

BANKING & FINANCIAL AWARENESS

GK DIGEST



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**BANK
EXAMS**
Today

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BANKING & FINANCIAL AWARENESS GK DIGEST: JUNE 2024

PHONEPE LAUNCHES SECURED LENDING PLATFORM WITH BANKS, NBFC AND FINTECH FIRMS

Current Context: On Thursday, May 30, 2024, PhonePe, a Walmart-owned fintech firm, launched a secured lending platform in collaboration with banks, non-banking financial companies (NBFCs), and other fintech firms.

KEY POINTS

- The platform, designed to **provide a seamless user experience in the secured loans category, offers its over 535 million registered users access to loans across six major categories:** Mutual Fund Loan, Gold Loan, Bike Loan, Car Loan, Home Loan/Loan against Property, and Education Loan.
- The **loan application process is initiated within the familiar environment of the PhonePe app**, simplifying the process for users.
- **PhonePe has partnered with top lenders** such as Tata Capital, L&T Finance, Hero FinCorp, Muthoot Fincorp, DMI Housing Finance, Home First Finance, rupy, Volt Money, Gradright, and more.

SEBI LAUNCHES USER-FRIENDLY BETA SETTLEMENT CALCULATOR

Current Context: The Securities and Exchange Board of India (SEBI) launched a Beta version of its Settlement Calculator.

KEY HIGHLIGHTS

- The **calculator allows applicants to select fields according to the offences** they have committed.
- It **enables the applicant to select appropriate options based on their** previous regulatory history, SEBI's actions, and the details of any other ongoing procedures as of the filing date of the settlement application.
- A **user-friendly guide video has been included in the settlement calculator** for the ease of understanding the process of arriving at the indicative settlement amount.
- The **beta version of the settlement calculator is available on the SEBI website.**
- This initiative is **aimed at enhancing transparency and making the settlement process more user-friendly.**

ADANI GROUP & ICICI BANK LAUNCH CO-BRANDED CREDIT CARDS WITH AIRPORT LINED BENEFITS

Current Context: The Adani Group and ICICI Bank have indeed launched co-branded credit cards with airport-linked benefits. This strategic partnership aims to enhance customer experience across various businesses.

DETAILS

- The **cards are available in two variants:** Adani One ICICI Bank Signature Credit Card and Adani One ICICI Bank Platinum Credit Card.
- They **offer up to 7% Adani Reward Points on spends across the Adani Group consumer ecosystem like the Adani One app**, Adani-managed airports, Adani CNG pumps, Adani Electricity bills, and Trainman, an online train booking platform.
- The cards come with a **plethora of benefits designed to enhance the cardholders' lifestyle and elevate their airport and travel experience.**
- They **offer airport privileges like premium lounge access, Pranaam Meet & Greet Service, porter, valet and premium car parking.**
- It aims to **provide customers with an enhanced and seamless payment experience** while unlocking a world of exclusive privileges.

NPCI INTERNATIONAL JOINED HANDS WITH THE RESERVE BANK OF PERU TO ENABLE UPI PAYMENTS

Current Context: NPCI International Payments Limited (NIPL) and the Central Reserve Bank of Peru (BCRP) announced a partnership on June 5, 2024.

KEY FACTS

- The **new system will facilitate instant payments between individuals and businesses, reducing reliance** on cash-based transactions.
- The partnership **aims to strengthen Peru's financial infrastructure, promote digital payments, financial inclusion, cost optimization, and transparency.**

SEBI ISSUED GUIDELINES TO RELAX TIMELINES FOR FPIS TO MAKE MATERIAL EVENT DISCLOSURES

Current Context: The Securities and Exchange Board of India (SEBI) issued guidelines to relax timelines for Foreign Portfolio Investors (FPIs) to make material event disclosures on June 5, 2024.

ABOUT

- **Type I:** Critical changes that render the FPI ineligible for registration, require FPI to seek fresh registration, render FPI ineligible to make fresh purchase of securities, among others. Such changes need to be informed within seven working-days of the occurrence of the change and the supporting documents (if any) shall be provided within 30 days of such change.
- **Type II:** Any material changes other than those considered as 'Type I', shall be informed and supporting documents (if any) shall be provided by FPIs as soon as possible and within 30 days of such change.

SEBI INTRODUCED FINANCIAL DISINCENTIVES FRAMEWORK FOR MIIS

Current Context: The Securities and Exchange Board of India (SEBI) introduced a new framework to hold Market Infrastructure Institutions (MIIs) accountable for lapses in detecting suspicious activity in the stock market.

