BANKING AND FINANCIAL AWARENESS DIGEST
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RBI JOINS NGFS

• The Reserve Bank of India (RBI) has joined the Central Banks and Supervisors Network for Greening the Financial System (NGFS) as a Member.
• The NGFS group shares best practices to develop the environment and climate risk management in the financial sector. It mobilizes finance which will help to support in achieving a sustainable economy.
• It was launched at the Paris One Planet Summit in Dec 2017.

SIDBI LAUNCHED TWO LOAN PRODUCTS FOR MSMEs

• With an aim to grant financial support to MSMEs, the Small Industries Development Bank of India (SIDBI) has launched two new loan products which will promote, finance and develop MSMEs in India.
• Both the schemes are quick to credit delivery schemes that will grant funds to supply oxygen cylinders, oxygen concentrators, oximeters and essential drugs to tackle pandemic situation of COVID-19 in India.
• Both the schemes envisage 100% funding up to an amount of Rs 2 crore to an MSME unit at an interest rate of 4.50 to 6 per cent p.a., within 48 hours after receipt of all the documents and information.

LIC—3RD STRONGEST & 10TH MOST VALUABLE INSURANCE BRAND GLOBALLY

• The Life Insurance Corporation (LIC) has emerged as the 3rd strongest and the 10th most valuable insurance brand globally.
• This was announced by Brand Finance Insurance 100 report for 2021.
• The report was released by Brand Finance, which is the London-based brand valuation consultancy firm.
SBI ALLOCATES RS 71 CRORES TO TACKLE THE SECOND WAVE OF COVID-19

- The State Bank of India has allocated Rs 71 crores to tackle the second wave of the COVID-19 pandemic in India.
- The fund will help the nation to battle the deadly second wave of the COVID-19 pandemic.
- The SBI has allocated Rs 30 crores to used setup healthcare facilities like 1000-bedded makeshift hospitals, 1000-bedded isolation facilities and 250 bed ICU facilities especially in the areas which are severely affected by a coronavirus.

INDIA’S GDP GROWTH AT 10% IN FY22 -- BARCLAYS

- Barclays Securities, which is a UK based global brokerage firm has announced its estimation for India’s GDP growth.
- As per Barclays, India’s GDP growth to be at 10% for FY22.
- Earlier, it had projected growth of 11% for the same.

RBI IMPOSED PENALTY ON ICICI BANK

- The Reserve Bank of India (RBI) has imposed a penalty of Rs 3 crore on the ICICI Bank.
- The penalty is imposed for not following directions in the matter of shifting securities from one category to the other i.e. for violating investment portfolio norms.
- The penalty is imposed under Section 47 A (1) (c) read with sections 46 (4) (i) of the Banking Regulation Act, 1949.

INDIA’S GDP GROWTH AT 9.8% IN FY22—S&P GLOBAL RATINGS

- The S&P Global Ratings has reduced the GDP rating forecast for India for FY22.
- As per S&P Global Ratings, India’s GDP to be at 9.8% for FY22.
- Earlier it had projected GDP to be at 11% for India for the fiscal period of April 2021-March 2021.

MEASURES FOR STAKEHOLDERS TO TACKLE SECOND WAVE OF PANDEMIC-RBI

- The Reserve Bank of India (RBI) has released a set of measures and strategies with an aim to grant support to the stakeholders in the second wave of the pandemic.
- The RBI announced Rs 50,000 crore as an on-tap liquidity window with a maturity of 3 years and at a repo rate till 31st March 2022. This is granted under the priority sector lending facility.
- The banks can lend this amount for the purpose of vaccine manufacturing, COVID-19 related drugs, oxygen supply and ventilators etc.
ENAM PARTNERED WITH KOTAK MAHINDRA BANK

- The Kotak Mahindra Bank was selected as a digital payments partner by the National Agriculture Market (eNAM).
- Under this partnership, the Kotak Mahindra Bank will support with necessary features and safety for online transactions for all stakeholders on the eNAM platform.
- The partnership will prove beneficial to farmers, traders and farmer producer organisations.

