

- Here are **some key features of the app:**
- **Paperless On-boarding:** Seamless and instant online/selfie-based KYC.
- **Transfer Money:** From any bank in Canada to any bank in India.
- **Payment Gateway:** Option to transfer through any of your Canadian Bank Debit Card.
- **Secured Transfers:** Peace of mind through secured and trusted ways of transfers.
- 24/7 Customer Contact Centre.
- **Instant Updates:** On your money transfers.
- The **app can be used by anyone, not just ICICI Bank Canada account holders.** Users can send up to CAD 30,000 in a single transaction using this service.

KBL AND NBFC CLIX CAPITAL ENTER CO-LENDING PARTNERSHIP FOR MSME

Current Context: Karnataka Bank (KBL), a leading private sector bank, and Clix Capital, one of India's fastest-growing new-age NBFCs, have entered into a strategic digital co-lending partnership on 16th January 2024.

KEY POINTS

- This partnership is **focused on providing loans to the Indian MSME sector, which is one of the biggest contributors** to India's GDP and employment growth.
- The collaboration **leverages Karnataka Bank's cost-effective funding, comprehensive digital**

Banking & Financial Awareness GK Digest January 2024

capabilities, and proficiency to provide credit facilities to the specified segment.

- **Paired with Clix Capital's robust and user-friendly lending technology platform,** the partnership aims to offer seamless, economical digital financing solutions.
- The agreement, signed in Bengaluru, **emphasizes leveraging each other's strengths to cater to the unserved MSME segment.**
- Srikrishnan H, Managing Director & CEO, Karnataka Bank, **highlighted, "Our co-lending partnership will ensure much-needed liquidity at affordable rates, contributing to the sustainable economic growth of the country."**

RBI CANCELS LICENCE OF KARNATAKA'S HIRIYUR URBAN CO-OP BANK

Current Context: The Reserve Bank of India (RBI) has indeed cancelled the licence of The Hiriya Urban Co-operative Bank Ltd., Hiriya, Karnataka.

ABOUT

- The bank **ceased to carry on banking business from** the close of business on January 12, 2024.
- The **RBI cancelled the licence due** to the following reasons:
- The **bank did not have adequate capital and earning prospects,** hence it did not comply with the provisions of Section 11 (1) and Section 22 (3) (d) read with Section 56 of the Banking Regulation Act, 1949.
- **Public interest would be adversely affected** if the bank were allowed to carry on its banking business any further.
- **Consequently, the bank is now prohibited from conducting the business of 'banking',** which includes, among other things, **acceptance of deposits and repayment of deposits.**

CCI APPROVES AMALGAMATION OF SHRIRAM LI HOLDINGS WITH SHRIRAM LIFE INSURANCE

Current Context: On 16th January 2024, The Competition Commission of India (CCI) has approved the proposed

amalgamation of Shriram LI Holdings Private Limited with Shriram Life Insurance Company Limited.

DETAILS

- The main **objective of Shriram LI Holdings Private Limited (SLIH) is to undertake investment business.**
- Shriram Life Insurance Company Limited (SLIC) is a life insurance **company, registered with IRDAI.**
- SLIC is a part of the Shriram Group of Companies and is **engaged in the business of effecting contracts of insurance upon human life, developing and marketing a variety of products in life insurance business, unit-linked life insurance products and any other activity within the ambit of provisions of Insurance Act, 1938.**

RBI'S WORKING GROUP HAS PROPOSED FRAMEWORK FOR STATE GUARANTEES

Current Context: On 16th January 2024, The Reserve Bank of India's (RBI) working group on State Government Guarantees has proposed a framework.

KEY FACTS

- Here are the **major recommendations:**
- The term 'Guarantee' should include all instruments that create an obligation, contingent or otherwise, on the part of the State Government.
- State Governments **may consider fixing a ceiling for incremental guarantees issued during a year at 5 per cent of Revenue Receipts or 0.5 per cent of Gross State Domestic Product, whichever is less.**
- State Governments may consider charging a **minimum guarantee fee for guarantees extended and additional risk premium may be charged** based on the risk category and the tenor of the underlying loan.
- The implementation of these **recommendations is expected to facilitate better fiscal management** by the State Governments.