KEY POINTS

- **Goal:** Improve the integrity and safety of the Indian stock market by incentivizing MIIs to be more vigilant.
- **Who it applies to:** Stock exchanges, clearing corporations, and depositories (all considered MIIs).
- **What it penalizes:** Failures to detect abnormal or suspicious trading activities.
- **Penalties:** Financial disincentives (fines) based on MII's annual revenue and the number of offenses within a year. The money goes towards investor protection and education.
- **MII Due Process:** MIIs have a chance to explain themselves before a penalty is imposed.

MAJOR ADVANCEMENTS IN INDIA-UAE DIGITAL PAYMENTS REVEALED AT DUBAI CONCLAVE

Current Context: The Dubai Conclave on June 7, 2024, at the Address Dubai Marina, highlighted significant advancements in India-UAE digital payments.

KEY HIGHLIGHTS

- **Local Currency Settlement (LCS) Framework:** This framework, a key outcome of Prime Minister Narendra Modi's visit to the UAE earlier this year, facilitates direct bilateral settlements in INR and AED, reducing dependency on intermediary currencies and lowering transaction costs.
- **Integration of UPI with UAE's Payment Infrastructure:** This integration marks a significant milestone in the bilateral economic relationship, leveraging the stability of the Indian rupee and advanced digital payment technologies to reduce transaction costs and enhance financial transparency and convenience.
- **RuPay Cards and UPI Payments:** RuPay cards are now accepted via the Mercury payment gateway in the UAE, and UPI payments are possible through Mashreq Bank. The upcoming RuPay Stack, dubbed JAYWAN in the UAE, is set to roll out in July 2024, with further enhancements planned for October 2024.
- **Future Initiatives:** These include integrating UPI with the Aani service for remittances and enabling international acceptance of RuPay cards.
- These developments **aim to create a seamless financial ecosystem that benefits businesses and consumers** alike, fostering deeper economic ties between India and the UAE.

INDIA'S EXIM BANK OPENED ITS EAST AFRICA OFFICE TO BOOST BUSINESS & TRADE

Current Context: The Export-Import Bank of India (India Exim Bank) inaugurated its East Africa Representative Office in Nairobi, Kenya on May 31, 2024.

KEY FACTS

- This move is **aimed at enhancing India's business presence in East Africa and boosting trade and investment** between India, Kenya, and the wider East African region.
- The **India Exim Bank, which plays a crucial role in financing India's international trade and investment**, has supported ventures in 14 African countries under its Overseas Investment Finance Programme.

SEBI MANDATES KRAS TO UPDATE KYC INFORMATION ON CENTRAL KYC RECORDS REGISTRY

Current Context: The Securities and Exchange Board of India (SEBI) has directed KYC Registration Agencies (KRAs) to integrate their systems with the Central KYC Records Registry (CKYCRR) and begin uploading verified KYC information of clients.

DETAILS

- **Effective Date:** The new guidelines will come into effect starting August 1, 2024.
- **Previous Responsibility:** Previously, the responsibility of uploading KYC details onto CKYCRR fell on market intermediaries such as stock brokers and alternative investment funds.
- **New Guidelines:** According to the new guidelines, KRAs will have to upload verified or validated KYC information onto CKYCRR within seven days of receiving it from intermediaries.
- **Existing Records:** KRAs will ensure that existing KYC records of legal entities and of individual clients are uploaded on to CKYCRR within a period of 6 months from August 1.
- **Benefits:** Clients will no longer need to submit KYC documents multiple times to different financial institutions, as their verified records will be available in the centralised CKYCRR system.

RBI'S 2ND BI-MONTHLY MPC MEETING 2024

Current Context: The Reserve Bank of India's (RBI) 2nd Bi-Monthly Monetary Policy Committee (MPC) Meeting 2024.

ABOUT

- **Dates of the Meeting:** The MPC met from June 5 -7, 2024.
- **Repo Rate:** The repo rate under the Liquidity Adjustment Facility (LAF) was kept unchanged at 6.50% for the 8th consecutive time.
- **GDP Growth Forecast:** The real Gross Domestic Product growth forecast was raised from 7% to 7.2% for FY25. The GDP for Q1 is projected at 7.3%, Q2 at 7.2%, Q3 at 7.3% and Q4 at 7.2%.