AXIS GLOBAL INNOVATION FUND OF FUND

- The Axis Mutual Fund launched ‘Axis Global Innovation Fund of Fund’ which is an open-ended mutual fund scheme.
- The ‘Axis Global Innovation Fund of Fund’ offer Indian investors an opportunity to invest in a globally diversified equity portfolio which will complement their Indian equity allocation.
- The investors will get an opportunity to invest in Schroder International Selection Fund (SISF) Global Disruption.

NABARD GRANTED RS 9162 CR FINANCIAL SUPPORT TO WB IN FY21

- The National Bank for Agriculture and Rural Development (NABARD) granted Rs 9162 crore financial support to West Bengal in FY21.
- The support was to develop agriculture and allied sectors during the Covid-19 pandemic.
- Also, Rs 1659.62 crore of RIDF Loan support was granted by NABARD to conduct 2284 new rural infrastructure development projects in the state.

AN ADVISORY GROUP TO ASSIST RRA 2.0 SETUP BY RBI

- The Reserve Bank of India (RBI) has constituted an advisory group that will assist the second Regulatory Review Authority (RRA 2.0).
- The advisory group will assist the RRA by identifying regulations, guidelines, and returns that can be rationalized.
- The RRA 2.0 is being held by the central bank with an aim to streamline regulations and reduce the compliance burden of regulated entities.

‘EVA’ CHATBOT—HDFC BANK AND CSC

- India’s private sector bank named HDFC Bank collaborated with Common Services Centers (CSCs) to launch a chatbot named ‘Eva’.
- The ‘Eva’ chatbot was launched on CSC’s Digital Seva Portal.
- The chatbot will support Village Level Entrepreneurs (VLEs) by providing them banking services.
FEDERAL BANK COLLABORATED WITH UAE’S MASHREQ BANK

- The Federal Bank has entered into a partnership with Mashreq Bank, which is one of the leading financial institutions in the UAE.
- They have collaborated to facilitate money transfers from the UAE to India.
- Under this partnership, both the entities will cooperate to support Mashreq’s faster payment product named Quick Remit, which was launched in 2017.

GEOJIT COLLABORATED WITH PNB

- The Geojit Financial Services has collaborated with Punjab National Bank (PNB).
- They have collaborated to provide a three-in-one account facility to the customers of PNB.
- The three of these accounts are namely saving account, Demat account, and trading account.
- Due to this collaboration, the customers who are availing saving account with PNB can also opt for PNB Demat account and Geojit trading account.

‘I CHOOSE MY NUMBER’ FEATURE BY JANA SFB

- The Jana Small Finance Bank has introduced a new feature named ‘I choose my number’ for its customers.
- This feature will allow the bank’s existing and new customers to select their favourite numbers as their savings or current account number.
- The bank will allow customers to choose their favourite numbers as the last 10 digits of their bank account, savings or current.

INDIA’S GDP TO BE AT 9.3% FOR FY22—MOODY’S INVESTORS SERVICE

- The Moody’s Investors Service has reduced India’s GDP forecast for FY22.
- As per Moody’s, India’s GDP to be at 9.3% for FY22.
- Earlier it had projected 13.7% of GDP for India for the same fiscal year.
- The degradation in the GDP forecast is due to the second wave of COVID-19 which has hit the nation on a large scale and which has led to the shut down of many economical activities in the country.

INDIA’S GDP TO GROW AT 10.1% IN 2022- UN

- The United Nations (UN) has released its mid-year report of World Economic Situation and Prospects (WESP).
- In this report, the UN has projected that India’s economy will grow at 10.1% for 2022, which will thus become the fastest growing economy in the world.
- Also for 2021, the UN has projected that India’s GDP growth forecast to be at 7.5%, which is a 0.2% increase from its earlier projection following a contraction of 6.8% in 2020.
RBI GRANTS PPI AUTHORIZATION TO EROUTE TECHNOLOGIES

- The Reserve Bank of India (RBI) has granted authorization to Eroute Technologies.
- The authorization is given in regards to operating as a prepaid payment instruments (PPI) company.
- The authorization was granted with perpetual validity to commence issuance and operations of semi-closed pre-paid instruments in India.
- What is PPI?: These are the instruments that allow the purchase of goods and services, including financial services, remittances, and funds transfers, against the value stored in such instruments.

