

August

Banking & Financial Awareness

GK Digest

2024

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BANKING & FINANCIAL

AWARENESS GK DIGEST: AUGUST 2024

SIDBI PARTNERS C2TREDS & UGRO CAPITAL TO FACILITATE LOANS TO MSME SECTOR

Current Context: Small Industries Development Bank of India (SIDBI) has collaborated with C2treds and UGRO Capital to facilitate loans for the MSME (Micro, Small, and Medium Enterprises) sector.

KEY FACTS

C2treds Partnership:

- C2treds is a **platform that offers MSMEs liquidity within 24 hours through an online bidding process.**
- It **operates under the Trade Receivables Discounting System (TReDS)** initiative, regulated by the Reserve Bank of India (RBI).
- Through this collaboration, **C2treds aims to enhance liquidity for MSMEs at competitive interest rates.**
- SIDBI's participation in the C2treds platform will **amplify efforts to support the growth of MSMEs, which are vital for employment in India.**

UGRO Capital Partnership:

- UGRO Capital, a datatech NBFC (Non-Banking Financial Company), has **established a strategic co-lending partnership with SIDBI.**
- This partnership **leverages the RBI's co-lending framework, designed to boost priority sector lending.**
- UGRO Capital has already **extended bespoke finance solutions to over 78,000 MSMEs in India.**

SEBI LAUNCHED INDIA'S 1ST WEB PORTAL FOR PASSIVE FUNDS AT NSE;

UNVEILED REPORT ON CAPITAL MARKETS

Current Context: The Securities and Exchange Board of India (SEBI) recently achieved two significant milestones: India's First Website for Passive Funds at NSE, Report on Indian Capital Markets.

KEY HIGHLIGHTS

- **India's First Website for Passive Funds at NSE:**
- **SEBI launched India's first dedicated website for passive funds** at the National Stock Exchange (NSE).
- The website, **called IndiaPassiveFunds.com, empowers retail investors by providing comprehensive information about the Indian passive funds industry.**
- **It includes aggregate industry data, fund-wise details, and screeners for selecting funds based on various parameters like underlying index, AUM, tracking error, trading volume, and more.**
- **Report on Indian Capital Markets:**
- **SEBI also unveiled a detailed report titled "Indian Capital Markets: Transformative Shifts Achieved Through Technology and Reforms."**
- **It analyzes the impact of these changes on investors in the country.**
- **The growth and transformation of India's capital markets have been driven by a collective vision to create a resilient, progressive, and technology-driven ecosystem that benefits investors while ensuring safeguards.**

KOTAK MAHINDRA BANK AND GOQII LAUNCHES SMARTWATCH FOR CONTACTLESS PAYMENTS

Current Context: Kotak Mahindra Bank has partnered with GOQii to introduce a new smartwatch that allows users to make contactless payments.

ABOUT

- This **innovative device, named Kotak - GOQii Smart Vital Plus, combines payment functionality with health monitoring features.**
- **Contactless Payments:** Powered by RuPay On-The-Go, users can make seamless transactions up to INR 5,000 without needing a PIN.
- **Health Monitoring:** Tracks blood pressure, body temperature, and SpO2 levels.
- **User-Friendly Interface:** Easy to navigate and access payment options.
- **Security:** Offers the same level of security as traditional contactless cards and mobile devices.

SWIFT PARTNERS WITH AXIS BANK TO LAUNCH AI PILOT TO TACKLE PAYMENT FRAUD

Current Context: SWIFT, the Belgium-based Society for Worldwide Interbank Financial Telecommunications, has recently announced an AI-driven pilot project in collaboration with Axis Bank.

DETAILS

- The goal of this **initiative is to combat payment fraud in cross-border transactions.**
- **By leveraging advanced AI technology, SWIFT aims to enhance fraud detection capabilities and save the industry billions in fraud-related costs.**
- These pilots **represent a significant step toward achieving the G20's goal of increasing the speed of cross-border payments** while ensuring security and trust in the financial ecosystem.

RBI RELEASES DRAFT CIRCULAR ON 'REGULATORY PRINCIPLES FOR MANAGEMENT OF MODEL RISKS IN CREDIT'

Current Context: The Reserve Bank of India (RBI) has released a draft circular titled "Regulatory Principles for Management of Model Risks in Credit" on August 5, 2024.

KEY POINTS

- This circular **aims to address the potential risks associated with the use of various models in credit management by regulated entities (REs)** such as banks and non-banking financial companies.

- **Definition:** A credit risk model is any quantitative method that applies statistical, economic, financial, or mathematical principles to process data for credit decisions.
- **Governance and Oversight:** REs must establish a detailed, board-approved policy for model risk management, covering the entire model lifecycle.
- **Model Validation:** The models must be validated to ensure they are consistent, unbiased, explainable, and verifiable.
- **Implementation Timeline:** The circular will come into force within three months from the date of issuance. New credit models must comply immediately, while existing models must be validated within six months.
- **This initiative is part of RBI's efforts to ensure robustness and prudence in credit risk management, enhancing the overall stability of the financial system.**

PRUDENTIAL TREATMENT OF BAD AND DOUBTFUL DEBT RESERVE BY CO-OPERATIVE BANKS

Current Context: The Reserve Bank of India (RBI) recently issued updated guidelines on the Prudential Treatment of Bad and Doubtful Debt Reserve (BDDR) for co-operative banks, effective from August 2, 2024.

KEY FACTS

- **Uniform Accounting Treatment:** All provisions for Non-Performing Assets (NPAs) must be recognized as an expense in the Profit and Loss (P&L) account in the period they are recognized. This ensures compliance with Accounting Standard (AS) 5.
- **Regulatory Capital:** The eligibility of such provisions for regulatory capital purposes will continue as defined in the existing guidelines on capital adequacy.
- **Appropriations:** After charging all applicable provisions to the P&L account, banks may make appropriations of net profits to BDDR if required by applicable statutes.
- **Transition Measures:** As a one-time measure, banks can rectify past practices where provisions were created by appropriating from net profits rather than recognizing them as an expense. The balances in BDDR as of March 31, 2024, will be adjusted accordingly by March 31, 2025.

- These guidelines aim to bring uniformity and ensure that co-operative banks adhere to consistent accounting and regulatory practices.

IIT-M PARTNERS WITH IDBI TO LAUNCH CYBERSECURITY LAB

Current Context: IIT Madras and IDBI Bank announced their partnership to launch the IDBI - IITM Secure Systems Lab (I2SSL) on August 4, 2024.

KEY HIGHLIGHTS

- This lab aims to develop advanced cybersecurity solutions for critical sectors like healthcare, fintech, and aerospace.
- It will focus on creating market-ready intellectual properties, productization, and commercialization of research work, especially for mobile technologies.
- The initiative is expected to enhance the ability to anticipate, identify, and neutralize potential cyber threats, thereby building a more secure environment for various industries.

INCOME TAX RELIEF TO COOPERATIVE SOCIETIES

Current Context: The Indian government has been progressively providing income tax relief to cooperative societies to promote their growth and development.

ABOUT

- These measures **aim to strengthen the cooperative sector and contribute to the overall economic growth of the country.**
- **Reduced Alternate Minimum Tax (AMT) rate:** The AMT rate for cooperative societies was brought down from 18.5% to 15%, aligning it with the rate applicable to companies.
- **Lower surcharge:** The surcharge on cooperative societies with income between ₹1 crore and ₹10 crore was reduced from 12% to 7%.
- **The concessional tax rate for new manufacturing cooperative societies:** New cooperative societies starting manufacturing activities before a specified deadline can avail a lower tax rate of 15%, similar to new manufacturing companies.
- **Relief for sugar cooperatives:** Sugar cooperatives were allowed to claim payments made to sugarcane

farmers as expenditure for a specific period, providing significant tax relief.

- **Increased cash withdrawal limit without TDS:** The cash withdrawal limit for cooperative societies without deduction of tax at source (TDS) was increased from ₹1 crore to ₹3 crore per year.

SEBI DIRECTS MFS TO VALUE AT-1 BONDS BASED ON YIELD-TO-CALL

Current Context: The Securities and Exchange Board of India (SEBI) has directed mutual funds to value Additional Tier-1 (AT-1) bonds based on the “yield-to-call” methodology.

DETAILS

- This decision **aligns with the recommendation from the National Financial Reporting Authority (NFRA)** to ensure consistency with market practices.
- **AT-1 bonds are perpetual bonds issued by banks** to raise regulatory capital.
- They do not have a **maturity date but include a call option, allowing the issuer to redeem them after a specific period.**
- This **change is expected to make it easier for lenders to raise funds through these instruments** and could increase demand for AT-1 bonds from mutual funds.

LIC LAUNCHED 4 TERM INSURANCE PRODUCTS FOR YOUTH

Current Context: LIC recently launched four new term insurance products specifically designed for young people.

KEY POINTS

- **Yuva Term:** Available offline, this plan offers pure risk coverage and financial protection for the policyholder’s family in case of their unfortunate death during the policy term.
- **Digi Term:** An online-only plan providing similar benefits as Yuva Term but accessible through LIC’s website.
- **Yuva Credit Life:** This plan covers loan liabilities like housing, education, and vehicle loans, providing a safety net against loan repayments.
- **Digi Credit Life:** An online version of Yuva Credit Life, offering the same coverage for loan liabilities.
- These plans **aim to provide comprehensive term insurance and financial protection against loan**

repayments, catering to the needs of young individuals who want to secure their future early in life.

RBI AUGUST 2024 MPC MEETING

Current Context: The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) held its meeting from August 5-7, 2024.

KEY FACTS

- **Repo rate unchanged:** The MPC decided to maintain the repo rate at 6.50% for the ninth consecutive time.
- **Stance unchanged:** The MPC retained the 'withdrawal of accommodation' stance to ensure monetary policy remains vigilant on risks.
- **Growth projection unchanged:** The RBI maintained its growth projection for the current fiscal year at 7.2%.
- **Inflation concerns:** While core inflation has eased, food inflation remains a concern, significantly impacting headline inflation.
- **Global uncertainties:** The global economic outlook continues to be uncertain with potential risks.

SEBI PROPOSES TO INTRODUCE ‘NEW ASSET CLASS’

Current Context: The Securities and Exchange Board of India (SEBI) has proposed a new asset class aimed at bridging the gap between mutual funds (MFs) and portfolio management services (PMS).