- **Inflation Forecast:** The Consumer Price Index (CPI) or retail inflation for 2024-25 is projected at 4.5% with Q1 at 4.9%, Q2 at 3.8%, Q3 at 4.6% and Q4 at 4.5%.
- **Policy Rates:** The Fixed Reverse Repo Rate is 3.35%, Standing Deposit Facility (SDF) Rate is 6.25%, Marginal Standing Facility (MSF) Rate is 6.75%, Bank Rate is 6.75%, Cash Reserve Ratio (CRR) is 4.50%, and Statutory Liquidity Ratio (SLR) is 18%.
- **Contingent Reserve Buffer:** The risk provisioning under the contingent reserve buffer (CRB) was increased to 6.5% of the Reserve Bank's balance sheet for 2023-24 from 6.0% in 2022-23.
- **Surplus Transfer:** RBI has decided to transfer Rs.2.11 lakh crore as surplus to the Central Government for the accounting year 2023-24.

RBI RELAXED NORMS FOR OVERSEAS INVESTMENT TIES FOR OFFSHORE FUNDS

Current Context: The Reserve Bank of India (RBI) has indeed relaxed the norms for overseas investment on 9th June 2024.

KEY POINTS

- The **RBI has allowed listed Indian companies and resident individuals to invest in offshore funds** that are regulated through their fund managers.
- These **investments can be in any instrument, regardless of its form, and in funds set up as limited partnerships, LLCs, VCCs, companies, or trusts.**
- Until now, **overseas portfolio investment (OPI) was permitted only if the 'funds' were regulated in their home jurisdiction and the investments were in 'units' of the funds.**
- This will **re-open the doors for LP investment into Singapore's Variable Capital Company (VCC) funds as well as funds set up in Delaware, and allow Indian employees of Indian advisory entities to participate in overseas funds.**
- This move is **expected to provide more flexibility and opportunities for Indian investors and companies in the global market.**

SBI LAUNCHED SME DIGITAL BUSINESS LOANS FOR MSME SECTOR

Current Context: The 'SME Digital Business Loans' initiative launched by the State Bank of India (SBI). The initiative was launched on June 11, 2024.

KEY HIGHLIGHTS

- **Target Sector:** The program is specifically designed for the Micro, Small, and Medium Enterprises (MSME) sector.
- **Loan Sanction Time:** The bank aims to sanction loans within 45 minutes.
- **Data-Driven Credit Assessment:** The credit assessment for these loans will be data-driven, leveraging authentic data sources including Income Tax Returns (ITR), Goods and Services Tax (GST) returns, and bank statements.
- **Automated Decision Making:** The bank has developed a data-driven credit assessment engine capable of providing sanction decisions within a remarkable 10 seconds after submitting the required details, without any human intervention.
- **Focus on MSME Advances:** This initiative is part of SBI's focus on MSME advances, which have been identified as the focal point for the bank's growth and profitability over the next five years.
- **Impact:** This initiative is expected to revolutionize access to credit for MSMEs across the country. It's a significant step towards enhancing the ease of doing business for the MSME sector.

IRDAI MASTER CIRCULAR: POLICY LOAN FACILITY MANDATED IN ALL LIFE INSURANCE SAVINGS PRODUCTS

Current Context: The Insurance Regulatory and Development Authority of India (IRDAI) issued a master circular on 12th June 2024 that introduced some key reforms for life insurance policies in India.

KEY FACTS

- **Mandatory Policy Loan Facility:** This is a big win for policyholders. Now, all life insurance savings products must offer a policy loan facility. This means if you face a financial emergency, you can borrow money against your policy's surrender value instead of surrendering the entire policy.
- **Customer Information Sheet (CIS):** This is a new document that life insurance companies are required to provide. It simplifies policy details by

explaining benefits, terms, and conditions in an easy-to-understand format. Think of it as a one-stop shop for key policy information.

- These reforms are **aimed at making life insurance more transparent, flexible, and beneficial for policyholders.**

IFC TO FINANCE USD 105 MILLION TO BROOKFIELD'S 550 MW SOLAR PROJECT IN BIKANER, RAJASTHAN

Current Context: The International Finance Corporation (IFC), the private sector financing arm of the World Bank Group, has committed USD 105 million to Brookfield's Bikaner Solar Power project in Rajasthan on 18th June 2024.