BANK OF BARODA LAUNCHED 'BOB 360 TERM DEPOSIT SCHEME' WITH HIGH-INTEREST RATES

Current Context: Bank of Baroda has launched a new fixed deposit scheme called 'BoB 360 Term Deposit Scheme' on 15th January 2024.

KEY HIGHLIGHTS

- Here are **some details about the scheme:**
 - It is a **special short-term retail** deposit product.
 - The **scheme offers a high rate of interest for Domestic Term Deposits** to Residents/NRO and Resident Senior Citizens.
 - The **rate of interest for the general public and NRO is 7.10%**, while for senior citizens it is 7.60%.
 - The scheme is **applicable for a period of 360 days.**
 - The **minimum investment** amount is **Rs 1,000** and the **maximum limit is Rs 2 crore.**

ICICI PRUDENTIAL LIFE LAUNCHED ICICI PRU GUARANTEED PENSION PLAN FLEXI

Current Context: ICICI Prudential Life Insurance has launched the ICICI Pru Guaranteed Pension Plan Flexi with Benefit Enhancer on 17th January 2024.

KEY POINTS

- This is an **industry-first annuity plan that provides customers with the option to receive a 100% refund of premiums paid** at any time starting from the date of purchase.
- **Key features of this plan include:**
- **Flexibility of regular savings** for a lifelong guaranteed income.
- **Flexibility to choose** how long you want to pay premiums.
- **Flexibility to choose** when to start your annuity/income.
- **Flexibility to receive annuity** on a **Monthly, Quarterly, Half-yearly, or Yearly** basis.

CCI APPROVES MERGER OF FINCARE SMALL FINANCE BANK WITH AU SMALL FINANCE BANK

Current Context: The Competition Commission of India (CCI) did indeed approve the proposed merger of Fincare Small Finance Bank (Fincare SFB) with AU Small Finance Bank (AU SFB) on January 23, 2024.

ABOUT

- This is a significant **development in the Indian banking sector, and it's expected to have a number of implications** for both banks and the industry as a whole.
- Here are **some of the key details about the merger**:
- **Type of merger:** All-stock merger, meaning Fincare SFB shareholders will receive shares of AU SFB in exchange for their holdings.
- **Share exchange ratio:** 579 AU SFB shares for every 2,000 Fincare SFB shares.
- **Valuation:** Fincare SFB is valued at around three times price to book based on Q2 FY24 financials, while AU SFB is valued at approximately four times price to book.
- **Expected completion date:** February 1, 2024, subject to necessary approvals.
- **Next step:** The merger is now awaiting final approval from the Reserve Bank of India (RBI).

HDFC BANK IS THE FIRST BANK TO CROSS THE MILESTONE OF 2 CRORE CREDIT CARDS-IN-FORCE

Current Context: HDFC Bank has indeed become the first bank to cross the milestone of 2 crore credit cards-in-force on 23rd January 2024.

DETAILS

- The private sector lender started the credit card business in 2001 with the launch of its first credit card, reaching the mark of 1 crore cards-in-force in 2017.
- The bank doubled this to 2 crore cards in another six years.
- As of March 2023, HDFC Bank has the largest market share of the credit card business in India, accounting for 28.6 percent of the market.
- According to the latest RBI data, the bank added 3.2 lakh cards in November, taking the total number of cards outstanding to 1.95 crore.
- Monthly card spends for the bank are in the range of ₹35,000-45,000 crore.
- The bank's payments business, including consumer durable loans and credit cards, accounted for 8 percent of retail assets as of December 2023.

SBI LIFE HAS LAUNCHED 'SARAL SWADHAN SUPREME' AND 'SMART SWADHAN SUPREME'

Current Context: SBI Life Insurance launched two products, 'Saral Swadhan Supreme' and 'Smart Swadhan Supreme' on Tuesday, January 23.

ABOUT

- Here's a brief about these two products:
 - **Saral Swadhan Supreme:** It is an **individual, non-linked, non-participating, life insurance savings product** with return of premium
 - **Smart Swadhan Supreme:** This product **provides life insurance cover at an affordable cost and also returns total premium paid at the end of the policy term**, upon survival. It offers the convenience to pay premium regularly or for a limited period (7/10/15 years). You can choose the policy term from 10 years to 30 years.
- Both these plans **offer a lumpsum benefit on the policyholder's demise** during the policy term and also pays back the total premiums paid in case the life assured survives the policy term.