KEY HIGHLIGHTS

- This new **asset class is designed to cater to investors with a higher risk appetite and features a minimum investment** threshold of ₹10 lakh.
- **Greater Flexibility:** Offers more investment options and strategies compared to traditional MFs.
- **Higher Risk-Taking Capability:** Designed for investors willing to take on more risk for potentially higher returns.
- **Systematic Plans:** Options for systematic investment plans (SIP), systematic withdrawal plans (SWP), and systematic transfer plans (STP).
- **Pooled Fund Structure:** Similar to MF schemes but with distinct nomenclature to differentiate from existing products.

- This initiative **aims to provide a regulated investment product that meets the needs of emerging investors** and curbs the proliferation of unregistered and unauthorized investment products.

SEBI AMENDED MUTUAL FUND RULES TO CURB FRONT-RUNNING, INSIDER TRADING

Current Context: SEBI's amendments to mutual fund rules on August 1, 2024, aim to enhance transparency and prevent unethical practices like front-running and insider trading.

ABOUT

- **Mutual funds must disclose their daily net asset values (NAVs)** and portfolio holdings more frequently.
- **Fund managers and key personnel must report their trades** within a shorter timeframe.
- **Increased penalties for violations related to front-running** and insider trading.
- **SEBI has been given more powers to enforce these rules** and take swift action against violators.
- **Mandatory training programs for fund managers** and other key personnel on ethical practices and compliance.
- **Awareness campaigns to educate investors about the risks of front-running** and insider trading.
- **Protect Investors:** Ensure that investors' interests are safeguarded by promoting fair practices.
- **Market Integrity:** Maintain the integrity of the financial markets by preventing unethical practices.
- **Transparency:** Increase transparency in mutual fund operations to build investor trust.
- These **amendments are part of SEBI's ongoing efforts to strengthen the regulatory framework and ensure a fair and transparent market environment.**

PINE LABS & AXIS BANK LAUNCHES 'UPISETU' INDIA'S FIRST UPI-FOCUSED PAYMENTS PLATFORM

Current Context: On 7th August 2024, Pine Labs and Axis Bank launched UPIsetu, India's first UPI-focused payments platform.

DETAILS

- This platform is **designed to enhance UPI payments for businesses and developers by integrating** a wide array of UPI functionalities, including QR code payments, UPI Autopay, EMI options, and Third-Party Validation services.
- **UPIsetu aims to leverage the growing popularity of UPI in India**, which has seen a significant rise in transactions over the past few years.
- This platform is expected to **provide a seamless and efficient payment experience, catering to the evolving needs of businesses and consumers alike.**

RBI RAISED THE MAXIMUM AMOUNT THAT CAN BE PAID WITH UPI FROM RS 1 LAKH TO RS 5 LAKH

Current Context: The Reserve Bank of India (RBI) recently increased the transaction limit for tax payments through the Unified Payments Interface (UPI) from Rs 1 lakh to Rs 5 lakh.

KEY POINTS

- The RBI has raised the **maximum transaction limit for UPI from Rs 1 lakh to Rs 5 lakh.**
- This increase is specifically **aimed at facilitating higher-value transactions, particularly for tax payments.**
- The primary goal is **to make it easier for individuals and businesses to make larger payments using UPI.**
- This move is expected **to enhance the convenience and efficiency of digital transactions, especially for tax-related payments.**
- **Users can now make single UPI transactions up to Rs 5 lakh**, which was previously capped at Rs 1 lakh.
- This change is **likely to benefit taxpayers, businesses, and individuals who need to make high-value payments.**

RBI REDUCED THE FREQUENCY OF BANK REPORTS TO CREDIT INFORMATION COMPANIES

Current Context: On 8th August 2024, The Reserve Bank of India (RBI) increased the frequency of credit information reporting by credit institutions (CIs) to Credit Information Companies (CICs) from a monthly basis to a fortnightly basis.

KEY FACTS

- This change **aims to provide a more up-to-date picture of a borrower's credit status, benefiting both borrowers and lenders.**
- Starting January 1, 2025, **ClIs will be required to report credit information every 15 days.**
- This will **ensure that any changes in a borrower's credit status, such as loan repayments or new credit inquiries, are reflected more quickly** in their credit reports.
- This move is **expected to enhance the accuracy of credit assessments and reduce the risk of over-leveraging by borrowers.**

GOI RELAXED LONG TERM CAPITAL GAINS RULES FOR PROPERTY OWNERS

Current Context: The Government of India has recently relaxed the long-term capital gains (LTCG) tax rules for property owners.

KEY HIGHLIGHTS

- **Two Tax Options:** Property owners can now choose between:
- **Option 1:** Pay a 20% tax on capital gains after adjusting the purchase price for inflation (indexation).
- **Option 2:** Pay a 12.5% tax on capital gains without any indexation adjustment.
- **Applicability:** This relief is applicable only to properties acquired before July 23, 2024.
- **Flexibility:** This change provides flexibility to property owners, allowing them to select the option that results in a lower tax liability.
- These adjustments **aim to balance the tax burden and provide relief to property owners who were affected** by the previous changes in the LTCG tax rules.

BANKING LAWS (AMENDMENT) BILL, 2024, WAS INTRODUCED BY THE FINANCE MINISTER

Current Context: The Banking Laws (Amendment) Bill, 2024, was indeed introduced by Finance Minister Nirmala Sitharaman in the Lok Sabha on August 9, 2024.

ABOUT

- This comprehensive bill **aims to bring significant changes to the banking sector.**
- **Increased nominees per bank account:** Allows up to four nominees for bank accounts, deposits, and safe deposit lockers.
- **Redefining 'substantial interest':** Raises the threshold for 'substantial interest' for directorships from ₹5 lakh to ₹2 crore.
- **Flexibility in auditor pay:** Grants banks more freedom in determining auditor remuneration.
- **Revised reporting dates:** Changes regulatory reporting dates for banks to the 15th and last day of each month.
- **Unclaimed dividends:** Enables individuals to claim unclaimed dividends, shares, or interest transferred to the Investor Education and Protection Fund (IEPF).
- **Tenure extension for cooperative banks:** Increases the tenure for directors (except chairperson and whole-time directors) in cooperative banks from 8 to 10 years.

FRACTIONAL OWNERSHIP PLATFORM PROPERTY SHARE RECEIVED INDIA'S 1ST SM REIT LICENSE FROM SEBI

Current Context: Property Share has become the first fractional ownership platform to receive the Small and Medium Real Estate Investment Trust (SM REIT) license from the Securities and Exchange Board of India (SEBI) under the name Property Share Investment Trust (PSIT).

DETAILS

- This license allows **Property Share to manage its fractional ownership platform under the regulatory framework** of SM REITs, which are designed for assets valued between ₹50 and ₹500 crores.
- The company **plans to file for its initial SM REIT scheme for a ₹330 crore fully-leased commercial property** in Bengaluru, with an annual yield of 9%.
- This move is **expected to bring significant benefits to investors, including compliance and reporting standards**, transparency, and investor protection mechanisms.

RBI HAS TIGHTENED NORMS FOR HOUSING FINANCE COMPANIES (HFCS)

Current context: The Reserve Bank of India (RBI) recently issued a notification on August 12, 2024, regarding the review of risk weights for Housing Finance Companies (HFCs).

KEY POINTS

- **Risk Weighted Assets for Undisbursed Loans:** To address anomalies in the computation of risk-weighted assets for undisbursed housing loans and other loans, the RBI has decided to cap the risk-weighted assets for undisbursed amounts at the level of equivalent disbursed loans.
- **Risk Weight for Commercial Real Estate - Residential Building:** The risk weight for fund-based and non-fund-based exposures to 'Commercial Real Estate - Residential Building' classified as standard will be 75%. For non-standard exposures, the risk weight will be 100%.
- These changes **aim to ensure a more accurate and fair assessment of risk for HFCs, promoting stability** in the housing finance sector.

REVIEW OF MASTER DIRECTION - NON-BANKING FINANCIAL COMPANY – PEER TO PEER LENDING PLATFORM (RESERVE BANK) DIRECTIONS, 2017

Current Context: On 16th August 2024, The Reserve Bank of India (RBI) has updated the Master Direction for Non-Banking Financial Company – Peer to Peer Lending Platform (NBFC-P2P) Directions, 2017.

KEY FACTS

- **Escrow Accounts:** All transactions must be routed through escrow accounts to ensure transparency and compliance. Cash transactions are strictly prohibited.
- **Credit Risk:** NBFC-P2P platforms cannot provide or arrange any credit enhancement or guarantee. They must not assume any credit risk from transactions on their platforms. Lenders must bear any loss of principal or interest, with clear disclosures provided to them.
- **Exposure Limits:**
 - **Lender Exposure:** A single lender's exposure to all borrowers across all P2P platforms is capped at Rs.50 lakh.

- **Borrower Exposure:** A single borrower can borrow a maximum of Rs.10 lakh across all P2P platforms.
- **Platform Exposure:** The exposure of a single lender to a single borrower on a specific platform is limited to Rs.50,000.
- **Compliance:** The RBI has tightened compliance measures to address violations where platforms were promoting peer-to-peer lending as an investment product with assured returns, providing liquidity options, and acting like deposit takers.
- **Implementation:** Most of the updated provisions are effective immediately, with some specific items coming into effect 90 days from the date of the circular.
- These updates **aim to ensure that NBFC-P2P platforms operate within a clear regulatory framework**, promoting transparency and protecting the interests of all participants involved.

RURAL-FOCUSED FINTECH STARTUP JAI KISAN SECURED NBFC LICENCE

Current Context: Jai Kisan, a rural-focused fintech startup, has recently secured a Non-Banking Financial Company (NBFC) license.

KEY HIGHLIGHTS

- With this new license, Jai Kisan can now offer customized financial products, including loans, directly from its portfolio.
- They will also be able to enter into co-lending partnerships with financial institutions, including public sector banks in India.
- This move is expected to significantly enhance their ability to provide tailored financial solutions to farmers and rural businesses.

KOTAK BANK ANNOUNCES THE AMALGAMATION OF SONATA FINANCE AND BSS MICROFINANCE

Current Context: Kotak Mahindra Bank has announced the amalgamation of its two wholly-owned subsidiaries, Sonata Finance and BSS Microfinance.