DETAILS

- This **investment will be channeled through long-term non-convertible debentures specifically** allocated to the project's special purpose vehicles.
- The **solar project, with a capacity of 550 MW, aims to contribute to India's ambitious goal** of increasing its non-fossil fuel capacity to 500 GW by 2030.
- Through this partnership, **the IFC aims to demonstrate the viability of large-scale renewable energy generation** and sale to corporate and industrial clients across India.
- The **project will deliver power through long-term power purchase agreements (PPAs) and will be connected** to the inter-state transmission system, facilitating the integration of renewable energy into the national grid.

INVITATION OF APPLICATIONS FOR RECOGNITION OF SELF-REGULATORY ORGANISATIONS (SROS) FOR NBFCs

Current Context: The Reserve Bank of India (RBI) invited applications for recognition of Self-Regulatory Organizations (SROs) to oversee the non-banking financial companies (NBFCs) sector in March 2024. A maximum of two SROs will be approved.

ABOUT

- The **SRO should have a good mix of NBFC types (NBFC-ICCs, HFCs, and NBFC-Factors).**
- **At least 10% of members should be smaller NBFCs categorized as NBFC-ICC and NBFC-Factor** in the base layer (as per Scale Based Regulatory

Framework). This membership requirement must be met within two years of recognition to avoid getting the recognition revoked.

- The **SRO needs to have a minimum net worth of Rs 2 crore** within one year of getting recognized or before starting operations, whichever is earlier.
- This **minimum net worth needs to be maintained afterwards as well.**

SEBI TIGHTENS NORMS FOR IPO PRICE DISCOVERY TO CURB MANIPULATION

Current Context: The Securities and Exchange Board of India (SEBI), the capital market regulator in India, has implemented stricter rules for determining the opening price of stocks following an initial public offering (IPO).

KEY POINTS

- This aims to **prevent manipulation during the price discovery process.**
- **Increased Scrutiny in the Pre-Open Call Auction:** This is a one-hour session before the stock starts trading where investors place bids. SEBI has tightened surveillance to identify and potentially penalize suspicious activity.
- **Focus on Order Matching:** The first 45 minutes of the pre-open session allows for placing, modifying, or canceling orders. SEBI aims to ensure these orders are genuine reflections of investor interest.
- **Shorter Order Matching Window:** The following 10 minutes are dedicated to matching these buy and sell orders to determine a fair equilibrium price for the stock.
- **Buffer Period:** The remaining five minutes act as a buffer to smoothly transition from the pre-open session to regular trading.

UNDERSTANDING ONDC: INDIA'S OPEN NETWORK FOR DIGITAL COMMERCE

Current Context: The Open Network for Digital Commerce (ONDC) is an initiative by the Indian government to promote open networks for exchanging goods and services over digital or electronic platforms.

KEY HIGHLIGHTS

- ONDC **aims to create an inclusive ecosystem for e-commerce by fostering open interchange and**

connections between shoppers, technology platforms, and retailers.

- It **seeks to break the dominance of global giants like Amazon and Flipkart in India's rapidly growing e-commerce market.**
- **ONDC is not an application or software; rather, it's a set of specifications.**
- It **enables interconnected e-marketplaces where sellers (including brands) can directly list and sell products to customers, bypassing intermediaries.**

UNETHICAL EDGES IN THE MARKET: INSIDER TRADING VS. FRONT RUNNING

Current Context: Both insider trading and front running involve taking unfair advantage in the stock market, but they differ in their source of that advantage:

KEY FACTS

- **Insider Trading:** This is illegal. Here, someone with access to confidential, non-public information about a company (like an upcoming merger) uses that knowledge to buy or sell the company's stock before the information becomes public. This insider gains an unfair edge over other investors.
- **Front Running:** This is also illegal. Here, someone, typically a broker, exploits their knowledge of upcoming large orders to buy or sell a security before the order is executed. This drives the price up (for a large buy order) or down (for a large sell order), allowing the front runner to profit before the price movement affects everyone else.

MAJORITY SEES NEUTRAL INTEREST RATE BETWEEN 1% TO LESS THAN 2%

Current Context: The neutral interest rate is a critical concept in economics and monetary policy. It represents the rate at which the economy operates at full employment and capacity, with stable inflation.

DETAILS

- **Definition:** The neutral rate is the rate at which the economy is neither stimulated nor slowed down. It's not directly observable but estimated based on various analyses and observations.
- **Importance:** Knowing the neutral rate helps central bankers assess whether their monetary policy is

accommodative, neutral, or restrictive. Interest rates are a key tool for adjusting economic activity.