SEBI RELEASES FRAMEWORK FOR OFFER FOR SALE TO EMPLOYEES THROUGH STOCK EXCHANGE

Current Context: The Securities and Exchange Board of India (SEBI) released the new framework for the Offer for Sale (OFS) of shares to employees through the stock exchange mechanism on January 23, 2024.

KEY POINTS

- The purpose of this framework is **to streamline the existing process, enhance efficiency, and reduce costs** associated with the current procedure.
- As per the new procedure, **the OFS to employees must be on T+1 day along with the retail category under a new category called 'Employee'**.
- A certain **number of shares must be reserved for employees**, and the same should be indicated in the OFS notice to the **stock exchanges from the promoters**.
- **Bidding must be allowed during trading hours on T+1 day only.**

RELIANCE HOME FINANCE HEADED FOR VOLUNTARY LIQUIDATION, SURRENDERS COR

Current Context: Reliance Home Finance's application for surrender of its Certificate of Registration on account of voluntary exit from the housing finance business was approved by the Reserve Bank of India on January 25, 2024.

KEY HIGHLIGHTS

- Under the resolution plan, **Authum acquired Rs 11,540 crore debt of Reliance Home Finance for Rs 3,351 crore.**
- The housing finance company has proposed a **slump sale of all its assets to unlisted Reliance Commercial Finance Ltd**, which was also acquired by Authum Investment.
- This decision has **impacted the stock price of Reliance Home Finance.**
- On January 22, 2024, the **stock price went down by - 1.88%, closing at 5.33 per share.**

ZOMATO HAS RECEIVED FINAL APPROVAL FROM RBI TO OPERATE AS ONLINE PAYMENT AGGREGATOR

Current Context: Zomato Payments Private Limited, a wholly-owned subsidiary of Zomato Limited, has indeed received approval from the Reserve Bank of India (RBI) to operate as an online payment aggregator.

DETAILS

- **Zomato Payments** was created to provide digital payment services, including wallets and payment gateway services.
- This aligns **Zomato Payments with other notable entities like Tata Pay, Razorpay, and Cashfree**, which have also acquired the coveted payments license from the RBI.

RBI HAS REVISED ELIGIBILITY NORMS FOR URBAN CO-OPERATIVE BANKS (UCBS)

Current Context: The Reserve Bank of India (RBI) has recently issued several notifications regarding the revised eligibility norms for Urban Co-operative Banks (UCBs).

KEY FACTS

- These include:
 - Rationalization of Branch Authorisation Policy for UCBs.
 - Compliance Function and Role of Chief Compliance Officer (CCO) for UCBs.
 - Eligibility of UCBs for Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).
- These **notifications are aimed at enhancing the governance, risk management and operational efficiency of UCBs**, as well as aligning them with the Revised Regulatory Framework for UCBs released by RBI on July 19, 2022.
- The revised **eligibility norms apply to UCBs under Tier 3 and Tier 4 categories**, except those under All Inclusive Directions (AID).
- The **UCBs under Tier 1 and Tier 2 categories shall continue to be governed** by the existing guidelines.

CANARA HSBC LIFE INSURANCE LAUNCHES ISELECT GUARANTEED FUTURE PLUS

Current Context: Canara HSBC Life Insurance launched a new plan called iSelect Guaranteed Future Plus on 24th January 2024. This plan is designed to provide life insurance coverage and guaranteed benefits to secure your financial goals.

ABOUT

- Here are some **key features of the iSelect Guaranteed Future Plus plan:**
 - It **provides an alternate source of savings** to take care of your financial goals.
 - It **includes a Payor Premium Protection Cover**, which ensures that your loved ones are taken care of even if you are not around.
 - It provides **financial security and stability for different life stages and milestones.**

WB INTRODUCES USD 100MN PLASTIC WASTE REDUCTION-LINKED BOND TO TACKLE PLASTIC POLLUTION

Current Context: The World Bank (International Bank for Reconstruction and Development, IBRD) has indeed introduced a seven-year \$100 million, principal-protected Plastic Waste Reduction-Linked Bond on 24th January 2024.