ABOUT

- The **combined net worth of Sonata and BSS is less than 2%** of the bank's net worth.

- The merger follows an independent valuation and includes a share exchange.
- Both subsidiaries act as business correspondents for Kotak Bank, providing microfinance and small loans to underserved communities.
- This move is part of Kotak Bank's strategy to enhance its financial inclusion efforts and expand its reach in rural and semi-urban markets.

RBI APPROVES TATA CAPITAL'S CONVERSION INTO NBFC-ICC FROM NBFC-CIC

Current Context: The Reserve Bank of India (RBI) has approved Tata Capital's conversion from a Non-Banking Financial Company-Core Investment Company (NBFC-CIC) to a Non-Banking Financial Company-Investment Credit Company (NBFC-ICC).

ABOUT

- This change follows the merger of Tata Capital with Tata Cleantech Capital and Tata Capital Financial Services.
- This transformation signifies Tata Capital's shift to an operating company, paving the way for its potential listing.
- The RBI has also classified Tata Capital and its parent company, Tata Sons, as NBFCs with an upper layer distinction, requiring both companies to go public by September 2025.

RAZORPAY THE ONLY INDIAN COMPANY FEATURED IN 'FORBES CLOUD 100 LIST' 2024; OPENAI TOPS THE LIST

Current Context: Razorpay has indeed made it to the Forbes Cloud 100 list for 2024, marking its third consecutive appearance.

DETAILS

- This year, Razorpay is ranked 70th, making it the only Indian company on the list.
- **OpenAI:** Topping the list, OpenAI is recognized for its groundbreaking work in artificial intelligence, particularly with models like GPT-4.
- **Diverse Sectors:** The list includes companies from various sectors such as fintech, AI, cybersecurity, and enterprise software.

- **Global Representation:** While the majority of companies are based in the United States, there is significant representation from other regions, including Europe and Asia.
- Razorpay's inclusion is a testament to its innovation and leadership in the fintech sector, particularly in providing payment and banking solutions for businesses.

NCLT APPROVES SLICE-NESFB MERGER

Current Context: On 19th August 2024, The National Company Law Tribunal (NCLT) has indeed given its nod to the merger between Slice and North East Small Finance Bank (NESFB).

KEY POINTS

- This strategic move aims to combine Slice's technological prowess with NESFB's deep-rooted presence in the Northeast region, offering a wider range of financial products and services to customers.
- **Enhanced Reach:** The merger will expand Slice's customer base and geographic footprint, particularly in the Northeast.
- **Synergies:** The combined entity can leverage NESFB's banking infrastructure and Slice's digital capabilities to create a more efficient and customer-centric financial experience.
- **Financial Inclusion:** This merger is expected to contribute to financial inclusion in the region, providing access to banking services to a larger population.

UDAAN PARTNERS WITH MOCAF&PD, SIDBI TO TRANSFORM FPS INTO JAN POSHAN KENDRAS

Current Context: On 20th August 2024, Udaan partnered with the Ministry of Consumer Affairs, Food and Public Distribution (MOCAF&PD) and the Small Industries Development Bank of India (SIDBI) to transform Fair Price Shops (FPS) into Jan Poshan Kendras (JPK).

KEY FACTS

- This initiative aims to enhance the income of FPS dealers and improve the variety of products offered at these shops.

- **Product Access:** Jan Poshan Kendras will have access to over 3,500 products across various staples and FMCG categories through Udaan's eB2B platform.
- **Pilot Launch:** The pilot has been launched across 60 selected fair-price shops in Rajasthan, Uttar Pradesh, Telangana, and Gujarat.
- **Credit Facilities:** SIDBI will offer credit facilities to these Jan Poshan Kendras, enabling them to purchase food grains and FMCG products.
- **Expansion Plans:** Upon successful validation, the initiative aims to expand to cover about 1.3 lakh Jan Poshan Kendras.
- This initiative is expected to **modernize the fair price shops and contribute to better nutritional outcomes** for the communities they serve.

NPCI LAUNCHED "UPI CIRCLE" FOR SECURE DELEGATED PAYMENTS WITH TRUSTED USERS

Current Context: The National Payments Corporation of India (NPCI) has introduced a new feature called UPI Circle. This feature allows primary UPI account holders to securely delegate payment responsibilities to trusted secondary users.

KEY HIGHLIGHTS

- **Primary User:** The account holder who initiates the Circle and controls the delegation.
- **Secondary User:** A trusted individual granted partial or full access to the account for making payments.
- **Full Delegation:** The secondary user can complete transactions within predefined limits without further approval.
- **Partial Delegation:** The secondary user can initiate transactions, but the primary user must authenticate and finalize the payment using their UPI PIN.
- This feature is designed to **enhance convenience and security, particularly for managing payments for dependents**, such as parents paying for their children or elderly citizens delegating payments to family members.

NEW GUIDELINES FOR BORROWING BY CATEGORY-I AND CATEGORY-II AIFS AND LVF TENURE EXTENSION BY SEBI

Current Context: On 19th August 2024, SEBI has recently introduced new guidelines for borrowing by Category-I and Category-II Alternative Investment Funds (AIFs) and for the

tenure extension of Large Value Funds for Accredited Investors (LVFs).

ABOUT

- **Borrowing Guidelines for AIFs:**
- **Category-I and Category-II AIFs** can now borrow up to 10% of their investable funds.
- **Borrowing is allowed for temporary funding needs and day-to-day operational requirements**, but only for a maximum of 30 days.
- The intention **to borrow must be clearly stated in the AIF's Private Placement Memorandum (PPM)**.
- The **maximum permissible limit for the extension of tenure for LVFs is up to five years**, subject to the approval of two-thirds of the unit holders by value of their investment.
- **LVFs must align with this five-year limit** by November 18, 2024.
- These changes **aim to provide greater operational flexibility and ease of doing business for AIFs and LVFs**.

RBI RELEASED FRAMEWORK FOR SROS IN FINANCIAL MARKETS

Current Context: On 19th August 2024, The Reserve Bank of India (RBI) released a framework for the recognition of Self-Regulatory Organisations (SROs) in financial markets.

DETAILS

- This framework **aims to enhance the integrity, professionalism, and compliance within the financial markets** by setting industry standards and best practices for SROs to follow.
- **Objectives:** To develop better industry standards for self-regulation and complement the existing legislative and regulatory framework.
- **Eligibility Criteria:** Specifies the criteria for entities seeking recognition as SROs, including governance standards and membership requirements.
- **Responsibilities:** SROs are expected to proactively develop and ensure adherence to industry standards and best practices by their members.
- This initiative is **part of RBI's broader efforts to promote safe and stable financial markets, facilitating efficient price discovery and risk management**.

NRI DEPOSITS SURGE USD 4 BILLION IN Q1 IN CONTRAST WITH A 24% DROP IN OUTWARD REMITTANCES: RBI DATA

Current Context: According to recent data from the Reserve Bank of India (RBI), non-resident Indian (NRI) deposits surged by approximately \$4 billion in the first quarter of FY25, marking a significant 79% increase compared to the same period last year.

KEY POINTS

- This **increase contrasts sharply with a 24.39% drop in outward remittances, which totaled \$6.9 billion for the quarter.**
- **Foreign Currency Non-Resident (FCNR) deposits:** Increased to \$1.68 billion from \$1.12 billion a year ago.
- **Non-Resident External (NRE) deposits:** Saw inflows of \$1.53 billion, up from \$489 million last year.
- **Non-Resident Ordinary (NRO) deposits:** Grew to \$743 million from \$598 million.
- Conversely, **outward remittances declined across most categories, including international travel, maintenance of close relatives, and gifts.**
- This decline is partly attributed to **recent changes in tax collection norms and shifts in spending behavior among Indians abroad.**

PROCESSING OF E-MANDATES FOR RECURRING TRANSACTIONS

Current Context: The Reserve Bank of India (RBI) has established a framework for processing e-mandates for recurring online transactions. This framework applies to transactions made using cards, wallets, and the Unified Payments Interface (UPI).

KEY FACTS

- **Additional Factor of Authentication (AFA):** During the registration and the first transaction, AFA is required to ensure security. Subsequent transactions up to a limit of ₹5,000 do not require AFA.
- **Pre-transaction Notification:** Customers receive a notification before each transaction, allowing them to cancel if necessary.
- **Transaction Limit:** The maximum permissible limit for a transaction under this e-mandate is ₹5,000.

- **Customer Convenience:** The framework aims to balance safety and convenience, protecting customers from fraudulent transactions while making recurring payments easier.
- This framework **ensures that recurring transactions are secure and convenient for customers.**

INDIA & ADB SIGNS USD 500 MILLION LOAN AGREEMENT TO IMPROVE TERTIARY HEALTH CARE & MEDICAL EDUCATION

Current Context: India has signed a significant loan agreement with the Asian Development Bank (ADB) worth USD 500 million on 21st August 2024.

KEY HIGHLIGHTS

- This agreement **aims to enhance access to quality and affordable tertiary health care and medical education** in Maharashtra.
- The **loan will support the establishment of four new medical colleges** attached to tertiary care teaching hospitals.
- These **facilities will incorporate climate- and disaster-resilient, gender-responsive, and socially inclusive** features in underserved districts.
- Additionally, the program will **increase bed capacity in government tertiary care hospitals and hire at least 500 new doctors.**
- This initiative is **part of a broader effort to provide modern medical services in underserved areas and reduce out-of-pocket expenditure** for patients through better availability of quality drugs.

UNIFIED LENDING INTERFACE WILL BE LAUNCHED BY RBI TO PROVIDE 'FRICTIONLESS CREDIT'

Current Context: The Reserve Bank of India (RBI) is introducing the Unified Lending Interface (ULI) to streamline credit flow, particularly for small and rural borrowers.

DETAILS

- **ULI is a digital platform designed to facilitate seamless credit transactions** by reducing expenses, expediting fund distribution, and enhancing scalability.
- **Purpose:** ULI aims to cater to the significant unmet credit demand across various sectors, with a specific

focus on agricultural and medium, small, and micro-enterprises (MSME) borrowers.

- **Digital Integration:** Given India's rapid digitalization, ULI integrates data from various entities such as central and state governments, account aggregators, banks, credit information bureaus, and digital identity authorities. It digitizes access to customer financial and non-financial data that were previously stored in separate systems.
- **Frictionless Credit:** By providing a consent-based flow of digital information, ULI reduces the time taken for credit appraisal, benefiting borrowers.
- **Similar to UPI:** RBI Governor Shaktikanta Das expects ULI to play a transformative role in the lending space, similar to how UPI revolutionized payments.