- **Estimates:** Estimates vary, but some widely cited figures put the real (inflation-adjusted) neutral rate around 0.6% in the United States. Looking ahead, the federal funds rate could eventually target a range between 2% and 3%.

RBI PARTNERS WITH APIX TO HOST HARBINGER 2024 HACKATHON: INNOVATION FOR TRANSFORMATION

Current Context: The Reserve Bank of India (RBI) and APIX are partnering to host HaRBInger 2024, a global hackathon focused on driving innovation in the financial sector.

ABOUT

- **Goal:** Develop solutions to enhance security and financial inclusion in the Indian financial ecosystem.
- **Themes:**
 - Combatting Fraud
 - Financial Inclusion for the Differently-abled
- **Challenge Categories:**
 - Real-time fraud detection
 - Ensuring transaction anonymity
 - Identifying mule accounts
- **Empowering visually impaired users in financial transactions**
- **Organizers:** Reserve Bank of India (RBI), APIX (leading global collaborative platform for financial institutions)

SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) HAS AMENDED ITS INSIDER TRADING NORMS

Current Context: SEBI (Securities and Exchange Board of India) recently made changes to its insider trading norms on 23rd June 2024.

KEY POINTS

- **Flexibility for Trading Plans:** The new norms allow insiders to execute trading plans with more flexibility. According to the PIT Regulations (Prohibition of Insider Trading), an insider may trade in a company's securities if the compliance officer approves their trading plan.

- **Mutual Funds Disclosure:** SEBI also amended the rules to include mutual funds. Asset management companies (AMCs) now need to disclose details of holdings in their mutual fund schemes, aggregated by the AMC, trustees, and their immediate relatives on stock exchange platforms.
- These changes **aim to enhance transparency and accountability in the securities market.**

ADB & AHFL SIGNED USD 60 MILLION NCDS DEAL TO OFFER HOUSING LOANS TO LOW-INCOME

Current Context: The Asian Development Bank (ADB) recently signed a \$60 million nonconvertible debentures financing agreement with Aadhar Housing Finance Limited (AHFL). This initiative aims to expand women's access to housing loans in India.

KEY HIGHLIGHTS

- **Purpose:** The financing will help AHFL provide housing loans to women and address the shortage of financing in the low-income and affordable housing segment in India.
- **Deployment:** At least half of the funds will be deployed in the states of Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Odisha, Rajasthan, Uttar Pradesh, and West Bengal.
- **Background:** India faces a significant housing shortage, estimated at 26.3 million homes in urban areas and nearly double that number in rural areas. Formal mortgage lending is limited to those with informal employment and lower-income groups.
- **AHFL's Focus:** AHFL, a housing finance company in India, targets the low-income housing segment with an average loan ticket size of less than 1.5 million Indian rupees (around \$17,976).
- This collaboration **aims to fulfill the aspirations of economically weaker sections of society by creating a stronger network of self-owned, low-income houses.**

BANKING AWARENESS QUESTION BANK: JUNE 2024

Q.1 What is the name of the fintech firm that launched a secured lending platform on May 30, 2024?

- a) PhonePe
- b) Google Pay
- c) Paytm
- d) Amazon Pay
- e) None of these

Answer: a) On Thursday, May 30, 2024, PhonePe, a Walmart-owned fintech firm, launched a secured lending platform in collaboration with banks, non-banking financial companies (NBFCs), and other fintech firms.

Q.2 What is the purpose of the Settlement Calculator launched by SEBI?

- a) To calculate the GDP of India
- b) To guide users to arrive at an indicative settlement amount
- c) To calculate the tax payable by individuals
- d) To calculate the interest rate of banks
- e) None of these

Answer: b) It guides users to arrive at an indicative settlement amount by inputting values to various factors identified under Regulation 10 and Schedule II of the Settlement Regulations, 2018.

Q.3 What are the two variants of the co-branded credit cards launched by Adani Group and ICICI Bank?

- a) Adani One ICICI Bank Gold Credit Card and Adani One ICICI Bank Silver Credit Card
- b) Adani One ICICI Bank Signature Credit Card and Adani One ICICI Bank Platinum Credit Card
- c) Adani One ICICI Bank Classic Credit Card and Adani One ICICI Bank Premier Credit Card
- d) Adani One ICICI Bank Business Credit Card and Adani One ICICI Bank Student Credit Card
- e) None of these

Answer: b) The cards are available in two variants: Adani One ICICI Bank Signature Credit Card and Adani One ICICI Bank Platinum Credit Card.