KEY POINTS

- This innovative bond provides investors with a financial return linked to Plastic Waste Collection Credits, Plastic Waste Recycling Credits (collectively, plastic credits), and Voluntary Carbon Units (carbon credits) expected to be generated by two projects.
- The selected projects in Ghana and Indonesia aim to reduce and recycle plastic waste in vulnerable communities, cutting plastics leaking into nature and oceans.
- The bond is 100% principal protected with the \$100 million proceeds used to support the World Bank's sustainable development activities globally.
- The plastic collection and recycling projects in Ghana and Indonesia are not World Bank projects.

BOB FINANCIAL SOLUTIONS REBRANDED AS "BOBCARD LIMITED"

Current Context: BOB Financial Solutions Limited (BFSL), a wholly owned subsidiary of Bank of Baroda, has rebranded itself as BOBCARD Limited.

KEY HIGHLIGHTS

- This rebranding is accompanied by the unveiling of a new logo and a positioning statement "Credit Reimagined".
- The company describes this as a creative showcase of products and services that have been reimagined to suit the ever-changing needs and preferences of everyone across the country.
- The new brand promise "Credit Reimagined" is a conviction of a customer-centric, solution-driven assistance that assures service through innovation.
- The strategic rebranding not only embodies adaptability but positions BOBCARD as a forward-thinking financial partner.

NSRCEL IIM-B AND SIDBI LAUNCH ACCELERATOR FUND FOR STARTUPS

Current Context: The Nadathur S. Raghavan Centre for Entrepreneurial Learning (NSRCEL) at IIM Bangalore and the Small Industries Development Bank of India (SIDBI) have indeed launched a pre-seed Deep Tech accelerator fund on 30th January 2024.

Banking & Financial Awareness GK Digest January 2024

DETAILS

- This fund is specifically for startups in the Deep Tech and emerging business areas.
- The MoU signed between NSRCEL and SIDBI laid the foundation for a multi-year relationship to nurture startups and lead them towards scaling up their business activities.
- Over the last twenty years, NSRCEL has been supporting early-stage ventures in India, incubating more than 1600 startups and mentoring many more.
- The center's singular focus has been on supporting founders who are building disruptive solutions in their early stages.
- It provides support to startups and entrepreneurs through various programs, including incubation, mentorship, and educational initiatives.

RBI BARS PAYTM PAYMENTS BANK FROM ACCEPTING DEPOSITS AFTER FEBRUARY 29

Current Context: The Reserve Bank of India (RBI) did indeed bar Paytm Payments Bank (PPBL) from accepting deposits and credit transactions after February 29, 2024.

ABOUT

- This was due to "persistent non-compliance" and "material supervisory concerns" identified by the RBI.
- Here are some key points to remember:
- Effective date: The restriction on deposits and credit transactions took effect on March 1, 2024.
- Reason for the ban: The RBI cited non-compliance with regulations and supervisory concerns identified in an external audit report.
- What's affected: PPBL cannot accept new deposits, top-ups, or carry out credit transactions in any customer accounts, wallets, FASTags, etc. However, withdrawals and utilization of existing balances are permitted.
- Future of PPBL: The current status of PPBL is unclear. The future course of action will depend on how PPBL addresses the RBI's concerns and seeks regulatory approval.

BANKING AWARENESS QUESTION BANK: JANUARY 2024

Q.1 Until when has the PIDF scheme been extended?

- a) December 31, 2023
- b) December 31, 2024
- c) December 31, 2025
- d) December 31, 2026
- e) None of these

Answer (c): The Reserve Bank of India (RBI) has extended the Payments Infrastructure Development Fund (PIDF) scheme until December 31, 2025.

Q.2 What was the main reason for the RBI cancelling the licence of the Botad Peoples Co-operative Bank?

- a) Fraudulent activities
- b) Political interference
- c) Inadequate capital and earning prospects
- d) Merger with another bank
- e) None of these

Answer (c): The RBI cancelled its licence due to inadequate capital and earning prospects.

Q.3 Who entered into a strategic co-lending partnership for MSME loans?

- a) Central Bank of India (CBI) and Kisetsu Saison Finance
- b) Reserve Bank of India (RBI) and Kisetsu Saison Finance
- c) Central Bank of India (CBI) and Reliance Finance
- d) Reserve Bank of India (RBI) and Reliance Finance
- e) None of these

Answer (a): The Central Bank of India (CBI) and Kisetsu Saison Finance have entered into a strategic co-lending partnership to offer loans to Micro, Small, and Medium Enterprises (MSMEs) on 28th December 2023.