PIRAMAL FINANCE & CENTRAL BANK OF INDIA PARTNERS TO FORM STRATEGIC CO-LENDING PARTNERSHIP

Current Context: Piramal Finance and Central Bank of India announced their strategic co-lending partnership on August 23, 2024.

KEY POINTS

- **Objective:** The partnership aims to provide affordable financing solutions to small businesses and retail borrowers, enhancing financial inclusion.
- **Co-Lending Model:** Under this model, both institutions will jointly contribute to the loan amount. This allows for a larger pool of funds and better risk management.
- **Target Segments:** The focus will be on micro, small, and medium enterprises (MSMEs) and retail customers, particularly in underserved and unserved regions.

JANA SMALL FINANCE BANK HONoured WITH 4 AWARDS AT ICC EMERGING ASIA BANKING CONCLAVE & AWARDS 2024

Current Context: Jana Small Finance Bank has indeed been recognized for its excellence at the 2nd ICC Emerging Asia Banking Conclave & Awards 2024 on August 22nd and 23rd, 2024.

KEY FACTS

- The bank won four prestigious awards:
- Best Small Finance Bank (India)
- Best Performance on Profitability (Runners-up)
- Best Performance on Asset Quality
- Best Performance on Risk Management.
- This recognition highlights the bank's commitment to innovation and excellence in the banking sector.
- Ajay Kanwal, the MD and CEO of Jana Small Finance Bank, expressed gratitude for the awards, emphasizing the hard work and dedication of their team.

INDIAFIRST LIFE BECOMES FIRST INDIAN LIFE INSURER TO COMMENCE OPERATIONS IN GIFT CITY

Current Context: On 28th August 2024, IndiaFirst Life Insurance Company Ltd achieved a significant milestone by becoming the first Indian life insurer to commence operations in Gujarat International Finance Tec City (GIFT City).

KEY HIGHLIGHTS

- The company inaugurated its IFSC Insurance Office (IIO) at this international financial hub, offering foreign currency-denominated life insurance solutions.
- This move aims to expand IndiaFirst Life's reach to international customers, including global Indians, with a specially designed ULIP product called the IndiaFirst Life Wealth Wise plan.

GUJARAT REPLACED UP AS TOP INVESTMENT DESTINATION IN FY24 : RBI STUDY

Current Context: In the fiscal year 2023-24, Gujarat outpaced Uttar Pradesh (UP) as the leading investment destination for bank-funded projects, according to a study by RBI economists.

ABOUT

- Gujarat secured funding for 154 projects, accounting for 14.7% of the total ₹3.9 lakh crore financed by banks and financial institutions.
- This marked an increase from the previous year's 14% share.

- Meanwhile, UP received funds for 69 projects, with its share dropping to 7.6% from 16.2% in the previous year.
- Notably, the infrastructure sector attracted a significant portion of capital investments, reflecting the government's focus on infrastructure development.
- Maharashtra, Andhra Pradesh, and Gujarat were the other states in the top five for project funding from banks and financial institutions, together accounting for approximately 55% of the total sanctioned project cost in 2023-24.

SCHEME FOR TRADING AND SETTLEMENT OF SOVEREIGN GREEN BONDS IN THE INTERNATIONAL FINANCIAL SERVICES CENTRE

Current Context: The Reserve Bank of India (RBI) has introduced a scheme to facilitate the trading and settlement of Sovereign Green Bonds (SGrBs) in the International Financial Services Centre (IFSC) in India.

DETAILS

- This scheme aims to encourage wider participation from foreign investors.
- **Eligibility:** Foreign investors in the IFSC can invest in SGrBs issued by the Government of India.
- **Primary and Secondary Markets:** Investors can participate in primary auctions conducted by the RBI and trade in the secondary market within the IFSC.
- **Restrictions:** Investors are not allowed to repackage or create derivative instruments based on these bonds, nor can they engage in repo transactions involving these securities.
- This initiative is part of India's broader efforts to promote green financing and attract international investment in sustainable projects.

NPCI INTRODUCED BBPS FOR BUSINESS, UPI CIRCLE AT GFF 2024

Current Context: On 28th August 2024, The National Payments Corporation of India (NPCI) introduced two new initiatives at the Global Fintech Festival (GFF) 2024.

KEY POINTS

- This new feature allows businesses to collect payments from customers using the Bharat Bill Payment System (BBPS).
- This will provide businesses with a convenient and efficient way to collect payments from their customers.
- This new initiative allows users to make UPI payments without having to enter the beneficiary's account details.
- Instead, users can simply choose the beneficiary's name from a list of contacts.
- This will make UPI payments even easier and more convenient for users.

SBI SIGNED MOU WITH JAKSON ENGINEERS TO PROMOTE SOLAR ENERGY ADOPTION IN INDIA

Current Context: The State Bank of India (SBI) has signed a Memorandum of Understanding (MoU) with Jakson Engineers Limited to promote solar energy adoption across India on 8th August 2024, in Mumbai.

KEY FACTS

- This collaboration is part of the **SURYA SHAKTI SOLAR FINANCE** initiative, which aims to provide financial support to commercial, industrial, and institutional sectors for adopting solar energy solutions.
- The partnership combines SBI's extensive banking experience with Jakson's expertise in solar technology.
- It aims to make solar energy more accessible and affordable, contributing significantly to India's renewable energy goals.
- SBI will offer loans up to ₹10 crore to support the deployment of rooftop solar projects, aligning with the government's target of achieving **100 GW of rooftop solar capacity by 2030**.

MEA & NSIL SIGNED MOU TO ASSIST LAUNCH OF NEPAL'S MUNAL SATELLITE

Current Context: On August 10, 2024, the Ministry of External Affairs (MEA) and NewSpace India Limited (NSIL) signed a Memorandum of Understanding (MoU) in New Delhi to assist with the launch of Nepal's Munal Satellite.

KEY HIGHLIGHTS

- This collaboration is a significant step in strengthening the **space cooperation between India and Nepal**.
- The Munal Satellite is designed to **enhance Nepal's capabilities in various critical areas**, including communication, weather forecasting, and disaster management.
- The satellite will provide improved communication services, which are essential for **both urban and rural areas in Nepal**.
- Enhanced weather forecasting capabilities will help in better predicting and managing natural disasters, such as **floods and landslides**, which are common in the region.

MNRE ISSUES GUIDELINES FOR PM SURYA GHAR: MUFT BIJLI YOJANA

Current Context: On 9th August 2024, The Ministry of New and Renewable Energy (MNRE) has recently released operational guidelines for the Model Solar Village component under the PM Surya Ghar: Muft Bijli Yojana.

ABOUT

Key Points about the Scheme:

- **Objective:** To create one model solar village per district across India to promote solar energy adoption and empower village communities.
- **Financial Allocation:** A total of Rs 800 crore has been allocated for this component, with each selected village receiving Rs 1 crore.
- **Implementation:** State/UT Renewable Energy Development Agencies will be responsible for implementation under the supervision of District Level Committees.
- **Focus:** The scheme emphasizes creating self-reliant solar-powered communities that can serve as models for other villages.

AN MOU SIGNED BY INDIA & US TO PROMOTE COOPERATION ON SMALL & MEDIUM ENTERPRISES

Current Context: India and the United States recently signed a Memorandum of Understanding (MoU) to promote cooperation on Small and Medium Enterprises (SMEs).

DETAILS

- This agreement was signed by **Isabel Casillas Guzman**, the head of the U.S. Small Business Administration (SBA), and **S. C. L Das**, Secretary of India's Ministry of Micro, Small, and Medium

Enterprises (MSMEs), in **New Delhi on August 13, 2024**.

The MoU aims to:

- Enhance MSME participation in the global marketplace by sharing expertise and best practices on entrepreneurial training, access to capital, trade and export financing, and leveraging technology and digital services.
- **Promote women's entrepreneurship** and facilitate trade partnerships between women-owned small businesses in both countries.
- **Integrate small businesses into the green energy transition**, supporting inclusive growth for women and other underserved entrepreneurs.

HP LAUNCHES HIM-UNNATI SCHEME TO PROMOTE NATURAL FARMING

Current Context: On 9th August 2024, Himachal Pradesh has recently launched the HIM-UNNATI scheme to promote natural farming across the state.

KEY POINTS

- This initiative, with a budget of **Rs.150 crore**, aims to **support around 1.92 lakh farmers** who are already practicing chemical-free farming on over **32,149 hectares** of land.
- The scheme focuses on making agriculture economically viable through a cluster-based development model.
- It will consolidate smallholding farmers to enable bulk production and ensure a sufficient marketable surplus.
- Additionally, the scheme will integrate various ongoing agricultural schemes and coordinate with departments such as animal husbandry, horticulture, fisheries, and rural development.
- **The HIM-UNNATI scheme** is expected to generate self-employment opportunities for approximately **50,000 farmers and increase productivity by 15-20%** in vegetables and cereals.
- It also includes **100% soil test-based** nutrient management to enhance soil productivity and support for traditional crops and millet procurement.

ILO'S GET FOR YOUTH 2024: YOUTH UNEMPLOYMENT RATE FELL TO 13% IN 2023

Current Context: The International Labour Organization's (ILO) Global Employment Trends for Youth 2024 report was released on 12th August 2024.

KEY FACTS

- The global youth unemployment rate has dropped to **13% in 2023, marking a 15-year low.**
- This is a significant improvement compared to the **pre-pandemic rate of 13.8% in 2019.**
- **Key takeaways from the report:**
 - **Decline in youth unemployment:** The number of unemployed young people worldwide has reduced to 64.9 million in 2023, the lowest since the start of the millennium.
 - **Continued improvement:** The ILO forecasts a further decrease in the youth unemployment rate to 12.8% in both 2024 and 2025.
 - **Gender disparities:** While the overall trend is positive, the report highlights persistent gender inequalities, with young women facing higher rates of NEET (Not in Employment, Education, or Training).

RBI CLEARS E-MANDATE FOR AUTO-REPLENISHMENT OF FASTAG & NCMC

Current Context: The Reserve Bank of India (RBI) has expanded its e-mandate framework to include the auto-replenishment of balances for FASTag and the National Common Mobility Card (NCMC).