INDIA’S GDP TO GROW AT 10% IN FY22- HDFC BANK

- The HDFC bank has reduced the growth rate projections for India for FY22.
- As per HDFC Bank, India’s GDP growth to be at 10% for FY22.
- Earlier it had projected the growth of 11.5% for the same.
- The reduction in the growth rate was made due to the outbreak of the second wave of COVID-19 in the country which has led to the stop of economical and business activities in the country amidst the situation of lockdown.

DIGIGOLD-- BY AIRTEL PAYMENTS BANK

- The Airtel Payments Bank launched a digital platform named DigiGold.
- The platform Digigold was launched to allow its customers to perform investments in gold.
- To launch this platform, Airtel Payments Bank has collaborated with SafeGold which is a provider of digital gold.
- Through DigiGold, people will be able to perform investment in 24K gold by using the Airtel Thanks app.

NABARD GRANTED RS 1236 CRORE TO ASSAM

- The National Bank for Agriculture and Rural Development (NABARD) has granted Rs 1,236 crores to Assam for FY2020-21.
- The amount was granted from NABARD’s Rural Infrastructure Development Fund (RIDF).
- The funds will be used for the rural connectivity projects in Assam.
- The improvement in the rural connectivity will lead to improving sustainable agricultural practices and will also double the farmer’s income.

LICENSE OF UNITED CO-OPERATIVE BANK LTD CANCELLED

- The Reserve Bank of India (RBI) has announced that it has canceled the license of the United Co-operative Bank Ltd, Bagnan in West Bengal.
The license was cancelled as the bank is inadequate of the fund and earning prospects. So it was not able to pay its present depositors in full. Also, the United Co-operative Bank Ltd was not in compliance with the provisions of section 11(1) and section 22(3) (d) read with section 56 of the Banking Regulation Act, 1949.

ADB INFORMED OF COMMITTING A RECORD USD 3.92 BILLION LOAN TO INDIA

The Asian Development Bank announced that it has committed a record USD 3.92 billion loan to India. The loan amount of USD 3.92 billion was sanctioned for a total of 13 projects in India. The loan amount also includes the USD 1.8 billion for COVID-19 related projects. The ADB has granted its financial support to India during an emergency state of the pandemic in 2020.

EXIDE LIFE GUARANTEED WEALTH PLUS

The Exide Life Insurance Company Limited launched the Exide Life Guaranteed Wealth Plus insurance plan. This comprehensive life insurance plan offers best-in-class guaranteed returns to its customers. The insurance plan will fulfill all their financial needs at various stages of life. The Exide Life Guaranteed Wealth Plus insurance plan not only caters to the diverse financial needs of customers but also offers them a lucrative option to build wealth. It offers continuous life cover throughout the income payout period with up to 350% guaranteed returns.

SEBI PROPOSED FRAMEWORK FOR GOLD EXCHANGE

The Market Regulator, Securities and Exchange Board of India (SEBI) has proposed a framework to set up a gold exchange in which the yellow metal will be in the form of electronic gold receipts. This move will allow having a transparent domestic spot price discovery mechanism. The gold exchange instrument is the ‘Electronic Gold Receipts (EGR)’, which is intended to ‘one nation one price’ for gold. The SEBI has released draft norms for vault managers and they will be registered as a SEBI intermediary.