Q.4 What is the new proposed net NPA ratio threshold for banks to be eligible for dividend declaration according to RBI's new rule?

- a) 5%
- b) 6%
- c) 7%
- d) 8%
- e) None of these

Answer (b): Previously, banks needed to have a net NPA ratio of up to 7% to be eligible for dividend declaration. The new rule proposes lowering this threshold to 6%. This means banks with better asset quality will have greater flexibility in distributing profits to shareholders.

Q.5 What action are banks required to take if the holder(s) of the inoperative account/unclaimed deposit are not traceable?

- a) Close the account
- b) Transfer the funds to a government account
- c) Contact the introducer who had introduced the account holder at the time of account opening
- d) All of the above
- e) None of the above

Answer (c): The banks shall contact the introducer, if any, who had introduced the account holder to the bank at the time of opening of the account.

Q.6 Who granted the payment aggregator licence to Tata Pay and DigiO?

- a) Google Pay
- b) Razorpay
- c) Reserve Bank of India (RBI)
- d) Cashfree
- e) None of these

Answer (c): The Reserve Bank of India (RBI) granted the payment aggregator licence to Tata Pay and DigiO on January 1, 2024.

Q.7 Which cooperative bank was penalized for non-compliance with RBI directions on placement of deposits with other banks by urban primary cooperative banks?

- a) Bhuj Commercial Co-operative Bank
- b) Shree Bharat Co-operative Bank
- c) Co-operative Urban Bank
- d) Limdi Urban Cooperative Bank
- e) None of these

Answer (b): Shree Bharat Co-operative Bank, Vadodara: Penalized with Rs. 5 lakh for: Non-compliance with RBI directions on placement of deposits with other banks by urban primary cooperative banks. Violating the 2016 norms on interest rate on deposits.

Q.8 Who is required to disclose information on payment defaults under the new RBI Master Direction?

- a) All participants in the Indian financial market
- b) Issuers of government securities
- c) Issuers of Commercial Papers and Non-Convertible Debentures (CPs & NCDs)
- d) Banks and lending institutions
- e) None of these

Answer (c): Issuers of Commercial Papers (CPs) and Non-Convertible Debentures (NCDs) are required to disclose information on any payment default through various channels, including publicly disseminating such information through their websites.

Q.9 Who launched India's first Credit Pass?

- a) Bajaj Finserv
- b) HDFC Bank
- c) ICICI Bank
- d) Axis Bank
- e) None of these

Answer (a): Bajaj Finserv has indeed launched India's first Credit Pass powered by CIBIL on 3rd January 2024.

Q.10 As per the Master Direction - RBI (Internal Ombudsman for Regulated Entities) Directions, 2023, what is the maximum timeframe for regulated entities to communicate the final decision on a customer complaint?

- a) 15 days
- b) 30 days
- c) 60 day
- d) 90 days
- e) None of these

Answer (b): As per the Master Direction - RBI (Internal Ombudsman for Regulated Entities) Directions, 2023 issued by the Reserve Bank of India (RBI), customer complaints filed with any regulated entity (RE) must be communicated within 30 days of receipt.

Q.11 What is the amount that SBI has raised through Green Bonds?

- a) USD 150 million
- b) USD 250 million
- c) USD 350 million
- d) USD 450 million

- e) None of these

Answer (b): On 4th January 2024, The State Bank of India (SBI) has indeed raised USD 250 million through the issuance of Green Notes to fund sustainable projects.

Q.12 As per the amendment to the Master Direction on KYC, who are considered as PEPs?

- a) Individuals who are or have been entrusted with prominent public functions by a foreign country
- b) Individuals who are or have been entrusted with prominent public functions by their own country
- c) Individuals who are or have been entrusted with minor public functions by a foreign country
- d) Individuals who are or have been entrusted with minor public functions by their own country
- e) None of these

Answer (a): As per the amendment to the Master Direction on KYC, PEPs are now defined as "individuals who are or have been entrusted with prominent public functions by a foreign country, including the heads of states/governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials".

Q.13 Which organization must register the IDF-NBFCs for them to be eligible for investment by insurance companies?