ABOUT

- **Auto-Replenishment:** The new framework allows for the automatic top-up of balances for both FASTag and NCMC when they fall below a certain threshold set by the customer. This ensures that users do not face any inconvenience due to insufficient balance.
- **No Pre-Debit Notification:** Unlike other e-mandates where a pre-debit notification is sent to the customer, the auto-replenishment for FASTag and NCMC will not require such notifications. This makes the process faster and more seamless.
- **Customer Convenience:** This update aims to enhance user convenience by reducing the need for manual recharges and ensuring uninterrupted services. It is particularly beneficial for frequent travelers who rely on these services regularly.

- **Security and Compliance:** The framework ensures that all transactions are secure and comply with the RBI's guidelines on e-mandates, which include provisions for customer consent and data protection.

USA ACCOUNTS FOR HIGHEST FPI INVESTMENT IN INDIA: SEBI REPORT

Current Context: On 9th August 2024, The Securities and Exchange Board of India (SEBI) released its annual report for 2023-2024, highlighting the significant role of Foreign Portfolio Investors (FPIs) in India's financial markets.

DETAILS

Key Findings:

- **Dominance of the United States:** The US emerged as the largest source of FPI investment in India, accounting for the highest number of registered FPIs (3,457) as of March 31, 2024.
- **Growth in FPI Registration:** The overall number of registered FPIs in India increased to 11,219, indicating growing interest from foreign investors.
- **Surge in Assets Under Custody (AUC):** The total value of assets held by FPIs under custodianship experienced a substantial growth of 42.8% to Rs.69.5 lakh crore. This reflects increased confidence in the Indian market.
- **Equity Dominance:** Equity assets constituted the majority (92.2%) of the total AUC, with the US being the top contributor at 39.2%. Singapore and Luxembourg followed with 9.8% and 7.1% respectively.
- **Record FPI Inflows:** The financial year 2023-24 witnessed the highest FPI inflows since 1992-93, underscoring the positive sentiment towards the Indian economy.

BRICS PARTNERS WITH UAE TO LAUNCHED A CENTRE FOR INDUSTRIAL COMPETENCES

Current Context: On 17th August 2024, The BRICS partners, along with the UAE, recently launched a Centre for Industrial Competences.

KEY POINTS

- This initiative, in collaboration with the **United Nations Industrial Development Organisation (UNIDO)**, aims to enhance industrial skills and capabilities.

- The announcement was made during the **8th BRICS Industry Ministers Meeting**, which brought together representatives from countries like **Russia, Brazil, China, Egypt, Ethiopia, India, Iran, and South Africa**.
- The centre will focus on promoting partnerships within the New Industrial Revolution (NIR) framework, addressing interests, challenges, and opportunities in the rapidly evolving industrial landscape.
- It also aims to support the development of industrial skills and capabilities among its members.

GOI INTRODUCES OFFSHORE AREAS MINERAL TRUST RULES, 2024 TO ENHANCE OFFSHORE MINERAL EXPLORATION

Current Context: The Government of India has introduced the Offshore Areas Mineral Trust Rules, 2024 to enhance offshore mineral exploration and production.

KEY FACTS

- These rules establish a framework to oversee mineral activities in India's offshore areas.
- **Key highlights include:**
 - **Financial Contributions:** Holders of production leases must contribute 10% of their royalty payments to the Trust, which will be used for various initiatives.
 - **Sustainable Exploration:** The Trust aims to promote sustainable exploration while ensuring environmental conservation and community welfare.
 - **Technological Advancement:** The Trust will support innovation and technological advancements in offshore mineral exploration.
 - **International Cooperation:** It will also promote international cooperation in technology and knowledge exchange.

UP CM YOGI ADITYANATH ANNOUNCES 'MYUVA SCHEME' TO EMPOWER YOUTH ENTREPRENEURS IN UP

Current Context: Chief Minister Yogi Adityanath has launched the Mukhyamantri Yuva Udyami Vikas Abhiyan (MYUVA) Scheme in Uttar Pradesh.

KEY HIGHLIGHTS

- This initiative **aims to empower young entrepreneurs by providing** them with interest-free loans and support for their ventures.

- The scheme focuses on nurturing entrepreneurship among the youth, with a goal to prepare one lakh young entrepreneurs every year.
- The government has allocated **Rs 1,000 crore for the financial year 2024-25** to support this initiative.
- **The loans, up to Rs 5 lakh**, will be provided for projects in the industry and service sectors.
- This scheme is designed to foster economic growth and self-employment opportunities, benefiting both rural and urban areas.

DELHI'S IGIA BECOMES 1ST AIRPORT IN INDIA TO ACHIEVE NET ZERO CARBON EMISSION AIRPORT STATUS

Current Context: Indira Gandhi International Airport (IGIA) in Delhi achieved the Net Zero Carbon Emission status on August 14, 2024, becoming the first airport in India to do so.

ABOUT

- This milestone was reached under the **Airport Council International's (ACI) Airport Carbon Accreditation (ACA) program**, **six years** ahead of the 2030 target.
- The airport implemented several strategies, including switching to renewable energy, promoting the use of electric vehicles, and upgrading infrastructure to support environmentally friendly practices.
- This achievement sets a new standard for sustainability in the aviation sector in India and globally.

COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH (CSIR) AND LAGHU UDYOG BHARATI SIGN MOU

Current Context: The Council of Scientific & Industrial Research (CSIR) and Laghu Udyog Bharati (LUB) recently signed a Memorandum of Understanding (MoU) on August 21, 2024 in New Delhi.

DETAILS

- This agreement aims to transfer selected CSIR technologies to Micro and Small Entrepreneurs (MSEs) under LUB.
 - **Objective:** The MoU aims to transfer 100 CSIR technologies to identified MSEs within 100 days.
 - **Technologies:** The technologies include innovations like Pesticide Detection Kits, Multi-copter Drones, Air Quality

Monitoring Systems, and Gluten-free biscuits.

- **Benefits for CSIR:** This partnership will help CSIR extend the market reach of its technologies, including export promotion and import substitution.
- **Benefits for LUB:** MSEs will gain access to low-cost, efficient technologies, enhancing their operations and market competitiveness.

INDIA'S TELECOM SECTOR SEES IMPRESSIVE GROWTH IN FY24: TRAI ANNUAL REPORT

Current Context: The Telecom Regulatory Authority of India's (TRAI) annual report for FY 2023-24 highlights significant growth in India's telecom sector.

KEY POINTS

- **Internet Subscribers:** The total number of internet subscribers increased by 8.3%, from 881.25 million in March 2023 to 954.4 million in March 2024.
- **Teledensity:** India's overall teledensity rose from 84.51% to 85.69%, marking a 1.39% annual growth.
- **Gross Revenue:** The sector's gross revenue grew by 0.71%, reaching INR 3.36 trillion (approximately USD 40 billion).
- **Adjusted Gross Revenue (AGR):** AGR saw an 8.24% increase, rising from INR 2.49 trillion to INR 2.7 trillion.
- **Leading Providers:** Reliance Jio led with a 9.62% AGR growth, followed by Bharti Airtel with a 12.12% increase.

INDIA, SINGAPORE, AND JAPAN SIGN HISTORIC AGREEMENT TO EXPORT GREEN AMMONIA

Current Context: On 20th August 2024, the Union Minister of New and Renewable Energy, Shri Pralhad Joshi, recently chaired the signing ceremony for the Heads of Terms (HoT) agreement between India, Singapore, and Japan.

KEY FACTS

- This agreement marks the first-ever collaboration for the export of Green Ammonia from India to Japan.
- **Key points from the agreement include:**
- **Sembcorp Industries (Singapore)** will lead the production of green ammonia in India using renewable energy sources.

- **Kyushu Electric Power Co. (Japan)** will integrate this green ammonia into their energy mix, partially replacing coal at their thermal power plants.
- **Sojitz Corporation (Japan)** will act as the business intermediary.
- **NYK Line (Japan)** will handle the maritime transportation of the green ammonia from India to Japan.

UNION CABINET APPROVED THE UNIFIED PENSION SCHEME FOR GOVERNMENT EMPLOYEES

Current Context: On August 24, 2024, the Union Cabinet approved the Unified Pension Scheme (UPS) for central government employees.

KEY HIGHLIGHTS

- This scheme is set to take effect from April 1, 2025, and aims to provide enhanced financial security for government employees.
- **Here are some key points about the scheme:**
 - **Guaranteed Pension:** Employees with at least 25 years of service will receive a pension equal to 50% of their average basic pay from the last 12 months before retirement.
 - **Family Pension:** In case of an employee's death, their spouse will receive a family pension amounting to 60% of the employee's pension.
 - **Minimum Pension:** The scheme ensures a minimum pension of Rs.10,000 per month for retired employees with at least 10 years of service.
 - This move is expected to benefit around **23 lakh central government employees.**

ALL INDIA INITIATIVE ON CREATIVE ECONOMY (AIICE) LAUNCHED AT AN EVENT IN NEW DELHI

Current Context: The Alliance for India's Creative Economy (AIICE) was launched on August 23, 2024, at The Imperial in New Delhi. The event was organized by the Indian Chamber of Commerce (ICC) and attended by various dignitaries, including Union Minister Hardeep Singh Puri.

ABOUT

- **Objective:** The primary goal of AIICE is to **advance and support India's creative economy**, which encompasses sectors like media, entertainment, arts, culture, and design. The initiative aims to

provide a platform for creative professionals to collaborate, innovate, and grow.

- **Economic Impact:** India's creative industries are currently valued at **\$30 billion**. The **AIIICE aims to significantly boost this figure by providing resources**, networking opportunities, and policy support to creative professionals and businesses.
- **Artificial Intelligence:** During the launch, Union Minister Hardeep Singh Puri highlighted that artificial intelligence (AI) is not a threat to the content creation economy. Instead, AI can be leveraged to enhance creativity and productivity in various creative sectors.

HP LAUNCHES 'MUKHYA MANTRI SUKH SHIKSHA YOJANA' WITH ALLOCATION OF RS. 53.21 CRORES

Current Context: The Himachal Pradesh Government announced the Mukhya Mantri Sukh Shiksha Yojana on August 25, 2024.