EGI LAUNCHED IPOS (INTEGRATED PARTNER ON-BOARDING SOLUTION)

The Edelweiss General Insurance (EGI), which is an InsurTech start-up has launched IPOS (Integrated Partner Onboarding Solution). The IPOS is an industry-first digital end to end partner onboarding solution. It was launched to offer to digitise support to partner’s journey in an efficient manner.
The digital solution will be available for existing and prospective partners like agents, brokers and web aggregators. The platform grants privacy and data security.

The IPOS is a fully automated onboarding solution with the features like easy visualisation capabilities, built-in learning system so that the partners can avail of practice tests.

**PAYPOINT INDIA PARTNERED WITH DIGIT GENERAL INSURANCE**

- PayPoint India has partnered with Digit General Insurance.
- They have partnered to grant health insurance to customers in underserved and rural areas.
- This partnership will help customers to secure themselves from any major financial losses due to the surging COVID-19.
- The insurance policy covers Coronavirus hospitalization treatment upto Rs 2 lakh with a premium of Rs 799.

**RBI MANDATED PPIS INTEROPERABILITY BY MARCH 2022**

- The Reserve Bank of India (RBI) has mandated pre-paid instrument (PPIs) operators to enable full interoperability to PPI cards and PPI e-wallets for those customers who have fulfilled the KYC norms.
- The Payment companies associated with PPIs are mandated to enable PPI interoperability by March 2022 by RBI.
- Also, the limit for full-KYC PPI accounts will be from Rs 1 lakh to Rs 2 lakh. Therefore, due to this, the user of a PPI card or PPI e-wallet can double the amount they store on the pre-loaded payment instrument.

**SBI PARTNERED WITH HYPERVERGE**

- The State Bank of India (SBI) partnered with HyperVerge with an aim to obtain its technology named ‘Video KYC Solution’.
- This technology will allow the bank to onboard its customers online under COVID-19.
- The technology will help SBI to get ten times more improvement over its regular video KYC processes.
- The ‘Video KYC Solution’ of HyperVerge is managed with a higher accuracy level of 99.5%. This high rate of accuracy will provide convenience in digital banking services to the customers of SBI.

**RBI TO TRANSFER RS 99,122 CR. SURPLUS TO THE CENTRAL GOV. FOR FY21**

- The Reserve Bank of India (RBI) to transfer a surplus of Rs99,122 crore to the central government.
- The decision for the same was taken in the 589th meeting of the Central Board of Directors of RBI.
- The funds are for the accounting period of nine months which ended on 31st March 2021 i.e. for July 2020 to March 2021.
MONETARY PENALTY ON CITY UNION, TAMILNAD MERCANTILE BANK & OTHER TWO LENDERS

- The Reserve Bank of India (RBI) has imposed monetary penalty on City Union Bank, Tamilnad Mercantile Bank, Nutan Nagarik Sahakari Bank and Daimler Financial Services India Private Limited.
- The penalty of Rs 1 crore was imposed on City Union Bank Limited, as the bank's non-compliance with certain provisions framed by the RBI under ‘Lending to Micro, Small & Medium Enterprises (MSME) Sector) Directions, 2017 and the circulars on Educational Loan Scheme and Credit Flow to Agriculture – Agricultural Loans – Waiver of Margin/Security Requirements’
- Also the penalty of Rs 1 crore as imposed on Tamilnad Mercantile Bank for non-compliance with directions and norms issued by it on Cyber Security Framework in Banks.
- The penalty of Rs 90 lakh was imposed on Ahmedabad based, Nutan Nagarik Sahakari Bank, for non-compliance with directions Interest Rate on Deposits, KYC norms and Circular on Frauds Monitoring and Reporting Mechanism.

ABSLI VISION LIFEINCOME PLUS PLAN

- The Aditya Birla Sun Life Insurance (ABSLI) which is the life insurance subsidiary of Aditya Birla Capital Limited (ABCL) launched the new ABSLI Vision Life Income Plus Plan.
- The policy plan offers various plan options which can be tailor-made to suit customers’ unique financial needs at different life stages.
- The ABSLI Vision LifeIncome Plus Plan grants 3 benefit choice options namely short-term income, long-term income and whole life income.