- a) Securities and Exchange Board of India (SEBI)
- b) Insurance Regulatory and Development Authority of India (IRDAI)
- c) Reserve Bank of India (RBI)
- d) Ministry of Finance, Government of India
- e) None of these

Answer (c): The new regulation allows insurers to make investments in IDF-NBFCs which are registered with the Reserve Bank of India (RBI) and have a minimum credit rating of AA or its equivalent by a Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI) to be eligible for the investment.

Q.14 What is the new minimum capital requirement for Small Finance Banks (SFBs) as per the revised guidelines issued by the Reserve Bank of India (RBI)?

- a) Rs 100 crore
- b) Rs 200 crore
- c) Rs 300 crore

- d) Rs 400 crore
- e) None of these

Answer (b): The Reserve Bank of India (RBI) has indeed doubled the minimum capital requirement for Small Finance Banks (SFBs) to Rs 200 crore. This move is part of the revised guidelines issued by the RBI.

Q.15 Who is the target audience for the 'Samman RuPay Credit Card'?

- a) Students
- b) Private Sector Employees
- c) Government Employees
- d) Senior Citizens
- e) None of these

Answer (c): IndusInd Bank launched the 'Samman RuPay Credit Card' for government employees on January 9, 2024.

Q.16 What is the name of the scheme introduced by the Indian Overseas Bank (IOB) to simplify the process of transferring savings accounts?

- a) Online Savings Account Transfer
- b) Savings Account Portability Online
- c) Easy Account Transfer Online
- d) IOB Account Transfer Scheme
- e) None of these

Answer (b): The Indian Overseas Bank (IOB) has introduced a scheme called 'Savings Account Portability Online'. This scheme is designed to simplify the process of transferring savings accounts for customers who frequently move locations due to various reasons such as career shifts or educational pursuits.

Q.17 Who launched the T.U.L.I.P plan?

- a) HDFC Life Insurance
- b) ICICI Prudential Life Insurance
- c) Kotak Mahindra Life Insurance
- d) Bajaj Allianz Life Insurance
- e) None of these

Answer (c): Kotak Mahindra Life Insurance has launched a new product named 'T.U.L.I.P' (Term with Unit-Linked Insurance Plan) on January 11, 2024.

Q.18 What is the name of the first growth liquid ETF launched by Zerodha Fund House?

- a) Zerodha Nifty 1D Rate Liquid ETF
- b) Zerodha Nifty 1D Rate Growth ETF
- c) Zerodha Nifty 1D Liquid ETF
- d) Zerodha Nifty 1D Growth ETF
- e) None of these

Answer (a): Zerodha Fund House has launched India's first growth liquid ETF named 'Zerodha Nifty 1D Rate Liquid ETF'.

Q.19 Who are the partners in the initiative to offer financial services to dairy farmers?

- a) Karnataka Bank and Microsoft
- b) Karnataka Bank and Digivridhi (DGV)
- c) Digivridhi (DGV) and Google
- d) Microsoft and Google
- e) None of these

Answer (b): The partnership between Karnataka Bank and Digivridhi (DGV) to offer financial services to dairy farmers and milk societies was announced on January 9, 2024.

Q.20 Which bank was penalized by the RBI for not offering higher interest rates to some senior citizens?

- a) Punjab & Sind Bank
- b) ESAF Small Finance Bank
- c) Dhanlaxmi Bank
- d) All of the above
- e) None of the above

Answer (c): The RBI has levied a penalty of Rs 1.2 crore on Dhanlaxmi Bank for three violations. The bank did not offer higher interest rates to some senior citizens against the regular norm, did not obtain PAN for some deposits, and extended gold loans for non-agriculture purposes exceeding 75% of the value of gold pledged against rules.

Q.21 How much is the State Bank of India (SBI) raising through medium-term notes?

- a) \$100 million
- b) \$200 million
- c) \$300 million
- d) \$400 million
- e) None of these

Answer (c): The State Bank of India (SBI) issued the \$300 million medium-term bonds on Thursday, January 10, 2024. This fundraising round comes after SBI mopped up \$1 billion last week.

Q.22 What is the purpose of the SBI Green Rupee Term Deposit (SGRTD) scheme?

- a) To finance green activities and projects
- b) To finance infrastructure projects
- c) To finance agricultural projects
- d) To finance educational projects
- e) None of these

Answer (a): It is an initiative to mobilize funds for financing green activities and projects and developing a green finance ecosystem in the country.