DETAILS

- This scheme aims to provide enhanced support to widows, destitute women, divorced women, and disabled parents in raising and educating their children.
- Eligible children will receive a monthly grant of ₹1,000 to cover their educational, health, and nutritional needs until they reach 18 years of age.
- Additionally, the scheme offers financial assistance for higher education, including undergraduate, postgraduate, diploma, and vocational courses.
- The Cabinet also approved other initiatives, such as subsidies for e-taxis and age relaxation for students already enrolled in nursery, LKG, and UKG during the 2023-24 academic year.

MUMBAI RANKS 2ND, NEW DELHI 3RD IN PGCI Q2 2024; MANILA TOPS THE LIST

Current Context: The According to the Prime Global Cities Index (PGCI) Q2 2024 by Knight Frank. Mumbai has secured the 2nd position with a 13% annual increase in prime residential property prices.

KEY POINTS

- While New Delhi is ranked 3rd with a 10.6% increase.
- Manila topped the list with a remarkable 26% annual increase.
- This index tracks the performance of luxury residential prices across 44 global cities.

- It's interesting to see such significant growth in Indian cities, reflecting the increasing demand and rising wealth in these markets.

MoRD SIGNED MOU WITH MICROSERVE TO OPTIMISE COMMUNITY INVESTMENT FUNDS

Current Context: On August 24, 2024, the Ministry of Rural Development (MoRD) signed a Memorandum of Understanding (MoU) with MicroServe Consulting in New Delhi, India.

KEY FACTS

- This partnership aims to optimize Community Investment Funds (CIF) under the Deendayal Antyodaya Yojana - National Rural Livelihoods Mission (DAY-NRLM).
- The collaboration focuses on enhancing financial inclusion, improving livelihoods, and ensuring sustainable development in rural areas.
- By leveraging MicroServe's expertise, the initiative seeks to provide better financial services and support to rural communities, ultimately aiming to uplift the socio-economic status of the rural population.

UNION CABINET APPROVED THE EXPANSION OF THE AGRICULTURE INFRASTRUCTURE FUND

Current Context: On August 28, 2024, the Union Cabinet, chaired by Prime Minister Narendra Modi, approved the progressive expansion of the Central Sector Scheme of financing under the Agriculture Infrastructure Fund (AIF).

KEY HIGHLIGHTS

- This strategic move **aims to bolster agricultural infrastructure and support** the farming community by broadening the scope of eligible projects and integrating additional supportive measures.
- **The expansion includes the following key initiatives:**
 - **Viable Farming Assets:** All eligible beneficiaries of the scheme can now create infrastructure covered under "viable projects for building community farming assets." This move is expected to enhance community farming capabilities, improve productivity, and promote sustainability in the sector.

- **Integrated Processing Projects:** Integrated primary and secondary processing projects are now included in the list of eligible activities under AIF. However, standalone secondary projects would not be eligible and would fall under other schemes.
- **PM KUSUM Component-A Convergence:** Component-A of PM-KUSUM (Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan) can now converge with AIF for farmers, farmer groups, Farmer Producer Organizations (FPOs), cooperatives, and Panchayats. This alignment promotes sustainable clean energy solutions alongside agricultural infrastructure development.
- **NABSanrakshan Credit Guarantee:** In addition to the Credit Guarantee Trust Fund for Micro and Small Enterprises (CGTMSE), AIF credit guarantee coverage will extend to FPOs through the NABSanrakshan Trustee Company Pvt. Ltd. This expansion aims to enhance financial security and creditworthiness, encouraging more investments in agricultural infrastructure projects.

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ABOUT

- Gujarat secured funding for **154 projects, accounting for 14.7% of the total ₹3.9 lakh crore** financed by banks and financial institutions.
- This marked an increase from the previous year's **14% share**.
- Meanwhile, **UP received funds for 69 projects**, with its share dropping to 7.6% from 16.2% in the previous year.
- Notably, the infrastructure sector attracted a significant portion of capital investments, reflecting the government's focus on infrastructure development.
- **Maharashtra, Andhra Pradesh, and Gujarat were the other states in the top five** for project funding from banks and financial institutions, together accounting for approximately 55% of the total sanctioned project cost in 2023-24.

ACCORDING TO A REPORT, 57% OF WOMEN MICRO-BUSINESS OWNERS HAD NO IDEA THAT UPI-BASED SOLUTIONS

Current Context: The report titled “Digital Payments Adoption Among Women Micro-Business Owners in India” was presented on August 28, 2024, at the Global Fintech Fest released by Women’s World Banking.

DETAILS

- It revealed that **57% of women micro-business owners** were unaware of UPI-based solutions.
- The report highlighted barriers such as lack of awareness, digital literacy, and trust issues.
- It also emphasized the need for targeted **awareness campaigns and training programs** to boost digital payment adoption among women entrepreneurs.
- The findings **aim to guide policymakers and financial institutions** in designing more inclusive digital financial services.

HURUN INDIA RICH LIST IS TOPPED BY GAUTAM ADANI WITH RS 11.6 LAKH CRORE

Current Context: Mumbai has been named the “billionaire capital of Asia” in the 2024 Hurun India Rich List. With 92 billionaires, Mumbai has surpassed Beijing and is now the third richest city globally, following New York and London.

KEY POINTS

- The city saw an increase of **58 new billionaires**, bringing its total to **386**.
- **Top Billionaires in India**
 - **Gautam Adani:** With a net worth of ₹11.6 lakh crore, Adani has taken the top spot, primarily due to his diversified business interests in infrastructure, commodities, and energy.
 - **Mukesh Ambani:** The chairman of Reliance Industries, Ambani’s net worth is slightly lower than Adani’s but still substantial.
 - **Shiv Nadar:** The founder of HCL Technologies, Nadar continues to be one of the wealthiest individuals in India, thanks to the booming IT sector.
 - **Cyrus Poonawalla:** Known for his work in the pharmaceutical industry, particularly with the Serum Institute of India,

Poonawalla's wealth has seen significant growth.

- **Lakshmi Mittal:** The steel magnate remains a prominent figure on the list, with his global steel empire.

- **Notable New Entries:**

- **Shah Rukh Khan:** The Bollywood superstar has made his debut on the list with a net worth of ₹7,300 crore, thanks to his successful film career and business ventures.
- **Byju Raveendran:** The founder of BYJU'S, an ed-tech company, has seen his wealth grow rapidly due to the increasing demand for online education.

INDIAN ECONOMY GREW BY 6.7% IN THE APRIL-JUNE QUARTER, WHICH IS LOWER THAN THE RBI'S ESTIMATE

Current Context: India's economy grew slower than the Reserve Bank of India (RBI) had projected for the April-June quarter. The actual growth rate of 6.7% was slightly below the RBI's estimate.

KEY FACTS

- **Key factors contributing to this slowdown include:**
 - **Government spending:** The government's spending was lower than expected due to the recent Lok Sabha elections.
 - **Manufacturing:** While manufacturing showed some resilience, it wasn't enough to offset the slowdown in other sectors.
 - **Services:** The services sector, which is a significant contributor to India's economy, also saw a slight slowdown.
- Despite this, India's economy remains one of the fastest-growing major economies in the world. The RBI has maintained its full-year growth forecast of 7.2%.

BANKING AWARENESS QUESTION BANK: AUGUST 2024

Ques 1. What is the main advantage of the C2treds platform for MSMEs?

- Access to long-term loans
- Liquidity within 24 hours at competitive interest rates
- Equity financing options

- Grants for new business ventures

Answer (b): C2treds is a platform that offers MSMEs liquidity within 24 hours through an online bidding process.

Ques 2. What is the name of the first dedicated website for passive funds in India, launched by SEBI at the NSE?

- IndiaPassiveFunds.com
- NSEFunds.com
- PassiveIndia.com
- SEBIPassive.com

Answer (a): IndiaPassiveFunds.com is the first dedicated website for passive funds in India, launched by SEBI at the NSE.

Ques 3. Which payment technology powers the contactless payment feature in the Kotak - GOQii Smart Vital Plus smartwatch?

- Visa Tap-to-Pay
- MasterCard PayPass
- RuPay On-The-Go
- NFC PayLink

Answer (c): By RuPay On-The-Go, users can make seamless transactions up to INR 5,000 without needing a PIN.

Ques 4. What is the primary goal of SWIFT's recent AI-driven pilot project in collaboration with Axis Bank?

- To enhance customer service in banking
- To combat payment fraud in cross-border transactions
- To reduce transaction fees for international payments
- To streamline domestic banking operations

Answer (b): The goal of this initiative is to combat payment fraud in cross-border transactions. Several global banks, including BNY Mellon, Deutsche Bank, DNB, HSBC, Intesa Sanpaolo, and Standard Bank, are participating in this effort.

Ques 5. What is the primary purpose of the RBI's draft circular titled "Regulatory Principles for Management of Model Risks in Credit"?

- To introduce new credit models for banks and NBFCs
- To manage and mitigate risks associated with the use of models in credit management
- To enhance the profitability of regulated entities (REs)

- d) To reduce the interest rates for credit products

Answer (b): These circular aims to address the potential risks associated with the use of various models in credit management by regulated entities (REs) such as banks and non-banking financial companies.

Ques 6. According to the updated RBI guidelines, how must all provisions for Non-Performing Assets (NPAs) be recognized?

- a) As a liability in the Balance Sheet
- b) As an expense in the Profit and Loss (P&L) account
- c) As an income in the Profit and Loss (P&L) account
- d) As a capital expenditure

Answer (b): All provisions for Non-Performing Assets (NPAs) must be recognized as an expense in the Profit and Loss (P&L) account in the period they are recognized. This ensures compliance with Accounting Standard (AS) 5.

Ques 7. What is the name of the cybersecurity lab launched by IIT Madras and IDBI Bank?

- a) IITM Cyber Lab
- b) IDBI Secure Lab
- c) IDBI - IITM Secure Systems Lab (I2SSL)
- d) IITM - IDBI Cybersecurity Lab

Answer (c): IIT Madras and IDBI Bank announced their partnership to launch the IDBI - IITM Secure Systems Lab (I2SSL) on August 4, 2024.

Ques 8. What was the reduced Alternate Minimum Tax (AMT) rate for cooperative societies?

- a) 18.5%
- b) 15%
- c) 12%
- d) 10%

Answer (b): The AMT rate for cooperative societies was brought down from 18.5% to 15%, aligning it with the rate applicable to companies.