Q.4 Which country is the first in South America to adopt the UPI technology?

- a) Brazil
- b) Argentina
- c) Chile
- d) Peru
- e) None of these

Answer: d) Peru is the first country in South America to adopt the globally renowned Unified Payment Interface (UPI) technology.

Q.5 What is the time frame for Foreign Portfolio Investors (FPIs) to inform about Type I material changes?

- a) Within 3 working-days of the occurrence of the change
- b) Within working-days of the occurrence of the change
- c) Within 7 working-days of the occurrence of the change
- d) Within 30 working-days of the occurrence of the change
- e) None of these

Answer: c) Critical changes that render the FPI ineligible for registration, require FPI to seek fresh registration, render FPI ineligible to make fresh purchase of securities, among others. Such changes need to be informed within seven working-days of the occurrence of the change and the supporting documents (if any) shall be provided within 30 days of such change.

Q.6 What is the primary goal of SEBI's new framework for Market Infrastructure Institutions (MIIs)?

- a) Increase trading volume
- b) Improve the integrity and safety of the Indian stock market
- c) Reduce transaction fees
- d) Enhance customer service
- e) None of these

Answer: b) Improve the integrity and safety of the Indian stock market by incentivizing MIIs to be more vigilant.

Q.7 Which framework facilitates direct currency settlements between India and the UAE?

- a) UPI integration
- b) RuPay Stack (JAYWAN)
- c) Local Currency Settlement (LCS) Framework
- d) Aani remittance service
- e) None of these

Answer: c) Local Currency Settlement (LCS) Framework facilitates direct bilateral settlements in INR and AED, reducing dependency on intermediary currencies and lowering transaction costs.

Q.8 How much did the merchandise trade between India and East Africa reach in 2022?

- a) US\$10.9 billion
- b) US\$11.9 billion
- c) US\$12.9 billion
- d) US\$13.9 billion
- e) None of these

Answer: c) The merchandise trade between India and East Africa has grown significantly, reaching US\$12.9 billion in 2022, with India's exports to East Africa rising from US\$8.6 billion in 2013 to US\$9.4 billion by 2022.

Q.9 According to the new guidelines, within how many days should KRAs upload verified or validated KYC information onto CKYCRR after receiving it from intermediaries?

- a) Within 3 days
- b) Within 5 days
- c) Within 7 days
- d) Within 10 days
- e) None of these

Answer: c) According to the new guidelines, KRAs will have to upload verified or validated KYC information onto CKYCRR within seven days of receiving it from intermediaries.

Q.10 What was the Repo Rate under the Liquidity Adjustment Facility (LAF) during the meeting?

- a) 6.0%
- b) 6.25%
- c) 6.50%
- d) 6.75%
- e) None of these

Answer: c) Repo Rate: The repo rate under the Liquidity Adjustment Facility (LAF) was kept unchanged at 6.50% for the 8th consecutive time.

Q.12 What types of offshore funds can listed Indian companies and resident individuals invest in after the RBI's new norms?

- a) Only in funds set up as limited partnerships
- b) Only in funds set up as LLCs
- c) In any instrument, regardless of its form, and in funds set up as limited partnerships, LLCs, VCCs, companies, or trusts
- d) Only in funds set up as trusts
- e) None of these

Answer: c) These investments can be in any instrument, regardless of its form, and in funds set up as limited partnerships, LLCs, VCCs, companies, or trusts.

Q.13 When was the 'SME Digital Business Loans' initiative launched by the State Bank of India (SBI)?

- a) June 11, 2023
- b) June 11, 2024
- c) July 11, 2024
- d) May 11, 2024
- e) None of these

Answer: b) The 'SME Digital Business Loans' initiative launched by the State Bank of India (SBI). The initiative was launched on June 11, 2024.

Q.14 What is the new mandatory facility introduced by IRDAI for life insurance savings products as per the master circular issued on 12th June 2024?

- a) Free health check-ups USD 115 million
- b) Policy loan facility
- c) Increased surrender value USD 200 million
- d) Free premium waiver
- e) None of these

Answer: b) Now, all life insurance savings products must offer a policy loan facility.

Q.15 What is the total amount committed by the IFC to Brookfield's Bikaner Solar Power project?