Q.23 Who are the partners in the 'Build for Billions' startup accelerator program?

- a) DLabs at the Indian School of Business (ISB), Reserve Bank Innovation Hub (RBIH), and Union Bank of India
- b) DLabs at the Indian School of Business (ISB) and Reserve Bank Innovation Hub (RBIH)
- c) DLabs at the Indian School of Business (ISB) and Union Bank of India
- d) Reserve Bank Innovation Hub (RBIH) and Union Bank of India
- e) None of these

Answer (a): On 13th January 2024, DLabs at the Indian School of Business (ISB), in partnership with the Reserve Bank Innovation Hub (RBIH) and Union Bank of India, launched a startup accelerator program called 'Build for Billions'.

Q.24 What is the name of the mobile banking app launched by ICICI Bank Canada?

- a) Money2India (USA)
- b) Money2India (Canada)
- c) Money2India (UK)
- d) Money2India (Australia)
- e) None of these

Answer (b): ICICI Bank Canada launched a mobile banking app called "Money2India (Canada)" on 12th January 2024.

Q.25 What is the main focus of the partnership between Karnataka Bank and Clix Capital?

- a) Providing loans to the Indian MSME sector
- b) Investing in real estate
- c) Developing new banking software
- d) Expanding their branches across India
- e) None of these

Answer (a): This partnership is focused on providing loans to the Indian MSME sector, which is one of the biggest contributors to India's GDP and employment growth.

Q.26 Why did the RBI cancel the licence of The Hiriyur Urban Co-operative Bank Ltd.?

- a) The bank had too much capital
- b) The bank did not have adequate capital and earning prospects
- c) The bank was making too much profit
- d) The bank was not located in Karnataka
- e) None of these

Answer (b): The bank did not have adequate capital and earning prospects, hence it did not comply with the provisions of Section 11 (1) and Section 22 (3) (d) read with Section 56 of the Banking Regulation Act, 1949.

Q.27 What is the main objective of Shriram LI Holdings Private Limited (SLIH)?

- a) To undertake insurance business
- b) To undertake investment business
- c) To undertake marketing business
- d) To undertake manufacturing business
- e) None of these

Answer (b): The main objective of Shriram LI Holdings Private Limited (SLIH) is to undertake investment business.

Q.28 What does the term 'Guarantee' include as per the RBI's working group on State Government Guarantees?

- a) All instruments that create an obligation, contingent or otherwise, on the part of the State Government.
- b) Only instruments that create a contingent obligation on the part of the State Government.
- c) Only instruments that create an obligation on the part of the State Government.
- d) All of the above
- e) None of the above.

Answer (a): The term 'Guarantee' should include all instruments that create an obligation, contingent or otherwise, on the part of the State Government.

Q.29 What is the name of the new fixed deposit scheme launched by Bank of Baroda?

- a) BoB 360 Term Deposit Scheme

- b) BoB 180 Term Deposit Scheme
- c) BoB 720 Term Deposit Scheme
- d) BoB 90 Term Deposit Scheme
- e) None of these

Answer (a): Bank of Baroda has launched a new fixed deposit scheme called 'BoB 360 Term Deposit Scheme' on 15th January 2024.

Q.30 What is a unique feature of the ICICI Pru Guaranteed Pension Plan Flexi?

- a) Option to receive a 50% refund of premiums paid
- b) Option to receive a 100% refund of premiums paid
- c) Option to receive a 150% refund of premiums paid
- d) All of the above
- e) None of the above

Answer (b): This is an industry-first annuity plan that provides customers with the option to receive a 100% refund of premiums paid at any time starting from the date of purchase.

Q.31 What type of merger is the proposed merger between Fincare SFB and AU SFB?

- a) Cash merger
- b) Mixed merger
- c) All-stock merger
- d) All of the above
- e) None of the above

Answer (c): All-stock merger, meaning Fincare SFB shareholders will receive shares of AU SFB in exchange for their holdings.

Q.32 What was the market share of HDFC Bank in the credit card business in India as of March 2023?

- a) 10%
- b) 20%
- c) 28.6%
- d) 50%
- e) None of these

Answer (c): HDFC Bank has the largest market share of the credit card business in India, accounting for 28.6 percent of the market.

Q.33 What type of life insurance product is 'Saral Swadhan Supreme'?