Ques 9. According to SEBI's latest guidelines, What is the new valuation methodology mandated by SEBI for Additional Tier-1 (AT-1) bonds?

- a) Yield-to-Maturity (YTM)
- b) Yield-to-Call (YTC)
- c) Current Yield
- d) Price-to-Earnings Ratio

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Answer (b): The Securities and Exchange Board of India (SEBI) has directed mutual funds to value Additional Tier-1 (AT-1) bonds based on the "yield-to-call" methodology.

Ques 10. What was the decision regarding the repo rate during the RBI MPC meeting held from August 5-7, 2024?

- a) Increased to 6.75%
- b) Decreased to 6.25%
- c) Unchanged at 6.50%
- d) Increased to 7.00%

Answer (c): The MPC decided to maintain the repo rate at 6.50% for the ninth consecutive time.

Ques 11. What is the minimum investment threshold for the new asset class proposed by SEBI?

- a) 5 lakh
- b) 10 lakh
- c) 15 lakh
- d) 20 lakh

Answer (b): This new asset class is designed to cater to investors with a higher risk appetite and features a minimum investment threshold of ₹10 lakh.

Ques 12. Which two organizations collaborated to launch the UPIsetu platform?

- a) Pine Labs and HDFC Bank
- b) Axis Bank and PhonePe
- c) Pine Labs and Axis Bank
- d) Google Pay and ICICI Bank

Answer (c): On 7th August 2024, Pine Labs and Axis Bank launched UPIsetu, India's first UPI-focused payments platform.

Ques 13. What is the new maximum transaction limit for tax payments through UPI as per the recent RBI update?

- a) Rs 50,000
- b) Rs 5 lakh
- c) Rs 1 lakh
- d) Rs 10 lakh

Answer (b): The Reserve Bank of India (RBI) recently increased the transaction limit for tax payments through the Unified Payments Interface (UPI) from Rs 1 lakh to Rs 5 lakh.

Q14. How often will credit institutions be required to report credit information under the new RBI regulation starting January 2025?

- a) Every 30 days
- b) Every 45 days
- c) Every 7 days
- d) Every 15 days

Answer: d) Starting January 1, 2025, credit information will be reported to Credit Information Companies every 15 days, ensuring that any changes in a borrower's credit status are reflected more quickly in their credit reports.

Q15. What are the two tax options available for property owners under the newly relaxed LTCG tax rules?

- a) 15% tax with indexation and 10% tax without indexation
- b) 18% tax with indexation and 12% tax without indexation
- c) 25% tax with indexation and 15% tax without indexation
- d) 20% tax with indexation and 12.5% tax without indexation

Answer: d) The new rules allow property owners to choose between paying a 20% tax on capital gains with indexation or a 12.5% tax without indexation.

Ques 16. How has the threshold for 'substantial interest' for directorships been changed by the Banking Laws (Amendment) Bill, 2024?

- a) Increased from ₹1 lakh to ₹50 lakh
- b) Increased from ₹2 lakh to ₹1 crore
- c) Increased from ₹5 lakh to ₹2 crore
- d) Decreased from ₹10 lakh to ₹5 lakh

Answer (c): The bill raises the threshold for 'substantial interest' for directorships from ₹5 lakh to ₹2 crore, which affects the eligibility criteria for directorships.

Q17. What is the name of the first fractional ownership platform to receive the SM REIT license from SEBI?

- a) Real Estate Share
- b) Property Share
- c) Fractional Realty
- d) Investment Trust

Answer: b) Property Share is the first fractional ownership platform to receive the Small and Medium Real Estate Investment Trust

Q18. Under the SBI and Jakson Engineers Limited partnership, what is the maximum loan amount SBI will offer to support the deployment of rooftop solar projects?

- a) ₹5 crore
- b) ₹7 crore
- c) ₹10 crore
- d) ₹15 crore

Answer: c) SBI will offer loans up to ₹10 crore to support the deployment of rooftop solar projects under this collaboration. SM REIT) license from SEBI.

Q19. Which two organizations signed a Memorandum of Understanding (MoU) on August 10, 2024, to assist with the launch of Nepal's Munal Satellite?

- a) ISRO and NASA
- b) Ministry of External Affairs (MEA) and NewSpace India Limited (NSIL)
- c) Nepal Government and European Space Agency
- d) BRICS nations

Answer: b) On August 10, 2024, the Ministry of External Affairs (MEA) and NewSpace India Limited (NSIL) signed a Memorandum of Understanding (MoU) in New Delhi to assist with the launch of Nepal's Munal Satellite.

Q20. What is the primary objective of the Model Solar Village component under the PM Surya Ghar: Muft Bijli Yojana?

- a) To provide free electricity to all households in India.
- b) To promote the adoption of solar energy in rural areas.
- c) To create a centralized solar power plant for each district.
- d) To reduce electricity bills for urban consumers.

Answer: b) The scheme aims to create model solar villages to encourage the use of solar energy and empower rural communities.

Q21. What is the new risk weight for standard commercial real estate - residential building exposures for Housing Finance Companies (HFCs)?

- a) 75%

- b) 100%
- c) 50%
- d) No change

Answer: a) The RBI set a 75% risk weight for standard commercial real estate - residential building exposures.

Q22. The MoU between India and the U.S. aims to integrate small businesses into which global transition?

- a) Green energy transition
- b) Digital transformation
- c) Financial sector reform
- d) Space exploration

Answer: a) The MoU aims to integrate small businesses into the green energy transition, supporting inclusive growth for women and other underserved entrepreneurs.

Q23. What is the primary objective of the HIM-UNNATI scheme launched in Himachal Pradesh?

- a) To promote chemical-based farming
- b) To focus solely on horticulture development
- c) To reduce the use of technology in agriculture
- d) To support natural farming and make agriculture economically viable

Answer: d) The HIM-UNNATI scheme focuses on promoting natural farming practices and making agriculture economically viable through cluster-based development and other supportive measures.

Q24. What was the global youth unemployment rate in 2023, according to the International Labour Organization (ILO)'s Global Employment Trends for Youth 2024 report?

- a) 12.8%
- b) 13%
- c) 13.8%
- d) 15%

Answer: b) The report indicates that the global youth unemployment rate dropped to 13% in 2023, marking a 15-year low.

Q25. Which country is the largest source of FPI investment in India as per the SEBI annual report 2023-2024?

- a) United Kingdom
- b) Singapore
- c) United States
- d) Japan

Answer: c) The report clearly states that the US is the largest source of FPI investment in India.

Q26. As per Master Direction - Non-Banking Financial Company – Peer to Peer Lending Platform (Reserve Bank) Directions, 2017, What is the maximum amount a single borrower can borrow across all P2P platforms?

- a) ₹5 lakh
- b) ₹50 lakh
- c) ₹10 lakh
- d) ₹25 lakh

Answer: c) To prevent over-borrowing and manage risk, the RBI has set a limit of ₹10 lakh for a single borrower across all P2P platforms.

Q27. What type of license has Jai Kisan recently secured?

- a) Payment Bank License
- b) Non-Banking Financial Company (NBFC) License
- c) Insurance License
- d) Universal Bank License

Answer: b) Jai Kisan secured an NBFC license, allowing them to offer customized financial products, including loans directly from their portfolio.

Q28. Which international organization is collaborating with the BRICS partners for the Centre for Industrial Competences?

- a) World Bank
- b) International Monetary Fund (IMF)
- c) United Nations Industrial Development Organisation (UNIDO)
- d) World Trade Organization (WTO)

Answer: c) The initiative for the Centre for Industrial Competences is in collaboration with the United Nations Industrial Development Organisation (UNIDO), which focuses on promoting sustainable industrial development.

Q29. As per the latest Government of India's Offshore Areas Mineral Trust Rules, 2024, What is the percentage of royalty payments that holders of production leases must contribute to the Offshore Areas Mineral Trust?

- a) 5%
- b) 7%
- c) 15%
- d) 10%

Answer: d) As per the Offshore Areas Mineral Trust Rules, 2024, holders of production leases are required to contribute 10% of their royalty payments to the Trust. This fund will be used for initiatives such as environmental conservation and community welfare.

Q30. What is the maximum loan amount provided under the Mukhyamantri Yuva Udyami Vikas Abhiyan (MYUVA) Scheme?

- a) Rs 1 lakh
- b) Rs 2 lakh
- c) Rs 3 lakh
- d) Rs 5 lakh

Answer: d) Loans up to Rs 5 lakh will be provided for projects in the industry and service sectors under the MYUVA Scheme.

Q31. Which airport in India became the first to achieve the Net Zero Carbon Emission status on August 14, 2024?

- a) Chhatrapati Shivaji Maharaj International Airport, Mumbai
- b) Kempegowda International Airport, Bengaluru
- c) Indira Gandhi International Airport, Delhi
- d) Rajiv Gandhi International Airport, Hyderabad

Answer: c) Indira Gandhi International Airport (IGIA) in Delhi became the first airport in India to achieve the Net Zero Carbon Emission status on August 14, 2024.

Q32. What change has the Reserve Bank of India (RBI) approved for Tata Capital?

- a) Conversion from a bank to an NBFC
- b) Conversion from a Non-Banking Financial Company-Core Investment Company (NBFC-CIC) to a Non-Banking Financial Company-Investment Credit Company (NBFC-ICC)
- c) Merger with Tata Sons
- d) Conversion into a full-fledged commercial bank

Answer: b) The RBI approved Tata Capital's conversion from a Non-Banking Financial Company-Core Investment Company (NBFC-CIC) to a Non-Banking Financial Company-Investment Credit Company (NBFC-ICC). This indicates a shift in its operational focus.

Q33. Which state has launched the Mukhyamantri Bal Paushtik Aahar Yojana to enhance the nutrition of school children?

- a) Uttarakhand
- b) Himachal Pradesh
- c) Punjab
- d) Haryana

Answer: b) The Mukhyamantri Bal Paushtik Aahar Yojana has been launched by the Himachal Pradesh government to improve the nutritional intake of school children.

Q34. What is the primary objective of the MoU signed between Council of Scientific & Industrial Research (CSIR) and Laghu Udyog Bharati (LUB)?

- a) To promote international trade
- b) To provide financial aid to MSEs
- c) To develop new technologies for large enterprises
- d) To transfer 100 CSIR technologies to identified MSEs within 100 days

Answer (d): The main goal of the MoU is to facilitate the transfer of 100 CSIR technologies to Micro and Small Entrepreneurs (MSEs) under LUB within a specified period of 100 days.