- a) USD 105 million
- b) USD 115 million
- c) USD 150 million
- d) USD 200 million
- e) None of these

Answer: a) The International Finance Corporation (IFC), the private sector financing arm of the World Bank Group, has committed USD 105 million to Brookfield's Bikaner Solar Power project in Rajasthan on 18th June 2024.

Q.16 What is the minimum net worth requirement for a Self-Regulatory Organizations (SRO) to obtain recognition from the RBI?

- a) Rs 1 crore
- b) Rs 2 crore
- c) Rs 5 crore
- d) Rs 10 crore

- e) None of these

Answer: b) The SRO needs to have a minimum net worth of Rs 2 crore within one year of getting recognized or before starting operations, whichever is earlier.

Q.17 As per the new norms of SEBI for IPOs, During the pre-open call auction, investors can place bids for how long before trading begins?

- a) 30 minutes
b) 45 minutes
c) 15 minutes
d) 1 hour
e) None of these

Answer: d) During the pre-open call auction, investors can place bids for one hour before trading begins.

Q.18 What does the acronym ONDC stand for?

- a) Online Network for Digital Commerce
b) Open Network for Digital Commerce
c) Organized Network for Digital Communication
d) Operational Network for Direct Commerce
e) None of these

Answer: b) The Open Network for Digital Commerce (ONDC) is an initiative by the Indian government to promote open networks for exchanging goods and services over digital or electronic platforms.

Q.19 What is insider trading?

- a) Trading based on public news
b) Trading based on confidential, non-public information
c) Trading based on market rumors
d) Trading based on technical analysis
e) None of these

Answer: b) This is illegal. Here, someone with access to confidential, non-public information about a company (like an upcoming merger) uses that knowledge to buy or sell the company's stock before the information becomes public.

Q.20 What does the neutral interest rate represent in economics?

- a) The rate at which banks lend to each other overnight
b) The rate at which the economy operates at full employment and stable inflation

- c) The rate set by central banks to encourage borrowing
d) The rate at which inflation is exactly zero
e) None of these

Answer: b) The neutral interest rate is a critical concept in economics and monetary policy. It represents the rate at which the economy operates at full employment and capacity, with stable inflation.

Q.21 Which organization is partnering with the Reserve Bank of India (RBI) to host HaRBInger 2024?

- a) Google
b) World Bank
c) Microsoft
d) APIX
e) None of these

Answer: d) The Reserve Bank of India (RBI) and APIX are partnering to host HaRBInger 2024, a global hackathon focused on driving innovation in the financial sector.

Q.22 What is the weightage given to districts with a low per capita PSL (less than ₹9,000) for incremental PSL credit?

- a) 40%
b) 90%
c) 125%
d) None of the above

Answer: c) Higher weightage for underserved districts: Districts with a low per capita PSL (less than ₹9,000) get a weightage of 125% for any incremental PSL credit they achieve. This incentivizes banks to lend more in these areas.

Q.23 According to the new SEBI norms, who needs to approve an insider's trading plan?

- a) The Board of Directors
b) The Compliance Officer
c) The CEO of the company
d) The SEBI Chairperson
e) None of these

Answer: b) According to the PIT Regulations (Prohibition of Insider Trading), an insider may trade in a company's securities if the compliance officer approves their trading plan.

Q.24 As per SEBI, What is the minimum premium a company must offer to public shareholders for delisting under the new rules?

- a) 5%
- b) 10%
- c) 12%
- d) 15%
- e) None of these

Answer: d) The minimum premium over the floor price for delisting now stands at 15%.

Q.25 What is the total amount available under the new INR Swap Window established by the RBI for SAARC (South Asian Association for Regional Cooperation) countries?

- a) 100 billion
- b) 250 billion
- c) 270 billion
- d) 300 billion
- e) None of these

Answer: b) The RBI has established a new INR Swap Window with various concessions for swap support in Indian Rupees. The total amount available under this facility is ₹250 billion.

Q.26 What is the primary objective of the \$60 million financing agreement between Asian Development Bank (ADB) and Aadhar Housing Finance Limited (AHFL)?

- a) To expand women's access to education
- b) To provide housing loans to women in India
- c) To enhance infrastructure in urban areas
- d) To support agricultural development
- e) None of these

Answer: b) The financing will help AHFL provide housing loans to women and address the shortage of financing in the low-income and affordable housing segment in India.