AMALGAMATION OF DISTRICT CENTRAL CO-OP BANKS WITH STATE ONES

- The Reserve Bank of India released guidelines for the amalgamation of District Central Co-operative Banks (DCCBs) with State Cooperative Banks (StCBs).
- The guidelines were framed because some of the state governments approached RBI to perform an amalgamation of DCCBs with StCBs as a two-tier short-term Co-operative Credit Structure.
- Also, the Banking Regulation (Amendment) Act, 2020 has been notified for the StCBs and DCCBs with effect from April 1, 2021. And the amalgamation of DCCBs with StCBs is to be sanctioned by RBI.

INDIA’S GDP GROWTH TO BE AT 7.7% FOR FY22-- BARCLAYS

- Barclay’s has predicted that India’s GDP to be at 7.7% for the fiscal year 2021-22 (FY22).
- As per Barclays, the economic cost could rise by at least a further $42.6 billion by considering that lockdown restrictions get imposed due to the third wave of COVID-19 in the country.
- Also, economic losses will remain steady at $8 billion a week through the month of May but expect them to ease from June.
ICICI BANK LINKED UPI ID TO ITS ‘POCKETS’ DIGI-WALLET

- ICICI Bank announced the linking of a UPI (Unified Payments Interface) ID to its digital wallet ‘Pockets’.
- For this purpose, ICICI Bank collaborated with the National Payments Corporation of India (NPCI).
- By doing so, ICICI Bank has become 1st one to link e-wallet with the UPI network.
- Now, the customers of ICICI Bank can perform UPI transactions from their e-wallet balance instead of saving account.

RBI ANNUAL REPORT 2021

- The Reserve Bank of India (RBI) has released its Annual Report for 2020-21.
- The report describes that balance sheet of RBI has increased by 6.99% / Rs 3,72,876.43 crore i.e. from Rs 53,34,792.70 crore on 30th June 2020 to Rs 57,07,669.13 crore on 31st March 2021.
- The gain of RBI from foreign exchange transactions has raised by 69%.
- The report describes that the Provision Coverage Ratio (PCR) of banks has improved. In March 2020 it was 66.6% which raised to 75.5% in Dec 2020.
- The Capital to Risk-weighted Assets Ratio (CRAR) of banks increased to 15.9% by December 2020 and in March it was 14.8%.

CANARA BANK LAUNCHED HEALTHCARE CREDIT, BUSINESS, & PERSONAL LOANS

- The Canara Bank has rolled out three loan schemes to grant relief to its customers amid the coronavirus pandemic.
- The bank has launched healthcare credit, business, and personal loan schemes to its customers.
- The name of the loan schemes are: (a) Canara Suraksha personal loan scheme (b) Canara Chikitsa healthcare credit facility (c) Canara Jeevanrekha healthcare business loan
  a) Canara Suraksha personal loan scheme: Under this, the bank will grant loans from Rs 25,000 to Rs 5 lakh as immediate financial assistance to its customers for the Covid-19 treatment during admission or post-discharge. A moratorium of 6 years will be offered and the scheme is valid till 30th Sept 2021.
  b) Canara Chikitsa healthcare credit facility: Under this, the bank will grant loans from Rs 10 lakhs to Rs 50 crore to the hospitals, nursing homes, medical practitioners, diagnostic centres, pathology labs, and all other units engaged in providing healthcare infrastructure and which are particularly registered under Canara Bank. The loan will have a tenure of 10 years with a moratorium of up to 18 months. The scheme will be valid till 31st March 2022.
  c) Canara Jeevanrekha healthcare business loan: Under this, the bank will grant loans upto Rs 2 crore to manufacture and supply healthcare products to registered hospitals and nursing homes or other manufacturers and supplier. The scheme will be valid till 31st March 2022. For MSME, there will be no collateral security, which the lender will cover under Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), and the bank will bear the guarantee premium. For the non-MSMEs, the collateral security will be minimum of 25%.