Q35. What is Razorpay's ranking on the Forbes Cloud 100 list for 2024?

- a) 70th
- b) 50th
- c) 90th
- d) 100th

Answer: a) Razorpay is ranked 70th on the 2024 Forbes Cloud 100 list, marking its third consecutive appearance on the list.

Q36. What is the primary goal of the partnership between Udaan, the Ministry of Consumer Affairs, Food and Public Distribution (MOCAF&PD), and SIDBI?

- a) To increase the number of fair price shops across India
- b) To transform Fair Price Shops (FPS) into Jan Poshan Kendras (JPK)
- c) To eliminate Fair Price Shops (FPS) entirely
- d) To provide free food grains to FPS owners

Answer: b) The partnership aims to modernize fair price shops by transforming them into Jan Poshan Kendras to enhance income and improve product variety.

Q37. What is the maximum borrowing limit for Category-I and Category-II Alternative Investment Funds (AIFs) as per the new SEBI guidelines?

- a) 10% of their investable funds
- b) 12% of their investable funds
- c) 15% of their investable funds
- d) 20% of their investable funds

Answer: a) As per SEBI's new guidelines, Category-I and Category-II AIFs can now borrow up to 10% of their investable funds.

Q38. What was the total number of internet subscribers in India as of March 2024, according to TRAI's annual report for FY 2023-24?

- a) 881.25 million
- b) 800 million
- c) 1.02 billion
- d) 954.4 million

Answer: d) The total number of internet subscribers increased by 8.3%, reaching 954.4 million in March 2024 from 881.25 million in March 2023.

Q39. In the first quarter of FY25, by how much did NRI deposits surge according to recent RBI data?

- a) \$2 billion
- b) \$3 billion
- c) \$4 billion
- d) \$5 billion

Answer: c) NRI deposits surged by approximately \$4 billion in the first quarter of FY25, marking a significant 79% increase compared to the same period last year.

Q40. What is the primary objective of the Memorandum of Understanding (MoU) signed between Petronet LNG Limited (PLL) and LTL Holdings Limited (LTL)?

- a) Supply of solar energy equipment
- b) Supply of liquefied natural gas (LNG)
- c) Development of wind energy infrastructure
- d) Exploration of offshore oil reserves

Answer: b) The MoU aims to supply liquefied natural gas (LNG) to LTL's dual-fuel power plants in Colombo, specifically focusing on supporting energy needs through LNG.

Q41. What is the maximum transaction limit set by the RBI under the e-mandate framework for recurring transactions?

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

Answer: c) The RBI has set the maximum permissible limit for a transaction under the e-mandate framework at ₹5,000. This limit applies to recurring transactions where Additional Factor of Authentication (AFA) is not required for each subsequent transaction.

Q42. Which companies are collaborating with C-DAC on Vehicle-to-Grid technologies?

- a) Hykon India Ltd. and Tata Power Electric Mobility
- b) Reliamotive Labs and L&T Semiconductor Technologies
- c) JMV LPS and Aheesa Digital Innovations
- d) Tata Motors and Mahindra Electric

Answer: a) C-DAC is collaborating with Hykon India Ltd. and Tata Power Electric Mobility on the development of Vehicle-to-Grid technologies.

Q43. What does AIICE stand for?

- a) Artificial Intelligence Initiative for Creative Economies
- b) Advanced Institute of Creative Enterprises
- c) All India Institute for Creative Excellence
- d) Alliance for India's Creative Economy

Answer: d) AIICE refers to the Alliance for India's Creative Economy, launched to support and advance the creative economy in India.

Ques44. Under the Unified Pension Scheme (UPS), in the event of a central government employee's death, what percentage of the employee's pension will their spouse receive as a family pension?

- a) 60%
- b) 50%
- c) 55%
- d) 70%

Answer (a): In case of an employee's death, their spouse will receive a family pension amounting to 60% of the employee's pension under the Unified Pension Scheme (UPS).

Q45. How does Unified Lending Interface (ULI) launched by RBI primarily reduce the time taken for credit appraisal?

- a) By automating decision-making with AI
- b) By providing a consent-based flow of digital information
- c) By eliminating credit checks
- d) By integrating blockchain technology

Answer: b) ULI reduces the time taken for credit appraisal by allowing a consent-based flow of digital information, which streamlines the process of accessing customer data, making credit evaluation faster.

Q46. Under the co-lending model between Piramal Finance and Central Bank of India, how is the loan amount managed?

- a) The entire loan is funded by Piramal Finance
- b) The entire loan is funded by Central Bank of India
- c) Both institutions jointly contribute to the loan amount
- d) The loan is funded through external investors

Answer: c) In the co-lending model, both Piramal Finance and Central Bank of India jointly contribute to the loan amount, allowing for a larger pool of funds and better risk management.

Q47. How many people in India depend on fisheries for their livelihood, according to the MoU between the Central Institute of Fisheries Education (ICAR-CIFE) and the Vaikunth Mehta National Institute of Cooperative Management (VAMNICOM)?

- a) 5 million
- b) 8.75 million
- c) 10.2 million
- d) 14.46 million

Answer: d) The MoU aims to benefit the livelihoods of 14.46 million people who depend on the fisheries sector in India.

Q48. Which bank won the award for "Best Small Finance Bank (India)" at the 2nd ICC Emerging Asia Banking Conclave & Awards 2024?

- a) AU Small Finance Bank
- b) Ujjivan Small Finance Bank
- c) Jana Small Finance Bank
- d) Equitas Small Finance Bank

Answer: c) Jana Small Finance Bank was recognized as the "Best Small Finance Bank (India)" at the 2nd ICC Emerging Asia Banking Conclave & Awards 2024.

Q49. What position did Mumbai secure in the Prime Global Cities Index (PGCI) Q2 2024?

- a) 1st
- b) 2nd
- c) 3rd
- d) 4th

Answer: b) Mumbai secured the 2nd position in the PGCI Q2 2024, with a 13% annual increase in prime residential property prices.

Q50. Which Indian life insurance company became the first to start operations in GIFT City on August 28, 2024?

- a) Life Insurance Corporation of India
- b) Bajaj Allianz Life Insurance
- c) IndiaFirst Life Insurance Company Ltd
- d) HDFC Life Insurance Company

Answer: c) The prompt explicitly states that IndiaFirst Life Insurance Company Ltd was the first to establish operations in GIFT City.

Q51. Which organization partnered with the Ministry of Rural Development on August 24, 2024, to optimize Community Investment Funds?

- a) MicroSave Consulting
- b) NABARD
- c) World Bank
- d) United Nations Development Programme (UNDP)

Answer: a) The Ministry of Rural Development signed a MoU with MicroSave Consulting to enhance financial services and support rural communities by optimizing Community Investment Funds (CIF).

Q52. Under the expanded Agriculture Infrastructure Fund (AIF) scheme, which type of processing project is now eligible for financing?

- a) Only primary processing projects
- b) Only secondary processing projects
- c) Integrated primary and secondary processing projects
- d) All processing projects are eligible

Answer: c) Integrated primary and secondary processing projects are now included as eligible activities under Agriculture Infrastructure Fund (AIF). However, standalone

secondary processing projects are not eligible and fall under other schemes.

Q53. Which state outpaced Uttar Pradesh as the leading investment destination for bank-funded projects in FY 2023-24?

- a) Maharashtra
- b) Gujarat
- c) Andhra Pradesh
- d) Tamil Nadu

Answer: b) Gujarat secured funding for 154 projects, making it the leading investment destination, surpassing Uttar Pradesh.

Q54. Which organization has the RBI recognized as a Self-Regulatory Organisation in the FinTech sector?

- a) Fintech Association of India
- b) Fintech Association for Consumer Empowerment (FACE)
- c) Digital Payments Association
- d) Indian Fintech Consortium

Answer: b) The RBI recognized the Fintech Association for Consumer Empowerment (FACE) as a Self-Regulatory Organisation (SRO) in the FinTech sector on 28th August 2024.

Q55. What percentage of women micro-business owners were unaware of UPI-based solutions, as revealed in the "Digital Payments Adoption Among Women Micro-Business Owners in India" report presented at the Global Fintech Fest on August 28, 2024?

- a) 45%
- b) 70%
- c) 62%
- d) 57%

Answer: d) The "Digital Payments Adoption Among Women Micro-Business Owners in India" report revealed that 57% of women micro-business owners were unaware of UPI-based solutions, indicating a significant gap in digital payment awareness among this group.

Q56. What percentage stake will Reliance Industries Limited (RIL) and its affiliates hold in the new entity formed after the merger of RIL's media assets with Walt Disney Co.?

- a) 50%

- b) 36.84%
- c) 63.16%
- d) 75%

Answer: c) RIL and its affiliates will hold a 63.16% stake in the new entity after the merger, while Walt Disney Co. will hold the remaining 36.84%.

Q57. Which city has been named the "billionaire capital of Asia" in the 2024 Hurun India Rich List?

- a) Mumbai
- b) Beijing
- c) Shanghai
- d) Hong Kong

Answer: a) Mumbai has been named the "billionaire capital of Asia" in the 2024 Hurun India Rich List, surpassing Beijing.

Q58. What does the ISO 14001:2015 certification primarily recognize for RailTel Corporation of India Ltd.?

- a) Effective financial management
- b) Commitment to environmental management standards
- c) Excellence in customer service
- d) Advanced technological innovation

Answer: b) The ISO 14001:2015 certification recognizes RailTel's commitment to managing its environmental responsibilities systematically and sustainably.

Q59. What was the actual growth rate of India's economy for the April-June quarter?

- a) 7.2%
- b) 7.8%
- c) 6.7%
- d) 8.2%

Answer (c): The actual growth rate of India's economy for the April-June quarter was 6.7%, which was slightly below the Reserve Bank of India's estimate.

Q60. What is the primary purpose of the "BBPS for Business" initiative introduced by NPCI?

- a) To facilitate payments for government bills
- b) To simplify the process of transferring funds between banks
- c) To promote digital payments among consumers
- d) To enable businesses to collect payments from customers using BBPS

Answer: d) BBPS for Business is specifically designed to provide businesses with a convenient and efficient way to collect payments from their customers