- a) Linked, participating
- b) Non-linked, participating
- c) Linked, non-participating
- d) Non-linked, non-participating
- e) None of these

Answer (d): Saral Swadhan Supreme: It is an individual, non-linked, non-participating, life insurance savings product with return of premium.

Q.34 What is the purpose of the new framework for the Offer for Sale (OFS) of shares to employees released by SEBI?

- a) To increase the costs associated with the current procedure
- b) To streamline the existing process, enhance efficiency, and reduce costs
- c) To complicate the existing process
- d) None of the above

Answer (b): The purpose of this framework is to streamline the existing process, enhance efficiency, and reduce costs associated with the current procedure.

Q.35 How much debt of Reliance Home Finance was acquired by Authum under the resolution plan?

- a) Rs 3,351 crore
- b) Rs 11,540 crore
- c) Both A and B
- d) None of the above

Answer (b): Under the resolution plan, Authum acquired Rs 11,540 crore debt of Reliance Home Finance for Rs 3,351 crore.

Q.36 What approval did Zomato Payments receive from the RBI?

- a) Approval to operate as a bank
- b) Approval to operate as an online payment aggregator
- c) Approval to operate as a digital wallet service
- d) Approval to operate as a payment gateway service
- e) None of these

Answer (b): Zomato Payments Private Limited, a wholly-owned subsidiary of Zomato Limited, has indeed received approval from the Reserve Bank of India (RBI) to operate as an online payment aggregator.

Q.37 What is the purpose of the recent notifications issued by the Reserve Bank of India (RBI) for Urban Co-operative Banks (UCBs)?

- a) To decrease the operational efficiency of UCBs
- b) To enhance the governance, risk management, and operational efficiency of UCBs
- c) To discontinue the existing guidelines for UCBs
- d) To restrict the eligibility of UCBs for Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF)
- e) None of these

Answer (b): These notifications are aimed at enhancing the governance, risk management and operational efficiency of UCBs, as well as aligning them with the Revised Regulatory Framework for UCBs released by RBI on July 19, 2022.

Q.38 What is the name of the new plan launched by Canara HSBC Life Insurance?

- a) iSelect Future Plus
- b) iSelect Guaranteed Future Plus
- c) iSelect Future Guaranteed Plus
- d) iSelect Plus Future Guaranteed
- e) None of these

Answer (b): Canara HSBC Life Insurance launched a new plan called iSelect Guaranteed Future Plus on 24th January 2024. This plan is designed to provide life insurance coverage and guaranteed benefits to secure your financial goals.

Q.39 What is the value of the Plastic Waste Reduction-Linked Bond introduced by the World Bank?

- a) \$100 million
- b) \$50 million
- c) \$150 million
- d) \$200 million
- e) None of these

Answer (a): The World Bank (International Bank for Reconstruction and Development, IBRD) has indeed introduced a seven-year \$100 million, principal-protected Plastic Waste Reduction-Linked Bond on 24th January 2024.

Q.40 What is the new positioning statement of BOBCARD Limited?

- a) Credit Redefined

- b) Credit Reimagined
- c) Credit Renewed
- d) Credit Revamped
- e) None of these

Answer (b): BOB Financial Solutions Limited (BFSL), a wholly owned subsidiary of Bank of Baroda, has rebranded itself as BOBCARD Limited. This rebranding is accompanied by the unveiling of a new logo and a positioning statement "Credit Reimagined".

Q.41 Who launched the pre-seed Deep Tech accelerator fund?

- a) NSRCEL at IIM Bangalore and SIDBI
- b) NSRCEL at IIM Ahmedabad and RBI
- c) NSRCEL at IIM Calcutta and NABARD
- d) NSRCEL at IIM Lucknow and SEBI
- e) None of these

Answer (a): The Nadathur S. Raghavan Centre for Entrepreneurial Learning (NSRCEL) at IIM Bangalore and the Small Industries Development Bank of India (SIDBI) have indeed launched a pre-seed Deep Tech accelerator fund on 30th January 2024.

Q.42 Why did the RBI bar Paytm Payments Bank from accepting deposits after February 29, 2024?

- a) The bank was not profitable enough.
- b) The bank was involved in illegal activities.
- c) The bank failed to comply with regulations and had supervisory concerns.
- d) The bank merged with another bank.
- e) None of these

Answer (c):